A G E N D A

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METRO

Agenda

MEETING: METRO COUNCIL REGULAR MEETING
DATE: May 19, 2005
DAY: Thursday
TIME: 2:00 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS

2. CITIZEN COMMUNICATIONS

3. NATURE IN NEIGHBORHOODS – HABITAT FRIENDLY DESIGN SOLUTIONS — Deffebach

4. WASTE REDUCTION EDUCATION UPDATE — Sherburne

5. THIRD QUARTERLY REPORT — Stringer

6. CONSENT AGENDA

6.1 Consideration of Minutes for the May 12, 2005 Metro Council Regular Meeting.

7. ORDINANCES – FIRST READING

7.1 **Ordinance No. 05-1080,** For the Purpose of Amending Metro Code Chapter 5.02 To Establish Metro's Solid Waste Disposal Charges and System Fees For Fiscal Year 2005-06.

7.2 **Ordinance No. 05-1081,** Amending Metro Code Chapter 5.05 to Include Cedar Grove Composting, Inc. on the List of Designated Facilities; and Declaring an Emergency.

7.3 **Ordinance No. 05-1083,** Amending Metro Code Chapter 5.05 to Include The Weyerhaeuser Regional Landfill on the List of Designated Facilities; And Declaring an Emergency.

8. ORDINANCES - SECOND READING

8.1	**Ordinance No. 05-1079,** For the Purpose of Amending the FY 2004-05 Budget and Appropriations Schedule Recognizing a Land Donation from the Wetlands Conservancy, Amending the FY 2004-05 through FY 2008-09 Capital Budget; and Declaring an Emergency.	Burkholder
8.2	**Ordinance No. 05-1084,** Amending the FY 2004-05 Budget and Appropriations Schedule for the Purpose of Adopting a Supplemental Budget for the Metropolitan Exposition Recreation Commission for the Fiscal Year Beginning July 1, 2004 and Ending June 30, 2005; and Declaring an Emergency.	Park

9. RESOLUTIONS

9.1	**Resolution No. 05-3563,** For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Apply Additional Selection Criteria to TOD Program Frequent Bus Line Projects.	Liberty
9.2	**Resolution No. 05-3585,** For the purpose of Confirming the Appointment of Margaret Bax, Jesse Beason, Mark Coffey, Fr. Michael Maslowski, Martha McLennan and Mike Swanson to the Region Housing Choice Task Force.	Liberty
9.3	**Resolution No. 05-3586,** For the Purpose of Endorsing the Formation Of the Oregon Metropolitan Planning Organization Consortium.	Burkholder

10. OREGON LEGISLATIVE UPDATE

11. CHIEF OPERATING OFFICER COMMUNICATION

12. COUNCILOR COMMUNICATION

ADJOURN

Television schedule for May 19, 2005 Metro Council meeting

Clackamas, Multnomah and Washington counties, and Vancouver, Wash. Channel 11 -- Community Access Network www.yourtvtv.org -- (503) 629-8534 2 p.m. Thursday, May 19 (live)	**Washington County** Channel 30 -- TVTV www.yourtvtv.org -- (503) 629-8534 11 p.m. Saturday, May 21 11 p.m. Sunday, May 22 6 a.m. Tuesday, May 24 4 p.m. Wednesday, May 25
Oregon City, Gladstone Channel 28 -- Willamette Falls Television www.wftvaccess.com -- (503) 650-0275 Call or visit website for program times.	**West Linn** Channel 30 -- Willamette Falls Television www.wftvaccess.com -- (503) 650-0275 Call or visit website for program times.
Portland Channel 30 (CityNet 30) -- Portland Community Media www.pcatv.org -- (503) 288-1515 8:30 p.m. Sunday, May 22 2 p.m. Monday, May 23	

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 Clerk of the Council, Chris Billington, (503) 797-1542. Public Hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be considered included in the decision record. Documents can be submitted by e-mail, fax or mail or in person to the Clerk of the Council. For additional information about testifying before the Metro Council please go to the Metro website www.metro-region.org and click on public comment opportunities. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

Agenda Item Number 7.1

Consideration of Minutes of the May 12, 2005 Regular Council meeting.

Metro Council Meeting
Thursday, May 19, 2005
Council Chamber

Agenda Item Number 8.1

Ordinance No. 05-1080, For the Purpose of Amending Metro Code Chapter 5.02 To Establish Metro's Solid Waste Disposal Charges and System Fees For Fiscal Year 2005-06.

First Reading

Metro Council Meeting
Thursday, May 19, 2005
Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 5.02 TO ESTABLISH METRO'S SOLID WASTE DISPOSAL CHARGES AND SYSTEM FEES FOR FISCAL YEAR 2005-06	)))))	ORDINANCE NO. 05-1080 Introduced by: Michael Jordan, Chief Operating Officer, with the concurrence of David Bragdon, Council President

WHEREAS, Metro Code Chapter 5.02 establishes solid waste charges for disposal at Metro South and Metro Central transfer stations; and

WHEREAS, Metro Code Chapter 5.02 establishes fees assessed on solid waste generated within the District or delivered to solid waste facilities regulated by or contracting with Metro; and

WHEREAS, Metro's costs for solid waste services and programs have increased; and

WHEREAS, pursuant to its charge under Metro Code section 2.19.170, the Solid Waste Rate Review Committee has reviewed the Solid Waste & Recycling department's proposed FY 2005-06 budget, rate methodology and cost allocations; and

WHEREAS, Solid Waste Rate Review Committee recommends that the Metro Council adopt the rates set forth in this ordinance; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

Section 1. Metro Code Section 5.02.025 is amended to read:

5.02.025 Disposal Charges at Metro South & Metro Central Station

(a) The fee for disposal of solid waste at the Metro South Station and at the Metro Central Station shall consist of:

(1) The following charges for each ton of solid waste delivered for disposal:

(A) A tonnage charge of $46.80 per ton,

(B) The Regional System Fee as provided in Section 5.02.045,

(C) An enhancement fee of $.50 per ton, and

(D) DEQ fees totaling $1.24 per ton;

(2) All applicable solid waste taxes as established in Metro Code Chapter 7.01, which excise taxes shall be stated separately; and

(3) A Transaction Charge of $7.50 for each Solid Waste Disposal Transaction.

(b) Notwithstanding subsection (a) of this section, there shall be a minimum solid waste disposal charge at the Metro South Station and at the Metro Central Station for loads of solid waste weighing 260 pounds or less of $17, which shall consist of a minimum Tonnage Charge of $9.50 plus a Transaction Charge of $7.50 per Transaction.

(c) Total fees assessed in cash at the Metro South Station and at the Metro Central Station shall be rounded to the nearest whole dollar amount, with any $0.50 charge rounded down.

(d) The Director of the Solid Waste & Recycling Department may waive disposal fees created in this section for Non-commercial Customers of the Metro Central Station and of the Metro South Station under extraordinary, emergency conditions or circumstances.

<u>Section 2</u>. Metro Code Section 5.02.035 is amended to read:

5.02.035 Litter Control Surcharge

(a) A surcharge of $25 per ton, up to a maximum amount of $100, shall be levied against any customer who disposes of solid waste or a Recoverable Solid Waste at Metro Central Station or at Metro South Station if, when entering the facility, any portion of the customer's waste or Recoverable Solid Waste is unsecured and visible to Metro scalehouse personnel.

(b) No surcharge shall be levied under this section if the solid waste or Recoverable Solid Waste is only visible through a secure covering.

(c) Notwithstanding subsection (a) of this section, a surcharge of $3 per Solid Waste Disposal Transaction shall be levied against any customer who disposes of a single load of solid waste or recoverable solid waste that weighs 260 pounds or less and that is unsecured and visible to Metro scalehouse personnel.

(d) The surcharge provided for in this section shall be collected in the same manner as Metro collects all other disposal fees and charges at the facility.

<u>Section 3</u>. Metro Code Section 5.02.045 is amended to read:

5.02.045 System Fees

(a) <u>Regional System Fee:</u> Solid waste system facility operators shall collect and pay to Metro a Regional System Fee of $14.54 per ton for the disposal of solid waste generated, originating, collected, or disposed of within Metro boundaries, in accordance with Metro Code Section 5.01.150.

(b) <u>Metro Facility Fee:</u> Metro shall collect a Metro Facility Fee of $1.10 per ton for all solid waste delivered to Metro Central Station or Metro South Station.

(c) System fees described in paragraph (a) shall not apply to exemptions listed in Section 5.01.150(b) of this Code.

Section 3. Effective Date

The provisions of this ordinance shall become effective on September 1, 2005, or 90 days after adoption by Metro Council, whichever is later.

ADOPTED by the Metro Council this ______ day of ________________, 2005.

David Bragdon, Council President

ATTEST:

Approved as to Form:

Christina Billington, Recording Secretary

Daniel B. Cooper, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 05-1080 FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 5.02 TO ESTABLISH METRO'S SOLID WASTE DISPOSAL CHARGES AND SYSTEM FEES FOR FISCAL YEAR 2005-06

Date: May 19, 2005 Prepared by: Douglas Anderson

The FY 2005-06 Solid Waste Rate Ordinance No. 05-1080 would implement the Metro tip fee and following rates (in boldface) on September 1, 2005:

Solid Waste Disposal Charges at Metro Transfer Stations
Effective September 1, 2005 through August 31, 2006

Rate Components	Current Rates	This Ordinance	Change
Transaction Fee	$7.50	**$7.50**	– 0 –
Per-ton rates:			
Tonnage charge	$45.55	**$46.80**	$1.25
Regional System Fee	$15.09	**$14.54**	($0.55)
Excise tax	$8.58	$8.33	($0.25)
DEQ & host fees	$1.74	$1.74	– 0 –
Metro Tip Fee	$70.96	$71.41	$0.45
Minimum load charge	$17	**$17**	– 0 –

Notes
- Boldface type indicates the rates that are amended by this ordinance.
- The minimum load charge is for 260 or fewer pounds delivered in a single load.

These rates fully recover the costs of the FY 2005-06 Requested Budget, assuming approval of Budget Amendments No. SWR 1—4 read before Council on April 25, 2005. On April 25, Council requested that Budget Amendment No. SWR-4 be heard in conjunction with this ordinance. That amendment and supporting material may be found in the Attachment 1 to this staff report.

BACKGROUND

Last year, the Rate Review Committee undertook a major analysis of the drivers of Metro's solid waste costs. As a result of that work, the Committee recommended three major changes for the current (FY 2004-05) solid waste rate structure:

- More administrative and overhead costs should be borne by customers of Metro transfer stations;
- The debt service should be allocated between Metro customers and regional ratepayers on the basis of capital usage and "stranded" investment; and
- Certain regulatory costs should be borne by the regulated community, not Metro customers.

Taken as a whole, these changes had major implications for solid waste rates. This fact, together with the increase in the solid waste excise tax last year, led the Council to adopt a portion of the Committee's recommendation, with the balance to be considered for implementation later.

This year, after experience with the modified rate structure, the Committee reviewed the results of its recommendation. The Committee noted that several policy issues and unintended consequences of the rates merit review by broader groups than the Rate Review Committee. Accordingly, the rates in this ordinance reflect the same cost allocation structure as this year's rates—that is, a "time out" on implementing the next phase of the recommendation from last year, pending review of the policy issues identified by the Committee. The issues fall into two headings, listed below and summarized in the balance of this staff report.

Policy Issues that Affect the Rate Structure
Rate Review Committee Recommends Review by Broader Groups

Cost Drivers for which Policy Input Needed
- Sustainable purchasing
- Hours of operation
- Regulatory costs

System Effects of Metro Rate Changes
- Metro fiscal impact
- Private facility economics
- Effect on local government rate-making

Cost Drivers for which Policy Input Needed

Any "cost of service" depends on the *level* of service provided. In the provision of public goods, the level-of-service is determined by demand, but also in part by policy choices. For example, Metro has a policy to ensure that public customers have convenient access to disposal services. This means that Metro stays open longer hours than would be the case if purely business motives were the primary determining factor. A case can be made that the extra hours provide a regional benefit; and therefore, the cost of these additional hours should be borne broadly.

The Rate Review Committee identified three policies in this area where broader policy input is warranted before the committee makes another recommendation on rates. The Department will work with the Committee chair to ensure that these issues are discussed in the appropriate forums.

Sustainable Purchasing/Sustainability Leadership. Metro's new operating contract includes certain "sustainability measures" that cost more than their conventional counterparts by about $115,000 per year. With these purchases, Metro helps to boost the economic development of sustainable alternatives to help make them more widely available—a regional benefit.

Question. Should Metro's customers alone bear the additional costs of policies such as sustainable purchasing, or should these costs be borne by the broader set of regional beneficiaries?

RRC Discussion. It is valid that these costs be paid by the broader group; however, this is but one policy among many. The policy *package* should be implemented, rather than individual policies.

Public Customer Access to Disposal Services. Metro has made a policy choice to stay open long hours at the transfer stations to ensure convenient access for the public. These long hours are a major driver of the scalehouse costs. The operation's contract also includes consideration for the higher cost of handling public loads. Metro's "always open" choice was made explicitly to benefit the region.

Question. Should Metro's customers alone bear the additional cost of operations and the extra hours held open for the public, or should this cost be shared?

RRC Discussion. Open discussion about the stated policy, vs. unknown elasticity effects of "user pay" principles. The Committee was unable to reach a decision until the broader policy questions about self haul are addressed.

Regulatory Costs. Last year, the Rate Review Committee agreed that Metro incurs certain costs solely as a result of private facilities, and that the recovery of these costs should fall on the regulated community. However, some classes of facilities are regulated specifically to meet a widely-shared public interest, and the cost of regulating these facility classes may therefore be allocated to the system fee. Two examples are yard debris facilities and out-of-district landfills. In both these cases, Metro regulates primarily to realize broad system benefits.

Question. Should private facilities alone bear the cost of licensing, inspections and audits, and regulatory enforcement, or should this cost be shared among the broader regional beneficiaries?

System Effects of Metro Rate Changes

One effect of implementing last year's recommendation is a shift of certain fixed costs from the Regional System Fee (a rate with a large regional tonnage base) to the Tonnage Charge at Metro transfer stations (a rate based on less than half the regional tonnage). This has the effect of boosting the Metro tip fee and reducing the Regional System Fee. The Committee noted three unintended consequences of these changes: amplification of the fiscal impact of tonnage shifts, and a change in the profitability of private transfer stations and in local government disposal prices—the latter two unrelated to any change in service. In its motion to stand pat with the current allocation model, the Committee noted that these effects should be better understood before further cost reallocations are implemented. The Department intends to work with the Committee chair to incorporate these issues in the Disposal System Planning Project, under way.

Fiscal Impact of Tonnage Shifts. The sensitivity of the tip fee to tonnage shifts is directly related to the increased proportion of fixed costs in the disposal charges at the transfer stations. The resulting fiscal impact may weigh into decisions on:

- Increasing tonnage authorizations at existing private facilities.
- Approving new transfer and/or material recovery facilities.

Private Facility Economics. The economics of private facilities in the Metro region are driven by the Metro tip fee as a benchmark for revenue in the front door; and the Regional System Fee (and excise tax) as a cost on waste out the back door. Any time the tip fee rises and/or the Regional System Fee drops, private facilities' economic condition improves without any other change in cost or service to the private facility. (The reverse is also true: if the tip fee falls and the system fee rises, private facility economics erode, all else equal.) The Committee believes it may be a matter of public concern that private facilities can be so affected in a manner that is unrelated to changes in cost, competition, or level of service.

Local Government Rate-Making. In current practice, local governments allow solid waste haulers to recover disposal costs up to the Metro tip fee regardless of which disposal facility is used. If the tip fee changes because costs are re-allocated among rates with different tonnage bases, then through their collection rate-making process, local governments are put in a position of granting revenue to private facilities that are unrelated to changes in cost or service. Local governments advised the Committee that they would like the time to address this issue before any more of Metro's costs are re-allocated.

INFORMATION/ANALYSIS

1. **Known Opposition.** There is no known opposition.
2. **Legal Antecedents.** Metro's solid waste rates are set in Metro Code Chapter 5.02. Any change in these rates requires an ordinance amending Chapter 5.02. Metro reviews solid waste rates annually, and has amended Chapter 5.02 when changes are warranted.
3. **Anticipated Effects:** This ordinance will increase the cost of disposal at Metro transfer stations by 45¢ per ton beginning September 1, 2005. Historically, most private facilities have mirrored the Metro rate, and local governments use the Metro tip fee to establish disposal costs in setting collection rates. The mild reduction in the Regional System Fee will improve operating margins at private facilities, all else equal. This factor also has implications for the level of Regional System Fee credits needed to support the recovery of recyclable materials from mixed waste.
4. **Budget Impacts.** These rates are designed to recover fully the department's budgeted costs above the twenty-five percent of debt service that is proposed to be covered from reserves. These rates are in full compliance with the rate covenant of the solid waste revenue bonds.

RECOMMENDATION

The Chief Operating Officer recommends adoption of Ordinance No. 05-1080.

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Budget Amendment SWR 4
Rate Predictability: Managing the Impact of the Debt Service on Rates

Depending on where the $2.345 million annual debt service payment is allocated, its impact on the Metro tip fee ranges from $1.80 (all allocated to the system fee), to $4.15 per ton (all allocated to the disposal charge). The last bond payment is July 1, 2009. Therefore, beginning FY 2009-10, the debt service disappears as a revenue requirement on the rates. Under the current rate model, this would equate to a sudden drop of about $2.85 in the tip fee, all else equal.

Historically, the Rate Review Committee has advised that Metro manage predictable cost swings such as the end of debt service payments, in the interest of maintaining smooth rate paths over time. This advice is based on standard rate-making practice, and implements the Council's Rate Setting Criterion No. 9:

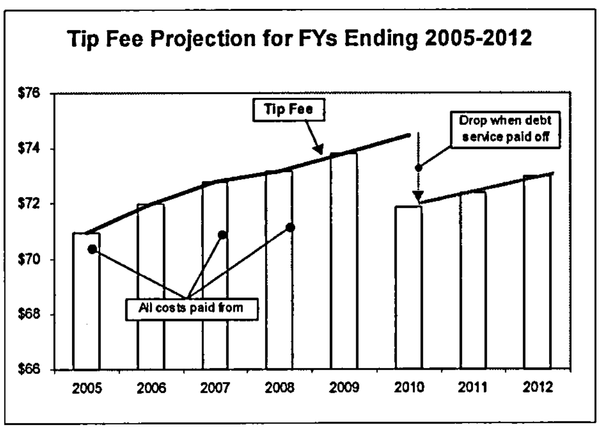
> Predictability: Metro rate adjustments should be predictable and orderly to allow local governments, haulers, and rate payers to perform effective planning. Resolution #93-1824A

The Department currently has over $3.6 million in reserves dedicated just to debt service. Of these reserves, only $1.2 million is needed to cover current bond requirements. The balance of debt service reserves will eventually be used to pay off debt. Other reserves in excess of their target amounts are also available for debt. The essence of the question is: begin to use those excess reserves now, in the interest of "managing" the debt to obtain smooth rate paths; or wait, and use the reserves all at once in the last year and a half of the debt service schedule?

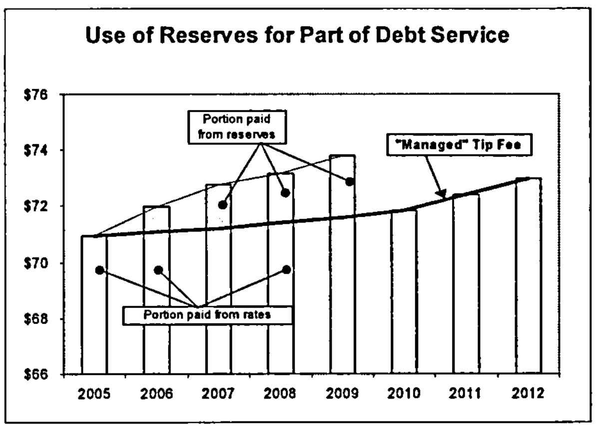
With adoption of Ordinance No. 05- 1080 and SWR Budget Amendment No. 4, Metro could begin phasing-in the use of solid waste reserves to pay the debt service, in lieu of using rate revenue. Approximately $590,000 in reserves could be used toward debt service next year, with the allocation from reserves increasing by a like amount each year until the entire debt service is paid from reserves in 2009. All else equal, this reduces the tip fee by about 58¢ per year. In the alternative—do nothing—the tip fee would drop by $2.85 when there is no longer a need to collect for the debt service.

The following graphs illustrate the two options.

"Do Nothing" Rate Path



"Managed" Rate Path



Department	#
SW&R	4

As Read Before Council April 25, 2005

AMENDMENT TO FY 2005-06 BUDGET

PRESENTER: Mike Hoglund, Director

DRAFTER: Maria Roberts, Budget & Finance Administrator

DATE: April 13, 2005

PROPOSED AMENDMENT:

Debt Service Management

Department(S)	Fund(s)	Line Items		
		Acct #	Account Title	Amount
Resources SW&R	Solid Waste Revenue Fund	4300	Disposal Fees	($586,216)
Requirements SW&R	Solid Waste Revenue Fund	5990	Fund Balance Rate Stabilization Account	($586,216)

PROGRAM/STAFFING IMPACTS

None.

ARGUMENTS IN FAVOR OF THE PROPOSED AMENDMENT

This amendment reflects a recommendation from the Rate Review Committee to begin managing the annual debt service to avoid an abrupt drop in the rates when the bonds are paid off in FY 2009-10. The recommendation is to begin tapping into reserves to pay debt service, rather than raising the entire amount from rates.

With this amendment, 25 percent of next year's debt service would be paid from reserves. A higher proportion can be phased-in in the future. This amendment utilizes only the excess reserves that are projected to be above their target levels by the end of FY 2004-05. All fund balances remain at or above their legal and prudent levels. The FY 2005-06 debt service coverage is projected to be 166%, above the required 110% with a comfortable planning cushion.

OPTIONS FOR FUNDING THIS AMENDMENT – What reductions, credits, changes, or adjustments in other budget/program areas will be necessary to accommodate this amendment?
None

Agenda Item Number 8.2

Ordinance No. 05-1081, Amending Metro Code Chapter 5.05 to Include Cedar Grove Composting, Inc. on the List of Designated Facilities; and Declaring an Emergency

First Reading

Metro Council Meeting
Thursday, May 19, 2005
Council Chamber

BEFORE THE METRO COUNCIL

AMENDING METRO CODE CHAPTER 5.05 TO INCLUDE CEDAR GROVE COMPOSTING, INC. ON THE LIST OF DESIGNATED FACILITIES; AND DECLARING AN EMERGENCY	))))))	ORDINANCE NO. 05-1081 Introduced by Michael Jordan, Chief Operating Officer with the concurrence of David Bragdon, Council President

WHEREAS, Metro Code Section 5.05.030 authorizes the Metro Council to add and delete facilities from the list of designated facilities set forth in that Section; and,

WHEREAS, Cedar Grove Composting, Inc. operates two facilities located in Washington state that are permitted to receive and compost organic waste including food waste; and

WHEREAS, Cedar Grove Composting, Inc. has made application to Metro seeking designated facility status by requesting that Metro add the Cedar Grove Composting, Inc. to the list of designated facilities set forth in Metro Code Section 5.05.030; and,

WHEREAS, as set forth in the staff report accompanying this Ordinance, the Chief Operating Officer analyzed the criteria set forth in Metro Code section 5.05.030(b) that the Metro Council must consider when it determines whether to add a facility to the list of designated facilities in Section 5.05.030(a); and,

WHEREAS, the Chief Operating Officer recommends approval of this Ordinance; now therefore,

THE METRO COUNCIL HEREBY ORDAINS AS FOLLOWS:

1. Metro Code Section 5.05.030(a) is amended to add the following provision as subsection 11:

(11) Cedar Grove Composting, Inc. The Cedar Grove Composting, Inc. facilities located in Maple Valley, Washington, and Everett, Washington. Cedar Grove Composting, Inc. may accept solid waste generated within the District only as follows:

(A) As specified in an agreement entered into between Metro and Cedar Grove Composting, Inc. authorizing receipt of such waste; or

(B) Subject to a non-system license issued to a person transporting to Cedar Grove Composting, Inc. solid wastes not specified in the agreement.

2. This ordinance is necessary for the immediate preservation of public health, safety and welfare by providing for more effective and comprehensive management and regulation of the regional solid waste system through the timely implementation of the designated facility agreement related to the Cedar Grove Composting, Inc. An emergency is therefore declared to exist, and this ordinance shall take effect immediately, pursuant to Metro Charter section 39(1).

ADOPTED by the Metro Council this __________ day of _________________, 2005.

____
David Bragdon, Council President

Attest:

Approved as to Form:

____
Christina Billington, Recording Secretary

____
Daniel B. Cooper, Metro Attorney

STAFF REPORT

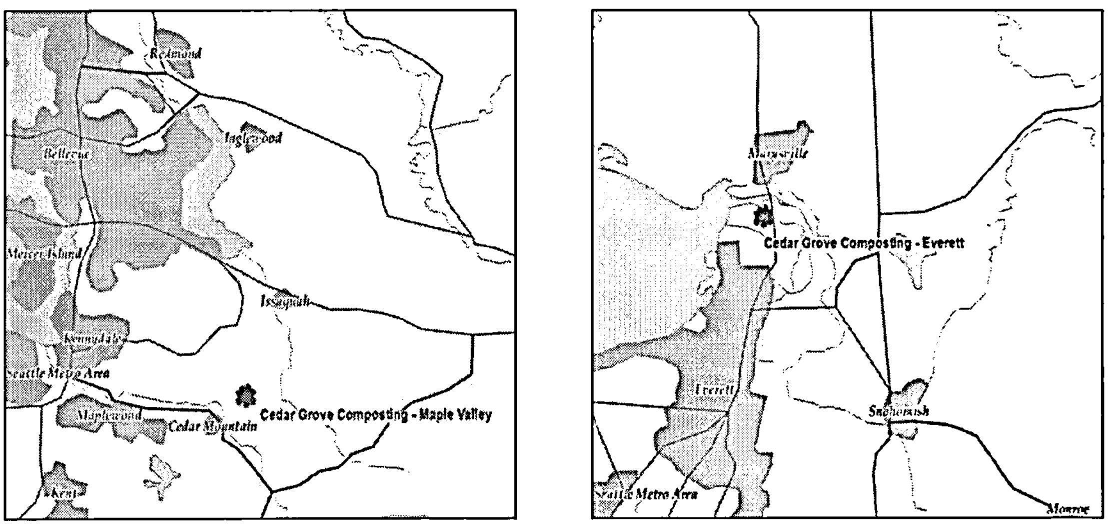
IN CONSIDERATION OF ORDINANCE NO. 05-1081, AMENDING METRO CODE CHAPTER 5.05 TO INCLUDE CEDAR GROVE COMPOSTING, INC. ON THE LIST OF METRO DESIGNATED FACILITIES, AND RESOLUTION NO. 05-3584, AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO A DESIGNATED FACILITY AGREEMENT WITH CEDAR GROVE COMPOSTING, INC.

May 2, 2005 Prepared by: Steve Kraten

Designation of a new solid waste facility outside the Metro region requires an ordinance to amend the Code by the addition of the newly designated facility to the list of facilities described in Chapter 5.05.030. When it is proposed that the facility be authorized to accept putrescible waste, as is the case with Cedar Grove Composting, Inc. (CGC), a resolution is also required in order to authorize the COO to enter into the Designated Facility Agreement (DFA) on behalf of Metro. This staff report accompanies both the ordinance and the resolution.

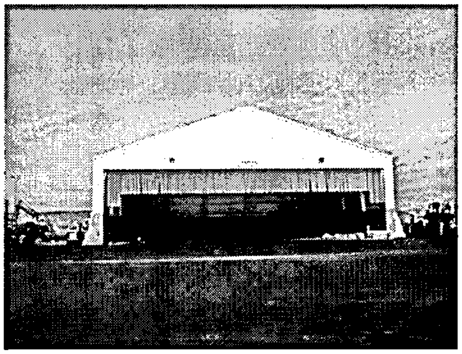
BACKGROUND

CGC has requested Designated Facility status under the provisions of Metro Code section 5.05.030. CGC operates two food waste composting facilities; one located in Maple Valley, Washington and the other located in Everett, Washington. Both CGC facilities are presently receiving food waste from the Portland area under a contract with Metro.

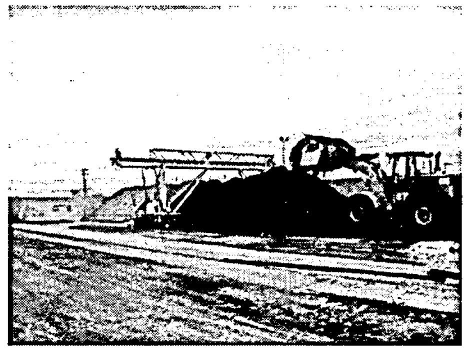


Locations of Cedar Grove Composting Facilities

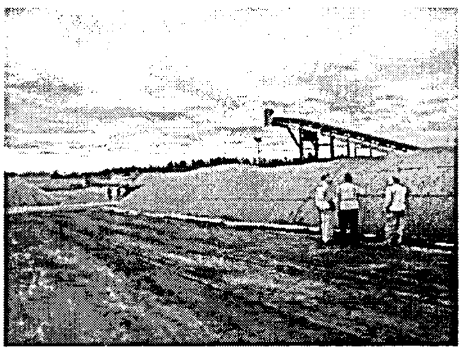
The purpose of the proposed Designated Facility Agreement (DFA) is to allow source-separated organic waste, and food waste in particular, generated from within the Metro region to be received at CGC's facilities for composting. This will allow those facilities to receive food waste from any generator or hauler within the Metro region without the need for such generators and haulers to obtain non-system licenses.



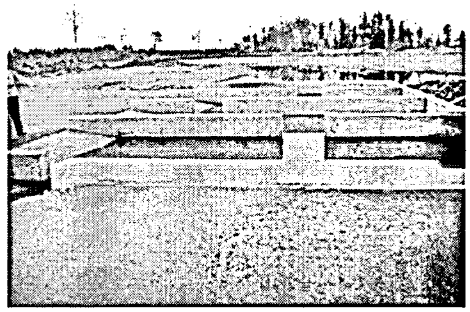
Receiving Building



Windrow Construction



Covered Windrow



Stormwater Weir

Metro Code section 5.05.030(a) contains a list of designated facilities. Metro Code section 5.05.030(b) states that, pursuant to a duly enacted ordinance, the Metro Council may add facilities to or remove them from the list. If approved, this will be the first designated facility that is not a landfill. In deciding whether to designate an additional facility, the Council shall consider several factors listed in the Code. Below are the factors that must be considered, followed by a brief analysis.

(1) *The degree to which prior users of the facility and waste types accepted at the non-system facility are known and the degree to which such wastes pose a future risk of environmental contamination;*

CGC has been operating its Maple Valley facility since 1989. The facility accepts approximately 190,000 tons annually of organic waste from the Puget Sound area. The Everett facility began operations in July, 2004. The facilities have accepted only organics for composting. Staff research has not uncovered any evidence of any wastes accepted at the facilities that are likely to pose a risk of environmental contamination.

(2) *The record of regulatory compliance of the facility's owner and operator with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations;*

CGC's Maple Valley facility operates under a Solid Waste Permit issued by Seattle-King County, a Puget Sound Clean Air Agency Permit, and a King County Industrial Waste Discharge Permit. The Everett facility's Solid Waste permit was issued by the Snohomish County Health Department. Both facilities are considered by their regulatory agencies to be well run and in compliance with all federal, state and local requirements including those related to public health, safety and environmental rules and regulations.

(3) The adequacy of operational practices and management controls at the facility;

Metro staff inspected both the Maple Valley and Everett facilities in the course of its evaluation of this application. The Everett facility exclusively utilizes the Gore system with computer-monitored windrows covered by semi-permeable membrane covers on a positive forced-air pad. The facility was clean and fully paved with a state of the art stormwater collection system. Waste is received within a building that controls odors with negative air pressure and a bio-filter. The Maple Valley facility uses a combination of Gore technology and uncovered, negatively aerated windrows. Both facilities use operational practices and management controls that are judged by Metro staff to be superior to systems currently used within the Metro region and adequate for the protection of health, safety, and the environment.

(4) The expected impact on the region's recycling and waste reduction efforts;

The waste authorized for composting under the proposed DFA includes only organic solid wastes that do not have any other potential for recycling, recovery or reuse. Such wastes consist primarily of food waste that would typically be disposed in a landfill. Thus, approval of the proposed DFA is anticipated to increase the region's recovery rate.

(5) The consistency of the designation with Metro's existing contractual arrangements;

The requested agreement does not conflict with Metro's disposal contract or any other of Metro's existing contractual arrangements.

(6) The record of the applicant regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement and with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations; and

CGC has no previous regulatory history with Metro. The agencies that regulate CGC report that, under the current management, its facilities have been compliant and responsive to regulatory agencies.

(7) Such other factors as the Chief Operating Officer deems appropriate for purposes of making such determination.

The Chief Operating Officer is not aware of any additional factors that are appropriate for making such a determination.

ANALYSIS/INFORMATION

1. Known Opposition

Staff is not aware of any opposition to the proposed DFA.

2. Legal Antecedents

Metro Code Section 5.05.030(b) provides that the Metro Council may, from time to time, through a duly enacted ordinance, add a facility to the list of designated facilities described in Code Section 5.05.030(a).

3. Anticipated Effects

- More efficient administration through the replacement of multiple non-system licenses issued to individual haulers and waste generatores with a single DFA;
- Enhanced regulatory authority by Metro at the facilities;
- Potential for increased materials recovery.

4. Budget Impacts

The budget impact of CGC's recovery of food waste that would otherwise have been disposed was already largely factored into budget projections when Metro negotiated its contract with CGC to accept source-separated food waste staged at the Metro Central Transfer Station. Though approval of a DFA that authorizes direct deliveries of source-separated food waste may, in the short-run, increase recovery tonnage beyond what it would be if transshipment via Metro Central Transfer Station (MCS) remained the sole option, there is no firm basis upon which to estimate the potential impact. However, CGC is obligated under its contract with Metro to site a facility locally when its Metro area volume reaches 10,000 tons annually, whether the waste is delivered from MCS or from private haulers. Once a facility is sited locally, it is unlikely that organic waste will continue to be delivered to the more distant Maple Valley and Everett Facilities. Thus, it is unlikely that approval of the proposed designated facility agreement will have a significant budget impact.

RECOMMENDATION

The Chief Operating Officer recommends adoption of Ordinance No. 05-1081.

Agenda Item Number 8.3

Ordinance No. 05-1083, Amending Metro Code Chapter 5.05 to Include The Weyerhaeuser Regional Landfill on the List of Designated Facilities; And Declaring an Emergency.

