

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING) RESOLUTION NO. 94-1983
POLICIES FOR THE MANAGEMENT)
OF THE PARKS/EXPO FUND) Introduced by Executive Officer,
) Rena Cusma

WHEREAS, Metro has assumed operating responsibility from Multnomah County for a group of facilities referred to as Parks and Expo Center, and

WHEREAS, through an intergovernmental agreement, Multnomah County is scheduled to transfer ownership of these facilities to Metro on July 1, 1996,

WHEREAS, the capital and operating needs of these facilities exceed their combined revenues, and

WHEREAS, funding needs and the upcoming transfer negotiations have raised numerous policy issues, and

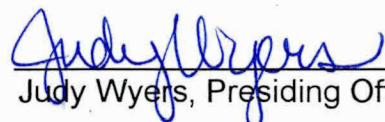
WHEREAS, a staff working group has researched, discussed, and made recommendations for these issues, and

WHEREAS, the Council wishes to provide policy direction regarding the funding and management of the Parks and Expo Center facilities,

NOW, THEREFORE, BE IT RESOLVED:

1. That the Metro Council hereby adopts the recommendations attached as Exhibit A.
2. That the Executive Officer is directed to pursue the recommended actions attached as Exhibit B and to recommend additional policies to Council where appropriate.

ADOPTED by the Metro Council this 22nd day of November, 1994.


Judy Wyers, Presiding Officer

RECOMMENDATIONS

EXPO CENTER - Capital Improvements

- A. Only essential (fire, life, safety, ADA) capital needs should be addressed prior to a final determination on the disposition of the IGA. These essential needs should be addressed only to the point that they can be supported using Fund balance during the period that the IGA is in effect.
- B. In order to maximize the ability to meet public needs and to generate future revenues, a major capital reinvestment program at Expo should be a high priority.
- C. Several of the required improvements at Expo would require closing the facility; experience indicates that closure usually results in the loss of some annual business permanently. It is, therefore, desirable to build new (expansion) space, for which management staff believe there is a demand anyway, before addressing the renovation of the existing space.

EXPO CENTER - Funding

- D. Because of the magnitude of capital needs, cash financing will take too long to protect existing facilities and to meet public needs; leveraged financing is therefore essential. A number of mechanisms should be considered including: General Obligation Bonds; Revenue Bonds; Capital/Lease Financing; and Internal Financing.
- E. Consideration should be given to including major Expo capital needs in the anticipated upcoming Oregon Convention Center expansion vote.
- F. Net Expo operating revenues (after providing for regular operating, capital maintenance, and contingency needs) should be shared with Parks on a continuing, predictable basis. Specifically it is recommended that the first \$325,000 of net Expo operating revenues be dedicated to Parks operation support. Any revenues above \$325,000 should remain with the Expo Center. This funding strategy should be authorized for the period up to July, 1997. Before July 1997, the Council should review this funding strategy and either authorize its continuation or implement an alternative funding source which addresses Parks needs. The goal should be to reduce or eliminate Expo support to Parks at the earliest possible date.

All Metro excise taxes generated by Expo-related goods and services should be dedicated to support existing Parks facilities (i.e., not for new acquisitions).

EXPO CENTER - Funding (Continued)

- G. Expo should have a renewal and replacement account funded annually based on a capital maintenance plan. The facility should also have a capital improvement plan.
- H. Expo revenues above the \$325,000 guaranteed to Parks should be reinvested in Expo to protect the asset and maximize revenue.

PARKS - Operating and Capital Maintenance Support

- A. All Metro excise taxes generated by Expo-related goods and services should be dedicated to support existing Parks facilities (i.e., not for new acquisitions).
- B. Metro excise taxes should also be levied on Parks goods and services, and these tax revenues should be dedicated to the support of Parks operations.
- C. Net Expo Center operating revenues (after providing for regular operating, capital maintenance, and contingency needs) should be shared with Parks on a continuing, predictable basis. Specifically it is recommended that the first \$325,000 of net Expo operating revenues be dedicated to Parks operation support. Any revenues above \$325,000 should remain with the Expo Center.
- D. Metro should immediately begin a process to identify a funding strategy for Regional Parks. A new revenue source should be identified and secured to support parks operations and ongoing capital maintenance no later than July, 1997.
- E. Although the magnitude of deferred work and problems is smaller than at the Expo Center, a high priority should be given to a capital reinvestment program at Glendoveer Golf Course.
- F. Net operating cash flow from Glendoveer Golf Course and any other Parks operated enterprise activities should remain with Parks.

PARKS - Operating and Capital Maintenance Support

- G. Parks facilities should have a renewal and replacement account funded annually based on a capital maintenance plan. These facilities should also have a Council-approved capital improvement plan.

PARKS - Other Issues

- H. Only essential (fire, life, safety, ADA) capital needs should be addressed prior to a final determination on the disposition of the IGA for these facilities (none are identified at this time.) These essential needs should be addressed only to the point that they can be supported using the beginning fund balance and any Expo net revenues generated during the period that the IGA is in effect.
- I. The Council should establish policies, criteria and a procedure for responding to requests from other agencies to assume responsibility for existing regional parks and natural areas. This policy should be consistent with the concept of creating a "regional" system of parks and greenspaces.
- J. Acquisition/development of new Parks/Greenspaces land/facilities should be addressed through potential G.O. bond issues, grants, donations, and revenue-supported debt; not through general purpose Metro resources. (These costs are, therefore, not addressed by this report.)
- K. Non-General Fund funding sources should be identified in advance for meeting new operational requirements associated with new land, facilities and operations.
- L. When a new funding source for Parks operations and maintenance is secured, the Parks functions should be budgeted in a separate fund. Expo should be budgeted as part of MERC at that time.
- M. All facilities, programs and functions covered by the IGA should be evaluated for organizational fit with the Parks Department mission and reviewed for "regional significance." Those that do not fit should not be transferred. The Pioneer Cemeteries, in particular, should be evaluated in this manner.

