

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE FY)	ORDINANCE NO. 04-1064
2004-05 BUDGET AND APPROPRIATIONS)	
SCHEDULE RECOGNIZING THE TRANSFER)	Introduced by Mike Jordan, Chief Operating
OF \$504,000 FROM METRO'S GENERAL FUND)	Officer, with the concurrence of the Council
TOURISM OPPORTUNITY &)	President
COMPETITIVENESS ACCOUNT TO THE MERC)	
POOLED CAPITAL FUND CAPITAL OUTLAY)	
AND TRANSFERRING \$150,000 FROM MERC)	
POOLED CAPITAL CONTINGENCY TO MERC)	
POOLED CAPITAL FUND, CAPITAL OUTLAY;)	
AND DECLARING AN EMERGENCY)	

WHEREAS, the Metro Council has reviewed and considered the need to transfer appropriations within the FY 2004-05 Budget; and

WHEREAS, Oregon Budget Law ORS 294.326(3) allows for the expenditure in the year of receipt of funds transferred from its General Fund; and

WHEREAS, Oregon Budget Law ORS 294.450 provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction; and

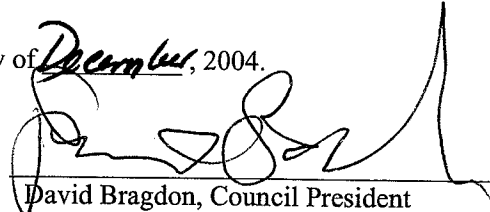
WHEREAS, the need for the transfer of appropriation has been justified; and

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

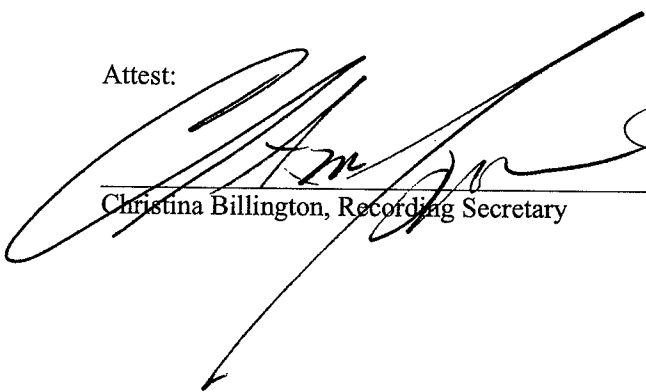
THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 2004-05 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring \$504,000 from the Metro's General Fund Tourism Opportunity & Competitiveness Account and transferring \$150,000 from MERC Pooled Capital Contingency to MERC Pooled Capital Fund, Capital Outlay.
2. This Ordinance being necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

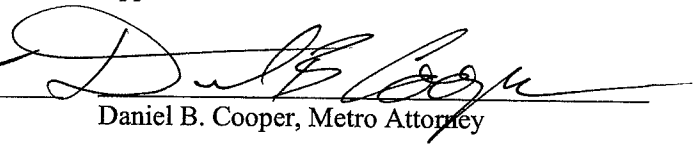
ADOPTED by the Metro Council this 9th day of December, 2004.


David Bragdon, Council President

Attest:


Christina Billington, Recording Secretary

Approved as to Form:


Daniel B. Cooper, Metro Attorney



**Exhibit A
Ordinance No 04-1064**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
General Fund							
Total Personal Services		23.00	\$1,796,906	0.00	\$0	23.00	\$1,796,906
Total Materials & Services			\$569,286		\$0		\$569,286
<u>Interfund Transfers</u>							
<i>INDTEX Interfund Reimbursements</i>							
5800	Transfer for Indirect Costs						
	* to Building Management Fund		337,777		0		337,777
	* to Support Services Fund		680,958		0		680,958
	* to Risk Mgmt Fund-Liability		5,660		0		5,660
	* to Risk Mgmt Fund-Worker Comp		7,550		0		7,550
<i>EQTCH Fund Equity Transfers</i>							
5810	Transfer of Resources						
	* to Planning Fund (general allocation)		4,066,611		0		4,066,611
	* to Planning Fund (project allocation)		75,234		0		75,234
	* to Reg. Parks Fund (general allocation)		476,847		0		476,847
	* to Reg. Parks Fund (earned on SW revenues)		730,198		0		730,198
	* to Reg. Parks Fund (\$1 per ton on SW)		1,235,149		0		1,235,149
	* to Reg. Parks Fund (\$1.50 per ton on SW)		1,512,917		0		1,512,917
	* to Reg. Parks Fund (landbanking)		231,008		0		231,008
	* to MERC Pooled Capital Fund		0		504,000		504,000
	* to MERC Operating Fund (OCC - VDI Compliance)		182,129		0		182,129
Total Interfund Transfers			\$9,542,038		\$504,000		\$10,046,038
<u>Contingency and Ending Balance</u>							
<i>CONT Contingency</i>							
5999	Contingency						
	* General Contingency		563,000		0		563,000
	* Prior Year PERS Reserve		58,550		0		58,550
	* Current Year PERS Reserve		86,758		0		86,758
	* Tourism Opportunity & Competitiveness Fund		504,307		(504,000)		307
<i>UNAPP Unappropriated Fund Balance</i>							
5990	Unappropriated Fund Balance						
	* Ending balance		902,361		0		902,361
	* Recovery Rate stabilization reserve		412,042		0		412,042
Total Contingency and Ending Balance			\$2,527,018		(\$504,000)		\$2,023,018
TOTAL REQUIREMENTS		23.00	\$14,435,248	0.00	\$0	23.00	\$14,435,248