First Reading

Metro Council Meeting
Thursday, May 19, 2005
Council Chamber

BEFORE THE METRO COUNCIL

AMENDING METRO CODE CHAPTER 5.05 TO INCLUDE THE WEYERHAEUSER REGIONAL LANDFILL ON THE LIST OF DESIGNATED FACILITIES; AND DECLARING AN EMERGENCY	))))))	ORDINANCE NO. 05-1083 Introduced by Michael Jordan, Chief Operating Officer with the concurrence of David Bragdon, Council President

WHEREAS, Metro Code Section 5.05.030 authorizes the Metro Council to add and delete facilities from the list of designated facilities set forth in that Section; and,

WHEREAS, Weyerhaeuser, Inc. is the owner of the Weyerhaeuser Regional Landfill located in Castle Rock, Washington, and has made application to Metro seeking designated facility status for the Weyerhaeuser Regional Landfill by requesting that Metro add the Weyerhaeuser Regional Landfill to the list of designated facilities set forth in Metro Code Section 5.05.030; and,

WHEREAS, as set forth in the staff report accompanying this Ordinance, the Chief Operating Officer analyzed the criteria set forth in Metro Code section 5.05.030(b) that the Metro Council must consider when it determines whether to add a facility to the list of designated facilities in Section 5.05.030(a); and,

WHEREAS, the Chief Operating Officer, recommends approval of this Ordinance; now therefore,

THE METRO COUNCIL HEREBY ORDAINS AS FOLLOWS:

1. Metro Code Section 5.05.030(a) is amended to add the following provision as subsection 11:

(11) Weyerhaeuser Regional Landfill. The Weyerhaeuser Regional Landfill, located in Castle Rock, Washington, and the Weyerhaeuser Material Recovery Facility, located in Longview, Washington. The Weyerhaeuser Material Recovery Facility is hereby designated only for the purpose of accepting solid waste for transfer to the Weyerhaeuser Regional Landfill. The Weyerhaeuser Regional Landfill and the Weyerhaeuser Material Recovery Facility may accept solid waste generated within the District only as follows:

(A) As specified in an agreement entered into between Metro and Weyerhaeuser, Inc. authorizing receipt of such waste; or

(B) Subject to a non-system license issued to a person transporting to the Weyerhaeuser Regional Landfill or the Weyerhaeuser Material Recovery Facility solid wastes not specified in the agreement.

2. This ordinance is necessary for the immediate preservation of public health, safety and welfare by providing for more effective and comprehensive management and regulation of the regional solid waste system through the timely implementation of the designated facility agreement related to the Weyerhaeuser Regional Landfill. An emergency is therefore declared to exist, and this ordinance shall take effect immediately, pursuant to Metro Charter section 39(1).

ADOPTED by the Metro Council this __________ day of _________________, 2005.

David Bragdon, Council President

Attest:

Christina Billington, Recording Secretary

Approved as to Form:

Daniel B. Cooper, Metro Attorney

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STAFF REPORT

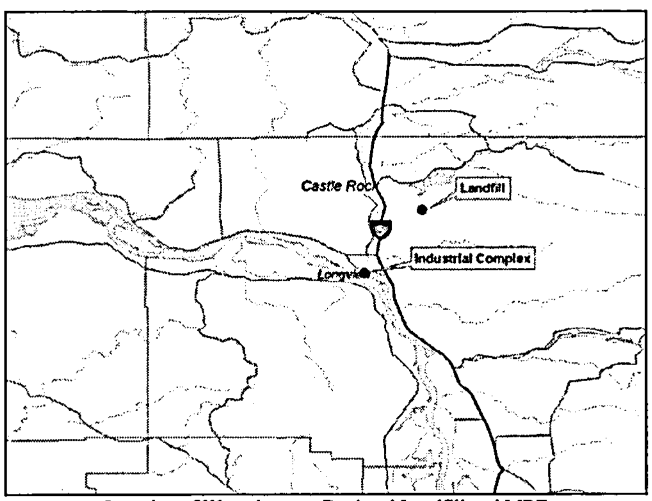
IN CONSIDERATION OF ORDINANCE NO. 05-1083, AMENDING METRO CODE CHAPTER 5.05 TO INCLUDE THE WEYERHAEUSER REGIONAL LANDFILL ON THE LIST OF METRO DESIGNATED FACILITIES

May 2, 2005 Prepared by: Steve Kraten

BACKGROUND

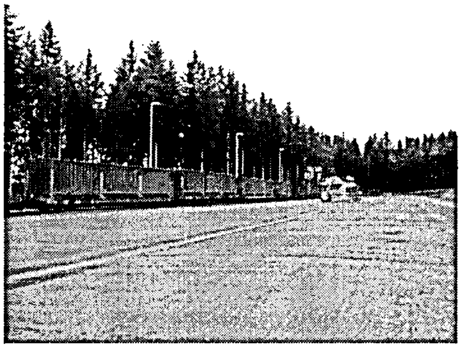
On December 29, 2004, Metro received a request from Weyerhaeuser, Inc. for Metro to recognize the Weyerhaeuser Regional Landfill as a "Designated Facility" under the provisions of Metro Code 5.05.030. The Weyerhaeuser Regional Landfill, located at 3434 S. Silverlake Road, Castle Rock, Washington, began operations in 1993. Though built to RCRA Subtitle D standards, the landfill accepts no putrescible wastes and is permitted only for the disposal of wastes from forest products manufacturing and construction/demolition wastes.

At present, no solid waste is delivered directly to the landfill by truck. Rather, solid waste is delivered first to Weyerhaeuser's Material Recovery Facility (MRF). Though referred to as a MRF by Weyerhaeuser, it is essentially a paved staging area at Weyerhaeuser's Industrial Complex, located at 3401 Industrial Way, Longview, Washington. This is where solid waste is reloaded into railcars for the 16-mile trip to the landfill on the Weyerhaeuser-owned Woods Railroad. Weyerhaeuser representatives have informed Metro staff that, at some time in the future, Weyerhaeuser will seek approval from Cowlitz County to accept up to 15 loads of solid waste per day by truck in addition to the waste delivered by rail. Pursuant to Metro Code section 5.05.030(c), the Chief Operating Officer is authorized to execute a designated facility agreement (DFA) between Metro and a designated facility to authorize the acceptance of non-putrescible waste generated or originated from within the Metro region. (The Council amended the Code in October 2003 to provide this authorization for non-putrescible waste DFAs. Previously all DFAs required Council approval.) Metro staff has drafted a non-putrescible waste DFA that is acceptable to both parties, a copy of which is attached as Attachment 1 to this staff report.

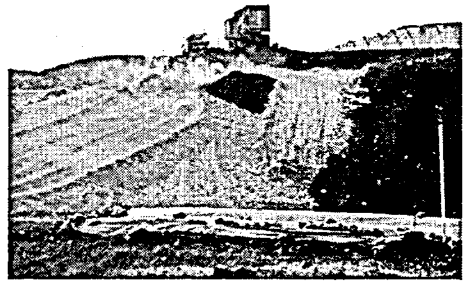


Location of Weyerhaeuser Regional Landfill and MRF

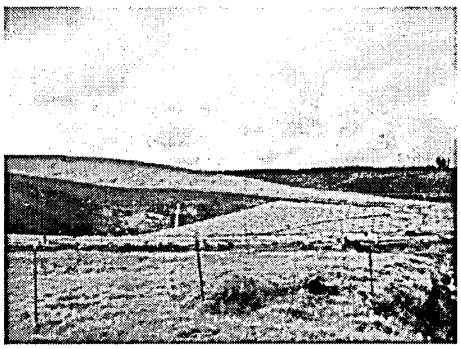
The primary purpose of the DFA is to allow special waste and non-putrescible waste generated from within the Metro region to be received at the landfill for disposal, either directly by truck or by rail via the MRF. The proposed DFA authorized the receipt of construction/demolition residual from debris that has been already processed for material recovery (either at a recovery facility or source separated at a construction site), cleanup material contaminated by hazardous substances, and special wastes that lack material recovery potential. Wastewater treatment solids and paper recycling reject wastes are currently received by the landfill from Weyerhaeuser's own in-region recycling and manufacturing facilities through a non-system license that will no longer be needed if the DFA is approved. The applicant estimates that it will initially receive about 5,000 tons of non-putrescible solid waste from the region during the first year ramping up gradually to a potential range of 30,000 to 50,000 tons annually.



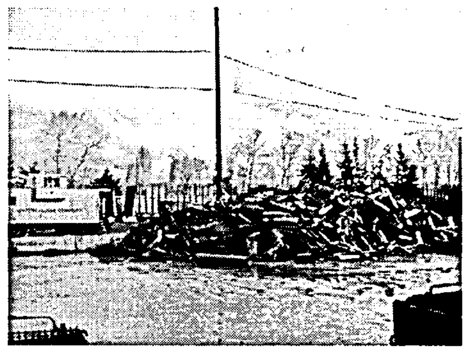
Rail Siding At Landfill



Tipper At Working Face



Cell With HDPE Cover



MRF

Metro Code 5.05.030(a) contains a list of designated facilities. Metro Code 5.05.030(b) states that, pursuant to a duly enacted ordinance, the Metro Council may add (or remove) facilities to the list. In deciding whether to designate an additional facility, the Council shall consider several factors listed in the Code. Below are the factors that must be considered followed by a brief analysis.

(1) The degree to which prior users of the facility and waste types accepted at the non-system facility are known and the degree to which such wastes pose a future risk of environmental contamination;

The proposed disposal site is a Weyerhaeuser owned and operated limited-purpose landfill located near Castle Rock, Washington in Cowlitz County. The landfill began operations in 1993 and primarily serves as a disposal site for wastes generated by Weyerhaeuser's own forest products and manufacturing operations. The permit was renewed in 2003, and again in 2004, by the Cowlitz County Dept. of Building and Planning under authority of a Memorandum of Agreement with the DOE. The landfill is permitted to accept wood chips and fines, log sort yard debris, boiler ash, pulp mill lime waste, wastewater treatment solids, paper recycling reject wastes, polyethylene waste, construction, demolition, and land clearing debris, petroleum contaminated soils, and other miscellaneous industrial solid wastes. Staff research did not uncover any evidence of any wastes accepted at the landfill that are likely to pose a risk of environmental contamination.

(2) The record of regulatory compliance of the facility's owner and operator with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations;

With respect to its landfill operations, Weyerhaeuser is considered by the Cowlitz County Department of Building and Planning to be a well run facility that is in compliance with all federal, state and local requirements including those related to public health, safety and environmental rules and regulations.

(3) The adequacy of operational practices and management controls at the facility;

Metro staff inspected the landfill in the course of its evaluation of this application. The landfill's operational practices and management controls are judged by Metro staff and Cowlitz County staff to be adequate and consistent with the other similar facilities. The landfill uses operational practices and management controls that are typical of limited-purpose landfills and considered adequate for the protection of health, safety and the environment.

(4) The expected impact on the region's recycling and waste reduction efforts;

The waste authorized for disposal under the proposed DFA includes only solid wastes that do not have a potential for recycling. Such wastes include special wastes and processing residue from recycling facilities. Thus, approval of the proposed DFA is not anticipated to have an impact on the region's recycling and waste reduction efforts.

(5) The consistency of the designation with Metro's existing contractual arrangements;

As noted above, the Weyerhaeuser Regional Landfill is permitted by Cowlitz County to accept only limited types of waste. Therefore, because the solid waste is being sent to a limited purpose landfill, it does not implicate Metro's contract requirements under Change Order No. 8 to the Metro Waste Disposal contract. The requested agreement does not conflict with Metro's disposal contract or any other of its existing contractual arrangements.

(6) The record of the applicant regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement and with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations; and

The waste subject to the proposed license was previously delivered to the landfill by the applicant without benefit of a non-system license and without payment of the required Metro fees and taxes. The applicant was cooperative with Metro's investigation into this matter and a final settlement for back fees and taxes was negotiated. The applicant paid the agreed amount for back fees and taxes and has complied with the terms of the settlement agreement since it was entered into on August 13, 2004.

(7) Such other factors as the Chief Operating Officer deems appropriate for purposes of making such determination.

The Chief Operating Officer is not aware of any additional factors that are appropriate for making such a determination.

ANALYSIS/INFORMATION

1. Known Opposition

Staff is not aware of any opposition to the proposed DFA.

2. Legal Antecedents

Metro Code Section 5.05.030(b) provides that the Metro Council may, from time to time, through a duly enacted ordinance, add a facility to the list of designated facilities described in Code Section 5.05.030(a).

3. Anticipated Effects

- More efficient administration through the replacement of multiple NSLs with a single DFA;
- Enhanced regulatory authority by Metro at the facility;
- Potential for increased materials recovery as the facility will be prohibited from accepting unrecovered construction/demolition debris.

4. Budget Impacts

It is anticipated that the Weyerhaeuser Landfill will only receive non-recoverable waste and MRF residual that is presently being disposed at other non-Metro facilities. Thus, approval of the proposed designated facility agreement is not expected to have a budget impact.

RECOMMENDATION

The Chief Operating Officer recommends adoption of Ordinance No. 05-1083.

Attachment 1 to the
Staff Report to
Ordinance #05-1083

METRO CONTRACT NO. ________

DESIGNATED FACILITY AGREEMENT

This Agreement is between Metro, a metropolitan service district organized under ORS Chapter 268 and the Metro Charter, located at 600 NE Grand Avenue, Portland, Oregon 97232-2736, ("Metro") and Weyerhaeuser, Inc., doing business as Weyerhaeuser Regional Landfill ("the Landfill") located at 3434 S. Silverlake Road, Castle Rock, Washington 98611 and the Weyerhaeuser Material Recovery Facility (the "MRF"), located at 3401 Industrial Way, Longview, Washington (collectively, "the Facility") and is entered under the authority of ORS 268.317, and Metro Code section 5.05.030. The Facility enters into this Agreement in recognition of the "Designated Facility" status conferred upon the Facility by Metro Ordinance No. 05-1083.

In exchange for the promises set forth below, the Facility and Metro agree as follows:

1. Purpose and Authority.

   The purposes of this agreement are to manage effectively the disposal of certain solid wastes from within the Metro region while concurrently increasing material recovery by establishing the terms and conditions under which the Facility may receive the wastes specified in Section 3 of this agreement.

2. Duration.

   Unless terminated sooner as specified herein, this Agreement shall remain in effect for five years from the date of execution by both Parties.

3. Waste from the Metro Region that may be accepted at the Facility.

   Provided that the Facility has any required separate and appropriate legal authority, the Facility may accept only the following types of materials generated from within the Metro region:

   a. Processing residual resulting from material recovery of non-putrescible waste, provided that such processing residual has been generated (a) by a person licensed or franchised by Metro to conduct material recovery of non-putrescible waste, (b) by a person with whom Metro has executed a designated facility agreement which requires the facility to conduct material recovery of non-putrescible waste, or (c) by Weyerhaeuser-owned manufacturing facilities;

   b. "Cleanup Material Contaminated By Hazardous Substances" as defined in Metro Code section 5.01.010;

c. "Special waste" as defined in Metro Code 5.02.015, provided that such special wastes are not eligible or amenable to material recovery;

d. "Inert" materials as defined in Metro Code section 5.01.010;

e. Disaster debris as may be specifically authorized by the Director of the Metro Solid Waste and Recycling Department; and

f. Other waste as described in any future addendum to this Agreement or authorized by Metro's Chief Operating Officer ("the COO") under a non-system license.

4. <u>Waste from the Metro Region that May Not be accepted at the Facility.</u>

Except as provided in Section 3.a., above, the Facility agrees that no other types of wastes generated or originating within the Metro region shall be accepted or disposed at the facility, including but not limited to the following types of wastes: putrescible wastes; putrescible source-separated recyclable material; non-putrescible waste that has not undergone material recovery by a person licensed or franchised by Metro to perform material recovery on non-putrescible waste including waste generated at construction and demolition sites, or with whom Metro has executed a designated facility agreement to perform such processing; source separated recyclable material; and any materials and wastes prohibited by the solid waste handling permit issued by the Cowlitz County Department of Building and Planning.

5. <u>Delivery of Waste Via Weyerhaeuser Material Recovery Facility.</u>

Solid waste authorized by this agreement may be first delivered to the Weyerhaeuser Material Recovery Facility located at 3401 Industrial Way, Longview, WA. All solid waste received from the Metro region at the MRF must subsequently be transported by rail to the Landfill for disposal.

6. <u>Facility Operating Plan.</u>

a. The Facility shall submit to Metro, for its review and approval, an operating plan for the management of solid wastes generated from within the Metro region. The plan shall address how the Facility intends to comply with the requirements of this Agreement. The Facility shall maintain copies of the operating plan at both the Facility's premises (the landfill and the MRF) and at a location where facility personnel and Metro representatives have ready access to it.

b. The plan shall describe how incoming solid wastes from the Metro region will be identified as appropriate for the Facility and the criteria used for such identification, including:

(1) Procedures for inspecting incoming loads for the presence of prohibited wastes;

(2) A set of objective criteria for accepting and rejecting loads;

(3) Procedures for establishing whether incoming waste was generated or originated within the Metro boundary; and

(4) Measures to ensure compliance with this section of the Agreement, including the provision of at least one person at the tipping floor of the MRF or the working face of the Landfill whose responsibility shall include identification and removal of waste that is not authorized under Section 3 above. If solid waste is delivered under the terms of this Agreement directly to the Landfill, then the person required by this provision shall be at the working face of the Landfill.

c. The operating plan shall establish procedures for managing and transporting to appropriate facilities any prohibited wastes discovered at the Facility. The plan shall include procedures for managing:

(1) Hazardous wastes;

(2) Recovery of any source separated recyclable materials that might be received at the facility; and

(3) Other prohibited solid wastes.

d. Amendments to the operating plan shall be submitted to Metro for review and approval by the COO prior to implementation. Metro's review shall be limited to compliance with this Agreement and shall not be unreasonably withheld.

e. The Facility shall adhere to the policies and procedures contained in its operating plan. Failure to ensure such compliance with the operating plan shall be considered a default of this Agreement.

7. <u>Record Keeping and Audits.</u>

a. The Facility shall maintain complete and accurate records regarding all solid waste transported, received, treated, disposed or otherwise processed pursuant to this Agreement. The Facility shall make such records available to, or send copies to, the COO or his duly designated agents for inspection, auditing, and copying upon not less than seven (7) days written notice from Metro. Sequentially numbered tickets shall be used for all transactions and voided or canceled tickets shall be retained.

b. The Facility shall maintain waste profiles, waste analysis plans, or Material Safety Data Sheets ("MSDS") at either the MRF or the Landfill for all special waste and cleanup material delivered for disposal under the authority of this Agreement. Such profiles and MSDS sheets shall be made available to the COO (or his designated agent) at either facility for examination and copying upon not less than seven (7) days written notice from Metro for examination and copying during inspections conducted pursuant to Section 11a(1) of this agreement.

c. At Metro's option, the Facility shall have an independent audit conducted by a firm acceptable to Metro, no more than once a year, at Metro's expense. The audit report provided to Metro following an independent audit shall address matters reasonably related to this Agreement, as specified in an audit program approved by Metro and provided to the Facility prior to the audit.

8. Reports and Information.

a. The Facility shall report the following information to Metro on a monthly basis for waste originating in Washington, Clackamas and Multnomah counties of Oregon:

(1) Record numbers designating individual incoming loads;

(2) Customer account numbers (using separate account numbers to differentiate waste received from a person or facility authorized to perform material or resource recovery, transfer or reload as those terms are defined in Metro Code 5.01.010, pursuant to a Metro Solid Waste Franchise, Designated Facility Agreement, License or Non-System License);

(3) Date each load is received at the Facility;

(4) Time each load is received at the Facility;

(5) Net weight of each load;

(6) Designation of each load into one of the categories listed in Section 3, above;

(7) Whether each load originated from inside or outside the Metro boundary (each load consisting of waste from both inside and outside the Metro boundary shall be counted as originating from inside the Metro boundary if more than 10% of the weight of the waste in the load was collected from inside the Metro boundary or if more than 10% of the locations where the load was collected are within the Metro boundary);

(8) Whether each load was delivered to the Landfill via the MRF or delivered directly to the Landfill without being transshipped through the MRF;

(9) The Facility shall submit to Metro a record of all unauthorized wastes initially received from within the Metro boundary but ultimately disposed at a site other than the Landfill. Such information shall include a copy of the disposal

site's billing to the Facility for such disposal. Such billing must include the tonnage of each load.

b. Records required under Section 8a. of this Agreement shall be reported to Metro no later than fifteen (15) days following the end of each month, via E-mail, electronic records encoded on 3.5" data diskettes or CD, and in a format prescribed by Metro that is compatible with Metro's data processing equipment.

c. The Facility shall post a sign at the scalehouse directing all customers disposing of waste generated within the Metro boundary to declare the origin of the waste. The Facility shall provide a map of the Metro region to any customer that requests one.

d. The Facility shall provide to Metro copies of all permits relating to operations at the Facility, including any new land use applications, appeals or modifications. Copies of revisions to existing permits and newly issued permits shall be provided to Metro within seven (7) business days of receipt. The Facility shall also provide, within ten (10) business days, a copy of any official enforcement action regarding the Facility or its operation, including, but not limited to, a notice of violation or noncompliance with a statute, regulation, or permit condition.

e. On a quarterly basis the Facility shall provide Metro a listing of account numbers and material codes and corresponding material names for incoming loads covered by this Agreement.

9. <u>Regional System Fee and Excise Tax.</u>

a. The Facility shall pay monthly to Metro an amount equal to the Regional System Fee for which provision is made in Metro Code Section 5.02.045 for each ton of waste accepted at the facility under this Agreement. Such payment shall be made in accordance with Metro Code Section 5.02.055, and shall be in the form of check or cash or other payment method as approved by the COO.

b. The Facility shall also pay monthly to Metro an amount equal to the Excise Tax for which provision is made in Metro Code Section 7.01.020(e) for each ton of waste listed in section 3a disposed at the facility under this Agreement. Such payment shall be made in accordance with Metro Code Sections 7.01.070 and 7.01.080, and shall be in the form of check or cash or other payment method as approved by the COO.

10. <u>Compliance with Law.</u>

The Facility shall fully comply with all provisions of Metro Code Chapter 5.01 applicable to disposal sites, which provisions are incorporated by this reference as if set forth in full. The Facility shall also fully comply with all applicable federal, state, regional and local laws, rules, regulations, ordinances, orders, and permits, as amended. All conditions imposed on the operation of the Facility, whether by federal, state, or local governments or agencies having jurisdiction over the Facility, are part of this Agreement by reference as if specifically set forth herein. Such conditions and permits include those attached as exhibits to this Agreement, as well as any existing at the time of issuance of this Agreement and not attached, and permits or conditions issued or modified during the term of this Agreement. This Agreement shall terminate at any time that Cowlitz County may terminate or decline to renew the Landfill's Solid Waste Handling Permit.

11. <u>Right of Inspection; Enforcement of Metro Code.</u>

a. Authorized representatives of Metro shall be permitted access to the Landfill and the MRF area of the industrial complex at all reasonable times for the purpose of making inspections and carrying out other necessary functions related to this Agreement. Access to inspect is authorized:

(1) During all regular working hours that the Facility accepts waste deliveries, with 30 minutes advance notice;

(2) At other reasonable times if written notice is given during regular working hours that the Facility accepts waste deliveries, which notice may be made via facsimile sent to the Facility, attention Larry Fulcher at (360) 430-1806; and

(3) At any time without notice when, in the reasonable opinion of the COO, such notice would defeat the purpose of the entry.

b. Access to the MRF area of the industrial complex shall be permitted through the entrance typically used by vehicles for delivery of solid waste to the MRF.

c. The Facility shall cooperate with Metro regarding Metro's investigation of waste haulers suspected of fraudulently claiming waste as having originated from outside the Metro boundary or otherwise violating the provisions of this Agreement or the Metro Code. Such cooperation shall include, without limitation, providing Metro with requested information in the Facility's possession regarding waste haulers under investigation and providing appropriate Facility representatives to testify in deposition, in court, at a contested case hearing, and in any subsequent appeals thereto regarding such waste haulers.

d. If Metro asserts that the Facility has violated any requirement of this agreement or any provision of the Metro Code applicable to disposal sites as applied to the Facility under Paragraph 10 of this agreement, the Facility hereby expressly agrees to submit to all enforcement proceedings that are applicable to disposal sites within Metro's boundaries and to accept the jurisdiction of Metro for the purpose of providing notice of, commencing and conducting enforcement proceedings as provided in Metro Code Chapters 2.03 and 2.05 and Metro Code Sections 5.01.180, 5.01.200, and 5.05.070.

e. Subject to the confidentiality provisions of this license, Metro's right to inspect and audit shall include the right to review, at an office of the Facility located in or near the

Portland metropolitan area, all information from which all required reports are derived, adequate to ensure compliance with this agreement.

12. Indemnification.

The Facility shall indemnify, defend and hold Metro and Metro's agents, employees, and elected officials harmless from any and all claims, demands, damages, actions, losses, and expenses, including attorney's fees, arising out of, or in any way connected with, the Facility's performance under this Agreement.

13. Confidentiality.

a. Metro recognizes and acknowledges the confidential and proprietary nature of the names of persons or entities generating or delivering waste to the Facility and the types and quantities of waste generated or delivered by such persons or entities ("Confidential Information") which the Facility is required to submit to Metro under Section 8a of this Agreement. Metro acknowledges that, although the Facility is not obligated by law to submit such information, the Facility is voluntarily obligating itself to do so pursuant to this Agreement. Metro also recognizes that the Confidential Information specified herein is a "trade secret" and exempt from public disclosure under Oregon law because it is currently known only by the Facility, is used by the Facility in its business, has commercial value, and gives the Facility a business advantage over competitors not possessing such information. The ability of competitors of the Facility to obtain the Confidential Information specified herein is not in the public interest because it detracts from a relationship of trust that is necessary for Metro to effectively carry out its solid waste management functions. Metro hereby obligates itself in good faith not to disclose Confidential Information to any person outside of Metro except as specified herein. Access to, and use of, such information shall only be as specified in this section.

b. At any time during and after the term of this Agreement, Metro shall not, in any manner whatsoever, either directly or indirectly, divulge, disclose, or communicate Confidential Information to any person, partnership, firm, association, corporation, or other entity, or to any person at Metro who does not have a reasonable need to obtain Confidential Information for Metro's solid waste management purposes. Neither Metro nor any person at Metro shall use the Confidential Information specified in this section for personal benefit.

c. Notwithstanding subsections 13a and 13b of this Agreement, Metro may use Confidential Information for solid waste management purposes, including solid waste tracking and forecasting, enforcement of the Metro Code, or assistance to other jurisdictions in regulatory enforcement or other law enforcement. Metro may also use Confidential Information in aggregations or summaries that may be released to the public, so long as it is not possible to identify from such aggregations or summaries the persons or other entities generating and delivering waste to the Facility or the types and quantities of waste that specific persons or other entities generate or deliver to the Facility. Metro shall notify the Facility within six (6) business days of Metro's receipt of any other type of request for Confidential Information from a third party. If it becomes necessary for Metro to release Confidential Information to any person outside of Metro other than as provided above, Metro shall so notify the Facility in writing at least ten (10) days prior to releasing such information.

d. When submitting to Metro the Confidential Information specified herein, the Facility shall mark such materials as confidential. If the Facility provides Metro with information that is not marked as confidential, then Metro shall have no obligation to treat such information as Confidential Information. Metro shall keep Confidential Information separate from other records and materials such that it will not be available to members of the public or persons at Metro who do not have a reasonable need to obtain access to the information relative to Metro's solid waste management responsibilities.

e. If Oregon law is modified such that the Confidential Information referenced in this section is no longer exempt from public disclosure, or if a court of competent jurisdiction requires release of such information, the Facility shall no longer be required to submit such information to Metro. In such instance, upon request, the Facility nevertheless agrees to provide to Metro the names of specific generators or transporters, and the types and quantities of waste delivered by such persons or entities, for Metro's use in enforcing the Metro Code against such persons or entities, when Metro has a reasonable suspicion that a violation has occurred.

14. Modification, Suspension, and Termination.

a. If the Facility fails to fully and promptly comply with a term or condition of this Agreement, the COO shall issue to the Facility a written notice of violation briefly describing such failure. The notice shall state that, within a period specified by the COO of at least twenty (20) days, the Facility must demonstrate to the satisfaction of the COO either that the Facility has not violated a term or condition of this Agreement, that the violation has been corrected, or that the Facility is making diligent efforts to correct the violation and is likely to succeed in a reasonable period of time. The Facility shall also, within the same twenty (20) day period, pay all fines owing as a result of violation per Metro Code 5.05.070 or make arrangements for payment satisfactory to the COO. Failure to comply with the notice of violation shall be grounds for suspension of this Agreement by the COO, effective as of 5:00 p.m. on the last day of the compliance period specified by the COO, until such time as the COO issues a written finding to the Facility that the violation has been cured. The COO may extend the compliance period to a total of no more than sixty (60) days from the date of the notice of violation, upon determining that the Facility is making good faith efforts to comply and is capable of complying within the extended compliance period.

b. The COO may suspend this Agreement without prior notice only as follows:

(1) If necessary in the reasonable opinion of the COO to protect the public health, safety, or welfare, and in the case of an emergency;

(2) If Metro discovers that the facility knowingly accepted prohibited wastes from within the Metro region or misrepresented the nature of wastes received from the Metro region; or

(3) If, due to a binding decision by an arbitrator or court of competent jurisdiction, Metro:

(a) May be liable for damages for allowing waste of a type specified in this Agreement to be disposed of at the Facility; or

(b) May no longer allow such waste to be disposed of at the Facility.

c. The Metro Council ("Council") may modify, suspend, or terminate this Agreement for good cause or substantial change of circumstances upon passage of a resolution specifying the action taken and the effective date. If this Agreement is modified by Council resolution, the Facility shall have thirty (30) days from the date of the resolution to acknowledge the modification by signing a written instrument containing the terms of the modification. Failure of the Facility to acknowledge the modification within the 30-day period, unless otherwise excused by the COO, shall result in suspension of the Agreement effective as of 5:00 p.m. on the 30th day, until the modification is acknowledged in writing by the Facility.

d. The Facility may terminate this Agreement for good cause provided that such termination shall commence no sooner than thirty (30) days after the Facility provides Metro with written notice of the Facility's intent to terminate.

15. General Conditions.

a. The power and right to regulate, in the public interest, the exercise of the privileges granted by this Agreement shall at all times be vested in Metro. Metro reserves the right to establish or amend rules, regulations, or standards regarding matters within Metro's authority, and to enforce all such legal requirements against the Facility.

b. The Facility shall be responsible for ensuring that its contractors and agents operate in complete compliance with the terms and conditions of this Agreement.

c. The granting of this Agreement shall not confer a property right to the Facility, nor vest any right or privilege in the Facility to receive specific quantities of solid waste during the term of this Agreement.

d. This Agreement may not be transferred or assigned without the prior written approval of Metro. Consent to assignment or transfer shall not be unreasonably withheld.

e. To be effective, a waiver of any term or condition of this Agreement must be in writing, signed by either the COO, if Metro is making the waiver, or by an authorized representative of the Facility, if the Facility is making the waiver. Waiver of a term or condition of this Agreement by either party shall neither waive nor prejudice that party's right otherwise to require performance of the same term or condition or any other term or condition.

f. This Agreement shall be construed, applied, and enforced in accordance with the laws of the State of Oregon.

g. If any provision of this Agreement shall be invalid, illegal, or unenforceable in any respect, the validity of the remaining provisions contained in this Agreement shall not be affected.

h. If any deadline required to be computed under any provision of this Agreement falls on a Saturday, Sunday, or legal holiday, then the deadline shall be the next day which is not a Saturday, Sunday, or legal holiday. As used in this subsection, "legal holiday" means legal holiday as defined in Oregon Revised Statutes 187.010 and 187.020, as amended.

i. Unless otherwise specified, all terms are as defined in Metro Code Chapter 5.01.

j. This Agreement is the entire agreement between the Parties.

WEYERHAEUSER, INC.	**METRO**
By: ______________________	By: ______________________
______________________	______________________
Print name and title	Print name and title
Date:______________________	Date:______________________

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Agenda Item Number 9.1

Ordinance No. 05-1079, For the Purpose of Amending the FY 2004-05 Budget and Appropriations Schedule Recognizing a Land Donation from the Wetlands Conservancy, Amending the FY 2004-05 through FY 2008-09 Capital Budget; and Declaring an Emergency.

Second Reading

Metro Council Meeting
Thursday, May 19, 2005
Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE FY 2004-05 BUDGET AND APPROPRIATIONS SCHEDULE RECOGNIZING A LAND DONATION FROM THE WETLANDS CONSERVANCY, AMENDING THE FY 2004-05 THROUGH FY 2008-09 CAPITAL BUDGET; AND DECLARING AN EMERGENCY	)))))))	ORDINANCE NO. 05-1079 Introduced by Mike Jordan, Chief Operating Officer, with the concurrence of the Council President

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 grants, gifts, bequests, and other devices received by a municipal corporation in trust for a specific purpose; 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 recognizing a land donation to the Smith & Bybee Wetlands Natural Area from the Wetlands Conservancy valued at $320,000.

2. That the FY 2004-05 through FY 2008-09 Capital Budget is hereby amended to include the projects shown in Exhibit C to this Ordinance.

3. 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 _______ day of __________, 2005.

David Bragdon, Council President

Attest:

Christina Billington, Recording Secretary

Approved as to Form:

Daniel B. Cooper, Metro Attorney

Exhibit A
Ordinance No. 05-1079

ACCT	DESCRIPTION	Current Budget FTE	Current Budget Amount	Revision FTE	Revision Amount	Amended Budget FTE	Amended Budget Amount
	Smith & Bybee Lakes Fund						
Resources							
BEGBAL	*Beginning Fund Balance*						
	* Prior year ending balance		3,607,895		0		3,607,895
GRANTS	*Grants*						
4100	Federal Grants - Direct		37,688		0		37,688
4110	State Grants - Direct		224,214		0		224,214
GVCNTB	*Gov't Contributions*						
4145	Government Contributions		60,000		0		60,000
CHGSVC	*Charges for Service*						
4650	Miscellaneous Charges for Svc		1,800		0		1,800
INTRST	*Interest Earnings*						
4700	Interest on Investments		54,118		0		54,118
DONAT	*Contributions from Private Sources*						
4750	Donations and Bequests		190,000		0		190,000
CAPGRT	*Capital Grants*						
4755	Capital Donation & Contributions		0		320,000		320,000
INTSRV	*Internal Service Transfers*						
4980	Transfer for Direct Costs						
	* from Open Spaces Fund		195,749		0		195,749
	* from Regional Parks Fund		70,000		0		70,000
TOTAL RESOURCES			**$4,441,464**		**$320,000**		**$4,761,464**
Total Materials & Services			**$20,148**		**$0**		**$20,148**
Capital Outlay							
CAPCIP	*Capital Outlay (CIP Projects)*						
5705	Land		0		320,000		320,000
5715	Improve-Oth thn Bldg (CIP)		801,349		0		801,349
Total Capital Outlay			**$801,349**		**$320,000**		**$1,121,349**
Total Interfund Transfers			**$25,000**		**$0**		**$25,000**
Total Contingency and Ending Balance			**$3,594,967**		**$0**		**$3,594,967**
TOTAL REQUIREMENTS		**0.00**	**$4,441,464**	**0.00**	**$320,000**	**0.00**	**$4,761,464**

Exhibit B
Ordinance No. 05-1079
FY 2004-05 SCHEDULE OF APPROPRIATIONS

	Current Appropriation	Revision	Amended Appropriation
SMITH AND BYBEE LAKES FUND			
Operating Expenses (PS & M&S)	$20,148	$0	$20,148
Capital Outlay	801,349	320,000	1,121,349
Interfund Transfers	25,000	0	25,000
Contingency	822	0	822
Unappropriated Balance	3,594,145	0	3,594,145
Total Fund Requirements	**$4,441,464**	**$320,000**	**$4,761,464**

All other Appropriations Remain As Previously Adopted

Exhibit C
Ordinance No. 05-1079

Capital Project Request - Project Detail

Project Title:	Smith & Bybee Wetlands Land Donation			**Fund:**	Smith and Bybee Lakes Fund
Project Status:	Complete	**Funding Status:**	Funded	**FY First Authorized:**	2004-05
Department:	Regional Parks and Greenspaces				
Project Number:	TEMP226	**Active:** ☐	**Dept. Priority:** 0	**Facility:**	Smith & Bybee Lakes
Division:					
Source Of Estimate	Preliminary	**Source:**		**Start Date:**	1/05
Date:	4/20/2005				
Type of Project:	New	**Request Type**	Initial	**Completion Date:**	6/05
Prepared By:	Kathy Rutkowski				

Project Estimates Capital Cost:	Actual Expend	Budget/Est 2004-2005	Prior Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Total
Land and Right-of-Way	$0	$320,000	$320,000	$0	$0	$0	$0	$0	$320,000
Total:	$0	$320,000	$320,000	$0	$0	$0	$0	$0	$320,000
Funding Source:									
Donations	$0	$320,000	$320,000	$0	$0	$0	$0	$0	$320,000
Total:	$0	$320,000	$320,000	$0	$0	$0	$0	$0	$320,000
Annual Operating Budget Impact:									

Project Description / Justification: **Estimated Useful Life (yrs)** 0 **First Full Fiscal Year of Operation:** 2004-05

Land donation from the Nature Conservancy to the Smith & Bybee Wetlands Natural Area.