GREENSPACES

- A. If the Greenspaces Bond Measure passes, a funding source is required to cover those acquisition, development, construction, operations, and maintenance costs which cannot be covered with Bond funds. Metro should immediately begin a process to identify a funding strategy for these requirements.
- B. If the measure is defeated, the Greenspaces program should be reviewed to determine if it should be modified in view of its continuing revenue requirements and its apparent lack of public support for funding these requirements.

RV PARKS

- A. The Expo RV site should be built to maintain eligibility for state RV registration fees, unless it conflicts with the future council policy as to the primary use for the facility (Expo support vs. regional recreation) and the council priorities for recreational experience, facility aesthetics and revenue generation.
- B. If an RV Park is built at Blue Lake Park, it should be managed by Parks either directly or under contract.
- C. Options and recommendations for the Expo RV Park management ownership, design, and revenue flow should be developed when the positive feasibility of such a facility has been determined.

GENERAL RECOMMENDATIONS

- A. The Council should adopt criteria and "bottomline" policies to guide the Phase II IGA negotiations.
- B. Phase II negotiations should be initiated in May, 1995, if possible.

RECOMMENDED ACTIONS

- ◆ Adopt working group November recommended policies - Res. No. 94-1983.
- ◆ Adopt policies on assuming responsibility for additional existing regional parks.
- ◆ Propose new operating revenue source for parks maintenance and operations.
- ◆ Propose new operating revenue source for Greenspaces.
- ◆ Evaluate facilities, programs and functions covered by the IGA for fit with Parks Department mission and review for "metropolitan concern".
- ◆ Adopt policies (criteria) for IGA Phase II transfer.
- ◆ Initiate IGA Phase II Negotiations
- ◆ Define a strategy and propose funding for Expo major capital needs
- ◆ Research options and make recommendations for the Expo RV Park management and revenue flow.

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 94-1983 FOR THE PURPOSE OF ADOPTING POLICIES FOR THE MANAGEMENT OF THE PARKS/ EXPO FUND.

Date: November 16, 1994

Presented by: Doug Butler
Jennifer Sims
Charlie Ciecko
Pat LaCrosse

Background

Earlier this year, Councilors Monroe and Hansen, as Chairs of the Finance and Regional Facilities Committees respectively, convened an informal task force which included representatives from Finance and Management Information, General Services, Parks, MERC, the Executive Office, and Council. The purpose of the task force was to analyze and make recommendations regarding the management of the Parks/Expo Fund. More specifically, the task force was asked to consider how the potential net revenues from the Expo Center should be distributed between Parks and the Expo Center.

The task force met several times and began gathering information to help answer these questions. As the task force understanding grew, so did the range of issues and concerns which it felt were directly related to the original questions. The result was that the project goal was expanded to read: "Establish a sustainable financial plan which will support healthy, viable operations for both the Park/Greenspaces and Expo Center operations."

Once a good understanding and sufficient background information was developed, the task force then identified a number of key issues and held a series of meetings to develop recommendations for addressing each of them. The attached report is the product of this effort. It is important to underscore that this report presents a consensus recommendation. Many of the issues were discussed and debated at length but we are now in agreement and prepared to support every recommendation.

The report summarizes our findings and recommends a number of policies as well as an action plan for the implementation of those policies. The proposed Resolution, if adopted by the Council, will formally adopt these policies and the action plan.

Recommendation

The Executive Officer recommends approval of Resolution No. 94-1983 and acceptance of the related report.

M E M O R A N D U M



METRO

Date: November 9, 1994

To: Regional Facilities Committee

From: Doug Butler, Director of General Services
Charlie Ciecko, Director of Parks and Greenspaces
Pat LaCrosse, General Manager, MERC
Jennifer Sims, Director of Finance and Management Information

Re: Parks/Expo Fund Management Report

The attached report provides a compilation of the findings and recommendations of a staff working group assembled to address management issues related to the Parks/Expo fund. Through a team process, we were able to achieve a consensus. We all support the findings and recommendations in this report.

While this report represents substantial progress in identifying and resolving these issues, much work remains. The group intends to proceed by working on the Action Items listed on page 12. As a first step, we are recommending that Council adopt a resolution similar in form to the attached draft in order to clearly establish its policies and a framework for future work.

cc: Don Carlson
Rena Cusma
Dick Engstrom
Rod Monroe

JS/bjc

C:JS/MISC.RESMEMO.doc

PARKS/EXPO FUND MANAGEMENT REPORT

Prepared through a team effort by

*Co-Chairs: Doug Butler, Director of General Services
Jennifer Sims, Director of Finance & Management Information*

Chris Bailey, Expo Manager
Jeff Blosser, Convention Center Director
Charlie Ciecko, Director of Parks & Greenspaces
Pat LaCrosse, General Manager, MERC

November 8, 1994

Kathy Rutkowski, Research & Analysis
Barb Chapman, Clerical Support & Production

Parks/Expo Fund Management

Project Goal: Establish a sustainable financial plan which will support healthy, viable operations for both the Parks/Greenspaces and Expo Center operations.

Objectives:

- ◆ Define Parks and Expo operating and capital requirements for the next 5 years.
- ◆ Outline 5-year operational strategies for Parks and Expo including a schedule for improvements, acquisitions, etc.
- ◆ Identify opportunities and strategies for increasing fund revenue and funding identified needs.
- ◆ Identify key questions/issues which must be addressed in order to determine whether to accept these facilities permanently.
- ◆ Make recommendations to address identified policy issues.
- ◆ Prepare an action list to help implement recommendations.

