



**METRO COUNCIL WORK SESSION
MEETING SUMMARY**
April 30, 2013
Metro Council Chamber

Councilors Present: Council President Tom Hughes, Councilors Shirley Craddick, Kathryn Harrington, Craig Dirksen, Carlotta Collette, Bob Stacey, and Sam Chase

Councilors Excused: none

Council President Tom Hughes called the Metro Council work session to order at 2:01 p.m.

1. CHIEF OPERATING OFFICER COMMUNICATIONS

Chief Operating Officer Ms. Martha Bennett updated the Council on the following item:

- There will be a Councilor Retreat tomorrow, May 1, at the Oregon Convention Center in room VIP B.

COO Bennett then invited Ms. Alison Kean Campbell, Metro Attorney, to explain the section of Metro's charter pertaining to the density prohibition election. This part of the charter prohibits proposals for increased density in inner single-family neighborhoods. Ms. Campbell explained that this prohibition sunsets in 2014 and a revote must be held to reaffirm it.

Council Discussion Included:

- Councilors discussed the possibility of adding a companion amendment.
- Councilors inquired about the impact Climate Smart Communities would have on the revote process.

2. FY 2013-14 BUDGET

Mr. Tim Collier and Ms. Kathy Rutkowski, both of Metro, provided the Council with information on the 2013-2014 budget. The purpose of the presentation was to allow councilors the opportunity to discuss the proposed budget and provide feedback to staff. Following their presentation, the Council discussed Councilor Harrington's proposed budget note and amendments.

Ms. Rutkowski overviewed the budget approval schedule and flagged major dates. She noted that the budget must be adopted by June 30. For clarification, Ms. Rutkowski explained that amendments may be voted on at the May 2 Council meeting, but changes will be made throughout the following month. Amendments will be accepted until May 28 at 10 a.m.

Ms. Rutkowski then outlined the limitations on the budget after it has been adopted. She explained that tax levies may be decreased but cannot be increased, and that funds may be removed but cannot be added. The limitation on expenses is 10% of any fund's value of expenditures. As a point

of clarification, Ms. Rutkowski explained that additional revenue can be recognized from sources like the excise tax, but those additional funds cannot be spent. She also noted that after the adoption of the budget, money can be moved between departments and funds. Additionally, after adoption the unappropriated balance cannot be used unless there is a governor-declared emergency.

The charter limitation on expenses is currently \$20.5 million. This limitation applies to any special purpose or niche taxes, which include the Metro excise tax and construction excise tax.

Council Discussion Included:

- Councilors inquired about Metro's upcoming issuance and expenditure of construction excise tax (CET) funds. Ms. Alison Kean Campbell clarified that funds are issued to projects in phases over time, not in lump sums, so funds will be issued slowly over time. COO Bennett and Ms. Kean Campbell also noted that because there was a suspension on CET grant spending in some jurisdictions during litigation, there is currently a backlog.
- The Council inquired about the decreasing gap between CET expenditures and the expenditure limit. Councilors noted that the diminishing gap will need to be monitored carefully in the future.
- Councilors discussed the possibility of retaining surplus excise tax revenue and carrying those funds over into the next year. Ms. Rutkowski explained that the revenue would not change designation, so carrying over revenue would be gainless.
- Councilors expressed relief that the budget amendment deadline is not prior to the Natural Areas Levy vote.
- COO Bennett noted that there will be future work sessions to discuss the content of the Active Transportation Plan and budget amendments.
- Councilor Harrington noted that she will be absent from June 1- June 12, and so will miss some budget discussion.

The first budget proposal discussed regarded the second generation Regional Equity Atlas. The proposed amendment asks that the resources be made available in the budget to utilize a contractor and printing materials in order to make the Equity Atlas tool available in a non-electronic format. Councilor Harrington explained that the online tool is near completion, and noted that the tool will provide information and understanding to staff that utilize it for project and policy work. She expressed concern, however, that elected officials will not utilize an online tool. Councilor Harrington noted that there may be other tools available that could serve the same purpose, but she is not aware of any currently. Her primary objective is to have the best

information available to inform upcoming discussion and decisions; this may or may not involve use of the equity atlas.