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 05-1079, FOR THE PURPOSE OF AMENDING THE FY 2004-05 BUDGET AND APPROPRIATIONS SCHEDULE RECOGNIZING A LAND DONATION FROM THE WETLANDS CONSERVANCY, AMENDING THE FY 2004-05 THROUGH FY 2008-09 CAPITAL BUDGET; AND DECLARING AN EMERGENCY

Date: April 22, 2005 Prepared by: Jeff Tucker

BACKGROUND

In 1993, Metro acquired an undivided 50% interest in approximately 320 acres of the property known as Smith Lake in the Smith and Bybee Wetlands Natural Area. The other 50% interest was owned by The Wetlands Conservancy. On March 31, 2005, the Wetlands Conservancy donated their interest in the property to Metro.

An accounting entry equal to the value of the interest in the property that was acquired needs to be recorded in Metro's general ledger to record the asset that has been donated. This budget amendment allows for the recording of that asset in the Smith and Bybee Fund. This amendment also amends the FY 2005-2009 Capital Improvement Plan to include this acquisition. The 50% interest in the property is valued at $320,000.

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 of grants, gifts and bequests received by a municipal corporation in trust for a specific purpose.
3. **Anticipated Effects** This action allows for the recognition of the donation of land made to Metro and to fully record the asset in the agency's general ledger.
4. **Budget Impacts** This action requests the recognition of $320,000 in donations, according to Exhibit A. This action also increases appropriation authority in the Smith and Bybee Lakes Fund Operating Expenditures by $320,000 as described in Exhibit B Schedule of Appropriations. This action also amends the Capital Improvement Plan for FY 2004-05 through FY 2008-09 as described in Exhibit C.

RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of this Ordinance.

Agenda Item Number 9.2

Ordinance No. 05-1084, Amending the FY 2004-05 Budget and Appropriations Schedule for the Purpose of Adopting a Supplemental Budget for the Metropolitan Exposition-Recreation Commission for the Fiscal Year Beginning July 1, 2004 and Ending June 30, 2005; and Declaring an Emergency.

Second Reading

Metro Council Meeting
Thursday, May 19, 2005
Council Chamber

BEFORE THE METRO COUNCIL

AMENDING THE FY 2004-05 BUDGET AND APPROPRIATIONS SCHEDULE AND ADOPTING A SUPPLEMENTAL BUDGET FOR THE MERC OPERATING FUND FOR THE FISCAL YEAR BEGINNING JULY 1, 2004 AND ENDING JUNE 30, 2005; AND DECLARING AN EMERGENCY	)))))))	ORDINANCE NO. 05-1084 Introduced by Council President Bragdon

WHEREAS, conditions exist which had not been ascertained at the time of the preparation of the FY 2004-05 budget and a change in financial planning is required; and

WHEREAS, the Metro Council has reviewed and considered the need for a supplemental budget and the need to amend the Budget and Appropriations Schedule with the FY 2004-05 Budget; and

WHEREAS, Oregon Budget Law ORS 294.480 provides for the creation of a supplemental budget, if the supplemental budget is 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 recognizing $2,500,000 in additional revenues and increasing appropriations in operating expenditures

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 19th day of May, 2005.

David Bragdon, Council President

Attest:

Christina Billington, Recording Secretary

Approved as to Form:

Daniel B. Cooper, Metro Attorney

Exhibit A
Ordinance No. 05-1084
Supplemental Budget

ACCT	DESCRIPTION	Current Budget FTE	Current Budget Amount	Revision FTE	Revision Amount	Amended Budget FTE	Amended Budget Amount
	MERC Operating Fund						
Total MERC Operating Fund							
Resources							
BEGBA	*Beginning Fund Balance*						
	* Prior year PERS Reserve		658,578		0		658,578
	* MERC Admin		9,927		0		9,927
	* Civic Stadium		0		0		0
	* Expo Center		3,139,706		0		3,139,706
	* Oregon Convention Center		3,995,495		0		3,995,495
	* Portland Center for the Performing Arts		3,003,039		0		3,003,039
LGSHR	*Local Gov't Share Revenues*						
4130	Hotel/Motel Tax		7,000,663		0		7,000,663
GVCN1	*Contributions from Governments*						
4145	Government Contributions		331,128		0		331,128
CHGSV	*Charges for Service*						
4500	Admission Fees		1,341,500		0		1,341,500
4510	Rentals		5,164,983		0		5,164,983
4550	Food Service Revenue		8,715,561		2,500,000		11,215,561
4570	Merchandising		85,000		0		85,000
4580	Utility Services		2,248,191		0		2,248,191
4590	Commissions		605,280		0		605,280
4620	Parking Fees		2,607,745		0		2,607,745
4645	Reimbursed Services		2,236,179		0		2,236,179
4647	Reimbursed Services - Contract		412,330		0		412,330
4650	Miscellaneous Charges for Svc		176,721		0		176,721
INTRS1	*Interest Earnings*						
4700	Interest on Investments		69,503		0		69,503
DONA1	*Contributions from Private Sources*						
4760	Sponsorship Revenue		263,500		0		263,500
MISCR	*Miscellaneous Revenue*						
4890	Miscellaneous Revenue		80,000		0		80,000
EQTRE	*Fund Equity Transfers*						
4970	Transfer of Resources						
	* from MERC Pooled Capital Fund		354,000		0		354,000
	* from General Fund		182,129		0		182,129
TOTAL RESOURCES			**$42,681,158**		**$2,500,000**		**$45,181,158**

Exhibit A
Ordinance No. 05-1084
Supplemental Budget

ACCT	DESCRIPTION	Current Budget FTE	Current Budget Amount	Revision FTE	Revision Amount	Amended Budget FTE	Amended Budget Amount
	MERC Operating Fund						
Total MERC Operating Fund							
Personal Services							
SALWG	*Salaries & Wages*						
5010	Reg Employees-Full Time-Exempt						
	Accounting Supervisor	1.00	45,000	-	0	1.00	45,000
	Admissions Staffing Mgr (Admin Sch	1.00	51,953	-	0	1.00	51,953
	Asst. Event Svcs Mgr. or Senior Hous	1.00	57,148	-	0	1.00	57,148
	Asst. Executive Director	1.00	80,752	-	0	1.00	80,752
	Audio/Visual Supervisor	1.00	47,230	-	0	1.00	47,230
	Audio/Visual Technician Lead	1.00	43,305	-	0	1.00	43,305
	Audio/Visual Sales Manager	-	0	-	3,000	-	3,000
	Booking Coordinator	2.00	95,256	-	0	2.00	95,256
	Budget Analyst	1.00	45,000	-	0	1.00	45,000
	Computer Systems Administrator	1.00	56,070	-	0	1.00	56,070
	Director of Administration/CFO	1.00	95,498	-	0	1.00	95,498
	Director of Events & Special Services	1.00	70,640	-	0	1.00	70,640
	Director of Sales & Marketing	1.00	73,245	-	0	1.00	73,245
	Operations Manager II	0.25	19,016	-	0	0.25	19,016
	Event Manager II	5.00	255,948	-	0	5.00	255,948
	Event Manager I	1.00	39,367	-	0	1.00	39,367
	Event Services Manager	1.00	53,000	-	0	1.00	53,000
	Facility Services Sales Coordinator	1.00	40,128	-	0	1.00	40,128
	Expo Director	1.00	83,041	-	0	1.00	83,041
	General Manager	1.00	133,000	-	0	1.00	133,000
	Graphic Designer II	1.00	47,230	-	0	1.00	47,230
	Human Resources Director	1.00	83,041	-	0	1.00	83,041
	Info Systems Supervisor	1.00	55,796	-	0	1.00	55,796
	Marketing & Communications Manag	1.00	62,516	-	0	1.00	62,516
	Marketing Info Serv's Manager	1.00	51,953	-	0	1.00	51,953
	OCC Executive Director	1.00	122,578	-	0	1.00	122,578
	Operations Accounting Coordinator	2.70	93,689	-	0	2.70	93,689
	Operations Manager I	3.00	196,269	-	0	3.00	196,269
	Director of Operations	1.00	76,907	-	0	1.00	76,907
	PCPA Director	0.75	71,624	-	0	0.75	71,624
	Sales & Events Manager	1.00	62,864	-	0	1.00	62,864
	Sales & Ticket Services Manager	1.00	69,150	-	0	1.00	69,150
	Sales Manager	2.00	104,093	-	0	2.00	104,093

Exhibit A
Ordinance No. 05-1084
Supplemental Budget

ACCT	DESCRIPTION	Current Budget FTE	Current Budget Amount	Revision FTE	Revision Amount	Amended Budget FTE	Amended Budget Amount
	MERC Operating Fund						
Total MERC Operating Fund							
	Senior Sales Manager	1.00	57,148	-	0	1.00	57,148
	Security Manager	1.00	55,031	-	0	1.00	55,031
	Senior Event Manager	1.00	57,398	-	0	1.00	57,398
	Set-up Supervisor	3.00	149,381	-	0	3.00	149,381
	Senior Set-up Supervisor	3.00	159,209	-	0	3.00	159,209
	Stage Supervisor	1.00	48,576	-	0	1.00	48,576
	Telephone & Information Systems Su	1.00	54,553	-	0	1.00	54,553
	Ticketing/Parking Service Manager	2.00	113,884	-	0	2.00	113,884
	Ticket Services Coordinator	1.00	33,447	-	0	1.00	33,447
	Ticket Services Supervisor	1.00	50,729	-	0	1.00	50,729
	Volunteer Coordinator	1.00	40,128	-	0	1.00	40,128
5015	Reg Empl-Full Time-Non-Exempt						
	Administrative Technician	7.00	224,531	-	0	7.00	224,531
	Administrative Assistant	4.00	149,187	-	0	4.00	149,187
	Administrative Assistant II	3.00	113,734	-	0	3.00	113,734
	Administrative Assistant III	1.00	39,943	-	0	1.00	39,943
	Apprentice Operating Engineer	1.00	41,885	-	0	1.00	41,885
	Audio Visual Technician	3.00	111,311	-	0	3.00	111,311
	Door and Locksmith	1.00	39,526	-	0	1.00	39,526
	Electrician	4.00	219,712	-	0	4.00	219,712
	Facility Security Agent	6.00	177,057	-	0	6.00	177,057
	Lead Facility Security Agent	2.00	61,607	-	0	2.00	61,607
	Lead Electrician	1.50	87,983	-	0	1.50	87,983
	Lead Operating Engineer	1.00	51,699	-	0	1.00	51,699
	Operating Engineer	5.00	250,087	-	0	5.00	250,087
	Operations Coordinator	3.00	135,094	-	0	3.00	135,094
	Secretary II	1.00	29,462	-	0	1.00	29,462
	Stagedoor Security	1.00	30,151	-	0	1.00	30,151
	Telephone System Coordinator	1.00	33,471	-	0	1.00	33,471
	Utility Lead	3.00	98,218	-	0	3.00	98,218
	Utility Maintenance	3.00	111,957	-	0	3.00	111,957
	Utility Maintenance Lead	1.00	39,980	-	0	1.00	39,980
	Utility Maintenance Specialist	5.00	192,720	-	0	5.00	192,720
	Utility Maintenance Technician	0.85	29,105	-	0	0.85	29,105
	Utility Worker II	36.00	1,163,865	-	0	36.00	1,163,865
	Utility-Grounds Maintenance	1.00	33,750	-	0	1.00	33,750

Exhibit A
Ordinance No. 05-1084
Supplemental Budget

ACCT	DESCRIPTION	Current Budget FTE	Current Budget Amount	Revision FTE	Revision Amount	Amended Budget FTE	Amended Budget Amount
	MERC Operating Fund						
Total MERC Operating Fund							
5020	Regular Employees Part Time Exempt		47,486		0		47,486
5025	Regular Employees Part Time Non-Exempt		23,353		0		23,353
5030	Temporary Employees		20,000		0		20,000
5043	Part-Time, Non-Reimbursed Labor		824,721		0		824,721
5045	Part-Time, Reimbursed Labor		1,866,916		0		1,866,916
5080	Overtime		139,523		0		139,523
5089	Merit/Bonus Pay		293,793		0		293,793
	Salary Adjustment						
	COLA (all other employee groups)		70,851		0		70,851
FRING.	*Fringe Benefits*						
	Base Fringe		2,975,978		225,000		3,200,978
	Total Personal Services	**152.05**	**$13,030,447**	**0.00**	**$228,000**	**152.05**	**$13,258,447**
	Materials & Services						
GOOD:	*Goods*						
5201	Office Supplies		129,186		0		129,186
5205	Operating Supplies		275,718		0		275,718
5210	Subscriptions and Dues		30,274		0		30,274
5214	Fuels and Lubricants		10,000		0		10,000
5215	Maintenance & Repairs Supplies		273,700		0		273,700
5220	Food		500		0		500
5225	Retail		14,000		0		14,000
SVCS	*Services*						
5240	Contracted Professional Svcs		2,838,773		197,000		3,035,773
5246	Sponsorship Expenditures		90,571		0		90,571
5251	Utility Services		2,126,475		0		2,126,475
5255	Cleaning Services		950		0		950
5260	Maintenance & Repair Services		461,731		200,000		661,731
5265	Rentals		374,595		0		374,595
5280	Other Purchased Services		492,145		0		492,145
5281	Other Purchased Services - Reimb		404,864		0		404,864
5291	Food and Beverage Services		7,044,115		1,875,000		8,919,115
5292	Parking Services		184,304		0		184,304
IGEXP	*Intergov't Expenditures*						
5300	Payments to Other Agencies		86,905		0		86,905

Exhibit A
Ordinance No. 05-1084
Supplemental Budget

ACCT	DESCRIPTION	Current Budget FTE	Current Budget Amount	Revision FTE	Revision Amount	Amended Budget FTE	Amended Budget Amount
	MERC Operating Fund						
Total MERC Operating Fund							
OTHEX	*Other Expenditures*						
5450	Travel		84,690		0		84,690
5455	Staff Development		75,195		0		75,195
5490	Miscellaneous Expenditures		45,240		0		45,240
GAAP	*GAAP Account*						
5520	Bad Debt Expense		10,000		0		10,000
	Total Materials & Services		**$15,053,931**		**$2,272,000**		**$17,325,931**
	Total Debt Service		**$22,809**		**$0**		**$22,809**
	Total Interfund Transfers		**$3,666,545**		**$0**		**$3,666,545**
	Contingency and Ending Balance						
CONT	*Contingency*						
5999	Contingency						
	* General Contingency		1,155,854		0		1,155,854
	* Prior Year PERS Reserve		658,578		0		658,578
	* Current Year PERS Reserve		665,417		0		665,417
UNAPF	*Unappropriated Fund Balance*						
5990	Unappropriated Fund Balance						
	* Restricted Fund Balance (User Fees)		500,000		0		500,000
	* Ending Balance		7,927,577		0		7,927,577
	Total Contingency and Ending Balance		**$10,907,426**		**$0**		**$10,907,426**
TOTAL REQUIREMENTS		**152.05**	**$42,681,158**	**0.00**	**$2,500,000**	**152.05**	**$45,181,158**

Exhibit B
Ordinance No. 05-1084
Supplemental Budget
FY 2004-05 SCHEDULE OF APPROPRIATIONS

	Current Appropriation	Revision	Amended Appropriation
MERC OPERATING FUND			
Operating Expenses (PS & M&S)	$28,084,378	$2,500,000	$30,584,378
Debt Service	22,809	0	22,809
Interfund Transfers	3,666,545	0	3,666,545
Contingency	2,479,849	0	2,479,849
Unappropriated Balance	8,427,577	0	8,427,577
Total Fund Requirements	**$42,681,158**	**$2,500,000**	**$45,181,158**

All Other Appropriations Remain as Previously Adopted

STAFF REPORT

AMENDING THE FY 2004-05 BUDGET AND APPROPRIATIONS SCHEDULE AND ADOPTING A SUPPLEMENTAL BUDGET FOR THE MERC OPERTAING FUND FOR THE FISCALYEAR BEGINNING JULY2, 2004 AND ENDING JUNE 30, 2005; AND DECLARING AN EMERGENCY

Date: 04/27/2005

Prepared by: Kathy Taylor
Cynthia Hill

BACKGROUND

MERC food and beverage Revenues and Expenditures this fiscal year have been greater than the original forecasts developed during the planning process. The Convention Center has experienced the greatest increase. This is a result of several conventions generating greater attendance than expected, an increase in local events booked in the Oregon and Portland Ballrooms, and the new expanded building. Most recently, EXPO and OCC signed contracts with Nike for events during the months of May and June.

These increases in business are anticipated to generate $2.5 million additional food and beverage revenue by June 30, 2005. Assuming a 25% margin, food and beverage contracted services will be increased $1,875,000.

• Concession Revenue: increased business volume	$2,500,000
• Food & Beverage Contracted Services: 75% of revenue	(1,875,000)
Gross Margin	$625,000

The $625,000 balance will be applied to the following budgeted line items as follows:

• Personal Services: Hire audio visual sales coordinator position 1 month early	3,000
• Fringe: original budget estimate is understated	225,000
• Contracted Professional Services: increased business has generated additional cost	197,000
• Maintenance & Repair Services: costs are greater than original budget estimate	200,000
Total	$625,000

ANALYSIS/INFORMATION

1. **Known Opposition.** None

2. **Legal Antecedents.** ORS 294.480 states that notwithstanding requirements as to estimates of and limitation on expenditures, the governing body of any municipal corporation may make a supplemental budget for the fiscal year when an occurrence or condition which had not been ascertained at the time of the preparation of a budget for the current budget period which requires a change in financial planning.

3. **Anticipated Effects:** Increases expenditure appropriation and approves a supplemental budget.

4. **Budget Impacts.** Recognizes $2,500,000 in Concession Revenue and increases expenditure appropriation in the same amount (details provided in body of this staff report and in Exhibits to the Ordinance).

RECOMMENDATION

The Council President submits Ordinance No. 05-1084 for your consideration.

Agenda Item Number 10.1

Resolution No. 05-3563, For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Apply Additional Selection Criteria to TOD Program Frequent Bus Line Projects.

Metro Council Meeting
Thursday, May 19, 2005
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE TRANSIT-ORIENTED DEVELOPMENT (TOD) PROGRAM WORK PLAN TO APPLY ADDITIONAL SELECTION CRITERIA TO TOD PROGRAM FREQUENT BUS LINE PROJECTS.	))))))))	RESOLUTION NO.05-3563 Introduced by Metro Councilor Robert Liberty with the concurrence of Metro Council President David Bragdon

WHEREAS, on April 9, 1998, the Metro Council adopted Resolution No. 98-2619 (For the Purpose of Authorizing Start-Up Activities for the Transit-Oriented Development (TOD) Implementation Program at Metro), which authorized start-up activities for the Metro Transit-Oriented Development Implementation Program (the "TOD Program") and set forth the operating parameters of the TOD Program in a Work Plan providing for selection criteria for TOD projects; and

WHEREAS, the TOD Work Plan was amended to expand the TOD Program area to Frequent Bus Corridors by Resolution No. 04-3479 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program to Expand the TOD Program Area and Initiate an Urban Centers Program), adopted July 15, 2004; and

WHEREAS, subsequently, the Metro Council requested that additional selection criteria be applied to proposed TOD Program Frequent Bus Line Projects; and

WHEREAS, in response, on March 2, 2005, the TOD Steering Committee approved proposed amendments to the TOD Program,s selection criteria for Frequent Bus Corridors for the Metro Council's consideration; and

BE IT RESOLVED, that the Metro Council amends the TOD Program Work Plan to apply additional selection criteria to TOD Program Frequent Bus Line Projects as set forth in Exhibit A.

ADOPTED by the Metro Council this _______ day of ____________________, 2005.

____
David Bragdon, Council President

Approved as to Form:

____
Daniel B. Cooper, Metro Attorney

TRANSIT-ORIENTED DEVELOPMENT IMPLEMENTATION PROGRAM

WORK PLAN

Planning Department
Metro
March 1998
Revised July 2004
Revised May 2005

Table of Contents

1. INTRODUCTION

This document describes the objectives, activities, and governance of the Metro Planning Department's Transit-Oriented Development Implementation Program (TOD Program). The Program seeks to increase transit ridership and lessen the risk and costs associated with the construction of TOD projects. Projects considered for the Program will exhibit a mix of moderate- to high-intensity land uses, a physical or functional connection to the transit system, and design features that reinforce pedestrian relationships and scale. TOD Program utilizes joint development tools such as land acquisition and Development Agreements to implement projects located in close proximity to rail transit stations and "Frequent Bus" stops throughout the region. These locations are shown on Figure 1.

2. PROGRAM OBJECTIVES & ACTIVITIES

2.1. PROGRAM OBJECTIVES

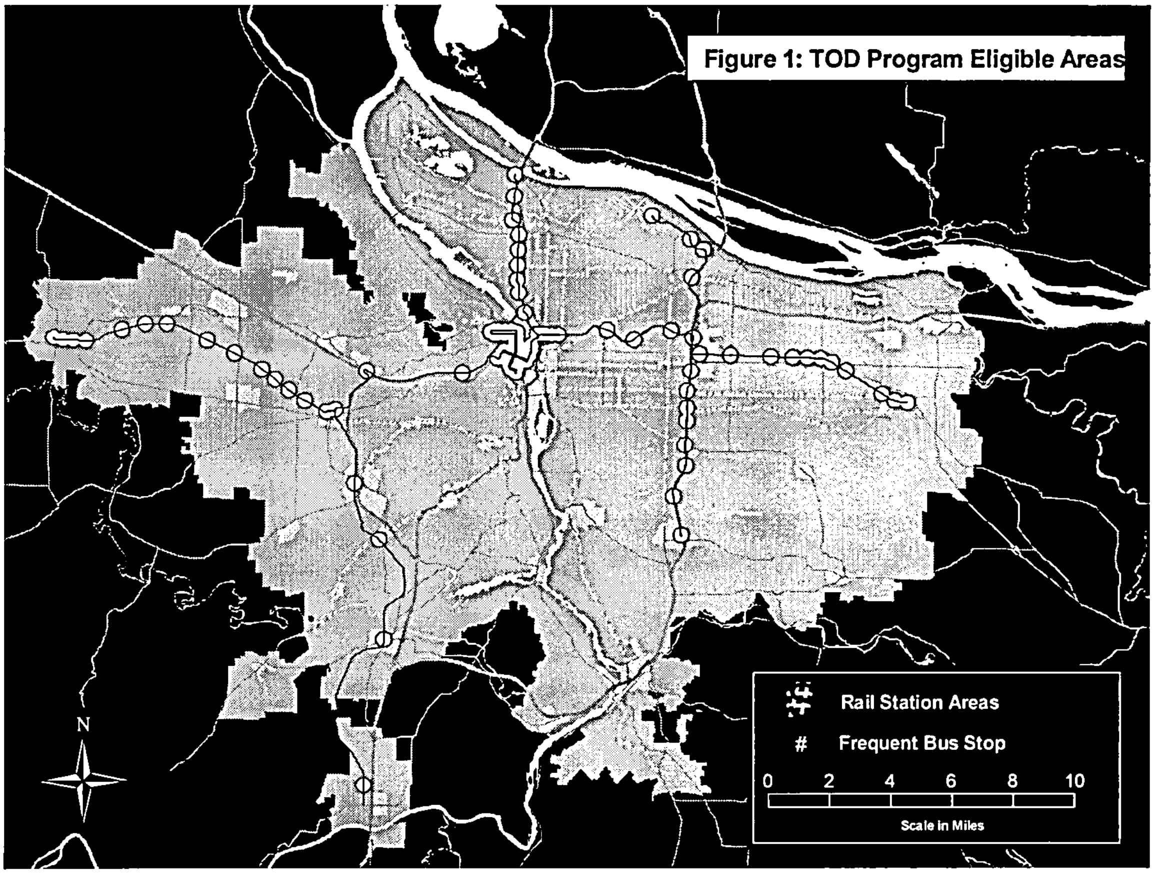
Specific objectives of the Program include:

- Causing construction of higher density housing, mixed-use projects (i.e. apartments over retail, office over retail), and destination uses that have a physical and functional connection to transit, through partnerships with the private sector;
- Developing suburban building types with the lowest reasonable parking ratios and highest reasonable floor area ratios (FAR's);
- Increasing the modal share of transit and pedestrian trips within station areas while decreasing reliance on personal automobiles;
- Leveraging and focusing public expenditures within station areas to support Metro's 2040 Growth Concept.

2.2. PROGRAM ACTIVITIES

The TOD Implementation Program is a joint development program focusing on site-specific project implementation. Joint Development refers to a collection of public and private sector partnership techniques, strategies, and development "tools" that can be used to link development to transit stations to increase the efficiency of a mass transit system. The increase can take the form of new ridership (caused by the construction of TODs), new revenue to a transit agency, or a combination of both. The Federal Transit Administration (FTA) approved a grant for Metro to start the TOD Program in 1997. Authority to use FTA funds for joint development are included in the Intermodal Surface Transportation Act of 1991 (ISTEA) and codified under 49 USC 5309, 49 USC 5307, 23 USC 133 (STP) and 23 USC 149 (CMAQ). According to these laws, TOD Program activities are defined as transportation projects provided there is (1) a physical or functional relationship to the transit project; and (2) an enhanced effectiveness of the existing transit system.[1]

[1]For a full discussion see the memo from FTA Chief Counsel Berle M. Schiller to FTA Administrator Gordon Linton entitled "Statutory Authority in Support of FTA Funding of Joint Development Projects," March 15, 1995.



Specific joint development tools that may be used by the Program include:

- Site Control (land acquisition and sale) to ensure design and density of a TOD can be determined before the land is developed.
- Pre-development activities to assist in making environmental and programmatic determinations including financial analysis, conceptual design and permit acquisition; these activities do not include the preparation of architectural construction documents;
- Request for Proposals (RFP) to ensure the competitive offering of development opportunities;
- Development Agreements to establish a set of performances by both parties and to protect public interests in the development of the TOD sites;
- Public and Private Co-use of transit station structures, site improvements, or land to reinforce the connection of a TOD to the transit system;
- Air or Subterranean Rights to increase the density, urban character and/or feasibility of a TOD.
- Site preparation and site improvement activities funded directly or by the acquisition of TOD Easements.

3. GOVERNANCE

The activities of the TOD Program will be overseen by a number of local, regional, state, and Federal officials and public-private partnership specialists. These include:

- The TOD Steering Committee
- The Federal Transit Administration (when the use Federal Funds are involved)
- The Metro Council

The role of the Steering Committee is described in the following text. A more detailed history of the TOD Steering Committee is provided under the "Other Program Activities" section of this document.

TOD STEERING COMMITTEE

Prior to awarding the grant, FTA indicated that Metro was to include Tri-Met and others in the TOD Program. FTA accepted the proposal that the existing Congestion Mitigation Air Quality/Transit-Oriented Development (CMAQ/TOD) Steering Committee be used for this purpose. The CMAQ/TOD Committee was created to allocate $3.48Mof ISTEA funds to projects that could demonstrate innovative ways to address traffic congestion and air quality through TOD projects Successful projects such as Belmont Dairy, Fairview Village, Steele Meadows, Gresham Central, and The Round at Beaverton all include CMAQ/TOD funding.

Under the TOD Implementation Program, the Steering Committee became the TOD Steering Committee with responsibility to approve projects within criteria established by the Metro Council.

The Steering Committee added a Metro Councilor to provide a strong liaison between the Committee and Council. The membership of the Steering Committee is listed below. Metro provides staff support for the Steering Committee.

<u>TOD Steering Committee</u>
Governor's Office (Chair)
Department of Environmental Quality (DEQ)
Oregon Department of Energy (ODOE)
Department of Land Conservation & Development (DLCD)
Oregon Housing & Community Services Department
Tri-Met
Metro Council
Oregon Department of Transportation (ODOT)
Oregon Economic Development Department (OEDD)
Portland Development Commission (PDC)

Staff: Metro Planning Department

4. OPERATING PARAMETERS FOR PROGRAM

4.1. PROJECT SELECTION CRITERIA

4.1.1. System-wide RFP Criteria

The competitive evaluation criteria of Request For Proposals to solicit development proposals includes a point based evaluation of:

1) Quality and experience of developer team,
2) Proposed program;
3) Connectivity of TOD to light rail;
4) Business plan;
5) Timeliness of performances, and certain other minimum qualifications of the proposal;

In the event two or more proposals are equal, the project(s) located in Regional and Town Centers will be given priority.

These criteria are the "TOD Proposal Criteria."

4.1.2. Opportunity Site Criteria

The criteria to acquire sites from property owners include:

1) The potential for a physical or functional connection to transit.
2) The ability to enhance the existing transit system when developed with a TOD.
3) The extent to which the site represents an opportunity to demonstrate TOD Program objectives.
4) The location relative to Regional and Town Centers.

These criteria are the "TOD Site Criteria."

4.1.3. Site Improvements Criteria

The criteria to evaluate proposed site improvements include:

1) The potential of the improvements to create or strengthen a physical or functional connection to the transit station;
2) The extent to which the improvements cause construction of higher density housing, mixed use projects and destination uses;
3) The extent to which the improvement develop building types with the lowest reasonable parking ratios and highest reasonable floor area ratios;
4) The extent to which the improvements increase the modal share of transit within station areas while decreasing reliance on personal automobiles; and
5) The potential of the improvements to focus and leverage other expenditures within a station area to support Metro's 2040 Growth Concept,
6) Project location relative to Regional and Town Centers.

These criteria are the "TOD Site Improvements Criteria."

4.1.4. Frequent Bus Line Criteria

Proposed projects located on frequent bus lines will be evaluated against three sets of the criteria: base, mandatory and addtional. Base criteria depend upon the nature of the project and will consist of the TOD Proposal Criteria (section 4.1.1), TOD Site Criteria (section 4.1.2) or TOD Site Improvements Criteria (section 4.1.3).

<u>Manadatory Frequent Bus Criteria include:</u>

1) Project is in an area that will help spur additional development and help create a node around the transit stop;
2) The project represents an attempt to build the base of developers that can be used in other centers
3) There are not adequate local government funds available to close the financing gap;
4) The project will be within 800 ft. from a high frequency bus line;
5) The project demonstrates a market concept applicable to high frequency bus line or the project will test the market for new product types for high frequency bus routes.

<u>Additional Project Criteria for Frequent Bus Projects:</u>

- The project uses new building materials or building systems that result in lower construction costs and/or tests new markets for a building type.
- The project provides market rate and affordable housing, including rental or for sale, in a project that would otherwise be a single use building such as retail or office.
- The project spurs job creation.
- The project uses a high level of sustainable practices including building materials and energy conservation.
- The project is located in or near a center.

- The project has a favorable ratio of TOD dollars to total development costs.
- There are not similar projects in the area done without public funding.
- The project improves the quality of the environment for the transit patron.

Frequent bus project should attempt to respond to as many of the additional criteria as possible.

Collectively, these three sets of criteria are the "Frequent Bus Criteria."

4.2. PROPERTY ACQUISITION POLICIES

Property will be acquired at Fair Market Value as established by the Federal Transit Administration in accordance with policies and regulations under 49 CFR Part 24 (the Uniform Act) using independent certified appraisals and will be sold at the "highest and best transit use" value determined by an independent economic analysis or appraisal approved by the FTA. The highest and best transit use value uses a "residual value approach" in which extraordinary costs of the TOD such as fire and seismic building codes for mid-rise buildings, building over parking or structuring parking, and pedestrian improvements including plazas and promenades, are absorbed by the land value.

4.3. FEDERAL TRANSIT ADMINISTRATION POLICIES

The Federal Transit Administration's grant conditions and Federal funding regulations require the TOD Implementation Program to ensure public participation, identify and mitigate any adverse environmental impacts cause by the Program, and pursue environmental justice. These requirements are to be addressed through the following activities:

- Completion of a programmatic Environmental Assessment (EA)
- Public and agency review of the EA
- Site specific environmental analysis and a Memorandum on Response to Criteria
- Creation of the TOD Steering Committee

5. PROGRAM OPERATION

Operation of the TOD Program will include three broad categories of projects: a) system-wide RFPs, b) opportunity sites, and c) site improvements.

5.1. SYSTEM-WIDE RFP

RFPs for development projects will be authorized for release by the Metro Council. Metro staff will conduct the technical evaluation of RFP submissions according to the TOD Proposal Criteria, and submit the proposals to the Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of TOD proposals and the Council will have seven (7) days to notify the COO of a request to review a proposal in executive session. Subsequently, proposals will have appraisals completed, site specific environmental work done (including traffic, wetlands, cultural and historic, and hazardous materials), a Memorandum on Response to Criteria prepared (when required by the grant), and be forwarded to the FTA (when Federal funds are proposed for use). Upon approval by the Steering Committee and FTA (when appropriate), the Chief Operating Officer is to execute Development Agreements with developers of successful proposals.

5.2. OPPORTUNITY SITES

To acquire a site without a developer, Metro staff will evaluate the site using the TOD Site Criteria, and the Frequent Bus Criteria, if appropriate, then forward recommendations to the Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating

Officer will provide written notification to the Metro Council of potential TOD projects and the Council will have seven (7) days to notify the COO of a request to review a potential project in executive session. Subsequently, projects will have appraisals completed, site specific environmental work done (including traffic, wetlands, cultural and historic, and hazardous materials), a Memorandum on Response to Criteria prepared, and then be forwarded to the FTA (when FTA funds are being used). Upon approval by the Steering Committee and the FTA (as appropriate), the Chief Operating Officer is to execute a Purchase and Sale Agreement with the property owners of TOD project sites. The sites will then be planned and parceled, if necessary, and sold for private development with specific conditions at a value determined by an independent economic analysis or appraisal at the "highest and best transit use" method in accordance with guidance by the FTA, as published in the Federal Register, March 14, 1997, or subsequent formal guidance from FTA, as appropriate

5.3. SITE IMPROVEMENTS

To fund site improvements, Metro staff will evaluate the proposed improvements using the TOD Site Improvements Criteria and the Frequent Bus Criteria, if appropriate, then forward a recommendation to the TOD Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of the proposed improvements and the Council will have seven (7) days to notify the COO of a request to review the proposed improvements in executive session. Following this authorization process, the Executive Officer will execute a Development Agreement, with the principle developer of the project in which the TOD site improvements are located. A TOD Easement will be recorded on the property to ensure the project remains in transit supportive use.

5.4. PROFESSIONAL SERVICES

Consultants on a "task order" basis will provide technical assistance to Metro staff and the Steering Committee. The disciplines covered by consultant services include:

- Planning & Urban Design
- Environmental
- Development Services
- Real Property Appraisal
- Market Analysis
- Technical Studies
- Land Acquisition, Relocation, Disposition & Escrow Services
- Legal Services
- Architectural & Engineering Services
- Public Process Facilitation

6. OTHER PROGRAM ACTIVITIES

6.1. URBAN CENTERS IMPLEMENTATION PROGRAM

The 2040 Growth Concept looks to the Central City, Regional and Town Centers, Station Communities and Main Streets as the centers of urban life in the region and depends for its success upon the maintenance and enhancements of the Urban Centers.