Parks/Expo Fund Management Background

1. Operational control of the Expo Center along with a number of regional parks, natural areas, and historic facilities have been transferred from Multnomah County to Metro under the terms of an Intergovernmental Agreement (IGA) which became effective on January 1, 1994.
2. For at least the term of the IGA, it has been assumed that some revenues from the Expo Center would be used to help offset the shortfalls of the other facilities. (Under the terms of the IGA, the Parks/Expo capital and operating needs are included in a single fund and it was assumed that their combined revenue stream is adequate to meet these needs.)
3. Under the terms of the IGA, Metro must initiate negotiations to accept these facilities permanently by July 1, 1995, must execute a final agreement by January 1, 1996 and must actually transfer the property to Metro by July 1, 1996. (Failure to meet these terms results in the automatic termination of the IGA.)
4. Barring new discoveries, it is assumed that this property will be transferred to Metro permanently as scheduled (or sooner).
5. A feasibility study for new revenue-producing facilities was initiated by the County. Based on the results of this study, Metro is pursuing in more detail the possible construction of RV Parks at the Expo Center and at Blue Lake Park.
6. Council has passed a Resolution to place a Greenspaces General Obligation Bond measure on the ballot in early 1995. Passage would have a profound effect on the Metro Parks program. No operations funding source has been determined for supporting new Greenspaces acquisitions if the measure is approved by the voters.
7. Metro is levying excise tax on Expo Center goods and services and has indicated an intent to do the same for Parks in FY 1995-96. The Council has had an implied policy of dedicating these excise tax revenues back to the County-owned facilities but recently suspended that policy to help pay for Greenspaces program needs.
8. MERC has adopted a business plan which identifies many capital improvements needed at Expo, but this plan does not include a funding/construction strategy. The plan requires updating to reflect more recent experience (i.e., required projects, priorities, and costs).
Parks staff have prepared a needs assessment which identifies many capital and operating needs for Parks. A funding strategy has not been determined.

Parks/Expo Fund Management Findings & Recommendations

EXPO CENTER

Findings

1. Expo Center has consistently generated a positive net cash flow in the past and it is believed that it can generate even more in the future with improved management and an adequate capital improvements program.
2. The Expo Center is in need of major capital improvements in order to meet health, fire and life safety requirements as well as a number of ADA requirements. It is not practical to consider these improvements without also considering a number of discretionary improvements for maintaining, improving, and expanding the facility in the future.
3. Projected Expo revenues are not adequate to fund both an ongoing support to Parks and needed Expo capital improvements.

Recommendations

Capital Improvements

- A. *Only essential (fire, life, safety, ADA) capital needs should be addressed prior to a final determination on the disposition of the IGA. These essential needs should be addressed only to the point that they can be supported using Fund balance during the period that the IGA is in effect.*
- B. *In order to maximize the ability to meet public needs and to generate future revenues, a major capital reinvestment program at Expo should be a high priority.*
- C. *Several of the required improvements at Expo would require closing the facility; experience indicates that closure usually results in the loss of some annual business permanently. It is, therefore, desirable to build new (expansion) space, for which management staff believe there is a demand anyway, before addressing the renovation of the existing space.*

Recommendations

Funding

- D. *Because of the magnitude of capital needs, cash financing will take too long to protect existing facilities and to meet public needs; leveraged financing is therefore essential. A number of mechanisms should be considered including: General Obligation Bonds; Revenue Bonds; Capital/Lease Financing; and Internal Financing.*

EXPO CENTER

EXPO - Recommendations (Funding) (Continued)

- E. *Consideration should be given to including major Expo capital needs in the anticipated upcoming Oregon Convention Center expansion vote.*
- F. *Net Expo operating revenues (after providing for regular operating, capital maintenance, and contingency needs) should be shared with Parks on a continuing, predictable basis. Specifically it is recommended that the first \$325,000 of net Expo operating revenues be dedicated to Parks operation support. Any revenues above \$325,000 should remain with the Expo Center. This funding strategy should be authorized for the period up to July, 1997. Before July 1997, the Council should review this funding strategy and either authorize its continuation or implement an alternative funding source which addresses Parks needs. The goal should be to reduce or eliminate Expo support to Parks, and secure adequate funding for Parks, at the earliest possible date.*
- All Metro excise taxes generated by Expo-related goods and services should be dedicated to support existing Parks facilities (i.e., not for new acquisitions).*
- G. *Expo should have a renewal and replacement account funded annually based on a capital maintenance plan. The facility should also have a capital improvement plan.*
- H. *Expo revenues above the \$325,000 guaranteed to Parks should be reinvested in Expo to protect the asset and maximize revenue.*

Parks/Expo Fund Management Findings & Recommendations

PARKS

Findings

Operating and Capital Maintenance Support

1. The parks and other facilities included in the transfer from Multnomah County to Metro require sizable capital support and on-going operating subsidies.
2. Since the passage of Ballot Measure 5, Expo Center revenues have been used to subsidize parks programs. In FY 94/95, the amount of the subsidy is approximately \$400,000 (9.6% of the Department's budget).
3. Many Parks facilities have capital needs in order to meet health, fire and life safety needs as well as a number of ADA requirements. In addition, a large list of improvement projects have been identified to improve customer service, to increase capacity, and to create revenue-generating opportunities.
4. The Parks Department has completed a needs assessment which identifies unmet needs for the "current operation". This includes needs for: staff, development of management plans, miscellaneous materials and services, deferred capital maintenance, and capital improvements. The current level of funding support does not address these needs.
5. A survey of other park providers reveals significant subsidy of parks programs from "general funds" or other dedicated resources such as "niche taxes". Levels of subsidy range from a low of 35% (Oregon State Parks) to a high of 100% at the City of Gresham. City of Portland, the largest provider in the region receives 77% of its budget from the general fund.
6. With implementation of Phase II of the IGA County, "pick-up" of certain costs may be discontinued. These include:
 - Oregon Historical Society Contract
 - Special District Assessments
 - Sheriff Coverage at Regional Parks

Lack of county support for these items would increase operating funding requirements.

PARKS

PARKS - Findings (Continued)

7. Analysis of Regional Parks funding sources indicates a high potential for instability. Examples include:
 - User Fees - fluctuate widely due primarily to weather conditions.
 - Multnomah County Natural Areas Fund - derived from land sales at Edgefield farm. Sales have been suspended and it is unclear whether Multnomah County will commit these resources in Phase II of the IGA.
8. The Report of the "Presidents Commission on Americans Outdoors", 1987 concluded:

"...Americans are willing to pay fees and taxes dedicated to outdoor recreation. But the public feels strongly that money collected for recreation fees should be retained to increase outdoor opportunities, not sent to the general treasury".
9. The City Club's "Report on Portland Metropolitan Area Parks" suggests "judicious charging of user fees that do not unreasonably restrict access."
10. Metro should be sensitive to public sentiment regarding the disposition of funds generated at park facilities or from park and greenspaces programs.