Note: This Ordinance does not reflect Ordinance No. 04-1066 that transfers \$63,208 to the Zoo Operating Fund

**Exhibit A
Ordinance No 04-1064**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
Merc Pooled Capital							
<u>Resources</u>							
<i>BEGBA Beginning Fund Balance</i>							
	* Prior year ending balance		4,698,164		0		4,698,164
	* Prior year PERS reserve		16,458		0		16,458
<i>GVCN1 Contributions from Governments</i>							
4145	Government Contributions		321,484		0		321,484
<i>INTRS1 Interest Earnings</i>							
4700	Interest on Investments		67,779		0		67,779
<i>DONA1 Contributions from Private Sources</i>							
4750	Donations and Bequests		627,775		0		627,775
4760	Sponsorship		88,000		0		88,000
<i>EQTRE Fund Equity Transfers</i>							
4970	Transfer of Resources						
	* from Convention Center Capital Fund		385,000		0		385,000
	* from MERC Operating - OCC		178,750		0		178,750
	* from General Fund		0		504,000		504,000
	* from MERC Operating - Expo Center		117,356		0		117,356
TOTAL RESOURCES			\$6,500,766		\$504,000		\$7,004,766
Total Personal Services		4.95	\$406,287	0.00	\$0	4.95	\$406,287
Total Materials and Services			\$10,000		\$0		\$10,000
<u>Capital Outlay</u>							
<i>CAPNC Capital Outlay (Non-CIP Projects)</i>							
5710	Improve-Oth thn Bldg (non-CIP)		40,000		0		40,000
5720	Buildings & Related (non-CIP)		305,600		0		305,600
5740	Equipment & Vehicles (non-CIP)		10,000		0		10,000
<i>CAPCI Capital Outlay (CIP Projects)</i>							
5715	Improve-Oth thn Bldg (CIP)		800,000		0		800,000
5725	Buildings & Related (CIP)		1,720,000		654,000		2,374,000
5745	Equipment & Vehicles (CIP)		266,750		0		266,750
Total Capital Outlay			\$3,142,350		\$654,000		\$3,796,350
Total Interfund Transfers			\$354,000		\$0		\$354,000
<u>Contingency and Ending Balance</u>							
<i>CONT Contingency</i>							
5999	Contingency						
	* General Contingency		500,000		(150,000)		350,000
	* Prior Year PERS Reserve		16,458		0		16,458
	* Current Year PERS Reserve		21,123		0		21,123
<i>UNAPF Unappropriated Fund Balance</i>							
5990	Unappropriated Fund Balance						
	* Ending Balance		2,050,548		0		2,050,548
Total Contingency and Ending Balance			\$2,588,129		#####		\$2,438,129
TOTAL REQUIREMENTS		4.95	\$6,500,766	0.00	\$504,000	4.95	\$7,004,766

Note: This Ordinance does not reflect Ordinance No. 04-1065 that transfers \$63,208 to the Zoo Operating Fund