Metro Council Resolution 03-3381A allocated one million dollars to create a site specific, project based implementation program to operate in designated Urban Centers (Regional and Town Centers), even if they are not currently served by rail or Frequent Bus transit. These Urban Centers are shown in Figure 2.

6.1.1. Urban Centers Project Criteria

Criteria for selecting potential Urban Centers implementation projects are as follows: 1) provision for mixed-use and higher density development; 2) project creates a sense of place in the Center; 3) site control by public entity or willing and capable private developer; 4) project participation by other public partners; 5) potential reduction in regional VMT or of home to work trip length; 6) increase in walk, bike and transit trips; 7) floor area ratio as close to or exceeding 1:1 as possible. These criteria will be called the Centers Implementation Selection Criteria

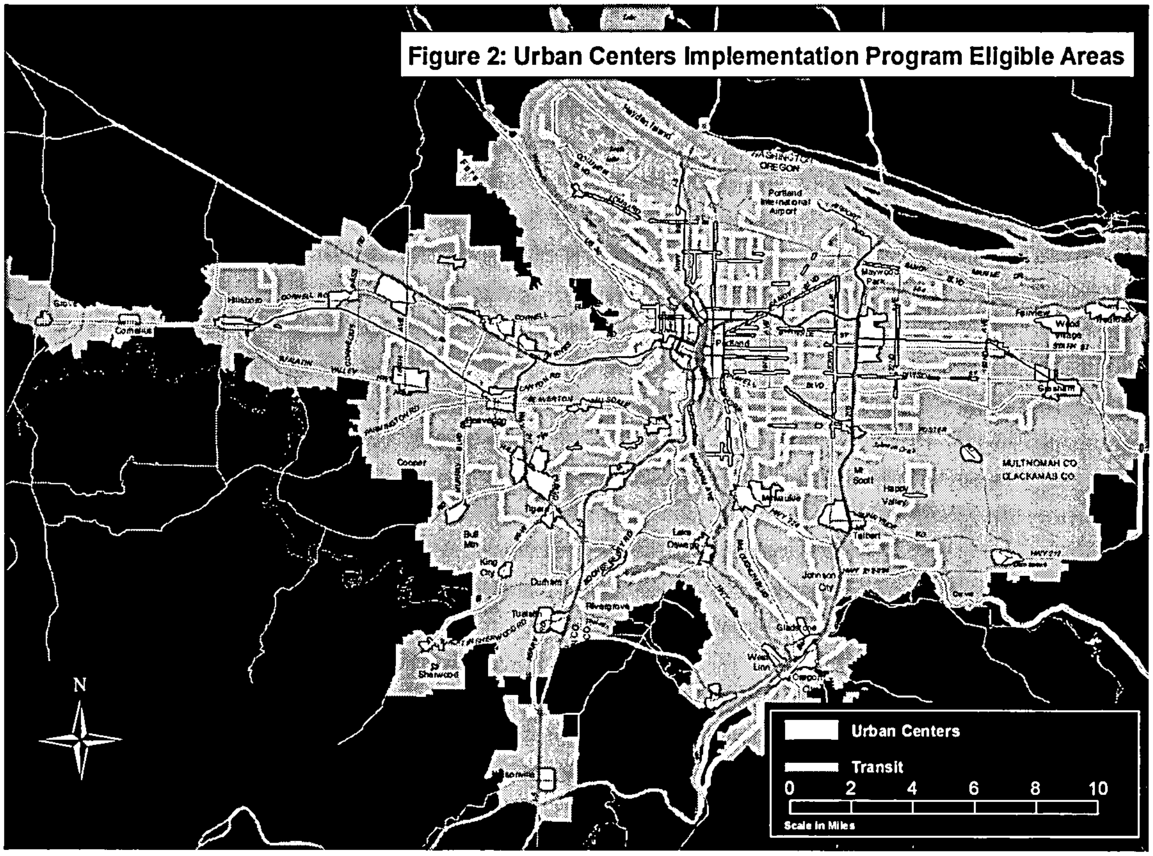


Figure 2: Urban Centers Implementation Program Eligible Areas

6.1.2. Urban Centers Program Operation

To fund a Centers project, Metro staff will evaluate the proposed project using the Centers Implementation Selection Criteria and forward a recommendation to the TOD Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of the proposed project and the Council will have seven (7) days to notify the COO of a request to review the proposed funding in executive session. Following this authorization process, the COO will execute a Development Agreement, with the principle developer of the project.

6.2. EDUCATION, ADVOCACY AND TECHNICAL ASSISTANCE

Recognizing that the TOD and Centers Implementation Program are complex strategies to help manage regional growth, Program staff will undertake an education, advocacy and technical assistance effort to jurisdictions and agencies (local, national and international) working to implement TOD and/or urban center programs, plans and projects; to academicians studying TOD and public/private partnerships and to members of the private real-estate development community.

6.3. TOD PROGRAM LOAN OR LIMITED PARTNER

The federal guidelines for Transit Oriented Development state that TODs "can be accomplished through a sale or lease of federally funded property, or through direct participation of the funded property, or through direct participation of the transit agency in the development as a (limited) partner." (Federal Register, Vol. 62, No. 50, Friday, March 14, 1997). In instances where the land value write-down is insufficient to close the financing gap, as a result of cost premiums, additional funding may be provided as a loan or as an equity position in the project to be structured to compliment the developers' equity capital and mortgage financing.

6.4. GREEN BUILDINGS PROGRAM

TOD and Urban Centers projects will submit applications to the Oregon Department of Energy Business Energy Tax Credits (BETC) Program when they are eligible. Revenues from these tax credits will be used to initiate a "sustainable development" program to integrate green building practices (such as energy and water conservation, the reuse of salvaged building materials and other sustainable practices) into TOD Program funded projects.

6.5. SMALL PROJECTS CATEGORY FOR TOD/CENTERS PROJECTS

A Small Projects category is established for projects with a total development cost of $1.0million per project. These small projects should not exceed $100,000 of TOD funding per year. In addition to meeting the TOD/Centers funding criteria outlined in the Work Plan, additional criteria will apply to small projects: 1) funding should not benefit the developer personally for either housing or a business; 2) a developer fee will not be considered as part of the proforma.

6.6. OREGON TRANSPORTATION INFRASTRUCTURE BANK

Upon execution of an agreement with the Oregon Transportation Infrastructure Bank (OTIB) a $2.0M reservation of transit account funds for up to five years will be available for use by the TOD Program. Funds for individual TOD projects will be drawn down in specific amounts with specific payback schedules for each project. Generally, these individual project payback schedules would be for 6-18 months with deferred interest; however, a project might borrow OTIB funds for up to the life of the OTIB fund reservation—five years.

This use of both OTIB and TOD grant funds will allow the purchase of larger parcels of vacant or redevelopable land than possible using only TOD grant funds. As outlined in the "Grant Funded Program Activities" section above, after Metro acquires land, plans and designs a TOD, parcels the land (if appropriate), and executes Development Agreements with qualified developers, it will then sell the land at a price established by independent appraisals.

Upon sale, the OTIB will be returned the full amount of money it loaned for the initial acquisition. If the land sale(s) included a land value write down, this would be absorbed by the TOD Implementation Program grant, not the OTIB transit account.

The advantages of OTIB participation include:

- Increasing Metro's ability to affect a greater proportion of development surrounding light rail stations;
- Increasing the opportunity to purchase large tracts at wholesale prices, then parceling it to individual developers, which will further leverage TOD grant funds;
- Increasing the incentive for private developers to participate in public-private partnerships by allowing Metro to the carry the land during planning and predevelopment activities;
- Financial participation by OTIB in the building of transit projects with minimal financial risk;
- A short turnaround time for OTIB loans.

6.7. CMAQ/TOD PROGRAM ADMINISTRATION

The CMAQ/TOD Program was sponsored by the Department of Environmental Quality (DEQ) and was proposed for CMAQ funding under ISTEA. The germination of the program came from a series of strategies recommended by the Governor of Oregon's Task Force on Motor Vehicle Emissions Reduction. The strategies revolved around demonstrating pedestrian, bike and transit friendly land use options for new construction that reduced auto emissions and traffic congestion. The CMAQ-TOD Program was the region's first effort to directly influence TOD projects with the use of Congestion Mitigation/Air Quality funds. Initiated in 1994-95 with $3.48 million in federal funds, it has resulted in a number of successful projects including Belmont Dairy, Fairview Village, Steele Park, Orenco Station, Gresham Central, 172nd and East Burnside, Buckman Heights, the Round at Beaverton, and Gresham Civic Neighborhood. Six of the above projects have executed Agreements and are completed or underway, with the funding for the last three, Buckman, the Round, and Gresham Civic committed but still pending execution of Financial Agreements. Uncommitted funds as of January 1998, total less than $100,000.

Funding for the program was from Federal Highway Administration (FHWA) to ODOT, with DEQ the program sponsor. Project solicitation was by RFP with selection determined by the CMAQ/TOD Steering Committee discussed earlier. Staff for the program was by contract with the PDC because of its background and expertise in public-private development projects.

Due to cutbacks in staff, PDC can no longer manage the program and has recommended that Metro assume administrative responsibility for this existing CMAQ/TOD Program, since Metro has expertise in TOD Program issues and Federal funding requirements. This is acceptable to ODOT and DEQ and the proposal is currently being circulated among the other members of the Steering Committee.

Work remaining includes successfully implementing the remaining projects of the Round and Gresham Civic (Buckman is underway), meeting federal requirements for the grant, resolving issues of eligibility as they arise, meeting reporting requirements and producing a summary and analysis of the CMAQ/TOD Program to date.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO.05-3563, FOR THE PURPOSE OF AUTHORIZING AMENDMENTS TO THE FREQUENT BUS CRITERIA FOR THE TOD WORKPLAN

Date: May 4, 2005

Prepared by: Andy Cotugno
Phil Whitmore

BACKGROUND

The Metro Council approved expansion of the TOD Program to include frequent bus routes effective July 2004. The first project, 11th and East Burnside mixed-use (retail office and restaurant) raised some concerns from the Metro Council that because of the extensive frequent bus network TOD dollars spent on projects on frequent bus routes could be spread too thin and not have the desired impact. The Metro Council indicated that notwithstanding the above, they fully approved of the 11th and East Burnside MXD project. Staff was asked to return to the Council at a later date and further refine the criteria for future frequent bus projects. On March 2, 2005 the TOD Steering Committee reviewed and approved proposed amendments to the Work Plan for Metro Council consideration.

The existing TOD Program Work Plan includes criteria for sites being offered to developers, criteria for TOD Projects for the site improvements category and criteria for Centers. The TOD criteria include 1) create or strengthen a physical or functional connection to the transit station; 2) cause construction of higher density housing, mixed use projects and destination uses; 3) develop building types with the lowest reasonable parking ratios and highest reasonable floor areas ratios; 4) increase modal share of transit within station areas while decreasing reliance on personal automobiles; and 5) focus and leverage other expenditures within a station area to support Metro's 2040 Growth Concept, and 6) project location relative to Regional and Town Centers. In response to the Metro Council, the Work Plan was discussed by the TOD Steering Committee at the meeting of March 2, 2005 to include additional criteria for Frequent Bus Routes. The recommended Work Plan amendments were established in two categories, five mandatory criteria in which each proposed frequent bus project must meet, and nine additional criteria that a project should attempt to respond to as many as possible. On March 24, 2005 the Metro Council suggested a change that a project would not personally benefit a developer either through his own personal residence or business. This has been addressed with the following language:

TOD or Centers Small Projects

A Small Projects category is established for projects with a total development cost of $1.0 million per project. These small projects should not exceed $100,000 of TOD funding per year. In addition to meeting the TOD/Centers funding criteria outlined in the Work Plan, additional criteria will apply to small projects: 1) funding should not benefit the developer personally for either housing or a business; 2) a developer fee will not be considered as part of the proforma.

Mandatory Criteria for Frequent Bus Routes

1) Project is in an area that will help spur additional development and help create a node around the transit stop;
2) The project represents an attempt to build the base of developers that can be used in other centers;
3) There are not adequate local government funds available to close the financing gap;
4) The project will be within 800ft walking distance from a high frequency bus line; and

5) Demonstrates market concept applicable to high frequency bus line or the project will test the market for new product types for high frequency bus routes.

Additional Project Criteria for Frequent Bus

- The project uses new building materials or building systems that result in lower construction costs and/or tests new markets for a building type;
- The project will provide market rate and affordable housing, including rental or for sale, in a project that would otherwise be a single use building such as retail or office;
- The project will spur job creation;
- The project uses a high level of sustainable practices including building materials and energy conservation;
- The project is located in or near a center;
- The project has a favorable ratio of TOD dollars to total development costs;
- There are not similar projects in the area done without public funding; and
- The project will improve the quality of the environment for the transit patron.

ANALYSIS/INFORMATION

1. Known Opposition

After a lengthy discussion, the TOD Steering Committee unanimously approved the proposed amendments to the Work Plan for Metro Council consideration March 2, 2005 meeting. There is no known opposition.

2. Legal Antecedents

The Federal Transit Administration (FTA) approved a grant for Metro to start the TOD Program in 1997. Authority to use FTA funds for joint development are included in the Intermodal Surface Transportation Act of 1991 (ISTEA) and codified under 49 USC 5309, 49 USC 5307, 23 USC 133 (STP) and 23 USC 149 (CMAQ). According to these laws, TOD Program activities are defined as transportation projects provided there is (1) a physical or functional relationship to the transit project; and (2) an enhanced effectiveness of the existing transit system.

The TOD program was originally transferred from TriMet to Metro by Intergovernmental Agreement (IGA) executed by Resolution #96-2279 For the Purpose of Authorizing an Intergovernmental Agreement With Tri-Met to Assist in Establishing a Transit-Oriented Development and Implementation Program at Metro on May 16, 1996. The Metro Council authorized start-up activities on April 9, 1998, by Resolution No. 98-2619 For the Purpose of Authorizing Start-Up Activities For the Transit-Oriented Development (TOD) Implementation Program at Metro.

The Work Plan was amended to include provision for a site improvements category by Resolution 00-2906 For the Purpose of Amending the TOD Program Procedures to Facilitate TOD Projects Including the Round at Beaverton Central, adopted March 9, 2000, and amended to include additional light rail corridors, streetcar, frequent bus, urban centers and green buildings by Resolution No. 04-3479 For The Purpose Of Amending The Transit-Oriented Development (TOD) Program Work Plan To Expand The TOD Program Area And Initiate An Urban Centers Program, adopted July 15, 2004. Section 7(2)(c) of the Metro Charter allows Metro to contract with local governments and special districts to provide services under mutual agreement, provided Metro is compensated. TriMet's authority for joint development is established under ORS 267.200, (4), (7) and (11)

3. Anticipated Effects

In response to the Metro Council, a recommendation for amendments to the Work Plan was revised by the TOD Steering Committee at the meeting of March 2, 2005 to include criteria for Frequent Bus Routes. These criteria should help make the Frequent Bus Route TODs more effective and not dilute the effectiveness of the program.

4. Budget Impacts

There are no budget impacts to the Metro General Fund as a result of the change in selection criteria. Frequent Bus Route projects do not use General Funds.

RECOMMENDED ACTION

It is recommended that the Metro Council approve the Frequent Bus selection criteria.

Agenda Item Number 9.2

Resolution No. 05-3585, For the purpose of Confirming Appointment Of Margaret Bax, Jesse Beason, Mark Coffey, Martha McLennan, Fr. Michael Maslowski and Mike Swanson to the Region Housing Choice Task Force.

Metro Council Meeting
Thursday, May 19, 2005
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE APPOINTMENT OF MARGARET BAX, JESSE BEASON, MARK COFFEY, MICHAEL MASLOWSKY, MARTHA MCLENNAN, AND MIKE SWANSON TO THE REGIONAL HOUSING CHOICE TASK FORCE	)))))))	RESOLUTION NO. 05-3585 Introduced by Councilors Burkholder and Liberty

WHEREAS, the Metro Council adopted Resolution 05-3536 for the purpose of creating the new Regional Housing Choice Task Force; and

WHEREAS, members of the Regional Housing Choice Task Force has identified and nominated additional persons with skills in providing housing and affordable housing to be added to the task force; and

WHEREAS, Council liaisons and co-chairs of the Regional Housing Choice Task Force has recommended the appointment of Margaret Bax, Jesse Beason, Mark Coffey, Michael Maslowsky, Martha McLennan, and Mike Swanson to the HCTF, to Metro Council; and

WHEREAS, Council liaisons and co-chairs of the Regional Housing Choice Task Force has been informed of David Williams (Shorebank Pacific President and Chief Executive Officer) recommendation that his position on the HCTF be replaced with Mark Coffey (Shorebank Pacific Executive Vice President and Chief Operating Officer) because of Mark Coffey's experience in affordable housing financing; and

WHEREAS, Margaret Bax, Jesse Beason, Mark Coffey, Michael Maslowsky, Martha McLennan and Mike Swanson are highly qualified to serve in this capacity; now, therefore,

BE IT RESOLVED:

The Metro Council hereby confirms the appointment of Margaret Bax, Jesse Beason, Mark Coffey, Michael Maslowsky, Martha McLennan and Mike Swanson to the Regional Housing Choice Task Force (HCTF).

ADOPTED by the Council this __ day of ____, 2005

____
David Bragdon, Council President

Approved as to form:

____
Daniel B. Cooper, Metro Attorney

STAFF REPORT

FOR THE PURPOSE OF CONFIRMING THE APPOINTMENT OF MARGARET BAX, JESSE BEASON, MARK COFFEY, MICHAEL MASLOWSKY, MARTHA MCLENNAN, AND MIKE SWANSON TO THE REGIONAL HOUSING CHOICE TASK FORCE

Date: May 5, 2005 Prepared by Gerry Uba

BACKGROUND

The Metro Council continues to commit itself to the aspiration of the region that "The region's residents choose from a diversity of housing options" and has declared this a strategic objective. On February 10, 2005, in order to better serve the public and to work more effectively and efficiently with our partners, the Metro Council adopted Resolution 05-3536 for the purpose of creating the new Regional Housing Choice Task Force (HCTF). At the first and second meetings of the HCTF on March 16 and April 20, 2005, members discussed the need to add additional qualified persons to the HCTF. In addition, Mr. David Williams (Shorebank Pacific President and Chief Executive Officer) recommended that his position on the HCTF should be replaced with Mark Coffey (Shorebank Pacific Executive Vice President and Chief Operating Officer) because of Mark Coffey's experience in affordable housing financing. Appointments for confirmation are recommended by the Council housing liaisons to Metro Council consideration.

Analysis and Conclusion

The proposed resolution will create a body of knowledge (Regional Housing Choice Task Force) with broader base representing diverse interests involved in housing and affordable housing production in the Portland metropolitan area.

ANALYSIS/INFORMATION

Known Opposition: None

Legal Antecedents:
Metro Code 3.07.750 established the need to create a task force/advisory committee.

Budget Impacts: None

Agenda Item Number 10.3

Resolution No. 05-3586, For the Purpose of Endorsing the Formation Of the Oregon Metropolitan Planning Organization Consortium

Metro Council Meeting
Thursday, May 19, 2005
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENDORSING THE FORMATION OF THE OREGON METROPOLITAN PLANNING ORGANIZATION CONSORTIUM (OMPOC)	)))	RESOLUTION NO. 05-3586 Introduced by Councilor Rex Burkholder

WHEREAS, metropolitan transportation planning is required by federal regulation in urban areas of greater than 50,000 residents; and

WHEREAS, whereas federal statute recognizes Metropolitan Planning Organizations (MPOs) as the designated body to conduct such planning within urban areas that meet the federal threshold; and

WHEREAS, Oregon has six designated metropolitan areas where MPOs conduct regional transportation planning, including the Portland metropolitan region, the Eugene-Springfield region, the Salem-Keizer region, the Rogue Valley area, the Corvallis area and the Bend area; and

WHEREAS, these MPOs have common transportation needs and interests that span their jurisdictions, independent of relative differences in size and location; and

WHEREAS, the Oregon MPOs can benefit from a coordinated approach to meeting their common needs and interests; and

WHEREAS, the Oregon MPOs have conducted three exploratory meetings to determine the scope of common interests and purposes and benefits of a coordinated effort; and

WHEREAS, the MPO board participants at these exploratory meetings have proposed that an Oregon MPO Consortium be formalized to continue this level of coordination; now, therefore

BE IT RESOLVED that the Metro Council and the Joint Policy Advisory Committee on Transportation (JPACT) endorse the formation of the Oregon MPO Consortium, including:

1. Operation according to the bylaws contained in Exhibit "A"; and
2. Representation of Metro and JPACT by Councilor Rex Burkholder and alternate representation, respectively, by Councilor Rod Park.

ADOPTED by the Metro Council this __________ day of _________________, 2005.

____

David Bragdon, Council President

Approved as to Form:

____

Daniel B. Cooper, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 05-3586, FOR THE PURPOSE OF ENDORSING THE FORMATION OF THE OREGON METROPOLITAN PLANNING ORGANIZATION CONSORTIUM (OMPOC)

Date: April 29, 2005 Prepared by: Tom Kloster

BACKGROUND

The attached resolution and exhibit contain proposed bylaws for the Oregon MPO Consortium, a new alliance of Oregon's six Metropolitan Planning Organizations. The Consortium has convened three "summits" since June 2004, and is now prepared to formalize the organization. The attached bylaws would establish operating requirements for the group and processes for communication between the Consortium and member MPOs.

The bylaws call for each MPO to designate two Consortium members and two alternates. JPACT will be asked to nominate delegates at their May meeting in conjunction with review of the proposed bylaws. Metro will recommend that the delegates include one Metro Council representative and one local government representative, with each selecting an alternate. Under the bylaws, the delegates are responsible for reporting to JPACT on Consortium matters, and consulting with JPACT on key issues before adopting a position with the Consortium.

Comments on the bylaws will be forwarded to the Consortium for consideration at their May 26, 2005 meeting in Salem. At their March meeting, the Consortium reviewed the draft bylaws, and are expected to approve them with amendments at the May meeting.

Metro will host an Oregon MPO Consortium website where meeting notices, summaries and background documents on Consortium activities will be posted. The website is expected to be online this Spring.

ANALYSIS/INFORMATION

1. **Known Opposition** There is no known opposition.

2. **Legal Antecedents**

2. **Anticipated Effects** The proposed Oregon MPO Consortium is expected to improve Metro's presence on legislative and regulatory matters at the state level by building alliances with the other six MPOs.

3. **Budget Impacts** Metro has proposed to maintain a modest web presence for the Oregon MPO Consortium that will reside on Metro's existing web server and require minimal maintenance.

RECOMMENDED ACTION

Approval of Resolution No. 05-XXXX, for the purpose of endorsing the formation of the Oregon MPO Consortium, and appointing Metro Council and JPACT delegates to the new organization.

051905c-01

MINUTES OF THE METRO COUNCIL MEETING

Thursday, May 12, 2005
Metro Council Chamber

Councilors Present: David Bragdon (Council President), Susan McLain, Robert Liberty, Rex Burkholder, Carl Hosticka, Rod Park, Brian Newman

Councilors Absent:

Council President Bragdon convened the Regular Council Meeting at 2:01 p.m.

1. INTRODUCTIONS

There were none.

2. CITIZEN COMMUNICATIONS

Alexis Dow, Metro Auditor, spoke to Mike Burton's letter read into the record. She read her response to his letter (a copy of which is included in the meeting record). She then responded to some of the comments Council President Bragdon made concerning audits last week. She spoke to the external audit selection process. She concluded by saying quality had always been assured in selection of the external auditor.

3. HONORING STUDENTS

3.1 **Resolution No. 05-3587**, For the Purpose of Supporting Portland Students' Transitions to New Schools.

Motion:	Councilor Newman moved adoption of Resolution No. 05-3587.
	Councilor McLain seconded the motion.

Councilor Newman spoke to the resolution and urged support. It recognized students

Vote:	Councilors McLain, Liberty, Newman, Hosticka and Council President Bragdon voted in support of the motion. The vote was 5 aye/1 nay/1 abstain, the motion passed with Councilor Burkholder voting no, and Councilor Park abstaining from the vote.

4. CONSENT AGENDA

4.1 Consideration of minutes of the May 5, Regular Council Meetings.

Motion:	Councilor Burkholder moved to adopt the meeting minutes of the May 5, 2005 Regular Metro Council.
Vote:	Councilors Burkholder, McLain, Liberty, Park, Newman, Hosticka and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

5. **ORDINANCES – FIRST READING**

5.1 Ordinance No. 05-1079, For the Purpose of Amending the FY 2004-05 Budget and Appropriations Schedule Recognizing a Land Donation from the Wetlands Conservancy, Amending the FY 2004-05 through FY 2008-09 Capital Budget; and Declaring an Emergency.

Council President Bragdon assigned Ordinance No. 05-1079 to Council.

5.2 Ordinance No. 05-1084, Amending the FY 2004-05 Budget and Appropriations Schedule for the Purpose of Adopting a Supplemental Budget for the Metropolitan Exposition Recreation Commission for the Fiscal Year Beginning July 1, 2004 and Ending June 30, 2005; and Declaring an Emergency.

Council President Bragdon assigned Ordinance No. 05-1084 to Council.

6. **ORDINANCES – SECOND READING**

6.1 **Ordinance No. 05-1077,** Amending the Regional Framework Plan and the Urban Growth Management Functional Plan Relating to Nature in Neighborhoods.

Council President Bragdon noted Ordinance No. 05-1077, Resolution Nos. 05-3577 and 05-3547 were already on the table. He then asked Andy Cotugno, Planning Director, to review the legislation. Mr. Cotugno provided a history of process for Nature in Neighborhoods legislation and outlined each piece of legislation, Ordinance No. 05-1077, Resolution No. 05-3574 and Resolution No. 05-3577. He noted the open public comment period and the number of comment letters, emails and public testimony at public hearings. He said there was a lot of interest in both the regulatory and non-regulatory programs. There was also concern about this legislation and Ballot Measure 37. He noted Metro Policy Advisory Committee 's (MPACs) comments, which would be provided by the Chair of MPAC, Jack Hoffman. He thanked the Council, Chief Operating Officer (COO), staff, committee members, and citizens for their participation in the process.

Council President Bragdon opened a public hearing on Ordinance No. 05-1077, Resolutions No. 05-3574 and 3577.

Jack Hoffman, Metro Policy Advisory Committee (MPAC) Chair, thanked the Metro staff in getting through this process. He reviewed the MPAC memo of May 12, 2005 (a copy of which is included in the meeting record). Councilor Newman said his understanding was that the Committee had recommended not taking action on the Model Ordinance. Was there a problem to make amendments to the Model Ordinance? Mr. Hoffman said his understand was they would like to review the Model Ordinance before Council adopted it. Councilor Hosticka noted an issue concerning a policy issue, setting minimum standards in the low conservation areas. Mr. Hoffman then continued with MPAC's recommendation. Councilor Hosticka talked about the Tualatin Basin issue and proposed amendments. He wondered if those amendments were discussed at MPAC. Mr. Hoffman said he did not know. He wasn't sure the amendments were presented but felt the issues were raised for discussion. Councilor Liberty said he had asked for clarification from Mr. Saltzman concerning the medical and educational facilities. He spoke to Mr. Saltzman's intent. Mr. Hoffman said he could not speak to Mr. Saltzman's comments but felt City of Portland staff could address this if he was incorrect. Councilor Newman thanked Mr. Hoffman's for his efforts to meet with all of the jurisdictions. Councilor Liberty echoed Councilor Newman's comments.

Tom Geil, Trailview Homeowners Association, 16470 Trailview Dr., Oregon City, OR 97045 read his letter into the record (a copy of which is included in the record). He noted maps about the area he spoke (he provide those maps as well).

Beverly Bookin, CREEC, 1020 SW Taylor #760 Portland OR 97205 provided her letter for the record and summarized that letter for the Council (a copy of which is included in the record).

Thomasina Gabriele, Institutional Facilities Coalition, 2424 NW Northrup, Portland OR 97210 spoke on behalf of the Coalition. Her main message was to stay to course and approve the COO's recommendation correcting the economic value of higher education and medical institutions. The list was very narrowly defined and included a very small list that served citizens of the region and had Class 1 & 2 designations. She said there wasn't any argument that the institutions had high economic value. MPAC had recommended removing this section and instead asking local jurisdictions to do their own Economic Social Energy and Environmental (ESEE) analysis. She spoke to issue of resources and balance. She said the COO's recommendations were thorough and collaborative. She urged stating what was regionally significant. Councilor Newman talked about future facilities and who would add those facilities to the list. Paul Garrahan, Metro Assistant Attorney, said the way it was current drafted recommendations would come back to the Council for consideration (a copy of her comments are included in the record).

Bridget Beattie, Clouds Hill Farm, 7277 SW Barnes Rd Portland OR 97225 spoke to all creatures being important. This was what she was trying to teach children. She supported the Nature in Neighborhoods program and was pleased to hear Council's support of this issue. She talked about the last park's bond measure and that many of the small neighborhoods needed to be helped. She was happy to hear that Metro was going in that direction.

Bob Sallinger, Audubon Society of Portland 5151 NW Cornell Rd Portland OR 97201, said Council had written comments from them. He reiterated his comments from the last public hearing. He highlighted some of those issues in his written comments. He spoke to a balanced approach.

Glen White, 1225 E Historic Columbia River Hwy, Troutdale OR 97060 talked about owning a piece of property that government wanted to regulate. He was happy to hear voters passed Measure 37. He was disappointed that we weren't protecting water quality. They needed to compensate the landowner if they were going to take a portion of the land.

David Ellis, Lewis and Clark College, 0615 SW Palatine Hill Rd Portland OR 97219 provided written comments, which he summarized for the record. He spoke in favor of adoption of the ordinance and resolutions recommended by the COO. He emphasized the regional significance of his college to the region (a copy of his letter is included in the meeting record). Councilor Liberty asked what difference would it make in terms of development for the campus. Mr. Ellis said it was dependent on what type of development occurred. That remained to be seen. The ESEE analysis needed to recognize that Lewis and Clark College had high economic value.

Erwin Bergman, Cully Neighborhood CNN, 5335 NW Holman Portland OR 97218 retired from Bonneville and a representative of Cully Neighborhood and several neighborhoods. They supported Goal 5 with regulatory requirements. They felt the Port of Portland recommended an incentive voluntary based program because the Port was asking for exceptions on about 19 square miles. He urged Council to deny the Port's request (a copy of his comments are included the record).

Tom Brian, Washington County Commission Chair, 155 N. First, Hillsboro, OR 97116 said Andy Duyck representative on MPAC would talk about the Tualatin Basin plan.

Andy Duyck, Washington County Commissioner, 155 N. 1st Ave Hillsboro OR 97116talked about the history of the Title 3 plan, which was predicated on a collaborative effort. It had been very successful. They then embarked on a Goal 5 plan. Metro had asked them develop a plan because the Tualatin Basin was unique in many ways. He spoke to the Tualatin Basin plan, which they expected to put money into for restoration efforts. He noted that the Tualatin Basin plan was habitat friendly and integrated into the healthy streams plan. He urged adoption of Resolution No. 05-3577.

Chair Brian commended Council on Nature in Neighborhoods program. He thanked the Metro staff for their work. They had learned a lot from the staff. They were looking forward to implementing the Tualatin Basin plan in the next year. They supported Bragdon Amendment #1 and MPAC and Metro Technical Advisory Committee (MTAC) recommendations on Bragdon Amendment #1. They opposed three amendments proposed by Councilor Hosticka. Councilor Hosticka asked if it was possible for people to be developing next to streams or within a floodplain? Mr. Brent Curtis responded that as a general matter, you couldn't develop in a floodplain but there were exceptions without permit. Chair Brian acknowledged Councilors Hosticka and McLain for their efforts.

Anne Perick, Oregon League of Conservation Voters, 320 SW Stark #415 Portland OR 97204 spoke to environmental issues. They urged the Councilors to follow the recommendations of Audubon Society of Portland (her comments are included in the record).

Timme Helzer, Hayden Island Neighborhood, 187 N. Hayden Bay Dr Portland OR 97217 said they represented 3000 individuals and organizations. Their concerns had to do with the Port's request. As proposed the exceptions detracted from the livability of their island. The wetland exception request significantly upset the island. The West Hayden Island was a pristine environment and used mainly for a dumping ground for dredge materials. This was one of the main areas that needed to be protected.

Carl Axelson, Raindrops to Refuge, 22461 SW Pine, Sherwood, OR spoke to capacity. The Nature in Neighborhood program relied heavily on good intentions. Capacity in this region to exercise voluntary efforts was stretched too thin. Sherwood had limited capacity. In the past Sherwood was able to protect habitat but times had changed not because intentions were gone but because capacity was gone. There were competing interests for money. He urged the Council to stand firm on the regulations that remained while they redevelop the capacity. Habitat protection benefited the whole region. Voluntary efforts required greater capacity.

Kelly Ross, Home Builders Association summarized his comments (included in the meeting record).

Michael Anderson, Community Development Network, 2627 NW Martin Luther King Jr. Portland OR 97212 provided a copy of his written testimony (a copy of which is included in the record).

Teresa Huntsinger, Coalition for a Livable Future, 310 SW 4th Suite 612 Portland OR 97204 summarized the Coalition's comments (a copy of which is included in the record).

Mike Houck, Urban Greenspaces Institute PO Box 6903 Portland OR 97210 provided written comments and summarized those for the council (a copy of which is included in the record). He said Metro needed to develop a storm water and watershed program. Councilor Liberty asked what would be the most valuable investment in volunteer capacity. Mr. Houck said Metro would not be adding value to Nature in Neighborhoods with restoration efforts. We needed more money in the region to help this program. He suggested keeping planning staff with expertise to get additional revenues.

Linda Robinson, 1115 NE 135th Portland OR 97230 said she had sent written testimony several days ago (a copy of which is include in the record). She expressed concerns about the Port of Portland's requests for exceptions and not following the "avoid, limit, and mitigate". She was also concerned about their ability to mitigate anywhere in the region.

Susan Shawn, Friends of North Clackamas Park, 13655 SW Briarfield Ct Portland OR said they were concerned about the juncture between two creeks. The current Federal Emergency Management Agency (FEMA) map for the park location was inaccurate. She would be presenting a new map. The FEMA map was not in the flood plain. Using county data, they found the park was almost all in the floodplain. They were concerned about the request to build a ballpark in the park. She requested that the map be put into Metro's inventory. She urged upgrading the floodplain data in the inventory. Second, they needed regulatory support. They had no confidence that the flood plain and creeks would be protected. Councilor Hosticka asked if the Park District wanted to build in the floodplain. Ms. Shawn said they were planning to develop in the floodplain (a copy of her comments and map are included in the record).

Michael Sestric, Lewis and Clark College, 0615 SW Palantine Hill Rd Portland OR 97219 talked about an article from a President of University. He summarized the article. He submitted that by valuing institutions fairly, they could begin a healthy communication with cities. Councilor Burkholder asked about campus development. Mr. Sestric responded that 35% of their acreage would be undevelopable if City of Portland's Health Streams and Goal 5 were implemented (a copy of the article was submitted for the record).

Patrice Iverson-Summer, Global Trading Resources, 12695 NW Mark St #12 Portland OR 97230 read her written comments into the record (a copy of which is included in the record). She supported the COO's recommendation that the Port be allowed exceptions.

Troy Clark, Friends of Smith and Bybee Wetlands, 2821 NE Kickitat Portland OR told a story about the Port of Portland's plan presented to them in 1996. He talked about Mike Burton, Charlie Hales and the Port's Executive Director conversation to begin a public process. He had been impressed with the Port's involvement in working through processes. He felt the exception was a step back.