Findings

Assuming management responsibility for existing parks/greenspaces.

11. At least two planning projects are underway to acquire and develop new "regional" parks. They are Old Growth Grove (NW Multnomah County) and Whittaker Ponds (NE Portland). Operations and maintenance funds will be required if plans are implemented.
12. The Port of Portland has approached Metro about this agency's ability/willingness to assume management responsibility for three Columbia River Islands and additional shoreline along Marine Drive.
13. The City Club "Report on Portland Metropolitan Area Parks" concluded: "Significant natural areas in the region whether inside or outside the jurisdiction of formal park systems.....would be better served if owned, operated, and funded by a regional authority with demonstrated park-management capabilities."

PARKS

Recommendations

Operating and Capital Maintenance Support

- A. *All Metro excise taxes generated by Expo-related goods and services should be dedicated to support existing Parks facilities (i.e., not for new acquisitions).*
- B. *Metro excise taxes should also be levied on Parks goods and services, and these tax revenues should be dedicated to the support of Parks operations.*
- C. *Net Expo Center operating revenues (after providing for regular operating, capital maintenance, and contingency needs) should be shared with Parks on a continuing, predictable basis. Specifically it is recommended that the first \$325,000 of net Expo operating revenues be dedicated to Parks operation support. Any revenues above \$325,000 should remain with the Expo Center.*
- D. *Metro should immediately begin a process to identify a funding strategy for Regional Parks. A new revenue source should be identified and secured to support parks operations and ongoing capital maintenance no later than July, 1997.*
- E. *Although the magnitude of deferred work and problems is smaller than at the Expo Center, a high priority should be given to a capital reinvestment program at Glendoveer Golf Course.*
- F. *Net operating cash flow from Glendoveer Golf Course and any other Parks operated enterprise activities should remain with Parks.*
- G. *Parks facilities should have a renewal and replacement account funded annually based on a capital maintenance plan. These facilities should also have a Council-approved capital improvement plan.*

Recommendations

Other Issues

- H. *Only essential (fire, life, safety, ADA) capital needs should be addressed prior to a final determination on the disposition of the IGA for these facilities (none are identified at this time.) These essential needs should be addressed only to the point that they can be supported using the beginning fund balance and any Expo net revenues generated during the period that the IGA is in effect.*

PARKS

PARKS - Recommendations (Continued)

- I. *The Council should establish policies, criteria and a procedure for responding to requests from other agencies to assume responsibility for existing regional parks and natural areas. This policy should be consistent with the concept of creating a "regional" system of parks and greenspaces.*
- J. *Acquisition/development of new Parks/Greenspaces land/facilities should be addressed through potential G.O. bond issues, grants, donations, and revenue-supported debt; not through general purpose Metro resources. (These costs are, therefore; not addressed by this report.)*
- K. *Non-General Fund funding sources should be identified in advance for meeting new operational requirements associated with new land, facilities and operations.*
- L. *When a new funding source for Parks operations and maintenance is secured, the Parks functions should be budgeted in a separate fund. Expo should be budgeted as part of MERC at that time.*
- M. *All facilities, programs and functions covered by the IGA should be evaluated for organizational fit with the Parks Department mission and reviewed for "metropolitan concern." Those that do not fit should not be transferred. The Pioneer Cemeteries; in particular, should be evaluated in this manner.*

Parks/Expo Fund Management Findings & Recommendations

GREENSPACES

Findings

1. Passage of the Greenspaces Bond Measure in Spring of 1995 will result in the need for "land banking" funds. If 6,000 acres are acquired, it is estimated that "land banking" costs will be approximately \$500,000 annually.
2. Once new lands are acquired, funds will eventually be needed to develop appropriate facilities and programs for public use and enjoyment.
3. Once lands are developed, funds will be necessary to cover the cost of on-going operation and maintenance.
4. Federal funds which provide a significant source of funding for Greenspaces activities are subject to availability and approval processes beyond Metro's control. These funds should not be considered "dependable" over the long term.

Recommendations

- A. *If the Greenspaces Bond Measure passes, a funding source is required to cover those acquisition, development, construction, operations, and maintenance costs which cannot be covered with Bond funds. Metro should immediately begin a process to identify a funding strategy for these requirements.*
- B. *If the measure is defeated, the Greenspaces program should be reviewed to determine if it should be modified in view of its continuing revenue requirements and its apparent lack of public support for funding these requirements.*

Parks/Expo Fund Management Findings & Recommendations

RV PARKS

Findings

1. The feasibility of developing RV parks at the Expo Center and at Blue Lake Parks should be determined in the near future as the potential to generate net cash flow to support Expo/Parks appears preliminarily to be very good.
2. MERC and Parks staff each feel strongly that their agency should manage the proposed RV Park at Expo Center.
3. The decision on management of the Expo RV Park need not be made at this time.
4. State RV Registration Fees must be utilized to support "county" parks.

Recommendations

- A. *The Expo RV site should be built to maintain eligibility for state RV registration fees, unless it conflicts with the future council policy as to the primary use for the facility (Expo support vs. regional recreation) and the council priorities for recreational experience, facility aesthetics and revenue generation.*
- B. *If an RV Park is built at Blue Lake Park, it should be managed by Parks either directly or under contract.*
- C. *Options and recommendations for the Expo RV Park management ownership, design, and revenue flow should be developed when the positive feasibility of such a facility has been determined.*

Parks/Expo Fund Management Findings & Recommendations

GENERAL RECOMMENDATIONS

- A. The Council should adopt criteria and "bottomline" policies to guide the Phase II IGA negotiations.
- B. Phase II negotiations should be initiated in May, 1995, if possible.