Exhibit B
Ordinance No. 04-1064
FY 2004-05 SCHEDULE OF APPROPRIATIONS

	<u>Current Appropriation</u>	<u>Revision</u>	<u>Amended Appropriation</u>
GENERAL FUND			
Council Office/Public Affairs			
Operating Expenses (PS & M&S)	\$2,101,192	\$0	\$2,101,192
Subtotal	2,101,192	0	2,101,192
Special Appropriations			
Operating Expenses (PS & M&S)	265,000	0	265,000
Subtotal	265,000	0	265,000
General Expenses			
Interfund Transfers	9,542,038	504,000	10,046,038
Contingency	1,212,615	(504,000)	708,615
Subtotal	10,754,653	0	10,754,653
Unappropriated Balance	1,314,403	0	1,314,403
Total Fund Requirements	\$14,435,248	\$0	\$14,435,248
MERC POOLED CAPITAL FUND			
Operating Expenses (PS & M&S)	\$416,287	\$0	\$416,287
Capital Outlay	3,142,350	654,000	3,796,350
Interfund Transfers	354,000	0	354,000
Contingency	537,581	(150,000)	387,581
Unappropriated Balance	2,050,548	0	2,050,548
Total Fund Requirements	\$6,500,766	\$504,000	\$7,004,766

Note: This Ordinance does not reflect Ordinance No. 04-1066 that transfers \$62,280 to the Zoo Operating Fund

ALL OTHER APPROPRIATIONS REMAIN AS PREVIOUSLY ADOPTED

METROPOLITAN EXPOSITION-RECREATION COMMISSION

Resolution No. 04-24

For the purpose of recommending to the Metro Council a proposal for an investment funded by the Metro Tourism Opportunity and Competitiveness Account (MTOCA), recommending a budget amendment to the fiscal year 2004-05 adopted Metro budget to authorize the transfer of \$504,000 from Metro's general fund contingency to MERC pooled capital fund capital outlay and the transfer of \$150,000 from MERC pooled capital contingency to MERC capital outlay, and approving transmittal of the recommended amendment to the Metro Council.

WHEREAS, Metro Code 6.01.050 provides that the Commission shall annually prepare and approve an annual budget which shall, to the maximum extent permitted by law, consist of one commission-wide series of appropriations in those categories which are required by local budget law, applicable to all buildings, facilities, and programs managed by the Commission; and

WHEREAS, the Commission previously approved and transmitted to the Metro Council the Fiscal Year 04-05 budgets for the MERC Operating Fund, the MERC Pooled Capital Fund, and the Convention Center Project Capital Fund; and

WHEREAS, on May 20, 2004, the Metro Council passed Ordinance No. 04-1052, increasing the excise tax on solid waste by \$.50 per ton; and

WHEREAS, the proceeds from this tax are allocated to the Metro Tourism Opportunity and Competitiveness Account ("MTOCA"), to be used to maximize the competitiveness, financial viability, economic impact, and continued success of the Oregon Convention Center; and

WHEREAS, on October 7, 2004, the Metro Council passed Resolution No. 04-3494A, which adopted MTOCA Policy And Guidelines; and

WHEREAS, in Resolution No. 04-3494A, the Metro Council directed the MERC Commission to submit proposals for funding the goals and strategies listed in the adopted MTOCA Policy And Guidelines, with priority given to those under Goal Number 1; and

WHEREAS, Goal Number 1 in the MTOCA Policy And Guidelines includes Strategy A, expending funds to obtain official green building (LEED) certification for the Oregon Convention Center; and

WHEREAS, obtaining LEED certification for the Oregon Convention Center will enhance OCC's marketing advantages and enhance OCC and Portland's distinctive reputation for environmental quality and build on the state's "Brand Oregon" campaign; and

WHEREAS, this certification could be used to enhance OCC's marketing advantages, particularly in conjunction with the Portland Visitor's Association (POVA's) "It's Not Easy Being Green" marketing plan for Portland. Such certification would enhance OCC and Portland's distinctive reputation for environmental quality and build on the State's "Brand Oregon" campaign; and

WHEREAS, the MERC Commission recommends expending funds from MTOCA for Fiscal Year 2004-05 to assist OCC to obtain official green building (LEED) certification, based on the understanding that fully funding the improvements to obtain LEED certification will also require funding from MTOCA in future fiscal years; and

WHEREAS, the Metro Council is the ultimate budget authority for MERC and, in accordance with budget law and the MTOCA Policy and Guidelines, final decisions on the recommendation made by the MERC Commission will be made as Supplementary Budget actions by the Metro Council.