The second budget proposal discussed regarded the Active Transportation Plan (ATP). Councilor Harrington noted that the project is still in development and the final recommendations will not come to the Council until June. She proposed that funds be set aside for further work and implementation, pending the presentation of the recommendations. If the Council chooses to not approve the plan, the allocated funds will return to their originating sources. Due to the long list of unimplemented Regional Transportation Projects (RTP), Councilor Harrington expressed concern that without assigned funding, ATP projects will not receive priority.

The budget note discussed involved funding for the Community Investment Initiative (CII). Councilor Harrington explained that the CII recommendations will not be presented to the Council until after the budget has been approved and adopted. Due to this timing discrepancy and the expiration of Metro's three year commitment to CII, Councilor Harrington proposed that a note be added to the budget which stipulates that expenditures from the adopted budget beyond September 30, 2013 will be contingent on the Council's approval of the CII recommendations and expenditures for the remainder of the fiscal year.

Council Discussion Included:

- The Council discussed whether or not an amendment for the equity atlas is needed. Councilors noted that due to the possibility that other tools may serve the same function as the equity atlas, an amendment might be unnecessary. Councilors did, however, express appreciation for the flexibility of the proposed amendment.
- The Council discussed potential overlap with the Equity Steering Committee's objectives. Councilors noted that both the Council and the Equity Steering Committee will utilize the atlas.
- Councilors discussed the need for illustrative materials to aid in their upcoming discussions, including the Urban Grown Report/Urban Growth Boundary discussion. Some councilors expressed concern that the budget would not provide the means for the necessary tools and materials.
- Councilors noted the need for discussion materials that can be shared with constituents and local leaders.
- The Council discussed concern that the ATP projects will be shelved without adequate funding or staff support.
- Councilors discussed the possibility of partnering with local jurisdictions to develop ATP projects that move into the pipeline.

- Councilors discussed the possible changes to the budget if the levy is voted down.
- Some councilors expressed concern that the CII budget note might give the impression that the Council is ungrateful for the CII Leadership Council's work. Other councilors explained that the note is not punitive, but creates accountability for what has and has not been accomplished up to this point.
- Councilors noted that due to the complexity of partnering business interests with government, the process must be slow and proposals brought forward must be refined.
- Councilors discussed the possibility of creating check points and benchmarks for CII proposals.
- Councilors expressed interest in CII finding other funding partners if it is to become a permanent entity.
- COO Bennett explained that due to a lack of Councilor consensus, she cannot present a revised budget note.

3. COUNCIL BRIEFINGS/COMMUNICATION

Councilor Shirley Craddick provided an update on the East Portland Transportation Town Hall. She noted that safety was a common theme in citizen comments. Councilor Craddick also pointed out that the Intertwine Alliance Spring Summit was held last Friday.

Councilor Craig Dirksen noted that Tigard City Council will be holding a town hall meeting tonight to discuss the Southwest Corridor. He also noted that on Saturday night Council President Hughes, Councilor Collette, and he will be featured on the Ed Foreman show.

4. ADJUORN

Seeing no further business, Council President Tom Hughes adjourned the Council work session at 4:42 p.m.

Prepared by,



Camille Tisler

| Council Office Policy Assistant

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF April 30, 2013

ITEM	DOCUMENT TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT No.
1.0	Handout	4/18/2013	FY 2013-14 Council Budget Review	43013cw-01
2.0	Handout		Metro Charter Excerpt	43013cw-02
3.0	Handout	4/29/2013	Councilor Harrington Questions on Proposed Budget	43013cw-03
4.0	Handout	4/25/2013	Councilor Harrington CII Budget Note	43013cw-04
5.0	Handout	4/25/2013	Councilor Harrington Equity Atlas Budget Proposal	43013cw-05
6.0	Handout	4/25/2013	Councilor Harrington Active Transportation Budget Proposal	43013cw-06
7.0	Handout	4/29/2013	Councilor Stacey Budget Email	43013cw-07