PARKS/EXPO FUND MANAGEMENT

WORKING GROUP RECOMMENDED ACTIONS

- ◆ Adopt working group November recommended policies - Resolution No. 94-1983.
- ◆ Adopt policies on assuming responsibility for additional existing regional parks.
- ◆ Propose new operating revenue source for parks maintenance and operations.
- ◆ Propose new operating revenue source for Greenspaces.
- ◆ Evaluate facilities, programs and functions covered by the IGA for fit with Parks Department mission and review for "metropolitan concern".
- ◆ Adopt policies (criteria) for IGA Phase II transfer.
- ◆ Initiate IGA Phase II Negotiations
- ◆ Define a strategy and propose funding for Expo major capital needs
- ◆ Research options and make recommendations for the Expo RV Park management and revenue flow.

C:JENNIFER/PARKEXP0.024

Rev. 11/08/94

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT Financial Projections -- Expo Center

	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
	Revised Budget	Preliminary Budget	Estimated Budget	Estimated Budget	Estimated Budget
RESOURCES					
Beginning Fund Balance-Undesignated	690,000	443,254	539,927	568,186	933,260
Beginning Fund Balance-Restricted	243,000	0	0	0	0
Rental	518,620	570,005	592,805	616,517	641,178
Reimbursements	0	30,955	32,193	33,481	34,820
Concessions/Catering	443,560	1,221,400	1,270,256	1,321,066	1,373,909
Parking	660,842	690,943	718,581	747,324	777,217
Utilities	0	47,169	49,056	51,018	53,059
Other	78,460	41,429	43,086	44,809	46,601
Interest	0	26,000	21,853	35,895	50,844
Total Resources	2,634,482	3,071,155	3,267,757	3,418,296	3,910,888
EXPENDITURES					
Personal Services	476,444	524,455	550,678	578,212	607,123
Materials & Services	660,302	1,233,245	1,282,575	1,333,878	1,387,233
Capital Outlay	393,000	26,350	100,000	100,000	100,000
Interfund Transfers	204,895	236,816	247,993	271,737	285,163
Contingency	56,587	185,362	193,325	201,209	209,436
Subsidy to Regional Parks	400,000	325,000	325,000	0	0
Total Expenditures	2,191,228	2,531,228	2,699,571	2,485,036	2,588,955
FTE	11.70	12.00	12.00	12.00	12.00
Surplus/(Deficit) in Resources	443,254	539,927	568,186	933,260	1,321,933

ASSUMPTIONS AND ADJUSTMENTS

- Revised FY 1995-96 to reflect the preliminary Expo Center budget prepared by MERC, with the following exceptions:
 - Interfund transfers reflect the amounts identified and forecasted in the five year plan instructions
 - Capital outlay does not include the \$165,100 that is funded by restricted fund balance. The restricted fund balance is assumed to be fully expended in FY 1994-95 and is not reflected in FY 1995-96
- Rental revenue in the Expo Center five year plan assumed income from the RV parks beginning FY 1995-96. The RV income and expenditures have been eliminated for this analysis.
- Parking revenues in the Expo Center five year plan assumed an increase in parking fees beginning FY 1995-96. The Expo Center preliminary budget for FY 1995-96 does not assume this increase. For purposes of this analysis any increase in parking fees has been eliminated.
- The preliminary FY 1995-96 Expo Center budget is the basis for the following three years. The following assumptions have been made for succeeding years:
 - 4% annual increase in all resources except beginning fund balance and interest
 - Interest calculated at 4% of ending balance
 - 5% annual increase in personal services
 - 4% annual increase in materials & services
 - Capital outlay remains constant beginning FY 1996-97
 - Assumed interfund transfer estimates provided in the five year plan
 - Contingency is 10% of total personal services, materials & services and capital outlay (see note #5)
 - Contingency is assumed to be fully expended each year and not available for carry over into the next year.

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT

Financial Projections – Expo Center

5. Contingency assumes 5% for general uncertainties of the department, and 5% for potential modification in the practice of reimbursed labor. If the reimbursed labor practice is changed this amount would be expended each year as personal services. It is likely this practice will be changed to become consistent with practices at the OCC.

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT Financial Projections Regional Parks and Greenspaces Department (Baseline Projections)

	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
	Adopted Budget	Prelimin. Budget	Estimated Budget	Estimated Budget	Estimated Budget
RESOURCES					
Fund Balance - Undesignated	\$160,000	\$221,775	\$215,775	\$0	\$0
Fund Balance- Restricted	256,494	10,098	0	0	0
Expo Subsidy	400,000	325,000	325,000	0	0
Excise Tax Earned on Parks	0	95,270	98,000	105,000	107,000
Excise Tax Earned on Expo	84,474	81,000	84,000	88,000	91,000
Transfer from the General Fund	509,335	520,000	500,000	500,000	500,000
Enterprise Rev./Glendoveer Golf Course	699,188	617,860	617,860	692,003	692,003
Other Enterprise Revenue	754,479	911,490	947,950	985,868	1,025,303
Pass-Through Funds/Marine Fuel Tax & Map	135,000	140,000	145,600	151,424	157,481
Pass-Through Funds/R.V.	321,437	249,394	259,370	269,745	280,535
Grants	937,267	478,321	239,000	0	0
Natural Areas Fund/Mult. Cty Transfers	465,979	1,343,332	281,354	292,608	304,312
Smith and Bybee Lakes Fund	25,429	44,179	45,946	47,784	49,695
Misc. Other Revenues	0	4,000	4,000	4,000	4,000
Total Resources	\$4,749,082	\$5,041,719	\$3,763,855	\$3,136,432	\$3,211,329
EXPENDITURES					
Personal Services	\$1,701,637	\$1,877,286	\$1,971,151	\$2,069,708	\$2,173,193
Material & Services	1,890,812	1,309,890	1,113,391	909,367	945,741
Capital	417,236	1,135,514	51,000	51,000	51,000
Interfund Transfers	447,025	429,586	484,426	528,000	556,439
Contingency	70,597	73,668	156,777	151,504	158,497
Total Expenditures	\$4,527,307	\$4,825,944	\$3,776,745	\$3,709,579	\$3,884,870
Total FTE	44.85	48.05	48.05	48.05	48.05
Surplus/(Deficit) in Resources	\$221,775	\$215,775	(\$12,890)	(\$573,147)	(\$673,541)