Bill Wyatt, Executive Director of Port of Portland, 121 NW Everett Portland OR summarized his written comments (a copy of which is included in the record along with pictures). Councilor Park asked about the bird strike issue, how did that reflect at the Hillsboro Airport and Milano Airport. Mr. Wyatt said the biggest challenge was at the Portland Airport. Bird strikes were down. They care about this issue, as does Federal Aviation Administration (FAA). Hillsboro, Troutdale and Milano were also subject to FAA regulations, which were 5000 foot for regular aircraft and 10,000 foot for jet aircraft. Councilor Hosticka asked about the Port's position on mitigation. Mr. Wyatt said they would mitigate in the watershed wherever possible. Councilor Liberty asked about Terminal 4,5,6 and why the Port was pushing for an exception. Mr. Wyatt said they would be working with the City as far as a plan. Terminal 4 was a superfund site, which they would have to cleanup. The container portion of Terminal 6 was a steel sheet pile. They believed that this would continue. The Port was incapable of generating enough revenue for protection. None of these facilities operate unregulated. Councilor Newman asked about the District Plan and would it cover the marine terminals? Will there be an effort to find balance between restoration and economic concerns? Mr. Wyatt said he wasn't sure if West Hayden Island would be the same District Plan as the Port area. They did have a plan to develop West Hayden Island. The Corp of Engineering utilized this area for dredge materials. The balance of the marine terminals would be included in a District Plan. He spoke to the need for balance. Councilor Hosticka appreciated his comments about West Hayden Island. He wanted to know what kind of coordination did they have with the Port of Vancouver when they developed that planning concerning West Hayden Island. Mr. Wyatt said they worked very closely with the Port of Vancouver in all of the planning efforts. They were not competing with the Port of Vancouver commercially.

Richard Lane, 1608 18th Ave Forest Grove OR provided his testimony, pictures, map and 248 citizen signatures on a petition for the record and read his testimony into the record (a copy of these documents are included in the record). He asked if the movement of Urban Growth Boundary was Metro's responsibility or Forest Grove's responsibility. Councilor McLain responded to his question. Councilor Newman said this was about defining where the floodplain was. Councilor McLain responded that it was on the high ground as Mr. Lane suggested. Councilor Liberty suggested that if it was our line, we should be determining this. Councilor McLain concurred, it was a technical exercise and they were asking Forest Grove to do that work for Metro's review

John Weighart 18989 NE Marine Dr #15 Portland OR 97230 said this ordinance was about the quality control for the environment. He rolled out three approaches for establishing quality control. Councilor Hosticka said the reason these were not mention was because they would be subject to requirements (a copy of his comments are included in the record).

Gil Kelley, City of Portland thanked staff for their efforts and reasserted strong support for regional government. With regard to Nature in Neighborhoods program, they felt this was establishing a clear vision and establishing means for restoring nature. He noted their four specific requests (a copy of those requests were included the record attached to a letter from Tom Potter). Councilor Liberty asked about Portland's plan for Goal 5 and protection for upland areas. Mr. Kelley talked about tree protection ordinances. Councilor Hosticka asked Mr. Kelley to comment on the "allow" language. Councilor Newman said Mr. Kelley had mentioned Metro acknowledged local programs that goes beyond Metro's program. There seemed to be concern that if Metro stopped at a certain point, it did not mean that the local jurisdiction couldn't go further. Mr. Kelley responded to his concern and the perception of others. He felt that Council needed to hearten its comments about supporting local jurisdiction's Goal 5 programs. Councilor McLain commented on Metro's upland protection, which was different from City of Portland. Uplands were still part of the program. Council President Bragdon echoed what other councilors said. Councilor Liberty added his comments about additional protection. Councilor Hosticka noted the importance of discussing this in front of the citizens of region.

Brian Wegener, Tualatin Riverkeepers, 16507 SW Roy Rogers Rd Sherwood OR 97140 cleared up some comments made previously having to do with floodplains, privately versus publicly owned floodplains. Councilor Burkholder asked for clarification. Mr. Wegner responded to his question (he provided a copy of an article from the Oregonian for the record).

Sue Marshall, Tualatin Riverkeepers, 16507 SW Roy Rogers Rd. Sherwood OR 97140 provided a copy of her letter for the record (a copy of which is included in the record) She spoke to amendments.

Carolyn Jones, 2818 S Poplar Way, Lake Oswego, OR 97034 had contacted Land Conservation and Development Commission. She spoke to the hallmarks of communism. She also talked about paying for the takings of the private property. She was a property owner who was trying to sell her property. She asked had Metro protected habitat? She talked about an article in Willamette Week about Lake Oswego.

John LeCavalier, 1622 SE 55th Portland OR 97215 said he had submitted written testimony. He felt Metro's action was the right way to go. They needed to increase the environmental educators in the region. He hoped they considered where those funds would come from. Councilor Liberty asked what we should invest in, in terms of providing capacity. Mr. LeCavalier said if the increase in educators could be enough, put your money there. If the increase in planners would help, put your money there.

Michelle Bussard, Johnson Creek Watershed Council 1900 SW Milport, Milwaukie OR was unable to testify but provided written testimony (a copy of which is included in the record)

Lucinda Hites-Clabough, Forest Grove Citizen, 2704 Firwood Lane Forest Grove 97116 said she lived in the county, and west of her property was county floodplain. She was science educator. She had proposed the need for a park. She noted Metro's maps were not accurate. She spoke to the type of the park that was needed which was a natural park. She urged proper inventorying. Council President Bragdon suggested staff looking at the issue of the map.

Tom Wolf Trout Unlimited 22875 NW Chesnut Hillsboro, OR 97214 did not testify.

John Gibbon, 9882 SW Barbur, Portland OR complimented Council on Nature in Neighborhoods. He was living in a fully developed area in an upland habitat area. He wanted to know what they could do to protect upland habitat. He spoke to his frustrations about the lack of knowledge for how to improve these areas. He wanted to see Metro commit to protecting the habitat and upland areas.

Lee Leighton, Westlake Consultants, Lewis and Clark College 15115 SW Sequoia Pkwy Suite 150 Tigard OR 97224 provided his testimony for the record (a copy of which is included in the record). He said they had been working closely with Metro on the critiques. He talked about the Saltzman amendment and what it would do.

Jim Labbe, Audubon Society of Portland, 5151 NW Cornell Rd Portland OR 97212 provided his testimony in writing and summarized that testimony (a copy of which is included in the record).

Councilor Hosticka asked Brent Curtis about Pat Whiting's letter and designation of the Ash Creek area. Did it constitute a gap? Was this an area that would be considered part of the gap. Mr. Curtis responded that this property was in a floodplain. He said this property was part of the Washington Square plan. It was part of the City of Tigard plan not Washington County's. He said it was protected on Tualatin Basin's map. That would be part of consideration of City of Tigard as well. Councilor Hosticka spoke to the concern of underlying zoning. Would environmental protections take precedent? Mr. Curtis said he did not represent Tigard but explained that the floodplain took precedent. He spoke to transfer of density to other areas. Residential density did not override Goal 5. He felt the planning tools would continue to respect the resources.

Council President Bragdon closed the public hearing.

7.1 **Resolution No. 05-3574,** Establishing a Regional Habitat Protection, Restoration and Greenspaces Initiative Called Nature in Neighborhoods

Motion to amend:	Councilor Hosticka moved to amend Resolution No. 05-3574 with Hosticka Amendment#1
Seconded:	Councilor Liberty seconded the motion

Councilor Hosticka said this addressed the capacity issue but kept faith with the resolution. It would also examine further the Clean Water Act. Councilor Newman would support this amendment and support the budget amendment as well. Councilor Park asked about the urban storm water management. He assumed that would mean that we would enter into storm water management. Councilor McLain responded to his question. This was the third part of the package. This would give additional information. Councilor Park wanted to make sure that we talk with MPAC as to where we wanted to go. Council President Bragdon was supportive of the amendment as well. He read item 6 that the first stop was to talk to the cities. It was not just Metro but Metro talking to our customers, local governments. The other aspect of this was that those agencies that were charged with storm water management had funds that we didn't necessarily have. Councilor Park said he would be supportive having listened to Council President Bragdon comments. Andy Cotugno, Planning Director, said they understood Council's intent

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion on the main motion as amended:	Councilor Hosticka moved to adopt Resolution No. 05-3574A.
Seconded:	Councilor McLain seconded the motion

Councilor Hosticka thanked staff. This was just the beginning

Main Vote on the amended resolution:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Councilor Liberty moved to amend Ordinance No. 05-1077 with Liberty Amendment #4A.
Seconded:	Councilor Hosticka seconded the motion

Councilor Liberty summarized his amendment and added language. Councilor McLain spoke to the spirit of why Councilor Liberty brought the amendment forward concerning Measure 37. She noted the need to establish a process. She would support this. Councilor Park said that this should be based on acknowledgement of LCDC. Councilor Liberty felt he wanted to be early rather than wait for acknowledgement. Councilor Burkholder asked for a legal opinion on referring to Measure 37. He suggested referring to the actual State Statute versus a Ballot Measure, which may change over time. Paul Garrahan, Assistant Attorney, said there had been no ORS assigned yet. This was one of the reasons why Council had decided not to take action on the ordinance.

Councilor Burkholder said he felt this was premature. He wanted to see the outcome, what was happening in the legislature before Metro made a commitment. Councilor Hosticka would be supporting the amendment and explained why. He spoke to the spirit of the amendment. Councilor Park read from section 5. The State had not determined whether the determinant was at the State or local level. He was worried about us saying we were financially responsible. How would we be able to defend this without authority? Councilor Liberty said we were going to face this question sooner or later. He did not see a question of authority. Councilor Park talked about his Ballot Measure 37 concerns. Councilor Liberty said there were amendments to revise COO's concerning practicability. Councilor Burkholder said Councilor Liberty was our liaison to the Measure 37 Task Force, he preferred that discussion come to completion before we take action. Councilor Liberty closed by saying this was the right thing to do.

Vote to amend:	Councilors Hosticka, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 5 aye/2 nay, the motion passed with Councilors Burkholder and Park voting no.

Motion to amend:	Councilor Liberty moved to amend Ordinance No. 05-1077 with Liberty Amendment #4B.
Seconded:	Councilor Burkholder seconded the motion

Councilor Liberty explained the amendment. Councilor Burkholder asked Councilor Hosticka about his amendment. Councilor Hosticka suggested voting on this amendment separately.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Councilor Hosticka moved to amend Ordinance No. 05-1077 with Hosticka Amendment #5.
Seconded:	Councilor McLain seconded the motion

Councilor Hosticka explained his amendment. Councilor Newman said he was inclined to vote no on this. He said the current definition of practicable was the same as Title 3. With this amendment, it would change that definition. Councilor McLain said she had some of the same issues but Title 3 and Title 13 were different issues. She said this was a fluid document. She was inclined to vote yes because it made it parallel to Goal 5. Councilor Park asked Mr. Cotugno about the sequencing. Mr. Cotugno responded to his question. Councilor Park asked if there was another word we could use, so there weren't two definitions. Councilor Hosticka said Mr. Cotugno provided a good description. Councilor Liberty added his comments. Councilor Burkholder said he didn't think this was breaking new ground. Councilor Newman said he was still unclear about the ultimate impact.

Vote to amend:	Councilors Hosticka, Burkholder, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 5 aye2 nay, the motion passed with Councilors Newman and Park voting no.

Motion to amend:	Councilor Liberty moved to amend Ordinance No. 05-1077 with Liberty Amendment #1
Seconded:	Councilor McLain seconded the motion

Councilor Liberty reviewed his amendment. Councilor Hosticka reinforced Councilor Liberty's comments. He spoke to links between water pollution and protection of habitat. Councilor Newman supported this amendment. Councilor Park asked staff about impact areas. Chris Deffebach, Planning Department, responded Class 1 and 2 was about 40,000 acres. Councilor Park said some of these areas were not within the jurisdictional boundary. He wanted to know what the total effect was outside our jurisdictional boundaries. Councilor Liberty urged support.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Councilor McLain moved to amend Ordinance No. 05-1077 with McLain Amendment #2.
Seconded:	Councilor Hosticka seconded the motion

Councilor McLain explained the amendment having to do with the Clean Water Act. Councilor Hosticka pointed out this language was recommended unanimously by MPAC.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Council President Bragdon moved to amend Ordinance No. 05-1077 with Bragdon Amendment #2.
Seconded:	Councilor Park seconded the motion

Council President Bragdon reviewed the amendment. He urged supporting MPAC's recommendation.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Councilor Liberty moved to amend Ordinance No. 05-1077 with Liberty Amendment #3.
Seconded:	Councilor Burkholder seconded the motion

Councilor Liberty explained his amendment concerning the Port Terminals. He felt the terminals had vegetation. They were not prohibiting development but figuring out a way to maintain and enhance water quality and habitat. Councilor Burkholder supported the amendment partly because of the City of Portland's testimony. He talked about the history of the testimony. Council President Bragdon said he would be voting no, he felt the COO had made the right call. He spoke to issues of equity and not giving favorable treatment to privately owned facilities. He noted regulation that already existed for these areas. Councilor Park asked about the Schnitzer property and the possibility of a Measure 37 claim. Do we hold public entities to a higher standard? Councilor Newman said he would be voting no and explained why. Councilor Burkholder added his comments. Councilor McLain said she would be voting no. Councilor Liberty talked about the City of Portland testimony. He thought by voting for this Metro was going to encourage the process. It would be easier to resolve under the District Plan process.

Vote to amend:	Councilors Burkholder, Liberty voted in support of the motion. The vote was 2 aye/5 nay, the motion failed with Councilors McLain, Park. Hosticka, Newman and Council President Bragdon voting no.

Motion to amend:	Councilor Burkholder moved to amend Ordinance No. 05-1077 with MPAC Amendment #1.
Seconded:	Councilor Liberty seconded the motion

Councilor Burkholder explained the amendment and supported MPAC's recommendation. Councilor McLain supported the amendment. Councilor Liberty said he would vote in support because it was consistent.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Councilor McLain moved to amend Ordinance No. 05-1077 with McLain Amendment #3.
Seconded:	Councilor Park seconded the motion

Councilor McLain spoke to her amendment about regionally significant facilities. She explained the history behind the amendment. This amendment added the tax lot specific information concerning regional significant facilities. Councilor Hosticka declared a conflict of interest.

Motion to amend McLain Amendment #3:	Councilor Newman moved to amend McLain Amendment with #3 by striking B and E.
Seconded:	Councilor Hosticka seconded the motion

Councilor Newman explained why he was amending McLain Amendment #3. He added that Portland Community College (PCC) Work Force Training Center should be included in this amendment. Councilor McLain supported the motion to amend her amendment. Councilor Burkholder said he was against both the amended amendment and the amendment as a whole. He felt they should have the discussion with our MPAC partners. The purpose was to encourage development in centers. Councilor Hosticka said we were establishing criteria by example of the facilities.

Vote to amend McLain amendment #3:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Councilor Liberty spoke to Councilor Burkholder's comments. He felt we should stick with a simple approach using the hierarchy in the Framework Plan.

Motion to substitute:	Councilor Burkholder moved to substitute MPAC #2 for amended McLain Amendment #3 for Ordinance No. 05-1077

Mr. Garrahan explained the action at MPAC. He spoke to a revised version of the MPAC amendment. Councilor Burkholder withdrew his amendment.

Councilor McLain suggested a friendly amendment to Councilor Burkholder, which would allow amending the amendment to talk about future facilities. She felt this was a short list. Councilor Burkholder spoke to Councilor McLain suggestion.

Motion to amend McLain amendment #3:	Councilor Burkholder moved to amend Councilor McLain Amendment #3 by striking 5Bii.
Seconded:	Councilor Park seconded the motion

Councilor Burkholder spoke to her amendment. Councilor McLain could not support the amendment. Council President agreed with Councilor Newman.

Vote to amend McLain Amendment #3:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted against of the motion. The vote was 7 nay, the motion failed.

Motion to amend McLain Amendment #3:	Councilor Liberty moved to amend McLain Amendment #3 to delete the list.
Seconded:	Councilor Burkholder seconded the motion

Councilor Liberty explained his amendment to the amendment McLain #3. Council President Bragdon explained why the list was created in the first place. He would be voting no. Councilor Park would also vote no. He supported Councilor Burkholder concept of having facilities in centers. Any facility would have to go through a lot of scrutiny to be added to the list. Councilor Burkholder explained why he was uncomfortable with this. He felt the list was scatter shot. He did recognize their value but was concerned for those of who hadn't come forward such as Kaiser. Councilor Liberty shared Councilor Burkholder's concerns. Ms. Deffebach spoke to the list of facilities and those that had resources, Kaiser did not have resources on its campus.

Vote to amend McLain Amendment #3:	Councilors Burkholder, Liberty voted in support of the motion. The vote was 2 aye/5 nay, the motion failed with Councilors Park, Newman, McLain, Hosticka and Council President Bragdon voting no.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Councilor Burkholder moved to amend Ordinance No. 05-1077 with Burkholder #2.
Seconded:	Councilor Liberty seconded the motion

Councilor Burkholder described the amendment. Councilor Park asked for further clarification from staff. Ms. Deffebach discussed the FAA process and how it affected this issue. Councilor Park discussed his concerns regarding airports and the risk of bird strikes to small aircraft. Councilor Hosticka said this specifically dealt with an airport that already had a plan and asked what the status is for airports that don't yet have a plan. Ms. Deffebach spoke to how the rules for mitigation affected those who do not yet have a plan. Councilor Hosticka said he would be voting against the amendment and explained his reasoning. Councilor Burkholder said the intent of the amendment was to extend the process that was used currently. He offered to withdraw the amendment to allow the process.

Motion to amend:	Councilor Hosticka moved to amend Ordinance No. 05-1077 with Hosticka Amendment #1
Seconded:	Councilor Liberty seconded the motion

Councilor Hosticka explained the substance of the motion. Councilor Newman asked about the Columbia Slough. Mr. Cotugno responded to his question.

Vote to amend:	Councilors Park, Hosticka, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed with Councilor Burkholder absent from the vote.

Motion to amend:	Councilor Hosticka moved to amend Ordinance No. 05-1077 with Hosticka Amendment #2.
Seconded:	Councilor Newman seconded the motion

Councilor Hosticka asked Mr. Cotugno to explain the amendment concerning new urban areas. Mr. Cotugno reviewed the amendment. Councilor Park expressed concerned about "without limitation"? Councilor Hosticka responded to his question, we were not giving any exceptions. Councilor Park asked how would you know without doing an ESEE analysis. Councilor Newman supported the amendment and explained concept planning issues.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Councilor Burkholder moved to amend Ordinance No. 05-1077 with Burkholder Amendment #4.
Seconded:	Councilor Hosticka seconded the motion

Councilor Burkholder explained his amendment concerning Upland Parks. Councilor Liberty asked about upland habitat protection and had they had this discussion already. Mr. Cotugno responded to his question.

Motion to amend Burkholder Amendment #4:	Councilor Liberty moved to amend Burkholder Amendment #4.
Seconded:	Councilor Park seconded the motion

Councilor Liberty explained his amendment to Councilor Burkholder's amendment. Councilor McLain asked Mr. Curtis about the Tualatin Basin. Mr. Curtis responded to his issue. Councilor Liberty explained that if property was acquired and it was for recreation purposes, then they should allow the recreation to occur. Council President Bragdon supported Councilor Liberty's amendment. Councilors Hosticka and Burkholder argued against the amendment.

Vote to amend to Burkholder Amendment #4:	Councilors Park, Newman, McLain, Liberty and Council President Bragdon voted in support of the motion. The vote was 5aye/2 nay, the motion passed with Councilors Burkholder and Hosticka voting against the amendment.

Vote to amend:	Councilors Park, Hosticka, Newman, Liberty voted in support of the motion. The vote was 4 aye/3 nay, the motion passed with Councilor Burkholder, McLain and Council President Bragdon voting against the motion.

Motion to amend:	Councilor Liberty moved to amend Ordinance No. 05-1077 with Liberty Amendment #2.
Seconded:	Councilor McLain seconded the motion

Councilor Liberty explained his amendment recognizing local programs. Councilor McLain said she felt this was redundant. Councilor Newman said he saw this as a placeholder that captured their intent. He would act on it as a placeholder. Council President Bragdon supported the amendment. Councilor Park gave an example. Councilors discussed Councilor Liberty's amendment. Councilor Liberty explained the scenario he was worried about. Councilor Park offered another scenario. Councilor Liberty responded to his scenario.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Councilor Hosticka moved to amend Ordinance No. 05-1077 with Hosticka Amendment #4.
Seconded:	Councilor McLain seconded the motion

Councilor Hosticka explained his amendment concerning monitoring and reporting. Councilor McLain supported the amendment.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Councilor Park raised a point of order.

Motion to amend:	Council President Bragdon moved to amend Ordinance No. 05-1077 with Bragdon Amendment #3.
Seconded:	Councilor Park seconded the motion

Mr. Cotugno explained the amendment.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, and Council President Bragdon voted in support of the motion. The vote was 6 aye/1 nay, the motion passed with Councilor Liberty voting no.

Motion to amend:	Councilor McLain moved to amend Ordinance No. 05-1077 with McLain Amendment #1.
Seconded:	Councilor Burkholder seconded the motion

Councilor McLain explained her amendment concerning definition of development. Councilor Park asked if this applied to agriculture. Mr. Garrahan said there were State regulations that applied to agriculture. He further explained the amendment. Metro did not have authority to regulate agriculture.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Councilor Liberty moved to amend Ordinance No. 05-1077 with Liberty Amendment #5.
Seconded:	Councilor McLain seconded the motion

Councilor Liberty explained his amendment concerning clear and objective mitigation requirements. Councilor Park suggested a friendly amendment having to do with national nursery standards heights. Councilors Liberty and McLain accepted the friendly amendment. Councilor Newman was uneasy about it. He asked staff about the numbers. Councilor Burkholder said they would have discussion at a technical level. Councilor McLain supported this amendment. Councilor Park explained he just didn't want to undersize the trees. Councilor Liberty urged adoption and explained why.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Councilor Hosticka moved to amend Ordinance No. 05-1077 with Hosticka Amendment #3.
Seconded:	Councilor McLain seconded the motion

Councilor Hosticka explained the amendment concerning disturbance area for low Habitat Conservation Areas. This had been debated at Water Resource Policy Advisory Committee (WRPAC) and MTAC. Both bodies recommended that we have some disturbance areas. Councilor Park asked about residential development. Ms. Deffebach said this would apply to new residential development.

Vote to amend:	Councilors Hosticka, Newman, McLain, Liberty voted in support of the motion. The vote was 4 aye/3 nay, the motion passed with Councilor Park, Burkholder and Council President Bragdon voting no.

Motion to amend:	Councilor McLain moved to amend Ordinance No. 05-1077 with McLain Amendment #4.
Seconded:	Councilor Burkholder seconded the motion

Councilor McLain explained her amendment concerning the Model Ordinance issues. She urged support.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Councilor Burkholder moved to amend Ordinance No. 05-1077 with Technical Amendment package.

Seconded:	Councilor McLain seconded the motion

Paul Garrahan clarified the amendments. Councilor Park added his comments about the technical amendments.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Council President Bragdon announced that this ordinance was continued to July 14th for technical amendments and to September 22nd for possible final consideration.

7.2 **Resolution No. 05-3577,** Approving the Tualatin Basin Natural Resources Coordinating Committee's Fish and Wildlife Habitat Protection Program

Motion to amend:	Council President Bragdon moved to amend Resolution No. 05-3577 with Bragdon Amendment #1
Seconded:	Councilor McLain seconded the motion

Council President Bragdon explained the amendment concerning the Tualatin Basin amendment related to habitat-friendly development practices. Councilor Liberty expressed his concern with the change in language. Councilor McLain talked about "encourage to facilitate" was an obligation. You were using a carrot instead of a stick but were still making a commitment. Council President Bragdon added his comments. Councilor Liberty shared his concern. Councilor Liberty commented on the Tualatin Basin plan. He noted it was slightly weaker than what was proposed for other parts of the region. Councilor McLain said they were not exactly the same but didn't agree that it was weaker. It was just different. They were doing different things than we were doing but that could achieve the same results. Council President Bragdon said in the larger context overall it needed to be judged on slightly different standards.

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to amend:	Councilor Hosticka moved to amend Resolution No. 05-3577 with Hosticka Amendment #1 as amended
Seconded:	Councilor Liberty seconded the motion

Councilor Hosticka described an amendment he wanted to substitute for Hosticka Amendment #1. He explained the conditions requiring avoid, minimize and mitigation of Class I and II habitat. Councilor McLain said she would not support this amendment and explained why. She thought it was a patchwork quilt amendment. Council President Bragdon would be voting no on this as well. Councilor Burkholder said they had time to think about this. They were wrestling with whether this plan was equivalent to the rest of the region. He had a hard time making a personal analysis as to whether we had seen substantial compliance. Councilor Liberty spoke to Hosticka amendments 1, 2, and 3. He felt the gap was real. We were setting a floor that was below the proposed action.

Vote to amend:	Councilors Hosticka and Liberty voted in support of the motion. The vote was 2 aye/5 nay, the motion failed with Councilors McLain, Park, Burkholder,

	Newman and Council President Bragdon voting no.

Motion to amend:	Councilor Hosticka moved to amend Resolution No. 05-3577 with Hosticka Amendment #3
Seconded:	Councilor Liberty seconded the motion

Councilor Hosticka explained his amendment. He was concerned about the standard. They were asking Tualatin Basin to hare their data with Metro. Councilor McLain asked Councilor Hosticka if he was asking for reporting on the reporting program and why should this be just for the Tualatin Basin. Councilor Hosticka said he was asking for this reporting because it was a different program. Does the same monitoring and reporting apply to the Tualatin Basin? Ms. Deffebach said yes. Councilor Hosticka asked if that differs from what was proposed in this amendment? Ms. Deffebach explained the difference. Council President Bragdon explained why he was voting against this amendment. Developing a monitoring program was part of Metro's challenge over the next several months. He also spoke to equity and fairness. MPAC recommended Council approve the proposed program without the proposed amendment. Councilor Hosticka said MPAC did not take up this subject specifically. They took up the entire resolution. The entire agreement with Tualatin Basin depended on the investments they were going to make to improve the health of the watershed. He urged support.

Vote to amend:	Councilors Hosticka, Newman, and Liberty voted in support of the motion. The vote was 3 aye/4 nay, the motion failed with Councilors McLain, Park, Burkholder and Council President Bragdon voting no.

Motion to amend:	Councilor Burkholder moved to amend Resolution No. 05-3577 with the Technical Amendment package.
Seconded:	Councilor McLain seconded the motion

Vote to amend:	Councilors Park, Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Councilor McLain supported the resolution as amended. There was work still to be done. This was about partnering and a good faith effort. Councilor Burkholder said he thought there were some things that Metro did more on. This program applied county wide. When you look at habitat, you were looking at connectivity. He felt they were getting good habitat protection throughout the region. Councilor Liberty acknowledged the work done by colleagues, Clean Water Services and the County. He explained his no vote. He felt that there was a narrower coverage in the program. He felt we had set a precedent. Councilor Hosticka said this was a difficult issue for him. He couldn't support the resolution. The standard he put on himself was, are we convinced that this plan will protect, as the plan will for the rest of the region. He couldn't say it. He said they had heard that they weren't willing to do anything that would impact Measures 37. Does this give the same level of protection? Councilor Park talked about the history of Tualatin Basin Plan. He wasn't sure if we had the right program but we won't accomplish anything if we don't get started. Councilor Newman said he would support the resolution. The important issue was the increment. He noted that this program was county wide. It took a leap of faith and he was willing to take that leap. Council President Bragdon said he had been looking for results, what will do the most and achieve the most for those who live in this region. He had become convinced that this was the right approach because of the work that had gone into it, it became a multi disciplinary approach, the practical tools being use, it was basin wide, multiple agencies were working in concert, it could be done faster, and had a track record of those that say what they can do. Does this meet the standard, there weren't right and wrong answers. This was a matter of confidence among friends and co-workers. He urged adoption .

Vote on the Main motion:	Councilors Park, Burkholder, Newman, McLain and Council President Bragdon voted in support of the motion. The vote was 5 aye/ 2nay, the motion passed with Councilors Hosticka and Liberty voting no.

8. OREGON LEGISLATIVE UPDATE

Dick Benner, Metro Senior Attorney, said there was a bill pending in the legislature on school siting. The Metro position was that it was not a good idea to put schools outside the boundary. They had recent discussions that had pointed out to the school district that the Metro Code had a provision to add land to accommodate a specific need. He had pointed this out of the school district. The Beaverton School District would prefer to follow Metro Code. They were now suggesting adding land to develop a new community around a school site. They had suggested to a representative of the school district to file an application for a major amendment. Since it was likely we would have to amend the Urban Growth Boundary (UGB) because of Goal 14, they could suggest the major amendment idea. The School District might be willing to accept that and not push for their bill. He thought the school district would accept that as a solution. Councilor McLain said they had talked a great deal about the major amendment process. The Legislature was more likely to pass something that was very narrow. She would want the Council to be involved in the remake of Goal 14. She felt this was the best solution for Metro and for the School District. She urged the Council stick with the process for major amendments.

Councilor Burkholder supported that effort to keep it within the Metro process. He felt that the amount of land that they requested was unrealistic. He spoke to permeability of school district borders. He encouraged that the school districts to have a conversation with Metro and the other school districts in the region. Councilor Newman concurred with the other councilors comments. He wanted to know the status of the bill. Mr. Benner explained where the bill was and what his proposed bill would say. Councilor Park said what he was disappointed in, in the last UGB expansion they tried to make sure they had enough room for schools. It came down to the fact that the school districts were trying to buy land cheap. Councilor Liberty asked what the prospect of passage? Mr. Benner said Randy Tucker was able to answer that better. Councilor Liberty said they were looking for school siting around the edge of the boundary. Mr. Benner said Beaverton was more confined in its ability to expand. It was more like Milwaukie. He thought schools belonged in centers. Mr. Benner said the content of the legislation would be to reinforce what Metro already has. Council President Bragdon agreed with his colleagues. Councilor McLain said she thought it was time to take this question on as a process issue. She felt we should take it as an opportunity.

9. CHIEF OPERATING OFFICER COMMUNICATION

Michael Jordon, COO, had nothing to say.

10. COUNCILOR COMMUNICATION

Council President Bragdon thanked the staff. He also thanked Councilors Hosticka and McLain for their efforts. Councilor Liberty thanked Council President Bragdon for his leadership.

Councilor McLain reminded Council of the Pavilion at OCC.

11. ADJOURN

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 9:38 p.m.

Prepared by

Chris Billington
Clerk of the Council

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF MAY 12, 2005

Item	Topic	Doc Date	Document Description	Doc. Number
4.1	Minutes	5/5/05	Metro Council Meeting Minutes of May 5, 2005	051205c-01
6.1, 7.1, 7.2	Letter and color maps	5/11/05	To: Metro Council From: Thomas Geil Re: Title 13 in Ordinance No 05-1077 Fish and Wildlife Protection Program	051205c-02
6.1, 7.1, 7.2	Testimony	5/12/05	To: Metro Council From: Beverly Bookin, CREEC Re: Supporting Ordinance No. 05-1077, Resolution Nos. 05-3574, 05-3577	051205c-03
6.1, 7.1, 7.2	Testimony	5/12/05	To: Metro Council From: Thomasina Gabriele Re: Supports COO's recommendation for Fish and Wildlife Protection Program	051205c-04
6.1, 7.1, 7.2	Testimony	5/12/05	To: Metro Council From: David Ellis, Lewis and Clark College RE: Ordinance No. 05-1077, Resolution Nos. 05-3574, 05-3577 comments	051205c-05
6.1, 7.1, 7.2	Testimony	5/12/05	To: Metro Council From: Erwin Bergman Re: Comments on Port of Portland requests for exceptions	051205c-06
6.1, 7.1, 7.2	Letter	5/11/05	To: Metro Council From: Kelly Ross, Home Builders Association Re: Comments on Ordinance No. 05-1077, Resolution Nos. 05-3574, 05-3577	051205c-07
6.1, 7.1, 7.2	Comments	5/12/05	To: Metro Council From: Anne Perick, OLVA Re: Home Builders Association Re: Comments on Ordinance No. 05-1077, Resolution Nos. 05-3574, 05-3577	051205c-08
6.1, 7.1, 7.2	Testimony	5/12/05	To: Metro Council From: Michael Anderson, Community Development Network Re: Supports the Nature in Neighborhood Program	051205c-09
6.1, 7.1, 7.2	Letter	5/12/05	To: Metro Council From: Teresa Huntsinger, Coalition for a Livable Future Re: supports Nature in Neighborhoods Program	051205c-10
6.1, 7.1, 7.2	Letter	5/12/05	To: Metro Council From: Mike Houck, Urban Greenspaces Institute Re: Comments on Ordinance No. 05-1077, Resolution Nos. 05-3574, 05-3577	051205c-11
6.1, 7.1, 7.2	Letter and Floodplain Maps	5/6/05	To: Milwaukie Planning Commission City of Milwaukie From: Maul Foster Alongi Inc Re: North Clackamas Parks and Recreation District Application for Youth Sports Field at North Clackamas Community Park	051205c-12

6.1, 7.1, 7.2	Testimony	5/12/05	To: Metro Council From: Patrice Iverson-Summer, Global Trading Resources Inc. Re: Port of Portland request	051205c-13
6.1, 7.1, 7.2	Article	5/13/05	To: Metro Council From: Michael Sestric, Lewis and Clark College Re: Article concerning Universities and Cities rethinking their relationships	051205c-14
6.1, 7.1, 7.2	Testimony	5/12/05	To: Metro Council From: Bill Wyatt, Port of Portland Executive Director Re: Port of Portland requests for exceptions	051205c-15
6.1, 7.1, 7.2	Testimony, Pictures, Map and Petition	5/12/05	To: Metro Council From: Richard Lane Re: Gales Creek Corridor Coalition supporting Nature in Neighborhoods and issues concerning UGB 100 Year Floodplain in Forest Grove	051205c-16
6.1, 7.1, 7.2	Testimony	5/12/05	To: Metro Council From: John Wegener Re: Comments on Port of Portland request	051205c-17
6.1, 7.1, 7.2	Letter and specific comments	5/8/05	To: Metro Council From: Tom Potter, City of Portland Mayor Re: Comments on Ordinance No. 05-1077, Resolution Nos. 05-3574, 05-3577	051205c-18
6.1, 7.1, 7.2	Proposed amendment	5/12/05	To: Metro Council From: Gil Kelley, City of Portland Planning Director Re: Proposed amendment and clarification of West Hayden Island Decision	051205c-19
6.1, 7.1, 7.2	Testimony	5/12/05	To: Metro Council From: Michelle Broussard, Johnson Creek Watershed Council Re: Comments on Ordinance No. 05-1077, Resolution Nos. 05-3574, 05-3577	051205c-20
6.1, 7.1, 7.2	Oregonian Article	1/8/04	To: Metro Council From: Brian Wegener Re: Article concerning Tualatin Basin faces building between rock and a flood plain	051205c-21
6.1, 7.1, 7.2	Testimony	5/12/05	To: Metro Council From: Sue Marshall Tualatin Riverkeepers Re: Comments on Ordinance No. 05-1077, Resolution Nos. 05-3574, 05-3577	051205c-22
6.1, 7.1, 7.2	Testimony	5/12/05	To: Metro Council From: John Gibbon Re: Comments on Ordinance No. 05-1077. Resolution Nos 05-3574, 3577	051205c-23
6.1, 7.1, 7.2	Letter and Maps	5/12/05	To: Metro Council From: Jim Labbe, Audubon Society of Portland Re: Comments on Nature in Neighborhoods ordinance and resolutions as well as Ash Creek maps	051205c-24

6.1, 7.1, 7.2	Memo	5/11/05	To: Metro Council From: Paul Ketcham, Planning Department Re: Mitigation planting requirements	051205c-25
6.1, 7.1, 7.2	Memo	5/12/05	To: Metro Council From: Greg Manning, CREEC, NAIOP Board of Directors Re: Nature in Neighborhoods Testimony	051205c-26
6.1, 7.1, 7.2	Email	5/11/05	To: Susan McLain From: Bob and Kathy Newcomb Re: No more development on Tualatin floodplains	051205c-27
6.1, 7.1, 7.2	Letter	5/12/05	To: Metro Council From: Rick Cagen, Providence Health System Re: Support of McLain Amendment #3 and comments on Nature in Neighborhoods	051205c-28
6.1, 7.1, 7.2	Letter	5/12/05	To: Metro Council From: Dana Krawczuk, Ball Janik Re: Nature in Neighborhoods, Comments on Ordinance No. 05-1077. Resolution Nos 05-3574, 3577	051205c-29
6.1, 7.1, 7.2	Letter	5/12/05	To: Metro Council From: Stephan Lashbrook, Community Development Director City of Lake Oswego Re: Goal 5 – Nature in Neighborhoods	051205c-30
6.1, 7.1, 7.2	Key Features	5/12/05	To: Metro Council From: Brent Curtis, TBNRCC Re: Key Features of the Tualatin Basin Goal 5 Program	051205c-31
6.1, 7.1, 7.2	Letter	5/12/05	To: Metro Council From: Pat Whiting Re: Nature in Neighborhood	051205c-32
6.1, 7.1, 7.2	Comment Card	5/12/05	To: Metro Council From: Ruth Johnson Re: Nature in Neighborhoods	051205c-33
6.1, 7.1, 7.2	Comment Card	5/12/05	To: Metro Council From: Joan Ottinger Re: Protect Fish and Wildlife	051205c-34
6.1, 7.1, 7.2	Amendment Package	5/10/05	To: Metro Council From: Chris Deffebach, Planning Department Re: Amendment Package for Ordinance No. 05-1077, Resolution Nos. 05-3574, 05-3577	051205c-35
6.1, 7.1, 7.2	Memo	5/12/05	To: Metro Council From: Andy Cotugno, Planning Director Re: MPAC recommendations on Nature in Neighborhoods legislation	051205c-36

05 1905c-02

EXHIBIT A,
RESOLUTION NO. 05-3563

TRANSIT-ORIENTED DEVELOPMENT IMPLEMENTATION PROGRAM

WORK PLAN

Planning Department
Metro
March 1998
Revised July 2004
Revised May 2005

Table of Contents

1. INTRODUCTION

This document describes the objectives, activities, and governance of the Metro Planning Department's Transit-Oriented Development Implementation Program (TOD Program). The Program seeks to increase transit ridership and lessen the risk and costs associated with the construction of TOD projects. Projects considered for the Program will exhibit a mix of moderate- to high-intensity land uses, a physical or functional connection to the transit system, and design features that reinforce pedestrian relationships and scale. TOD Program utilizes joint development tools such as land acquisition and Development Agreements to implement projects located in close proximity to rail transit stations and "Frequent Bus" stops throughout the region. These locations are shown on Figure 1.