BE IT THEREFORE RESOLVED AS FOLLOWS:

1. The MERC Commission recommends the expenditure of \$1,378,000 to obtain Green Building (LEED) certification for the Oregon Convention Center, as shown as "Strategy A" in the attached Exhibit "A," which recommendation is based on the understanding that the initial funding for the work will come in part from MTOCA funds for Fiscal Year 2004-05, and that additional MTOCA funds in future fiscal years will also be allocated to this project, as shown more particularly in the attached Exhibit "A," and
2. The MERC Commission recommends adoption of a budget amendment transferring \$504,000 from Metro's General Fund Tourism Opportunity & Competitiveness Fund Contingency to Metro's General Fund Transfer of Resources to MERC's Transfer of Resources and the appropriation of those funds in MERC's Pooled Capital, Capital Outlay; and
3. The MERC Commission recommends adoption of a budget amendment transferring \$150,000 from MERC Pooled Capital Contingency to MERC Pooled Capital Fund, Capital Outlay; and
4. The MERC Commission authorizes a five-year \$850,000 intra-fund loan from those funds identified as Expo's in MERC Pooled Capital Fund to OCC for expenditure on the Green Building (LEED) certification projects, which shall be repaid over a five-year term in semi annual payments with an interest rate of 3.5% per annum.
5. The MERC Commission grants the authority to MERC staff to prepare and present a Budget Ordinance to the Metro Council to amend the Fiscal Year 04-05 budget to reflect the above changes.

Passed by the Commission on October 27, 2004.

Approved as to Form:
Daniel B. Cooper, Metro Attorney

Chair

By: _____
Lisa Umscheid
Senior Attorney

Secretary-Treasurer

MERC STAFF REPORT

Agenda Item: For purpose of submitting to the METRO Council a proposal for the investment in the LEED Certification for the Oregon Convention Center, funded from the new Tourism Opportunity and Competitiveness Account (MTOCA) capital Improvements totaling \$1,378,000.

Resolution: 04-24

Date: October 28, 2004

Prepared by: Kathy Taylor and Jeff Blosser

Background: The MERC Commission previously approved a Policy and Guidelines for establishing a process and criteria for proposed investments from the Metro Tourism and Opportunity and Competitiveness Account. The MERC Budget Committee discussed the Goals and Strategies identified in the Policy and Guidelines and is recommending investment in Goal #1, Targeted Capital Investments in the Oregon Convention Center's physical plant that yield demonstrable marketing advantages. Strategy A: Green Building (LEED) Certification.

Funds could be expended to obtain official LEED certification for OCC. This certification could be used to enhance OCC's marketing advantages, particularly in conjunction with the Portland Oregon Visitor's Association (POVA's) "It's Not Easy Being Green" marketing plan for Portland. Such certification would enhance OCC and Portland's distinctive reputation for environmental quality and build on the State's "Brand Oregon" campaign.

Fiscal Impact:

- A. Expenditure:** of \$1,378,000 to obtain Green Building (LEED) certification, as described in the attached Exhibit "A."
- B. Funding:**
1. Amendment transferring \$504,000 from Metro's General Fund Tourism Opportunity & Competitiveness Fund Contingency to Metro's General Fund Transfer of Resources to MERC's Transfer of Resources and the appropriation of those funds in MERC's Pooled Capital, Capital Outlay; and
 2. Amendment transferring \$150,000 from MERC Pooled Capital Contingency to MERC Pooled Capital Fund, Capital Outlay;
 3. A five-year \$850,000 intra-fund loan from those Funds identified as Expo's in MERC Pooled Capital Fund to OCC for expenditure on the Green Building (LEED) certification projects. The loan to be repaid over a five-year term in semi annual payments with an interest rate of 3.5%.

Recommendation: Staff recommends approval of Resolution No. 04-24.

Metro Tourism Opportunity and Competitiveness Account

<u>Program</u>	<u>Request</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	
Beginning Balance		-	32,568	440,705	863,717	1,301,975	1,755,862	
Resources								
Excise Tax from Metro	A	504,000	B	595,000	609,875	625,122	640,750	656,769
Intra-fund transfer from Expo to OCC	12/1/2004	850,000						
Business Energy Tax Credits (BETC)		150,000						

Loan Payments

To repay funds to Expo								
5 years/3.5%annual interest, with semiannual payments		(93,432)	(186,863)	(186,863)	(186,863)	(186,863)	(186,863)	(93,432)

MTOCA Goals

Goal 1 Targeted capital investments in the Oregon Convention Center's physical plant that yield demonstratable marketing advantages.

Strategy A -- Green Building LEED Certification

Apply for LEED Certification on expansion by November 2004 n/a

Retrofit existing building to meet LEED standards

Replace three 800 ton chiller units	870,000	E
Replace 250 ton chiller	130,000	E
Chiller room ventilation/noise abatement	60,000	
Chiller controls	28,000	
Replace 198 Toilet/Urinals (auto flush)	125,000	
Replace light sensors	10,000	
ZGF Consulting	30,000	
Contingency 10%	125,000	
	<u>1,378,000</u>	(1,378,000)

Strategy B -- OCC Operational Advantage C

Strategy C -- Headquarters Hotel Related Investments C

Goal 2 Assist the Visitor Development Fund with Oregon Convention Center Facility Costs.