*** For Information Only *** Expenditures By Division

Administration Division Approved Programs

EXPENDITURES					
Personal Services	203,455	234,330	246,047	258,349	271,266
Material & Services	11,300	21,253	22,103	22,987	23,906
Capital	1,965	3,465	2,500	2,500	2,500
Total Expenditures	216,720	259,048	270,650	283,836	297,672
Total FTE	4.00	5.00	5.00	5.00	5.00

Operations & Maintenance Approved Programs

EXPENDITURES					
Personal Services	1,041,803	1,106,052	1,161,355	1,219,423	1,280,394
Material & Services	615,739	642,779	668,490	695,230	723,039
Capital	38,525	55,750	45,000	45,000	45,000
Total Expenditures	1,696,067	1,804,581	1,874,845	1,959,653	2,048,433
Total FTE	32.35	33.35	33.35	33.35	33.35

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT Financial Projections Regional Parks and Greenspaces Department (Baseline Projections)

FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
Adopted Budget	Prelimin. Budget	Estimated Budget	Estimated Budget	Estimated Budget

Planning and Capital Dev. Approved Programs

EXPENDITURES					
Personal Services	456,379	536,904	563,749	591,936	621,533
Material & Services	1,263,773	645,858	422,798	191,150	198,796
Capital	376,746	1,076,299	3,500	3,500	3,500
Total Expenditures	2,096,898	2,259,061	990,047	786,586	823,829
Total FTE	8.50	9.70	9.70	9.70	9.70

ASSUMPTIONS AND ADJUSTMENTS TO PRELIMINARY BUDGET

1. The department's preliminary FY 1995-96 budget is the base for future years estimates. The following adjustments have been made to the department's preliminary FY 1995-96 budget.
 - * The Expo subsidy has been reduced from \$412,000 to \$325,000 to reflect the Management Report Recommendations
 - * The excise tax earned on the Expo Center has been dedicated to Parks operations to reflect the Management Report recommendations.
2. Excise tax earned on parks operations has been dedicated to parks operations to reflect the Management Report recommendations.
3. The excise tax rate is assumed to be 6.0% for all years beginning FY 1995-96.
4. The Expo Subsidy has been eliminated beginning FY 1997-98 to reflect the Management Report recommendations
5. The transfer from the General Fund has been fixed at \$500,000 per year beginning FY 1996-97. Amount based on previous years' allocations.
6. Glendoveer revenues assume fee increases in FY 1995-96 and FY 1997-98. Assumes revenues remain constant in other years.
7. Assumed 4% annual increase in other enterprise revenues, pass-through resources, and Smith/Bybee transfer beginning FY 1996-97.
8. Assumed 50% reduction in grants in FY 1996-97, and elimination of grants beginning FY 1997-98. Assumption based on reduction in grants between FY 1994-95 and FY 1995-96, and information contained in the department's five year plan. A reduction in grants corresponds with an equivalent reduction in materials & services each year.
9. FY 1995-96 preliminary budget included approx. \$1.072 million in transfer from the Mult. County Natural Areas Fund for capital land acquisition. For future years estimates both this resources and expenditure has been eliminated prior to the application of any other assumption.
10. Assumed 5.0% annual increase in personal services beginning FY 1996-97.
11. Assumed 4.0% annual increase in materials & services beginning FY 1996-97.
12. Allowed a flat amount of capital outlay per year to be basic minimum needs and emergencies. Amount based on previous years.
13. Assumed interfund transfer estimates provided in five year plan. Transfer estimates were based on the FY 1994-95 budget and allocations, and assumed no increase or growth in either the support functions or the operating departments.
14. Assumed contingency equal to 5.0% of total personal services, materials & services, and capital outlay. Assumes contingency is fully spent each year.
15. The analysis does not include the estimated beginning fund balance believed to be available at the beginning of FY 1995-96.

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT
Financial Projections
Regional Parks and Greenspaces Department
(Additional Needs Assessment for Existing Programs)

FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
Adopted Budget	Prelimn. Budget	Estimated Budget	Estimated Budget	Estimated Budget

RESOURCES

Fund Balance - Undesignated	\$0	\$0	\$0	\$0	\$0
Fund Balance- Restricted	0	0	0	0	0
Expo Subsidy	0	0	0	0	0
Excise Tax Earned on Parks	0	0	0	0	0
Excise Tax Earned on Expo	0	0	0	0	0
Transfer from the General Fund	0	0	0	0	0
Enterprise Rev./Glendoveer Golf Course	0	0	0	0	0
Other Enterprise Revenue	0	0	0	0	0
Pass-Through Funds/Marine Fuel Tax & Map	0	0	0	0	0
Pass-Through Funds/R.V.	0	0	0	0	0
Grants	0	0	0	0	0
Natural Areas Fund/Mult. City Transfers	0	0	0	0	0
Smith and Bybee Lakes Fund	0	0	0	0	0
Misc. Other Revenues	0	0	0	0	0
Total Resources	\$0	\$0	\$0	\$0	\$0

EXPENDITURES

Personal Services	\$0	\$259,808	\$303,541	\$363,270	\$367,953
Material & Services	0	529,552	774,429	1,060,745	1,094,177
Capital	0	25,000	0	3,000	0
Interfund Transfers	0	67,550	78,921	94,450	95,668
Contingency	0	40,718	53,899	71,351	73,107
Total Expenditures	\$0	\$922,628	\$1,210,790	\$1,592,816	\$1,630,905
Total FTE	0.00	6.30	7.30	8.30	8.30

Surplus/(Deficit) in Resources	\$0	(\$922,628)	(\$1,210,790)	(\$1,592,816)	(\$1,630,905)
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***** For Information Only *****
Expenditures By Division

Administration Division Approved Programs

EXPENDITURES

Personal Services	0	0	0	0	0
Material & Services	0	0	0	0	0
Capital	0	0	0	0	0
Total Expenditures	0	0	0	0	0
Total FTE	0.00	0.00	0.00	0.00	0.00