2. PROGRAM OBJECTIVES & ACTIVITIES

2.1. PROGRAM OBJECTIVES

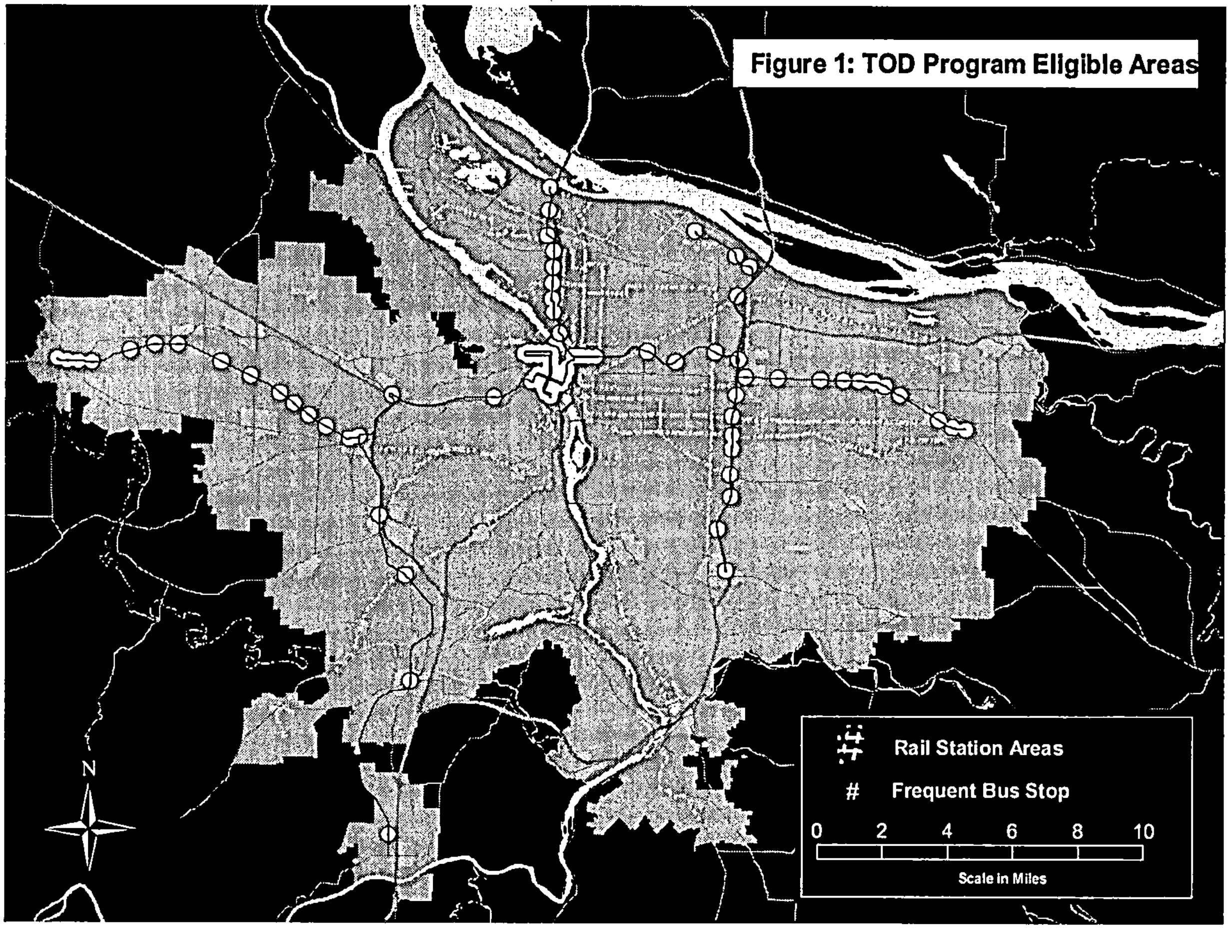
Specific objectives of the Program include:

- Causing construction of higher density housing, mixed-use projects (i.e. apartments over retail, office over retail), and destination uses that have a physical and functional connection to transit, through partnerships with the private sector;
- Developing suburban building types with the lowest reasonable parking ratios and highest reasonable floor area ratios (FAR's);
- Increasing the modal share of transit and pedestrian trips within station areas while decreasing reliance on personal automobiles;
- Leveraging and focusing public expenditures within station areas to support Metro's 2040 Growth Concept.

2.2. PROGRAM ACTIVITIES

The TOD Implementation Program is a joint development program focusing on site-specific project implementation. Joint Development refers to a collection of public and private sector partnership techniques, strategies, and development "tools" that can be used to link development to transit stations to increase the efficiency of a mass transit system. The increase can take the form of new ridership (caused by the construction of TODs), new revenue to a transit agency, or a combination of both. The Federal Transit Administration (FTA) approved a grant for Metro to start the TOD Program in 1997. Authority to use FTA funds for joint development are included in the Intermodal Surface Transportation Act of 1991 (ISTEA) and codified under 49 USC 5309, 49 USC 5307, 23 USC 133 (STP) and 23 USC 149 (CMAQ). According to these laws, TOD Program activities are defined as transportation projects provided there is (1) a physical or functional relationship to the transit project; and (2) an enhanced effectiveness of the existing transit system.[1]

[1] For a full discussion see the memo from FTA Chief Counsel Berle M. Schiller to FTA Administrator Gordon Linton entitled "Statutory Authority in Support of FTA Funding of Joint Development Projects," March 15, 1995.



Specific joint development tools that may be used by the Program include:

- Site Control (land acquisition and sale) to ensure design and density of a TOD can be determined before the land is developed.
- Pre-development activities to assist in making environmental and programmatic determinations including financial analysis, conceptual design and permit acquisition; these activities do not include the preparation of architectural construction documents;
- Request for Proposals (RFP) to ensure the competitive offering of development opportunities;
- Development Agreements to establish a set of performances by both parties and to protect public interests in the development of the TOD sites;
- Public and Private Co-use of transit station structures, site improvements, or land to reinforce the connection of a TOD to the transit system;
- Air or Subterranean Rights to increase the density, urban character and/or feasibility of a TOD.
- Site preparation and site improvement activities funded directly or by the acquisition of TOD Easements.

3. GOVERNANCE

The activities of the TOD Program will be overseen by a number of local, regional, state, and Federal officials and public-private partnership specialists. These include:

- The TOD Steering Committee
- The Federal Transit Administration (when the use Federal Funds are involved)
- The Metro Council

The role of the Steering Committee is described in the following text. A more detailed history of the TOD Steering Committee is provided under the "Other Program Activities" section of this document.

TOD STEERING COMMITTEE

Prior to awarding the grant, FTA indicated that Metro was to include Tri-Met and others in the TOD Program. FTA accepted the proposal that the existing Congestion Mitigation Air Quality/Transit-Oriented Development (CMAQ/TOD) Steering Committee be used for this purpose. The CMAQ/TOD Committee was created to allocate $3.48Mof ISTEA funds to projects that could demonstrate innovative ways to address traffic congestion and air quality through TOD projects Successful projects such as Belmont Dairy, Fairview Village, Steele Meadows, Gresham Central, and The Round at Beaverton all include CMAQ/TOD funding.

Under the TOD Implementation Program, the Steering Committee became the TOD Steering Committee with responsibility to approve projects within criteria established by the Metro Council.

The Steering Committee added a Metro Councilor to provide a strong liaison between the Committee and Council. The membership of the Steering Committee is listed below. Metro provides staff support for the Steering Committee.

<u>TOD Steering Committee</u>
Governor's Office (Chair)
Department of Environmental Quality (DEQ)
Oregon Department of Energy (ODOE)
Department of Land Conservation & Development (DLCD)
Oregon Housing & Community Services Department
Tri-Met
Metro Council
Oregon Department of Transportation (ODOT)
Oregon Economic Development Department (OEDD)
Portland Development Commission (PDC)

Staff: Metro Planning Department

4. OPERATING PARAMETERS FOR PROGRAM

4.1. PROJECT SELECTION CRITERIA

4.1.1. System-wide RFP Criteria

The competitive evaluation criteria of Request For Proposals to solicit development proposals includes a point based evaluation of:

1) Quality and experience of developer team,
2) Proposed program;
3) Connectivity of TOD to light rail;
4) Business plan;
5) Timeliness of performances, and certain other minimum qualifications of the proposal;

In the event two or more proposals are equal, the project(s) located in Regional and Town Centers will be given priority.

These criteria are the "TOD Proposal Criteria."

4.1.2. Opportunity Site Criteria

The criteria to acquire sites from property owners include:

1) The potential for a physical or functional connection to transit.
2) The ability to enhance the existing transit system when developed with a TOD.
3) The extent to which the site represents an opportunity to demonstrate TOD Program objectives.
4) The location relative to Regional and Town Centers.

These criteria are the "TOD Site Criteria."

4.1.3. Site Improvements Criteria

The criteria to evaluate proposed site improvements include:

1) The potential of the improvements to create or strengthen a physical or functional connection to the transit station;
2) The extent to which the improvements cause construction of higher density housing, mixed use projects and destination uses;
3) The extent to which the improvement develop building types with the lowest reasonable parking ratios and highest reasonable floor area ratios;
4) The extent to which the improvements increase the modal share of transit within station areas while decreasing reliance on personal automobiles; and
5) The potential of the improvements to focus and leverage other expenditures within a station area to support Metro's 2040 Growth Concept,
6) Project location relative to Regional and Town Centers.

These criteria are the "TOD Site Improvements Criteria."

4.1.4. Frequent Bus Line Criteria

Proposed projects located on frequent bus lines will be evaluated against three sets of the criteria: base, mandatory and additional. Base criteria depend upon the nature of the project and will consist of the TOD Proposal Criteria (section 4.1.1), TOD Site Criteria (section 4.1.2) or TOD Site Improvements Criteria (section 4.1.3).

Manadatory Frequent Bus Criteria include:

1) Project is in an area that will help spur additional development and help create a node around the transit stop;
2) The project represents an attempt to build the base of developers that can be used in other centers
3) There are not adequate local government funds available to close the financing gap;
4) The project will be within 800 ft. from a high frequency bus stop;
5) The project demonstrates a market concept applicable to high frequency bus line or the project will test the market for new product types for high frequency bus routes.

Additional Project Criteria for Frequent Bus Projects:

- The project uses new building materials or building systems that result in lower construction costs and/or tests new markets for a building type.
- The project provides market rate and affordable housing, including rental or for sale, in a project that would otherwise be a single use building such as retail or office.
- The project spurs job creation.
- The project uses a high level of sustainable practices including building materials and energy conservation.
- The project is located in or near a center.

- The project has a favorable ratio of TOD dollars to total development costs.
- There are not similar projects in the area done without public funding.
- The project improves the quality of the environment for the transit patron.

Frequent bus project should attempt to respond to as many of the additional criteria as possible.

Collectively, these three sets of criteria are the "Frequent Bus Criteria."

4.2. PROPERTY ACQUISITION POLICIES

Property will be acquired at Fair Market Value as established by the Federal Transit Administration in accordance with policies and regulations under 49 CFR Part 24 (the Uniform Act) using independent certified appraisals and will be sold at the "highest and best transit use" value determined by an independent economic analysis or appraisal approved by the FTA. The highest and best transit use value uses a "residual value approach" in which extraordinary costs of the TOD such as fire and seismic building codes for mid-rise buildings, building over parking or structuring parking, and pedestrian improvements including plazas and promenades, are absorbed by the land value.

4.3. FEDERAL TRANSIT ADMINISTRATION POLICIES

The Federal Transit Administration's grant conditions and Federal funding regulations require the TOD Implementation Program to ensure public participation, identify and mitigate any adverse environmental impacts cause by the Program, and pursue environmental justice. These requirements are to be addressed through the following activities:

- Completion of a programmatic Environmental Assessment (EA)
- Public and agency review of the EA
- Site specific environmental analysis and a Memorandum on Response to Criteria
- Creation of the TOD Steering Committee

5. PROGRAM OPERATION

Operation of the TOD Program will include three broad categories of projects: a) system-wide RFPs, b) opportunity sites, and c) site improvements.

5.1. SYSTEM-WIDE RFP

RFPs for development projects will be authorized for release by the Metro Council. Metro staff will conduct the technical evaluation of RFP submissions according to the TOD Proposal Criteria, and submit the proposals to the Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of TOD proposals and the Council will have seven (7) days to notify the COO of a request to review a proposal in executive session. Subsequently, proposals will have appraisals completed, site specific environmental work done (including traffic, wetlands, cultural and historic, and hazardous materials), a Memorandum on Response to Criteria prepared (when required by the grant), and be forwarded to the FTA (when Federal funds are proposed for use). Upon approval by the Steering Committee and FTA (when appropriate), the Chief Operating Officer is to execute Development Agreements with developers of successful proposals.

5.2. OPPORTUNITY SITES

To acquire a site without a developer, Metro staff will evaluate the site using the TOD Site Criteria, and the Frequent Bus Criteria, if appropriate, then forward recommendations to the Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating

Officer will provide written notification to the Metro Council of potential TOD projects and the Council will have seven (7) days to notify the COO of a request to review a potential project in executive session. Subsequently, projects will have appraisals completed, site specific environmental work done (including traffic, wetlands, cultural and historic, and hazardous materials), a Memorandum on Response to Criteria prepared, and then be forwarded to the FTA (when FTA funds are being used). Upon approval by the Steering Committee and the FTA (as appropriate), the Chief Operating Officer is to execute a Purchase and Sale Agreement with the property owners of TOD project sites. The sites will then be planned and parceled, if necessary, and sold for private development with specific conditions at a value determined by an independent economic analysis or appraisal at the "highest and best transit use" method in accordance with guidance by the FTA, as published in the Federal Register, March 14, 1997, or subsequent formal guidance from FTA, as appropriate

5.3. SITE IMPROVEMENTS

To fund site improvements, Metro staff will evaluate the proposed improvements using the TOD Site Improvements Criteria and the Frequent Bus Criteria, if appropriate, then forward a recommendation to the TOD Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of the proposed improvements and the Council will have seven (7) days to notify the COO of a request to review the proposed improvements in executive session. Following this authorization process, the Executive Officer will execute a Development Agreement, with the principle developer of the project in which the TOD site improvements are located. A TOD Easement will be recorded on the property to ensure the project remains in transit supportive use.

5.4. PROFESSIONAL SERVICES

Consultants on a "task order" basis will provide technical assistance to Metro staff and the Steering Committee. The disciplines covered by consultant services include:

- Planning & Urban Design
- Environmental
- Development Services
- Real Property Appraisal
- Market Analysis
- Technical Studies
- Land Acquisition, Relocation, Disposition & Escrow Services
- Legal Services
- Architectural & Engineering Services
- Public Process Facilitation

6. OTHER PROGRAM ACTIVITIES

6.1. URBAN CENTERS IMPLEMENTATION PROGRAM

The 2040 Growth Concept looks to the Central City, Regional and Town Centers, Station Communities and Main Streets as the centers of urban life in the region and depends for its success upon the maintenance and enhancements of the Urban Centers.

Metro Council Resolution 03-3381A allocated one million dollars to create a site specific, project based implementation program to operate in designated Urban Centers (Regional and Town Centers), even if they are not currently served by rail or Frequent Bus transit. These Urban Centers are shown in Figure 2.

6.1.1. Urban Centers Project Criteria

Criteria for selecting potential Urban Centers implementation projects are as follows: 1) provision for mixed-use and higher density development; 2) project creates a sense of place in the Center; 3) site control by public entity or willing and capable private developer; 4) project participation by other public partners; 5) potential reduction in regional VMT or of home to work trip length; 6) increase in walk, bike and transit trips; 7) floor area ratio as close to or exceeding 1:1 as possible. These criteria will be called the Centers Implementation Selection Criteria

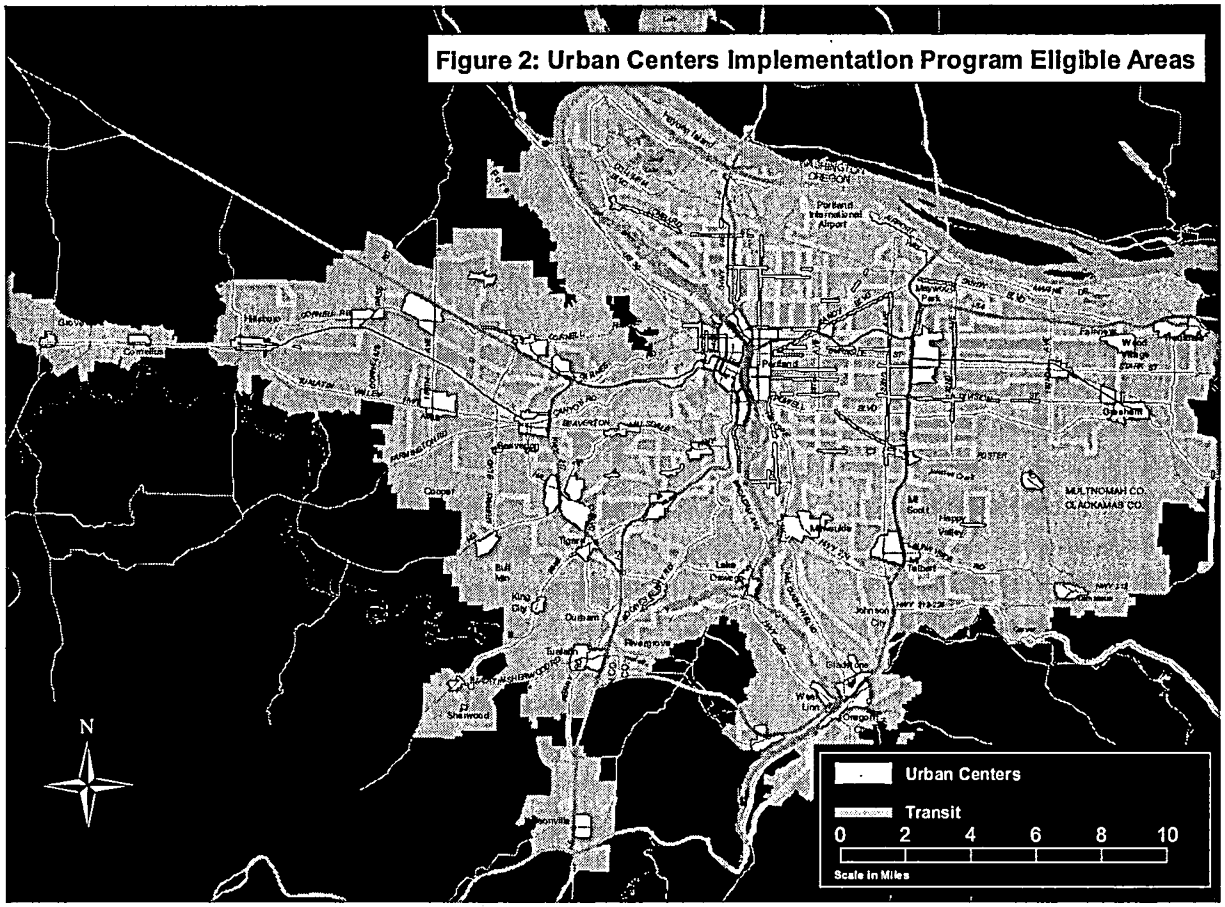


Figure 2: Urban Centers Implementation Program Eligible Areas

6.1.2. Urban Centers Program Operation

To fund a Centers project, Metro staff will evaluate the proposed project using the Centers Implementation Selection Criteria and forward a recommendation to the TOD Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of the proposed project and the Council will have seven (7) days to notify the COO of a request to review the proposed funding in executive session. Following this authorization process, the COO will execute a Development Agreement, with the principle developer of the project.

6.2. EDUCATION, ADVOCACY AND TECHNICAL ASSISTANCE

Recognizing that the TOD and Centers Implementation Program are complex strategies to help manage regional growth, Program staff will undertake an education, advocacy and technical assistance effort to jurisdictions and agencies (local, national and international) working to implement TOD and/or urban center programs, plans and projects; to academicians studying TOD and public/private partnerships and to members of the private real-estate development community.

6.3. TOD PROGRAM LOAN OR LIMITED PARTNER

The federal guidelines for Transit Oriented Development state that TODs "can be accomplished through a sale or lease of federally funded property, or through direct participation of the funded property, or through direct participation of the transit agency in the development as a (limited) partner." (Federal Register, Vol. 62, No. 50, Friday, March 14, 1997). In instances where the land value write-down is insufficient to close the financing gap, as a result of cost premiums, additional funding may be provided as a loan or as an equity position in the project to be structured to compliment the developers' equity capital and mortgage financing.

6.4. GREEN BUILDINGS PROGRAM

TOD and Urban Centers projects will submit applications to the Oregon Department of Energy Business Energy Tax Credits (BETC) Program when they are eligible. Revenues from these tax credits will be used to initiate a "sustainable development" program to integrate green building practices (such as energy and water conservation, the reuse of salvaged building materials and other sustainable practices) into TOD Program funded projects.

6.5. SMALL PROJECTS CATEGORY FOR TOD/CENTERS PROJECTS

A Small Projects category is established for projects with a total development cost of $1.0million per project. These small projects should not exceed $100,000 of TOD funding per year. In addition to meeting the TOD/Centers funding criteria outlined in the Work Plan, additional criteria will apply to small projects: 1) funding should not benefit the developer personally for either housing or a business; 2) a developer fee will not be considered as part of the proforma.

6.6. OREGON TRANSPORTATION INFRASTRUCTURE BANK

Upon execution of an agreement with the Oregon Transportation Infrastructure Bank (OTIB) a $2.0M reservation of transit account funds for up to five years will be available for use by the TOD Program. Funds for individual TOD projects will be drawn down in specific amounts with specific payback schedules for each project. Generally, these individual project payback schedules would be for 6-18 months with deferred interest; however, a project might borrow OTIB funds for up to the life of the OTIB fund reservation—five years.

This use of both OTIB and TOD grant funds will allow the purchase of larger parcels of vacant or redevelopable land than possible using only TOD grant funds. As outlined in the "Grant Funded Program Activities" section above, after Metro acquires land, plans and designs a TOD, parcels the land (if appropriate), and executes Development Agreements with qualified developers, it will then sell the land at a price established by independent appraisals.

Upon sale, the OTIB will be returned the full amount of money it loaned for the initial acquisition. If the land sale(s) included a land value write down, this would be absorbed by the TOD Implementation Program grant, not the OTIB transit account.

The advantages of OTIB participation include:

- Increasing Metro's ability to affect a greater proportion of development surrounding light rail stations;
- Increasing the opportunity to purchase large tracts at wholesale prices, then parceling it to individual developers, which will further leverage TOD grant funds;
- Increasing the incentive for private developers to participate in public-private partnerships by allowing Metro to the carry the land during planning and predevelopment activities;
- Financial participation by OTIB in the building of transit projects with minimal financial risk;
- A short turnaround time for OTIB loans.

6.7. CMAQ/TOD PROGRAM ADMINISTRATION

The CMAQ/TOD Program was sponsored by the Department of Environmental Quality (DEQ) and was proposed for CMAQ funding under ISTEA. The germination of the program came from a series of strategies recommended by the Governor of Oregon's Task Force on Motor Vehicle Emissions Reduction. The strategies revolved around demonstrating pedestrian, bike and transit friendly land use options for new construction that reduced auto emissions and traffic congestion. The CMAQ-TOD Program was the region's first effort to directly influence TOD projects with the use of Congestion Mitigation/Air Quality funds. Initiated in 1994-95 with $3.48 million in federal funds, it has resulted in a number of successful projects including Belmont Dairy, Fairview Village, Steele Park, Orenco Station, Gresham Central, 172nd and East Burnside, Buckman Heights, the Round at Beaverton, and Gresham Civic Neighborhood. Six of the above projects have executed Agreements and are completed or underway, with the funding for the last three, Buckman, the Round, and Gresham Civic committed but still pending execution of Financial Agreements. Uncommitted funds as of January 1998, total less than $100,000.

Funding for the program was from Federal Highway Administration (FHWA) to ODOT, with DEQ the program sponsor. Project solicitation was by RFP with selection determined by the CMAQ/TOD Steering Committee discussed earlier. Staff for the program was by contract with the PDC because of its background and expertise in public-private development projects.

Due to cutbacks in staff, PDC can no longer manage the program and has recommended that Metro assume administrative responsibility for this existing CMAQ/TOD Program, since Metro has expertise in TOD Program issues and Federal funding requirements. This is acceptable to ODOT and DEQ and the proposal is currently being circulated among the other members of the Steering Committee.

Work remaining includes successfully implementing the remaining projects of the Round and Gresham Civic (Buckman is underway), meeting federal requirements for the grant, resolving issues of eligibility as they arise, meeting reporting requirements and producing a summary and analysis of the CMAQ/TOD Program to date.

051905c-03

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE APPOINTMENT OF MARGARET BAX, JESSE BEASON, MARK COFFEY, MICHAEL MASLOWSKY, MARTHA MCLENNAN, MIKE SWANSON AND RAMSAY WEIT TO THE REGIONAL HOUSING CHOICE TASK FORCE	)))))))	RESOLUTION NO. 05-3585A Introduced by Councilors Burkholder and Liberty

WHEREAS, the Metro Council adopted Resolution 05-3536 for the purpose of creating the new Regional Housing Choice Task Force; and

WHEREAS, members of the Regional Housing Choice Task Force has identified and nominated additional persons with skills in providing housing and affordable housing to be added to the task force; and

WHEREAS, Council liaisons and co-chairs of the Regional Housing Choice Task Force has recommended the appointment of Margaret Bax, Jesse Beason, Mark Coffey, Michael Maslowsky, Martha McLennan, Mike Swanson and Ramsay Weit to the HCTF, to Metro Council; and

WHEREAS, Council liaisons and co-chairs of the Regional Housing Choice Task Force has been informed of David Williams (Shorebank Pacific President and Chief Executive Officer) recommendation that his position on the HCTF be replaced with Mark Coffey (Shorebank Pacific Executive Vice President and Chief Operating Officer) because of Mark Coffey's experience in affordable housing financing; and

WHEREAS, Margaret Bax, Jesse Beason, Mark Coffey, Michael Maslowsky, Martha McLennan, Mike Swanson and Ramsay Weit are highly qualified to serve in this capacity; now, therefore,

BE IT RESOLVED:

The Metro Council hereby confirms the appointment of Margaret Bax, Jesse Beason, Mark Coffey, Michael Maslowsky, Martha McLennan, Mike Swanson and Ramsay Weit to the Regional Housing Choice Task Force (HCTF).

ADOPTED by the Council this __ day of ____, 2005

David Bragdon, Council President

Approved as to form:

Daniel B. Cooper, Metro Attorney

STAFF REPORT

FOR THE PURPOSE OF CONFIRMING THE APPOINTMENT OF MARGARET BAX, JESSE BEASON, MARK COFFEY, MICHAEL MASLOWSKY, MARTHA MCLENNAN, MIKE SWANSON AND RAMSAY WEIT TO THE REGIONAL HOUSING CHOICE TASK FORCE

Date: May 18, 2005 Prepared by Gerry Uba

BACKGROUND

The Metro Council continues to commit itself to the aspiration of the region that "The region's residents choose from a diversity of housing options" and has declared this a strategic objective. On February 10, 2005, in order to better serve the public and to work more effectively and efficiently with our partners, the Metro Council adopted Resolution 05-3536 for the purpose of creating the new Regional Housing Choice Task Force (HCTF). At the first and second meetings of the HCTF on March 16 and April 20, 2005, members discussed the need to add additional qualified persons to the HCTF. In addition, Mr. David Williams (Shorebank Pacific President and Chief Executive Officer) recommended that his position on the HCTF should be replaced with Mark Coffey (Shorebank Pacific Executive Vice President and Chief Operating Officer) because of Mark Coffey's experience in affordable housing financing. Appointments for confirmation are recommended by the Council housing liaisons to Metro Council consideration.

Analysis and Conclusion

The proposed resolution will create a body of knowledge (Regional Housing Choice Task Force) with broader base representing diverse interests involved in housing and affordable housing production in the Portland metropolitan area.

ANALYSIS/INFORMATION

Known Opposition: None

Legal Antecedents:
Metro Code 3.07.750 established the need to create a task force/advisory committee.

Budget Impacts: None

051905c-04

PROJECT UPDATE TO THE METRO COUNCIL
May 19, 2005

PROJECT: HOUSING CHOICE TASK FORCE (HCTF)

What has been done

- HCTF held a well attended and energetic fist meeting on March 16, 2005
- March and April meetings, and other meetings with some members were used to:
  - Identify underlying barriers to housing and affordable housing supply
  - Rank and prioritize the barriers (Refer to Attachment 1)
  - Identify projects for overcoming the barriers (Refer to Attachment 2)
- Three "Solution Teams" were created at this month's meeting to develop the first set of projects and report back to the full HCTF later. The teams will work on the following projects:
  - Affordable Housing Production Goal Pilot Projects
  - Land Use Policies for Increasing the Supply of Housing and Affordable Housing Across the Region
  - Regional Funding Program(s)

Process and what is ahead

- Staff scheduled individual meetings with some members so as to facilitate the identification of projects for overcoming barriers to housing and affordable housing supply
- First meeting dates and times of the three "Solution Teams" were scheduled at this month's meeting
- The expectation is that the three "Solution Teams" will work on their projects in June and part of July, and report their progress to the full HCTF in July
- The next full HCTF meeting will be held on July 20, 2005
- June to August is the approximate timeline for the work of the "Solution Teams"
- It was recognized that the Pilot Project work may take longer to develop
- New "Solution Teams" will be created to work on the remaining projects in the fall
- Project Work Plan will presented to the Council in June for consideration

Attachment 1

HCTF Ranking of Barriers to Housing and Affordable Housing Supply
May 18, 2005

	Ranked Barriers Impact on Choice/Affordability
1	Land availability (real and perceived)
2	Land costs
3	Fiscal base of local governments (under-funded local governments)
4	Difficulty of assembling land
5	System development charges (SDCs)
6	Raising necessary capital (public or private)
7	Household income [e.g., inadequate purchasing power] there is n
8	Acknowledgement of housing problem
9	Lack of subsidies
10	Restrictive development & design standards
11	Redevelopment possibility and requirements
12	Neighborhood resistance / public perception
13	Lack of similar uses [e.g., developer's and financier's fear]
14	Permit fees
15	Zoning requirements
16	Lack of leadership
17	Perception of the "American dream" of consumer preference
18	Property tax
19	Parking requirements
20	Building codes

	Ranked Barriers Likelihood of Being Overcome
1	Small scale and fragmented homebuilders (few developers who partner together, etc.)
2	Inadequate traffic to support 2040 centers development
3	Zoning requirements
4	Undesirable land uses [e.g., brownfields]
5	Permitting process
6	Poorly maintained real estate
7	Perception of the "American dream" of consumer preference
8	Parking requirements
9	Elected official level resistant
10	Lack of similar uses [e.g., developer's and financier's fear]
11	Concentrations of crime
12	Difficult to assemble land
13	Development & design standards
14	Deteriorated infrastructure
15	Lenders profit margin (i.e., lack of willing lenders)
16	Building codes
17	Lack of infrastructure
18	Large employer assistance lacking or not harnessed
19	Raising necessary capital (public or private)
20	Fear of (& overpowering) nearby competition [e.g., fear of breaking a price barrier]

	Impact on Housing Choice & Affordability
21	Permitting process **(Regulatory)**
22	Difficult to assemble land **(Physical)**
23	Undesirable land uses [e.g., brownfields] **(Physical)**
24	Elected official level resistant to positive change requested **(Political)**
25	Lack of infrastructure **(Physical)**
26	Concentrations of crime **(Market)**
27	Large employer assistance lacking or not harnessed **(Financial)**
28	Small scale and fragmented homebuilders (few partners, etc.) **(Market)**
29	Physical barriers (all) **(Market)**
30	Lenders profit margin, i.e., lack of willing lenders **(Financial)**
31	Inadequate traffic to support new retail in centers **(Market)**
32	Building codes **(Political)**
33	Fear of (and overpowering) nearby competition **(Market)**
34	Professional staff level resistant to positive change **(Political)**
35	Deteriorated infrastructure **(Physical)**
36	Poorly maintained real estate **(Physical)**
37	Policies and procedures that restrict or discourage centers **(Regulatory)**

	Likelihood Of Being Overcome
21	Property tax **(Financial)**
22	Professional staff resistance to change requested **(Political)**
23	Acknowledgement of housing problem **(Political)**
24	Land availability (real and perceived **(Physical)**
25	Physical barriers (see above) **(Market)**
26	Redevelopment possibility and requirements **(Political)**
27	Neighborhood resistant [e.g., "not in my back yard"] **(Political)**
28	Lack of leadership **(Political)**
29	Permit fees **(Financial)**
30	Building codes **(Political)**
31	Household income **(Market)**
32	Difficult to assemble land **(Political)**
33	Fiscal base of local governments (under-funded government programs) **(Financial)**
34	System development charges **(Financial)**
35	Land costs **(Financial)**
36	Not enough subsidies **(Financial)**
37	Policies and procedures that restrict or discourage centers **(Regulatory)**

Attachment 2

PROJECTS IDENTIFIED BY THE HOUSING CHOICE TASK FORCE FOR OVERCOMING BARRIERS TO HOUSING AND AFFOREDBLE HOUSING SUPPLY

May 19, 2005

PROJECTS TO BE DEVELOPED BY HCTF

1. **Housing Production Goal Pilot Projects:**
   Enlist volunteer housing experts, community leaders and local government staff and officials in a pilot project to develop a portfolio of feasible projects that would achieve their Title 7 goals in conjunction with other community development objectives, such as focusing development in 2040 centers, main streets and transit stops.