Strategy A -- Offset Facility Costs when VDI allocation not fully funded C

Goal 3 Maintain the Oregon Convention Center in First Class Condition

Strategy A -- Ensure sufficient funds for basic OCC cleaning, maintenance, and event service. C

Net Change for the Year

	32,568	408,137	423,012	438,258	453,887	563,337
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Ending Balance Available for other items

	32,568	440,705	863,717	1,301,975	1,755,862	2,319,199
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- A Budget amount for 2004-05. Effective September 1, 2004.
- B Assume future MTOCA funds will be available. Apply Metro inflation estimate 2.5% to this and all future periods.
- C Assume investment in all strategies -- amounts by strategy to be determined.
- D Concept only -- projects to be submitted to Metro Council for approval.
- E Chillers in the existing building need to be replaced to meet environmental standards

Operating Impact

Reduced energy costs LEED		10,000	10,000	10,000	10,000	10,000
Additional convention revenue from LEED, net			50,000	50,000	50,000	50,000
		-	10,000	60,000	60,000	60,000

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO 04-1064, FOR THE PURPOSE OF AMENDING THE FY 2004-05 BUDGET AND APPROPRIATIONS SCHEDULE RECOGNIZING THE TRANSFER OF \$504,000 FROM METRO'S GENERAL FUND TOURISM OPPORTUNITY & COMPETITIVENESS ACCOUNT TO MERC POOLED CAPITAL FUND, CAPITAL OUTLAY AND TRANSFERING \$150,000 FROM MERC POOLED CAPITAL FUND CONTINGENCY TO MERC POOLED CAPITAL FUND, CAPITAL OUTLAY; AND DECLARING AN EMERGENCY

Date: [November 1, 2004](#)

Prepared by: [Kathy Taylor and Jeff Blosser](#)

BACKGROUND

The purpose of this Ordinance is to take the necessary budget action to implement the MERC Commission's recommendation for use of the Metro's General Fund Tourism and Opportunity Contingency Fund (MTOCA). Metro Resolution No. 04-3494 adopted a policy and established a process and criteria for proposed investments from the Metro Tourism Opportunity and Competitiveness Account (MTOCA). This Ordinance reflects the recommendation of the MERC Commission as stated in the attached Exhibit C, MERC's Commission approved Resolution No. 04-24 and staff report.

The MERC Commission is recommending that these funds be expended to obtain official green building (LEED) certification for the Oregon Convention Center. This certification would enhance OCC's marketing plan by making the center attractive to conventions that require LEED certification. In addition, this project fits nicely with POVA's "It's Not Easy Being Green" marketing plan for Portland.

The complete project is expected to cost \$1,378,000 to obtain Green Building (LEED) certification. The details of the project components are included in an attachment to the MERC Staff Report. Funding for the total project is proposed to be from the transfer of \$504,000 from MTOCA account, \$150,000 from MERC Pooled Capital contingency (which will be reimbursed by expected Business Energy Tax Credits) and an \$850,000 intra fund loan from Expo's fund balance. The repayment of the intra fund loan is to be over five years with semi annual payments bearing interest of 3.5%. The initial funding of this project allows for the first of these payments. Subsequent payments on the intra fund loan will be from future years transfers from the MTOCA account.

ANALYSIS/INFORMATION

1. **Known Opposition:** None known
2. **Legal Antecedents:** ORS 294.326(3) provides an exemption to Oregon Budget Law allowing for the expenditure in the year of receipt funds transferred from Metro's General Fund. ORS 294.450 provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction.
3. **Anticipated Effects:** This action allows the department to complete the LEED Certification for the Oregon Convention Center that will increase the marketability of the Oregon Convention Center

4. **Budget Impacts** This action requests the recognition of \$504,000 in capital outlay from the transfer from the Metro General Fund MTOCA account, and \$150,000 in capital outlay from MERC Pooled Capital Contingency. The balance of the appropriation for this project comes from canceling the \$750,000 Expo Center Electrical Project. Expected energy credits of \$150,000 will replace the \$150,000 used from contingency.

RECOMMENDED ACTION

The Chief Operating Officer, in concurrence with the Council President, recommends adoption of this Ordinance.