Operations & Maintenance Approved Programs

EXPENDITURES

Personal Services	0	69,213	103,415	123,122	115,799
Material & Services	0	0	0	0	0
Capital	0	0	0	0	0
Total Expenditures	0	69,213	103,415	123,122	115,799
Total FTE	0.00	1.00	2.00	2.00	2.00

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT

Financial Projections

Regional Parks and Greenspaces Department

(Additional Needs Assessment for Existing Programs)

FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
Adopted Budget	Prelimin. Budget	Estimated Budget	Estimated Budget	Estimated Budget

Planning and Capital Dev. Approved Programs

EXPENDITURES					
Personal Services	0	190,595	200,126	240,148	252,154
Material & Services	0	529,552	774,429	1,060,745	1,094,177
Capital	0	25,000	0	3,000	0
Total Expenditures	0	745,147	974,555	1,303,893	1,346,331
Total FTE	0.00	5.30	5.30	6.30	6.30

ASSUMPTIONS AND ADJUSTMENTS

1. Additional needs assessments includes only personal services, materials & services, and capital outlay associated with new staff levels, required for maintenance of current program levels or proper operations of regional parks. This analysis does not include needed deferred capital maintenance or capital enhancement projects.
2. Additional needs assessments were estimated using the department's five year financial plan and the Departmental Needs Assessment prepared by the Regional Parks and Greenspaces Department. These documents were compared to the Department's preliminary FY 1995-96 budget, and the forecasted estimates of this analysis called "To Meet Existing Resources."
3. It is assumed no additional revenues will be forthcoming to the department as a result of the additional needs assessments.

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT

Financial Projections

Regional Parks and Greenspaces Department (New Operations)

	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
	Adopted Budget	Estimated Budget	Estimated Budget	Estimated Budget	Estimated Budget
RESOURCES					
Fund Balance - Undesignated	\$0	\$0	\$0	\$0	\$0
Fund Balance- Restricted	0	0	0	0	0
Transfer from the General Fund	0	0	0	0	0
Enterprise Rev./Glendoveer Golf Course	0	0	0	0	0
Other Enterprise Revenue	0	0	0	0	0
Pass-Through Funds/Marine Fuel Tax & Map	0	0	0	0	0
Pass-Through Funds/R.V.	0	0	0	0	0
Grants	0	0	0	0	0
Natural Areas Fund	0	0	0	0	0
Smith and Bybee Lakes Fund	0	0	0	0	0
Total Resources	\$0	\$0	\$0	\$0	\$0
EXPENDITURES					
Personal Services	\$0	\$0	\$58,532	\$108,229	\$187,569
Material & Services	0	0	76,850	121,574	178,887
Capital	0	0	33,000	39,500	54,500
Interfund Transfers	0	0	15,511	28,681	49,706
Contingency	0	0	6,735	10,772	16,838
Total Expenditures	\$0	\$0	\$190,628	\$308,756	\$487,500
Total FTE	0.00	0.00	2.00	3.00	5.00
Surplus/(Deficit) in Resources	\$0	\$0	(\$190,628)	(\$308,756)	(\$487,500)

*** For Information Only *** Expenditures By Division

Operations & Maintenance

EXPENDITURES					
Personal Services	0	0	58,532	108,229	187,569
Material & Services	0	0	76,850	121,574	178,887
Capital	0	0	33,000	39,500	54,500
Total Expenditures	0	0	168,382	269,303	420,956
Total FTE	0.00	0.00	2.00	3.00	5.00

ASSUMPTIONS AND ADJUSTMENTS

- Includes only those costs associated with Land Banking Operations in the event the Greenspaces Bond Measure is approved. It is assumed that new staff and materials associated with the acquisition of land under the bond measure, would be paid from bond proceeds.
- All information was taken from the Regional Parks and Greenspaces Departments, FY 1994-95 five year financial plan.

Parks & Expo 5 Year Capital List

EXPO CENTER

Recommended Essential Capital Expenditures During the IGA Period

Description	Why Required	Estimated Cost
1. South Hall Emergency Generator	Meet Life Safety Code	\$10,000
2. Upgrade South Hall Restrooms	Increase Capacity	60,000*
3. Main Hall Generator Landscape	City Requirement	45,000*
4. KPFF Structural Study	Determine Code Requirements	30,000*
5. Level I Assessment of Site	Determine Hazards/Liabilities	20,000
6. Dike Assessment	Determine Hazards/Liabilities	XX,XXX
7. ERA Study	Analyze Revenue Enhancements	25,500*
8. Expo RV Park Study	Determine Costs/Revenue Potential	XX,XXX**

*Underway/completed at Multnomah County expense

**Funding approved in current budget

Recommended Expo Capital Improvement Plan (Beyond IGA)

Description	Why Required	Estimated Cost
1. South Hall Restrooms Upgrade	Increase Capacity	\$61,000*
2. Structural Upgrade		
A. Vertical Loading	Meet Code	XX,XXX
B. Seismic/Lateral Loading	Meet Code	XX,XXX
3. ADA Improvements	Meet Code	58,000
4. Upgrade Lighting (Int. & Ext.)		450,000
5. Paint Interior and Exterior		185,000
6. New Heating & Ventilation		130,000
7. Asbestos Abatement (Ph. II-IV)		220,000
8. Parking Lot Repair		XX,XXX
9. Replace Asphalt Floor		300,000
10. Replace Hall C Roof		306,000
11. Repair/Enhance Dike		XX,XXX
12. Parking Lot Landscape	Triggered by Major Renovation	XX,XXX