2. **Regional Technical Assistance Program:**
   Identify local technical assistance needs of 2040 Centers and corridors and how/who to meet them. Outcome will help local governments put together housing development deals, develop their "2040 Development Strategy" and build long-lasting investment in the communities.

3. **Land Use Policies for Increasing the Supply of Housing and Affordable Housing Across the Region:**
   Determine how state, regional and local governments land use policies can better support the co-location of jobs and housing, leverage UGB expansion policies to increase the supply of affordable housing, and address equity and fairness in the production and location of affordable housing across the region.

4. **Regional Land Banking:**
   Create a proposal to establish a regional land trust that would assemble land for the development of the right type of housing at various locations. The proposal will demonstrate how the trust will: a) work with DEQ to acquire and decontaminate brownfields; b) work with ODOT and Portland School District to acquire unused land and buildings; and c) acquire land in new areas such as the Stafford Triangle to hold for future production of work force housing.

5. **Employer Assisted Housing:**
   Identify employers and type of support they will provide to expand workforce housing, include homeownership programs that build equity for the region's work force. Potential partners may be enlisted.

6. **Regional Funding Program(s):**
   Identify regional funding options for housing and affordable housing that may be less politically difficult to implement. The task will include review of funding sources identified by previous efforts.

OTHER PROJECTS TO BE DEVELOPED BY METRO CONSULTANT AND STAFF

1. **Past Successes: [METRO CONSULTANT PROJECT]**
   Identify site-specific development examples where barriers have been overcome, or are currently being successfully overcome.

Attachment 2

2. **Web-based "Resource Guide": [METRO STAFF PROJECT – VIA SOLUTION TEAMS' DISCUSSIONS]**
   Initiate the development of a resource guide for informing local governments, developers, and citizens about various actions that would lead to housing production. Outcome of the Past Successes project will be included in the guide. Other products of the guide includes: a) methodology for local governments to assess the benefits and costs of waiving/reducing SDCs, permit fees, property tax, etc; b) types of land uses, financial and other incentives available in various communities in the region; c) designs for changing negative public perception of affordable multifamily and single family housing; d) advantages of "Accessory Dwelling Units" (ADU), how compatibility concerns can be addressed, and changes in zoning code an other requirements enacted to facilitate construction; e) pro-forma analysis of projects in various locations; and f) opportunities in the undeveloped and underdeveloped areas.

3. **Regional Housing Awards: [METRO STAFF PROJECT – VIA SOLUTION TEAMS' DISCUSSIONS]**
   Develop the scope of an awards program to recognize outstanding commitment and leadership of individuals and development designs, and creative and effective partnerships in the creation of housing. Address how the awards will expose development features, qualities and economic efficiency of housing projects that would increase housing choice in the region.

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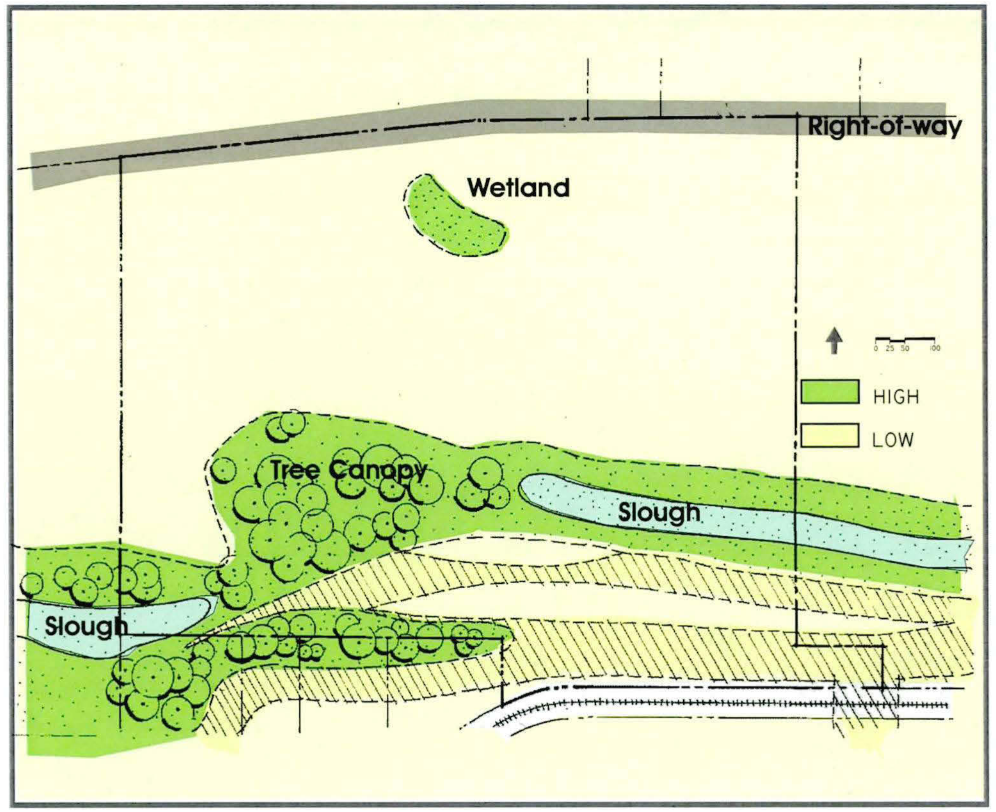
EXISTING SITE CONDITIONS



ASSUMPTIONS

Site Size:	24.68 acres (1,074,900 SF +/-)	Landscaping:	10% required
Low HCA:	96,468 sf +/- (2.21 acres)	Parking:	1/750 SF for the first 3,000 SF and 1/3,500 SF thereafter
Moderate HCA:	None on site		
High HCA:	258,400 SF +/- (5.93 acres)	Sanitary Sewer	Appropriate capacity and line size
Total HCA:	354,868 SF +/- (8.14 acres)	Storm Sewer:	Site drains to slough in HCA (assumes treatment required)
No HCA:	720,032 SF +/- (16.52 acres)		
Zoning:	Industrial	Water:	Appropriate capacity and line size
Use:	Warehouse / Distribution	Streets:	60 ft wide local street at the north property line
Topography:	Fairly flat, gentle slope to the south		
Setbacks:	Front: 20 ft, Side/Rear: 0 ft		

HABITAT DESCRIPTION

The 24.68 acre site includes 310,200 SF +/- (8.14acres) of Habitat Conservation Area (HCA) on site. The Low HCA, 96,468 SF (2.21acres) , is located in the southern portion of the site. The High HCA is located in two areas. The first is a 13,610 SF (0.31acres) isolated wetland in the northern portion of the site. The second is 244,790 SF (5.61acres) in size and runs east-west across the southern portion of the site. This area includes portions of the Columbia Slough which are unconnected and terminate within the site. Between these two slough termini is a large forested tree canopy area. There is no Moderate HCA on this site. Each concept plan (Page 2) highlights the Habitat Conservation Area and the impacts to each under the specific scenario. Mitigation is also shown on each site plan. It should be noted that mitigation is provided to comply with Metro's Model Ordinance requirements only. Any additional mitigation required to meet other Federal, State, and/or Local (i.e. DSL/Corp) standards is not included in this analysis and could require additional mitigation area and / or costs.

CASE STUDY DESCRIPTION

The Case Study evaluates a warehouse/distribution use on a 24.68 acre site. While an actual site within the Metro area was utilized, for the purposes of this study all geographic identifying features were removed and the site features were modified. The site was tested three different ways to evaluate how Metro's Title 13 model ordinance with future industrial development. The first provides an example of how a warehouse/distribution use might be developed to meet the Clear and Objective Standards, impacting a maximum of 10% of the High HCA on the site. The second provides an example of how a warehouse/distribution use might develop under the Discretionary Review Standards. Generally, the HCA has been avoided to the extent practicable, and impacts have been minimized. As such, mitigation is required which includes the incorporation of 10 Habitat Friendly Design Practices and on-site mitigation at a rate of 1.5:1. The third evaluation takes the second site plan example and incorporates Habitat Design Friendly Design Practices which reduce the Effective Impervious Area to meet the standards of

CONCEPT DESCRIPTION

Warehouse/Distribution uses include industries that furnish local or long-distance trucking or transfer services or are primarily engaged in the warehousing, storage (excluding self-service storage), wholesale and distribution of goods. Generally, these uses include large one-story buildings with a large percentage of site area devoted to truck circulation, loading/unloading and trailer storage as the primary function is related to the movement of goods. For the purposes of this study, the site plans shown assume the development of a speculative warehouse project with no specific end-user at the time of construction. This is typical of the various warehouse/distribution and industrial flex type projects in the Airport Way Area of Portland.

To maximize the efficiency and economics of this type of development, it is desirable to have a rectangular shaped building with dock access on at least two sides of the building. This provides the flexibility for cross-docking (i.e. shipping and receiving on either side). In addition, due to the large length of these types of buildings, fire access around all sides of the building is appropriate and required. This access around the building is also needed for truck maneuvering and circulation. Due to the heavy truck and other machinery traffic that operates within the warehouse area of such a development, pedestrian access and activity is not common beyond the office related portion of a project. As such, affiliated office space is typically located in the front of a building, oriented towards the street and adjacent to visitor and employee parking.

KEY FINDINGS

- Metro's Discretionary Option 1 provides the most flexibility with little cost differential. Under this scenario, an additional 105,000 SF of warehouse/distribution building was provided, with little change in the overall estimated costs.
- Incorporating 10 Habitat Friendly Design Practices into warehouse/distribution development is difficult. More practices should be added to the list to provide more flexibility in meeting this requirement for industrial development.
- The incorporation of Habitat Friendly Design Practices that reduce the Effective Impervious Area % on a site is difficult with a warehouse/distribution use due to the large pavement needs and building SF requirements.
- While the reduction in Effective Impervious Area % reduces the mitigation required, the increase in development costs may make this option not feasible.
- Providing all required mitigation on site, for all options, is potentially difficult and site constraining. Other options should be considered such as the ability to mitigate off-site or pay a fee in-lieu of mitigation.
- Due to the requirements of the Discretionary Options, it is likely to be utilized only for minor adjustments to the HCA to accomodate a specific site plan.

CONCEPT COMPARISON

The following chart provides a general comparison of the development and mitigation required for each concept. As proposed, the Discretionary Standards options impact the Habitat Conservation Areas more than the percentages allowed under the Clear and Objective Standards. With this additional impact, 105,000 SF of additional building SF is provided; which increased the mitigation required. Under Discretionary Option 2, the use of Habitat Friendly Design Practices reduced the Effective Impervious Area % from 70% to 20% of the site and mitigation SF was reduced by 89,109 SF (2.04 acres), providing site area sufficient to provide additional on-site trailer storage, an amenity for the warehouse/distribution use.

	Clear and Objective	Discretionary Option 1	Discretionary Option 2
Building SF	225,000 SF	330,000 SF	330,000 SF
Building Site Coverage %	21%	30%	30%
Parking Stalls	112	97	97
Trailer Storage (stalls)	136	0	32
Impervious Area SF	609,500 SF	749,500 SF	214,980 SF
Effective Impervious Area %	56%	70%	20%
Pervious Area %	44%	30%	80%
HCA Disturbance Area			
Low HCA	58,700 SF	9,750 SF	40,125 SF
High HCA	24,500 SF	119,000 SF	119,000 SF
Mitigation Required			
Low HCA	354 trees / 472 shrubs	0.5:1 = 4,875 SF	0.5:1 X 25% = 5,015 SF
High HCA	147 trees / 196 shrubs	1.5:1 = 178,500 SF	1.5:1 X50% = 89,250 SF
Total	501 trees / 668 shrubs (80,176 SF)	183,375 SF	94,265 SF

HABITAT FRIENDLY DESIGN PRACTICES

Comparing stormwater systems, the alternatives differ substantially in terms of areas required for treatment, treatment methodology, and resulting costs. The Clear and Objective Standards option assumes standard treatment types, with ponds or vaults and a typical underground conveyance system. The Discretionary Standards options utilize a number of construction alternatives and strategies to reduce impervious area and to redirect flows from the public system. These strategies include use of pervious paving, sloping paved areas to landscape areas in lieu of catch basins, reduction in parking, and use of rain collection systems, among others. In general, the benefits of using habitat-friendly practices center on the ability to increase the development footprint and reductions in cost of water quality treatment and irrigation water supply. The costs of these practices include additional construction costs toward paving and specific rain collection systems, durability concerns toward long-term performance in an industrial setting, and ongoing maintenance costs. Several assumptions were made in consideration of the habitat friendly practices and resulting site layouts: that earthwork costs would not change to allow grading of the site to the edges, that storm drainage outfalls could be made to the south without significant regrading or additional permitting and costs, that adjacent properties would accept shared access, and that structured gravel would be acceptable to both tenant and jurisdiction for storage areas.

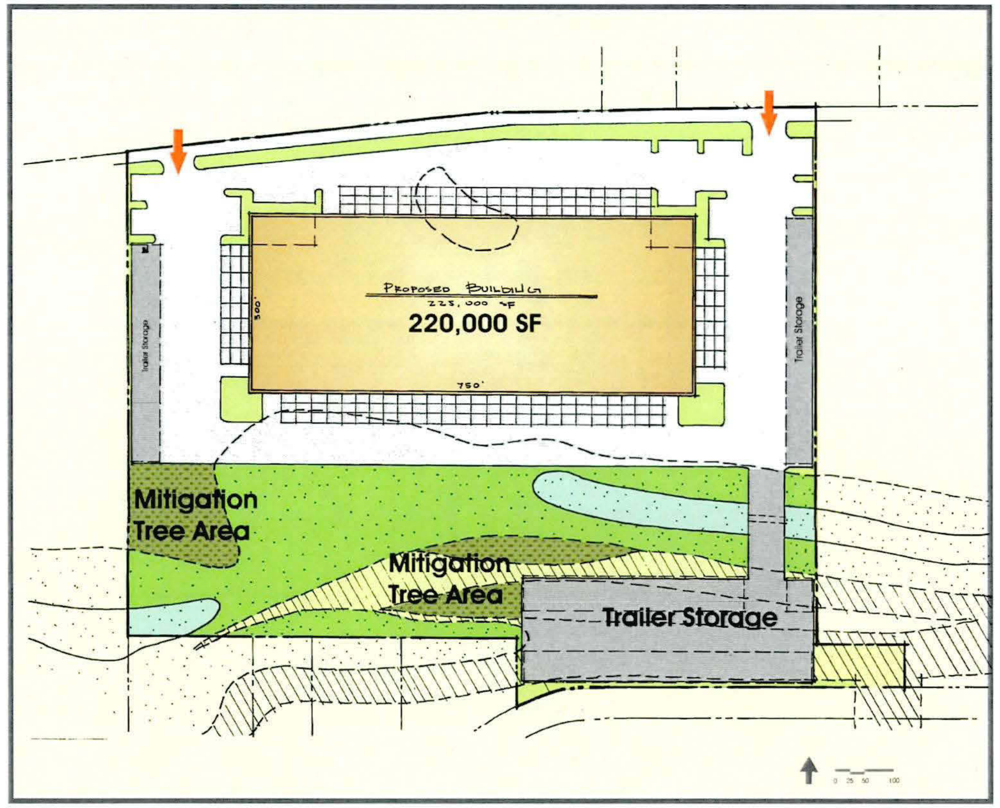
DEVELOPMENT COST COMPARISON

The following chart provides a general cost comparison between the three options. The increase in building cost is related to the increase in building SF between the Clear and Objective and Discretionary Standard Options. Paving costs increase as pervious pavers and structural asphalt are applied as Habitat Friendly Design Practices. There are no changes to sanitary sewer and water costs. Stormwater costs include water quality treatment ponds and swales in the Clear and Objective plan. These costs also include rain barrel collection for roof area and rain garden/bioretention areas within landscaping. Landscaping costs include the cost to landscape the development project and a cost for mitigation landscaping.

	Clear and Objective	Discretionary Option 1	Discretionary Option 2
Building	$4,950,000	$7,260,000	$7,260,000
Paving	$586,438	$761,375	$2,198,350
Sanitary	$34,000	$34,000	$34,000
Water	$5,600	$5,600	$5,600
Stormwater	$237,500	$224,000	$184,500
Landscaping	$255,174	$501,660	$323,440
Total Cost	$6,068,712	$8,786,635	$10,005,890
Cost per Building SF	$26.97	$26.63	$30.32

Notes: The industrial test site is an example of how an industrial site within the Portland metropolitan area might be developed. The information presented within this study provides an example of how Metro's Model Ordinance could be applied. The information within this study regarding development potential, impacts, and costs are site specific and as such are only applicable to this site. The costs provided are preliminary estimates providing general "order of magnitude" costs for each of the concept plans. Prior to any significant outlay of funding on a site, it is recommended that specific costs estimates be prepared.

CLEAR AND OBJECTIVE STANDARDS



CONCEPT DESCRIPTION

One 225,000 SF warehouse/distribution building is located on the site. This plan includes 112 parking spaces, 114 loading docks and storage for 136 trailers. This plan provides an efficient development plan while limiting disturbance to 24,500 SF (9.47%) of High HCA and 58,700 SF of Low HCA. Mitigation is provided utilizing Option 2, at a rate of 3 trees and 4 shrubs per 500 SF of disturbance, and provided on-site.

Building SF	225,000 SF	HCA Disturbance Area:	
Parking Stalls	112 stalls	Low HCA	58,700 SF
Trailer Storage	136 stalls	High HCA	9.47% = 24,500 SF
Building Coverage %:	21%	Mitigation Required:	
Impervious Area SF:	609,508 SF	Low HCA	354 trees / 472 shrubs
Effective Impervious Area	56%	High HCA	147 trees / 196 shrubs
Pervious Area %:	44%	Total	501 trees / 668 shrubs

CONCEPT ADVANTAGES / DISADVANTAGES

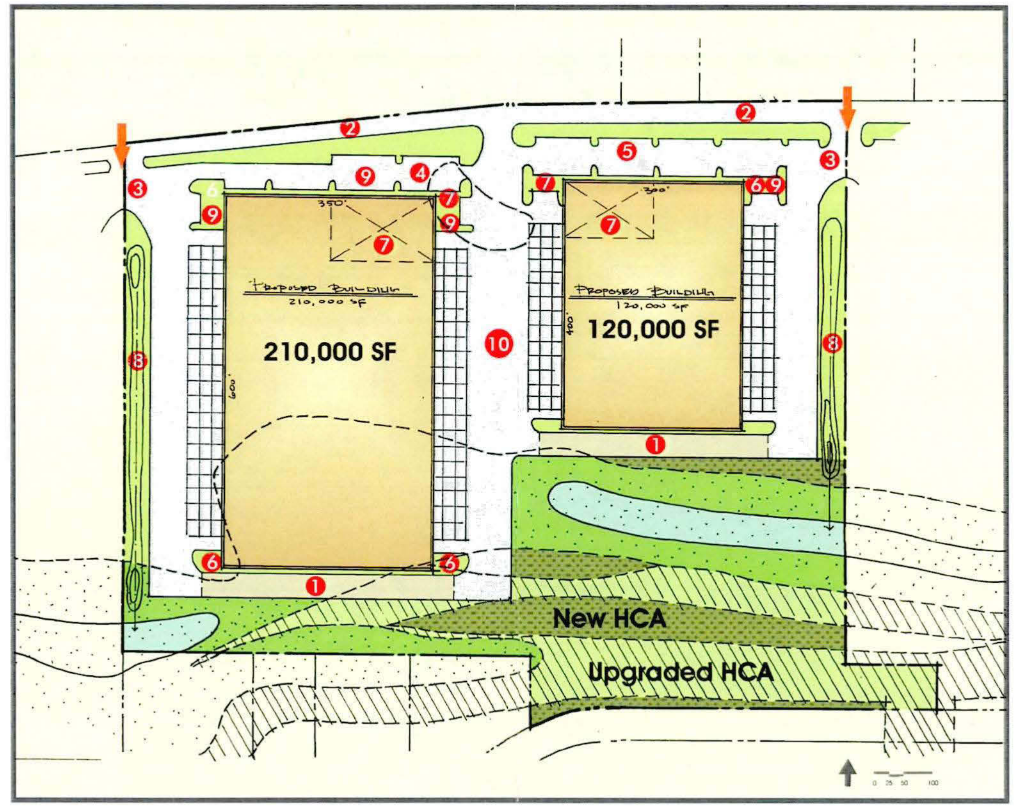
Advantages

- Disturbance limited to less than 10% of High HCA.
- 225,000 SF building provided in efficient size and shape.
- Additional trailer storage provided.

Disadvantages

- Location of HCA in middle of site limits ability to access and develop non HCA area on southern portion of the site.
- Maximization of development potential of the site is limited to 50% of the site, so building coverage is only 21%.
- Mitigation requires extensive tree and shrub plantings on site.

DISCRETIONARY STANDARDS - OPTION 1



CONCEPT DESCRIPTION

With this option, 330,000 SF of warehouse/distribution building is provided in two buildings. The western building is 210,000 SF and the eastern building is 120,000 SF. The High HCA was avoided to the extent practicable. In order to provide an efficient and economical development, truck access around all sides of a building is provided. This provides increased circulation and allows the ability to have cross-docks and/or multiple dock tenants. Providing a smaller building on the eastern side of the site avoids a significant portion of the High HCA where the slough is located. The larger building on the western portion of the site provides increased efficiency in a desirable building shape and size and limits the HCA disturbance to the tree canopy area. To reduce impacts, parking has been reduced to the minimum amount required and habitat friendly design practices have been incorporated. Mitigation for High and Low HCA impacts are provided on-site. A total of 183,375 SF (4.2 acres)of mitigation area is required. This is provided with the creation of 69,512 SF of new HCA in the southern portion of the site and the enhancement of 113, 863 SF of low HCA on site.

Building SF:	330,000 SF	HCA Disturbance Area:	
Parking Stalls:	97 stalls	Low HCA	9,750 SF
Trailer Storage:	0 stalls	High HCA	46.03% = 119,000 SF
Building Coverage %:	30%	Mitigation Required:	
Impervious Area SF:	749,500 SF	Low HCA	0.5:1 = 4,875 SF
Impervious Area %:	70%	High HCA	1.5:1 = 178,500 SF
Pervious Area %:	30%	Total	183,375 SF

HABITAT FRIENDLY DESIGN PRACTICES

1. Utilized 39,500 SF of pervious pavers in low travel site areas
2. Sloped sidewalks to drain into landscaping
3. Shared driveways with adjacent development
4. Increased compact stall allowance
5. Reduced parking to minimum required (97 stalls)
6. Landscaped with rain gardens (1,600 SF)
7. Rain barrel collection for 32,500 SF of roof area
8. Multi-functional open drainage system
9. Disconnect downspouts from portion of roof and redirect to landscaping.
10. Treatment train approach to storm water treatment

CONCEPT ADVANTAGES / DISAVANTAGES

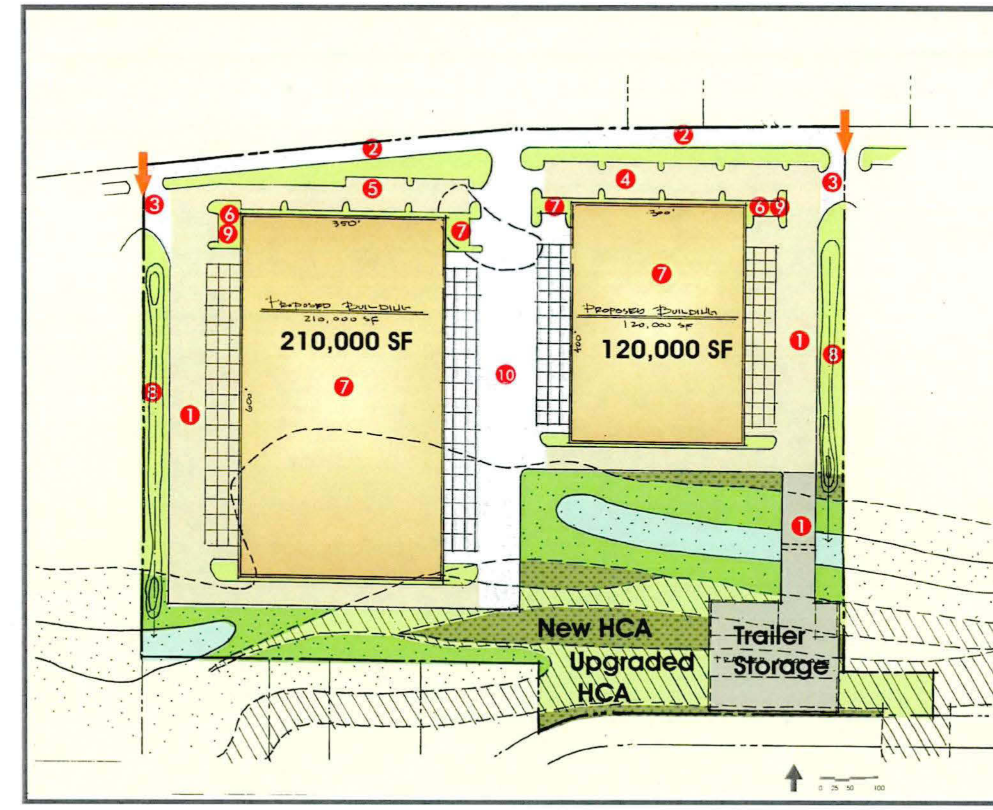
Advantages

- Increased building SF increases economics of development on the site.
- Multiple buildings on site provide opportunities for tenant flexibility.
- Habitat Friendly Design Practices are not entirely cost prohibitive.

Disadvantages

- Increased HCA impacts.
- Mitigation requires entire southern portion of the site.
- No additional trailer storage provided.

DISCRETIONARY STANDARDS - OPTION 2



CONCEPT DESCRIPTION

With this option, the same development as Option 1 is provided - 330,000 SF of warehouse/distribution building in two buildings. However, the 10 Habitat Friendly Design Practices incorporated reduce the Effective Impervious Area from 70% to 20% of the site. This is done primarily with an increase in the amount of pervious pavement on site. It is important to note that with this increase, pervious pavement was also located in areas where frequent truck maneuvering occurs. This results in added costs due to the structural requirements based on the weight and frequency of the trucks in these locations. Reducing the Effective Impervious Area allowed for a reduction in the mitigation area from 183,375 SF (4.20acres) to 94,265 SF (2.16 acres). This provided enough remaining developable site area to provide on-site trailer storage in the southern portion of the site. It should also be noted that while the disturbance to the Low HCA area increased due to the trailer storage, because the Effective Impervious Area was reduced, the mitigation area requirement was also reduced, resulting in a Low HCA mitigation area of only 140 SF more than Option . Mitigation for High and Low HCA impacts are provided on-site. A total of 94,265 SF (2.16 acres) of mitigation area is required. This is provided with the creation of 53,875 SF (1.23acres) of new HCA in the southern portion of the site and the enhancement of 40,390 SF (0.92 acres) of low HCA on site.

Building SF:	330,000 SF	HCA Disturbance Area:	
Parking Stalls:	97 stalls	Low HCA	40,125 SF
Trailer Storage:	32 stalls	High HCA	46.03% = 119,000 SF
Building Coverage %:	30%	Mitigation Required:	
Impervious Area SF:	214,980 SF	Low HCA	0.5:1X.25% = 5,015 SF
Impervious Area %:	20%	High HCA	1.5:1X.50% = 89,250 SF
Pervious Area%:	30%	Total	94,265 SF

HABITAT FRIENDLY DESIGN PRACTICES

1. Utilized 304,000 SF of pervious pavement
2. Sloped sidewalks to drain into landscaping
3. Shared driveways with adjacent development
4. Increased compact stall allowance
5. Reduced parking to minimum required (97 stalls)
6. Landscaped with rain gardens (1,600 SF)
7. Rain barrel collection for 32,500 SF of roof area
8. Multi-functional open drainage system
9. Disconnect downspouts from portion of roof and redirect to landscaping.
10. Treatment train approach to storm water treatment

CONCEPT ADVANTAGES / DISADVANTAGES

Advantages

- Reduced Effective Impervious Area
- Reduced mitigation area ratio required
- Provided on-site trailer storage
- Low HCA mitigation required is only 140 SF more than Option 1

Disadvantages

- Mitigation costs may outweigh benefits of a reduced mitigation area
- Extensive truck traffic may require increased maintenance of pervious paving
- Increased pervious paving could be cost-prohibitive

Notes: The industrial test site is an example of how an industrial site within the Portland metropolitan area might be developed. The information presented within this study provides an example of how Metro's Model Ordinance could be applied. The information within this study regarding development potential, impacts, and costs are site specific and as such are only applicable to this site. The costs provided are preliminary estimates providing general "order of magnitude" costs for each of the concept plans. Prior to any significant outlay of funding on a site, it is recommended that specific costs estimates be prepared.

FISCAL YEAR 2004-05

Quarterly Report
Third Quarter

January through March 2005

Prepared by the Financial Planning Division of the Finance and Administrative Services Department

METRO

PEOPLE PLACES
OPEN SPACES

Table of Contents

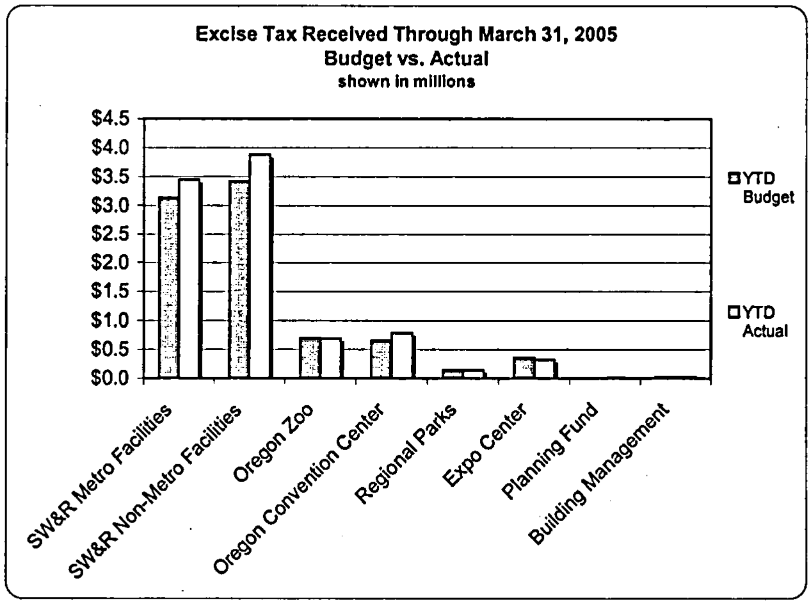
TRANSMITTAL LETTER

May 19, 2005

The Honorable David Bragdon
Metro Council President
600 NE Grand Avenue
Portland, OR 97232

Dear Council President Bragdon:

I am pleased to present Metro's Quarterly Financial Report for the third quarter of the 2004-05 fiscal year. The report summarizes the year's revenue and expenditure performance for each fund through March 31, 2005.

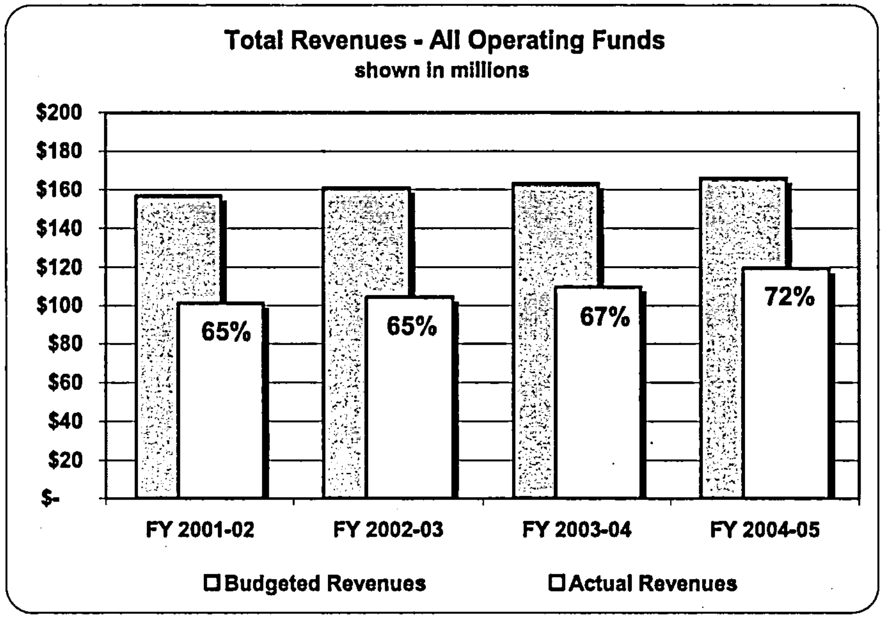


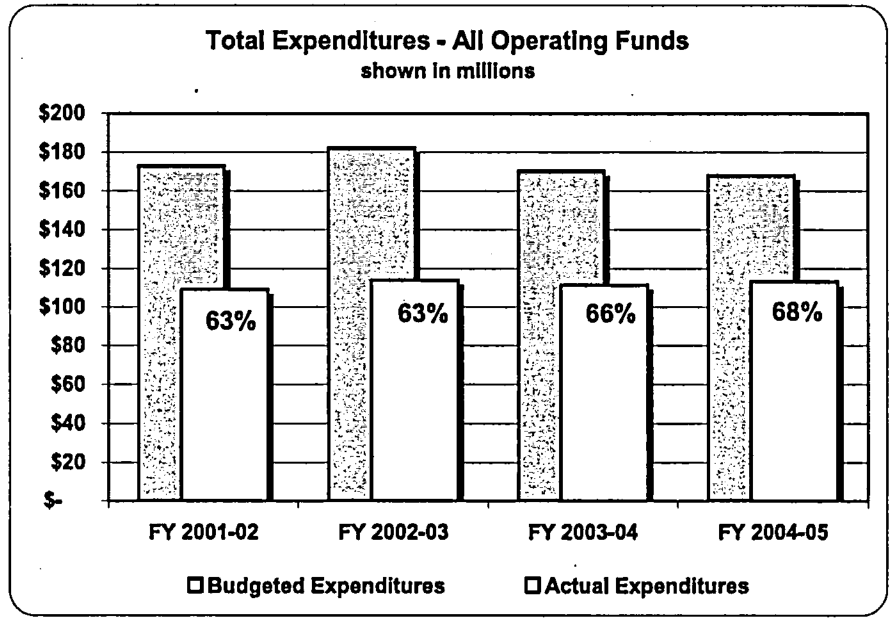
Excise Tax

Overall, excise tax revenue received through the end of the third quarter totaled $9.3 million, which is 10.2 percent above year-to-date projections. While Solid Waste and Recycling, the Oregon Convention Center, Planning, and Building Management exceeded projections; the Zoo, Regional Parks, and the Expo Center fell short. The revised annual forecast, based on historical patterns and results from the first three quarters, projects year-end excise tax collections above budget by $1,452,000 overall. This includes additional year-end contributions of $1,107,000 to the Rate Stabilization Reserve, $187,000 to the Parks Department, and $35,000 to the Tourism Opportunity & Competitiveness Account. The net result is a projected increase in discretionary excise tax available in the General Fund at year-end of $124,000. The actual beginning balance in the General Fund was $526,000 higher than budgeted, with $35,000 of this going toward the Recovery Rate Stabilization Reserve, $2,500 in additional PERS Reserve contributions, and an additional $489,000 in undesignated fund balance.