*Balance needed beyond work done by Multnomah County

Parks & Expo 5 Year Capital List

PARKS

Recommended Parks 20-Year Capital Maintenance Plan

Description	Why Required	Estimated Cost
1. Oxbow Park Toilets	ADA, OSHA	\$266,730
2. Oxbow Park Play Equipment	ADA, OSHA	16,500
3. Oxbow Park Flammable Storage		2,450
4. Upgrade 911 System		7,550
5. Wast-Oil Disposal System	DEQ	1,000
6. Blue Lake/Oxbow Wash Rack	DEQ	60,000
7. Oxbow Campground A Lift		13,600
8. Rebuild Lone Fir Driveway		34,794
9. Blue Lake ADA Improvements	Meet Cod	10,500
10. Bybee ADA Improvements	Meet Code	3,400
11. Maintenance Mgmt. System		9,750
12. Oxbow Fire Road Improvements		31,750
13. Close Lone Fir Vault Openings		1,600
14. Replace 284 Blue Lake Picnic Tables		58,220
15. Replace 150 Oxbow Picnic Tables		31,101
16. Replace Shelters at Oxbow Park		30,400
17. "High Ranger" Boom Truck		50,100
18. Rebuild Sauvie Island Boat Ramp		2,450
19. Solid Waste Disposal Equipment/Plan		160,000
20. Expand Office Space at Oxbow Park		30,000
21. Upgrade Oxbow Park Water System		333,750
22. Remove Sand at East End of 43rd Ramp		5,000
23. Replace Sauvie Island Boat Dock		7,490
24. Rebuild Multnomah Cemetery Driveway		36,000
25. Dredge Boat Basin at 43rd		15,000
26. Replace Camp Shelters at Oxbow		30,800
27. New Lift on Blue Lake Pathways		45,783
28. Replace Blue Lake Shade House		2,500
29. Update Oxbow/Blue Lake Base Map		7,500
30. Replace Oxbow Out-Buildings		2,100
31. Fence East Side Columbia Pioneer Cemetery		2,400
32. 200 Gallon Sprayer		5,400
33. Resurface Sauvie Island Boat Ramp Parking Lot		3,471
34. Regrade Mt. View Stark Cemetery Driveway		5,000

Parks & Expo 5 Year Capital List

PARKS

Recommended Parks 20-Year Capital Maintenance Plan

Description	Why Required	Estimated Cost
35. Replace Blue Lake Drainage System		24,000
36. Oxbow Park Roadway Lift		50,000
37. Add 22 Snap Valve Heads at Blue Lake		1,100
38. Turf Renovation at Oxbow		10,000
39. Grade/Pave Columbia Pioneer Driveway		6,152
40. New Domestic Water Lines at Blue Lake		449,000
41. Upgrade Blue Lake Electrical System		32,000
42. Second Pay Phone at Blue Lake		2,500
43. Expand Wood Storage at Oxbow		5,600
44. Convert Blue Lake Irrigation to Automatic		60,000
45. Replace Curry Building Doors		2,000
46. Install Fence at Blue Lake		79,700
47. New Windows at Lake House		12,254
48. Window Coverings at Lake House		1,000
49. New Carpet at Lake House		3,825
50. Equipment Needs (Cost/Benefits):		
Pickup Truck	\$15,000	
Trailer	5,000	
Mower	12,500	
Flail Mower	3,300	
Ice Machine/Cooler/LH	5,200	
Total		\$41,000
51. Roof Replacements at Blue Lake (Safety; Cost/Benefit), (10 Structures)		171,800

The following items are scheduled for FY95-96

- a) Oxbow Park play equipment replacement
- b) Flammable liquid storage building - Oxbow
- c) ADA - Howell Territorial Park
- d) Roof replacement - Curry Building (Blue Lake)

This list is in priority but may be changed if conditions deteriorate at any one facility.

REGIONAL FACILITIES COMMITTEE REPORT

RESOLUTION NO. 94-1983, ADOPTING POLICIES FOR THE MANAGEMENT OF THE PARKS/EXPO FUND

Date: November 17, 1994

Presented by: Councilor Hansen

COMMITTEE RECOMMENDATION: At its November 16, 1994 meeting the Regional Facilities Committee voted 3-0 to recommend Council adoption of Resolution No. 94-1983. Councilors Hansen, McFarland, and Moore voted in favor. Councilors Gates and Washington were absent.

COMMITTEE DISCUSSION/ISSUES: Finance Director Jennifer Sims and General Services Director Doug Butler presented the staff report. Ms. Sims reviewed the history of having the Expo Center and the regional parks system placed in the same fund, which originated at Multnomah County. She said Councilors Hansen and Monroe convened interested Metro and MERC staff this spring, and directed them to come up with a set of recommendations to resolve questions of fund management. The principal issue was how best to provide sufficient operating funds for the parks system, using Expo revenues, while assuring that Expo would have sufficient revenue to meet its operating and capital needs. Ms. Sims said that the staff working group broadened its original charge to include recommendations on establishing a sustainable financial plan to support healthy and viable operations for both Parks and Expo. The result of their work is contained in this resolution, which contains a series of recommendations and recommended actions.

Mr. Butler discussed each of the recommendations, contained in Exhibit A. Those include:

- Limit capital expenditures at Expo and Parks to only those necessary for health and safety, until an Intergovernmental Agreement with Multnomah County is concluded which transfers ownership.
- Provide a funding split of Expo revenues to provide \$325,000 plus Expo excise tax revenues, to support Parks. This split will last through FY 1996-97. Any other net Expo revenue will stay with Expo. A sustainable source of operating revenues for Parks should be implemented by then, at which point Expo revenues will be dedicated to Expo.
- Future expansion of Expo can be justified, and such expansion should be done prior to making extensive capital improvements at the existing facility. This would allow continued use of the facility while improvements are made.
- Establish renewal & replacement accounts for both Expo and Parks, including Glendoveer Golf Course.

- Operational funding should be identified prior to acquisition of new parks facilities.
- Council should adopt criteria to guide negotiations with Multnomah County for phase 2 of the IGA. Multnomah County facilities that do not fit in the Parks Department's mission should not be transferred to Metro.

In response to a question from Councilor McFarland, Regional Parks & Greenspaces Director Charlie Ciecko said the long-term need for Parks is greater than the \$325,000 plus excise tax, and a funding source for operations will need to be more than that amount.

Ms. Sims summarized the "Recommended Actions" in Exhibit B, saying they were essentially a distillation of the recommendations discussed earlier under Exhibit A. She said these work items represent a 1 1/2 to 2 year work effort, to be incorporated into staff's work plans upon adoption of the resolution. This list is intended to guide staff and the Council in determining policies and issues to be addressed in the coming months.