Overview of Operating Funds

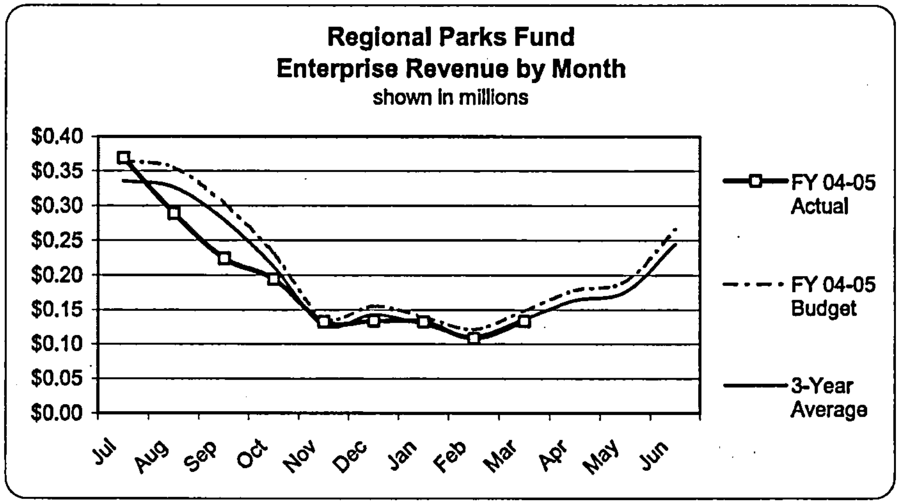
Revenues for all of the operating funds totaled $119.5 million, or 72 percent of budget through the third quarter. Expenditures totaled $113.4 million against a budget of $168.0 million. Both expenditures and revenues through the third quarter are higher than historical levels.

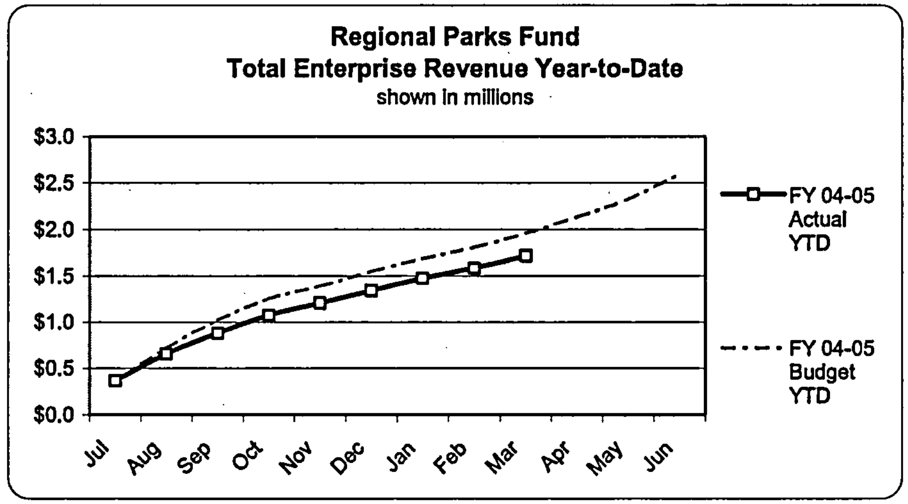




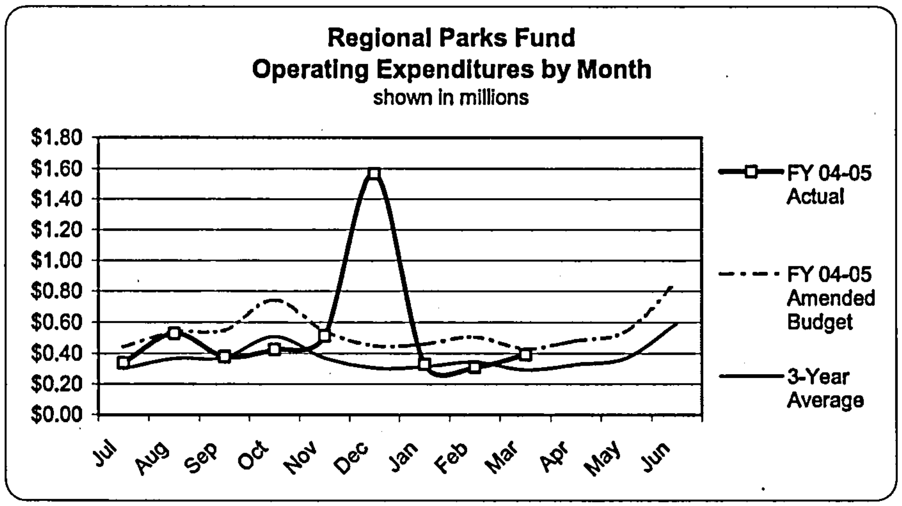
Regional Parks Fund

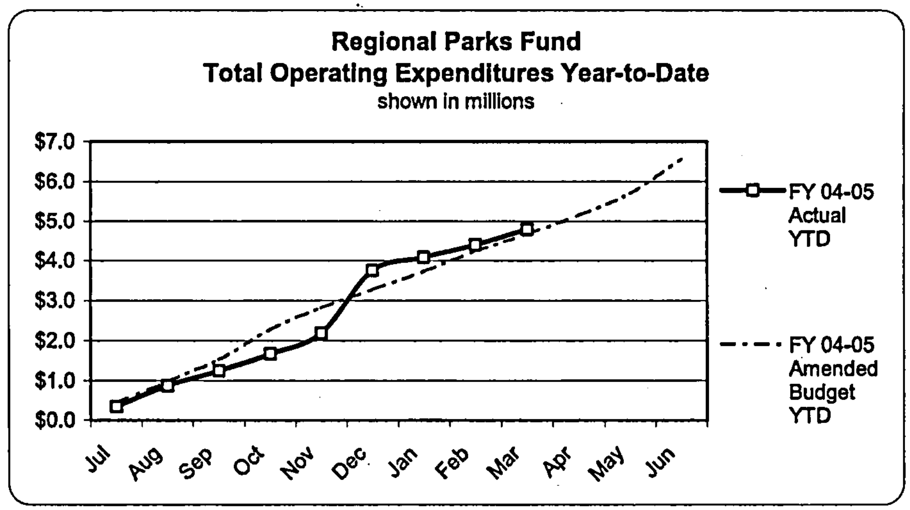
The first six months of the fiscal year, in particular the first quarter, are typically the highest revenue generating months for the Parks Department. The enterprise revenue received to date, at approximately 66 percent of budget, is well below historical averages and expectations. Almost all areas, except Property Rentals, have experienced below average revenue generation.





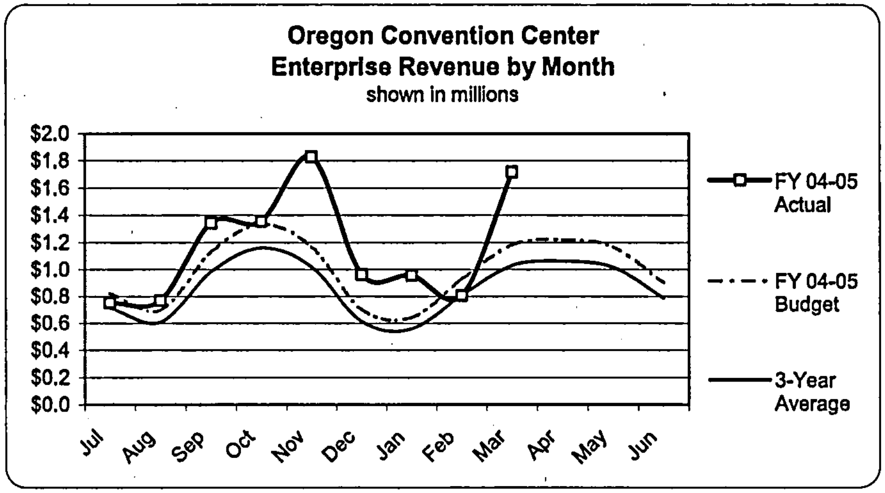
Parks operating expenditures through the third quarter were at 73 percent of budget. The spike in spending for the month of December was the result of restoration projects, the largest being The Clackamas River Fish Channel Restoration at $1.174 million.

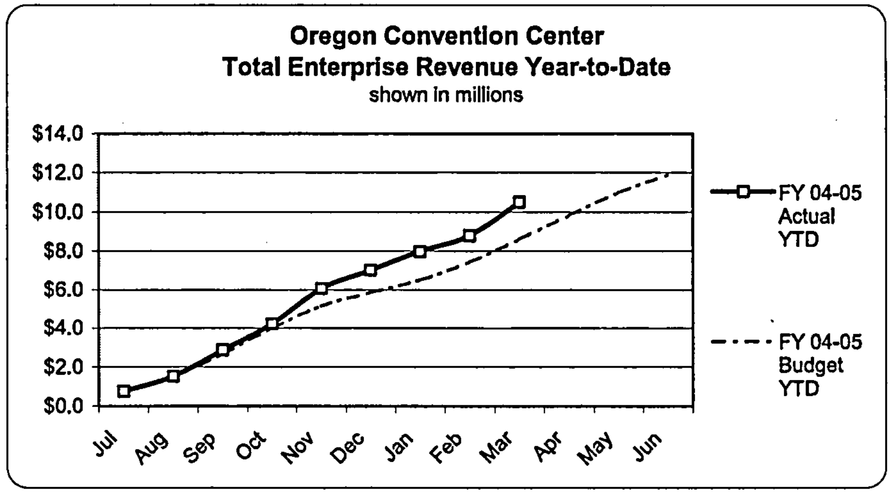




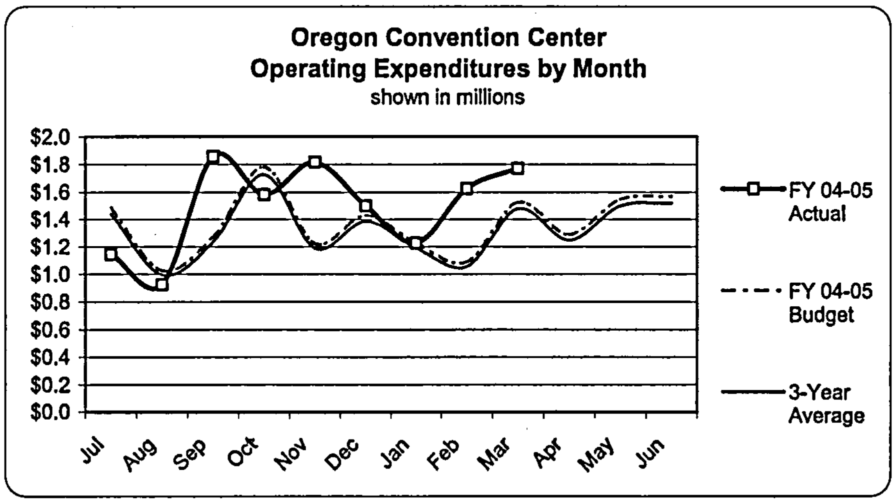
Oregon Convention Center

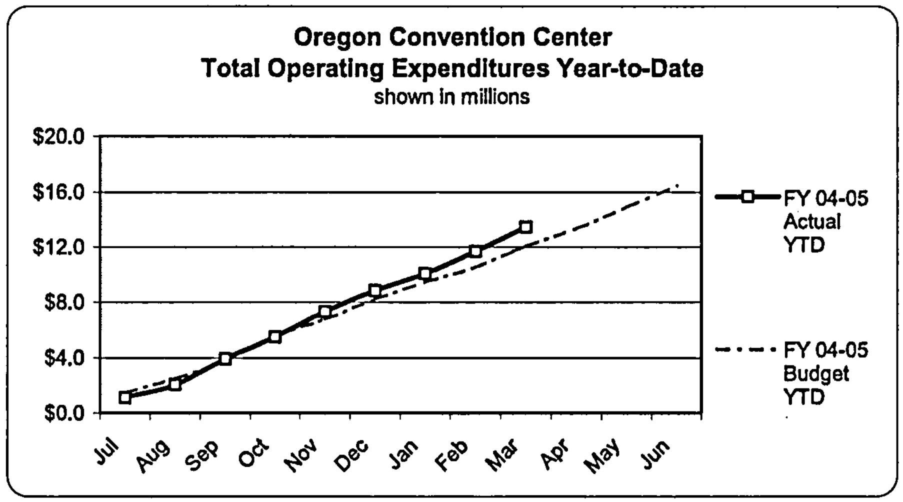
Enterprise Revenues for the Convention Center were at 88 percent of budget through the third quarter. Overall revenues for the OCC are expected to be about the same as the previous year, in spite of a decrease in expected convention bookings for FY 2004-05.





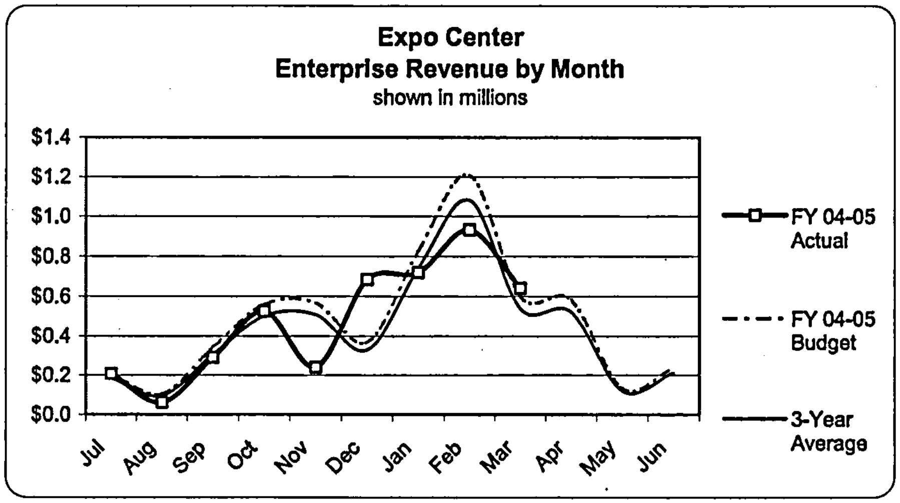
Operating Expenditures of $13.5 million were at 82 percent of budget through the third quarter.

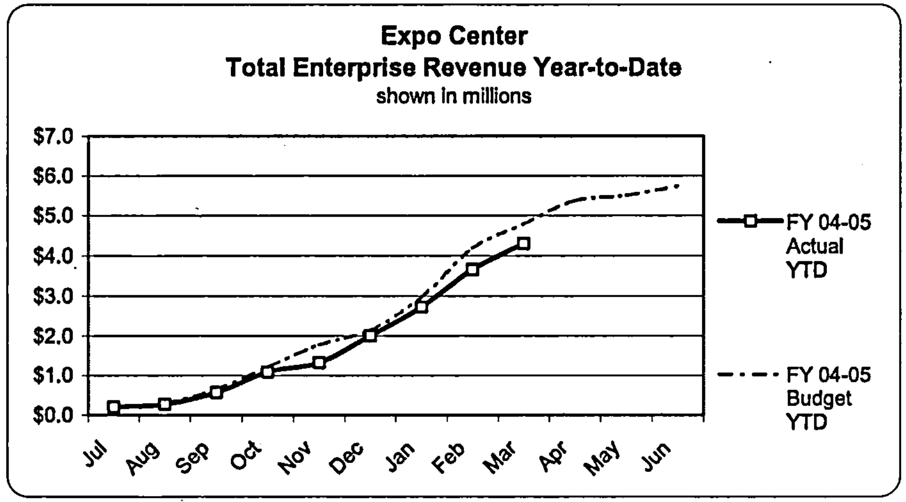




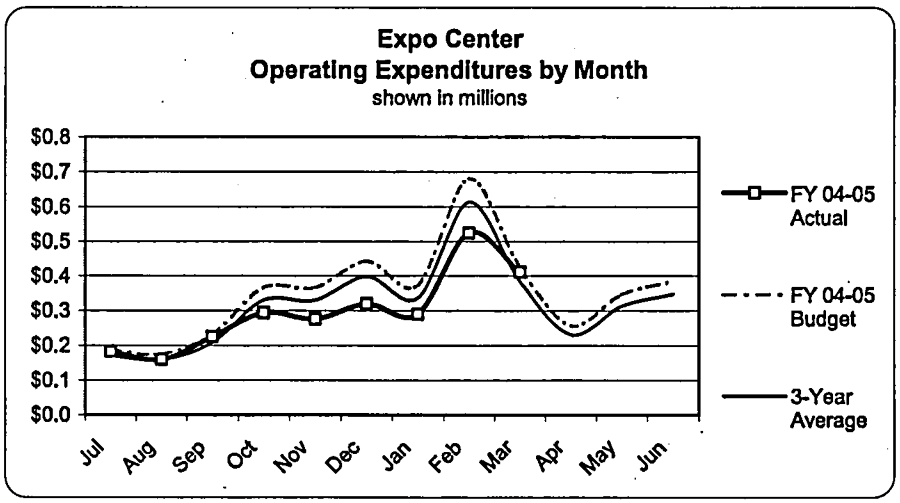
Expo Center

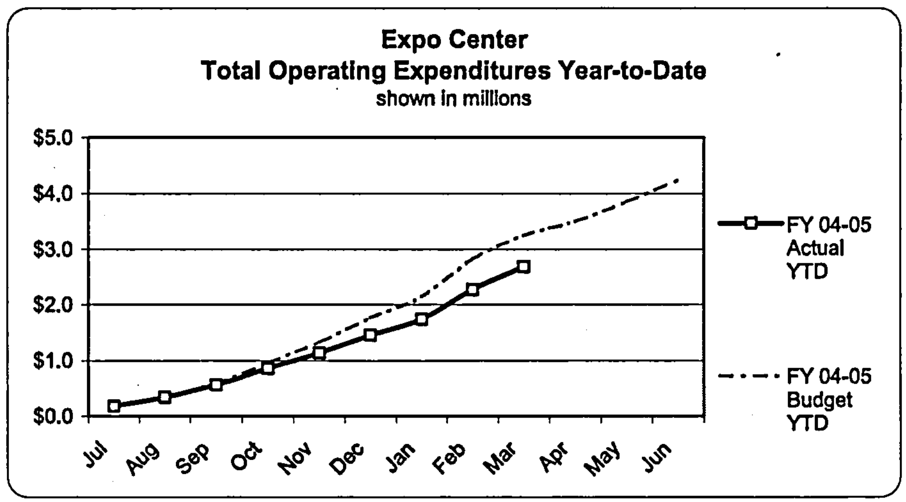
Enterprise Revenues were at 75 percent of budget and about what was expected for the Expo Center.





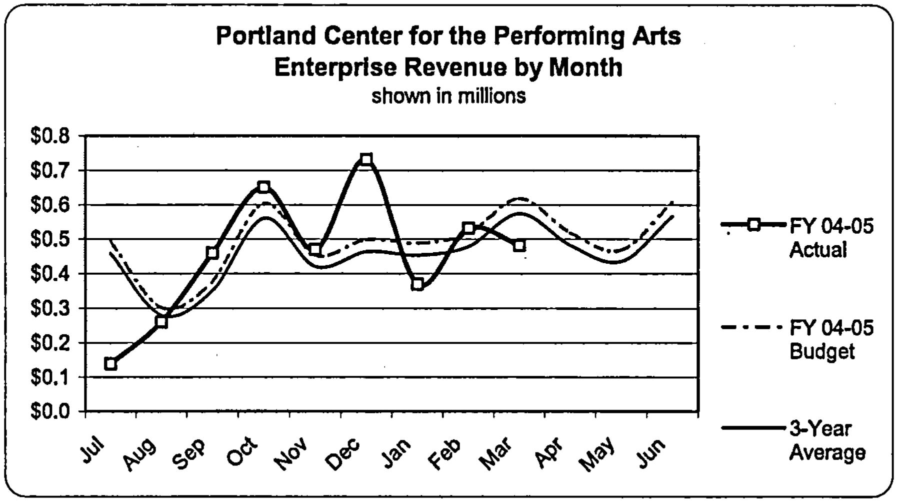
Operating Expenditures for the Expo Center were at 68 percent of budget through the end of the third quarter.

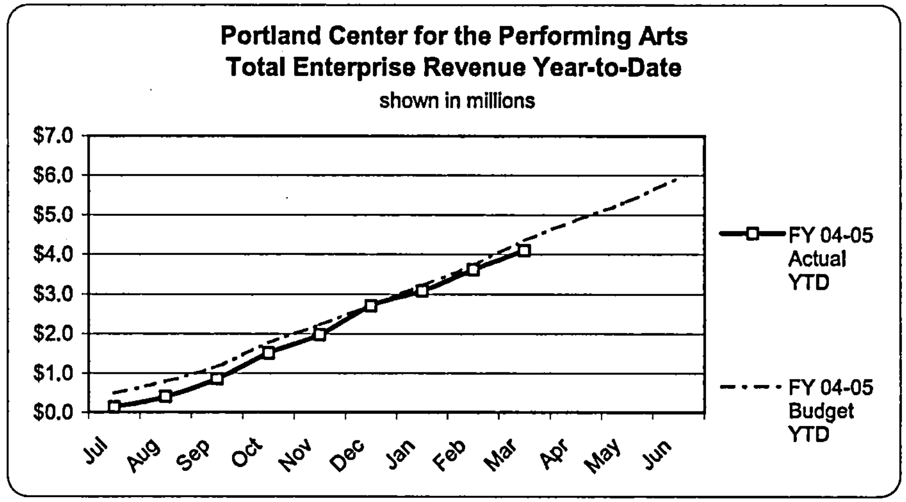




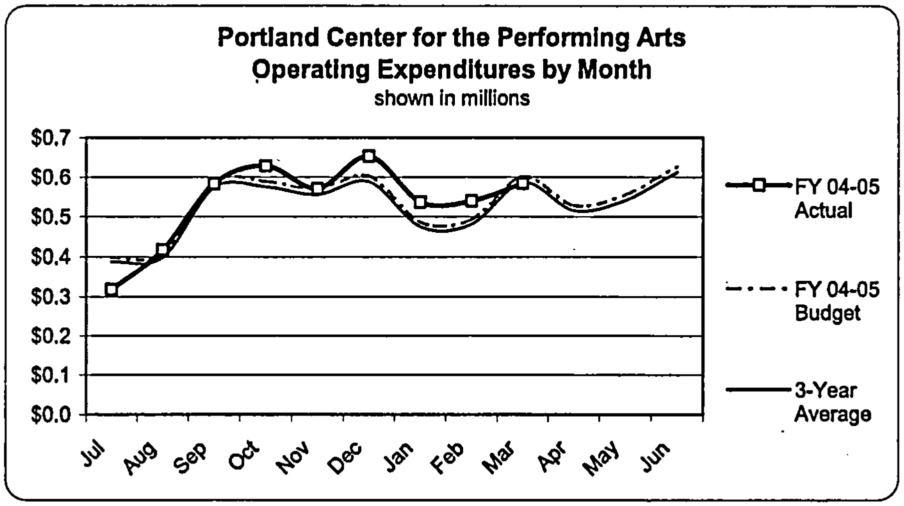
Portland Center for the Performing Arts

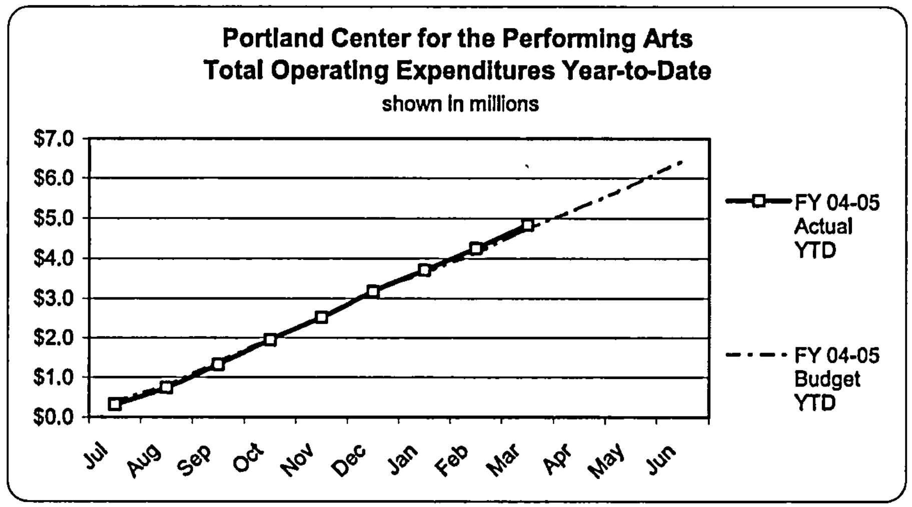
Enterprise Revenues were over 71 percent of budget through the end of the third quarter. The PCPA Broadway series is not generating as much business as originally budgeted due to lower than expected attendance.





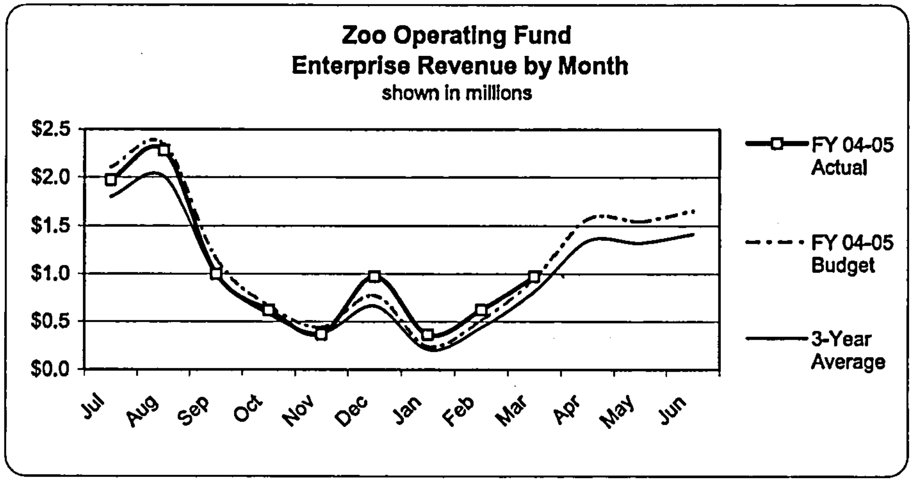
Operating Expenditures at PCPA were at 75 percent of budget through the end of the third quarter, higher than the same period last year.

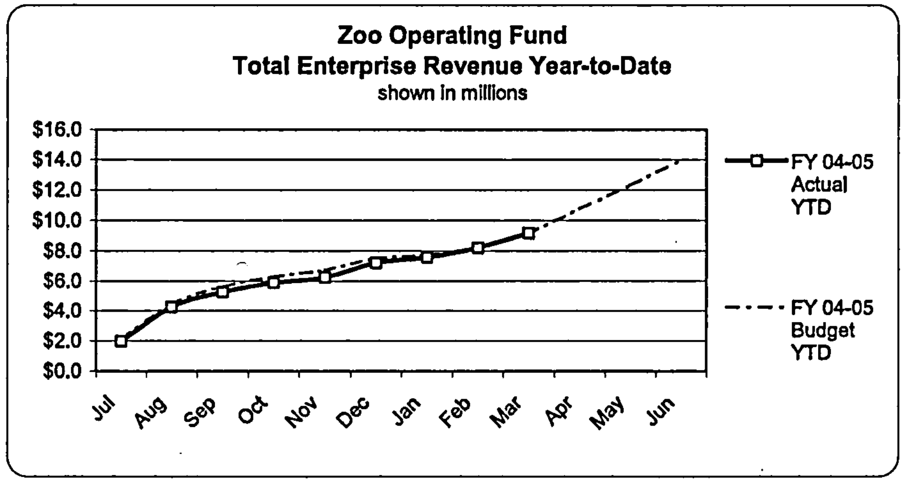




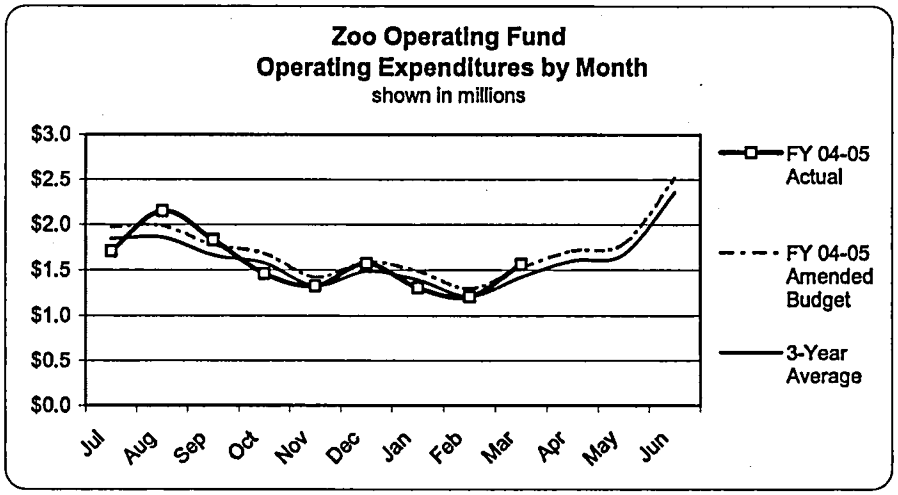
Zoo Operating Fund

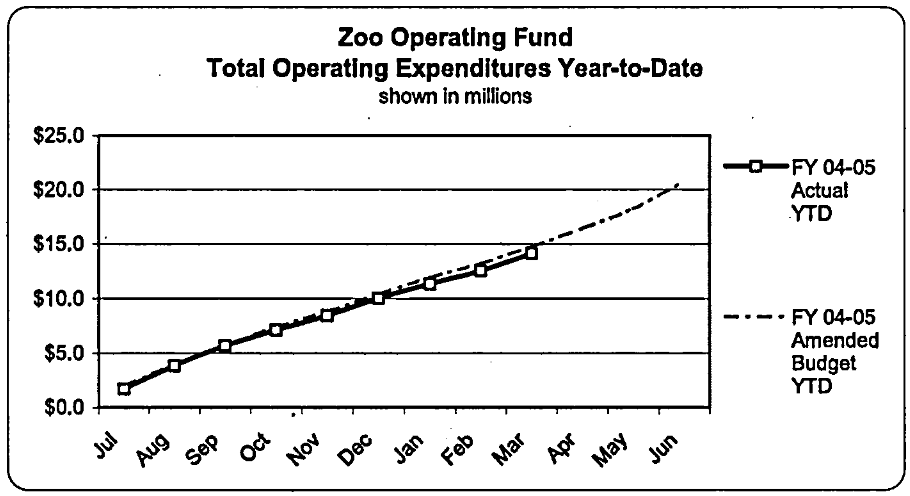
The Zoo had a very strong second and third quarter due to the unseasonably warm weather and strong ZooLights attendance in December.





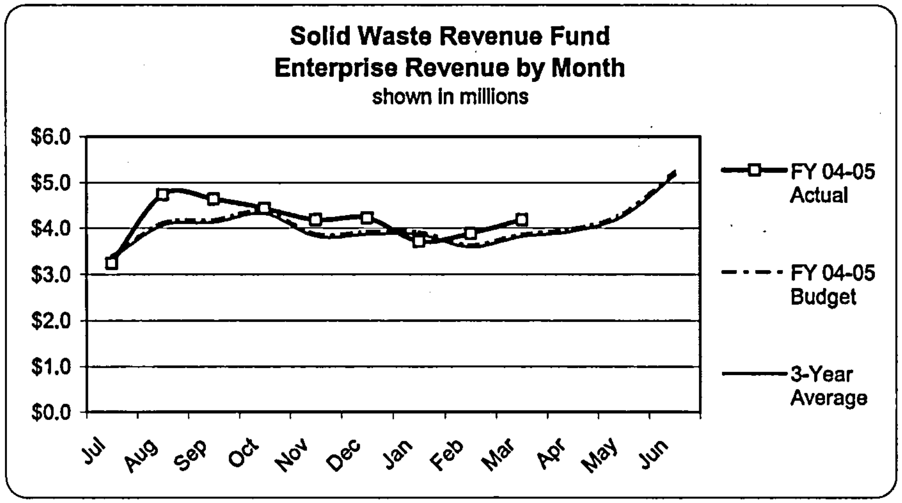
Zoo spending through the third quarter was at 68 percent of budget. Higher spending in the months of August and September were associated with the Aramark contract and a shift in the timing of the Summer Concert Series.

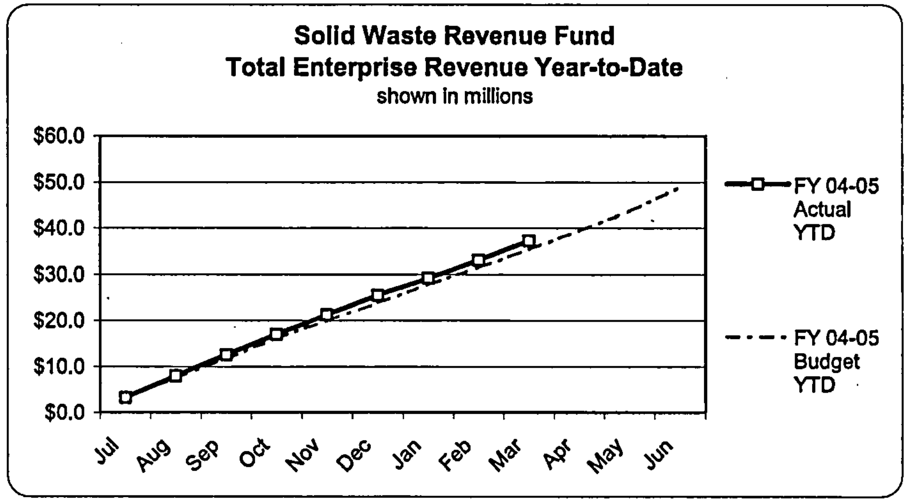




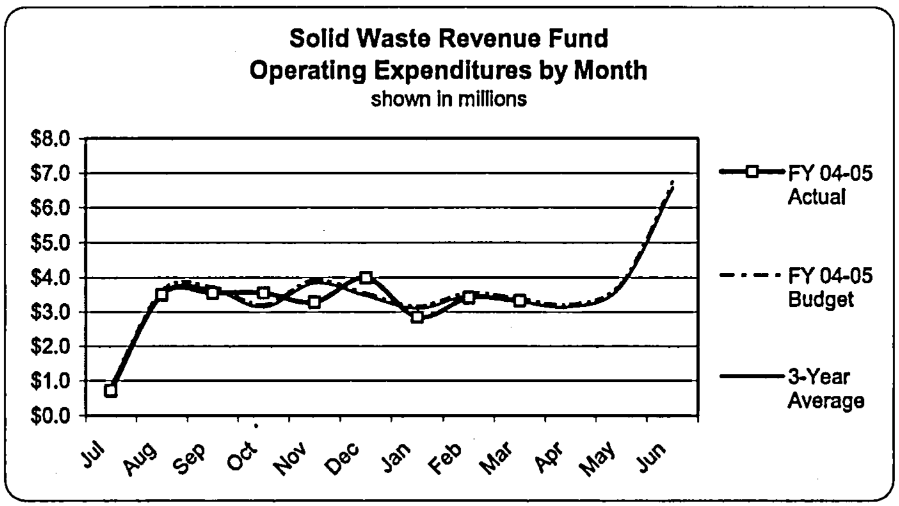
Solid Waste Revenue Fund

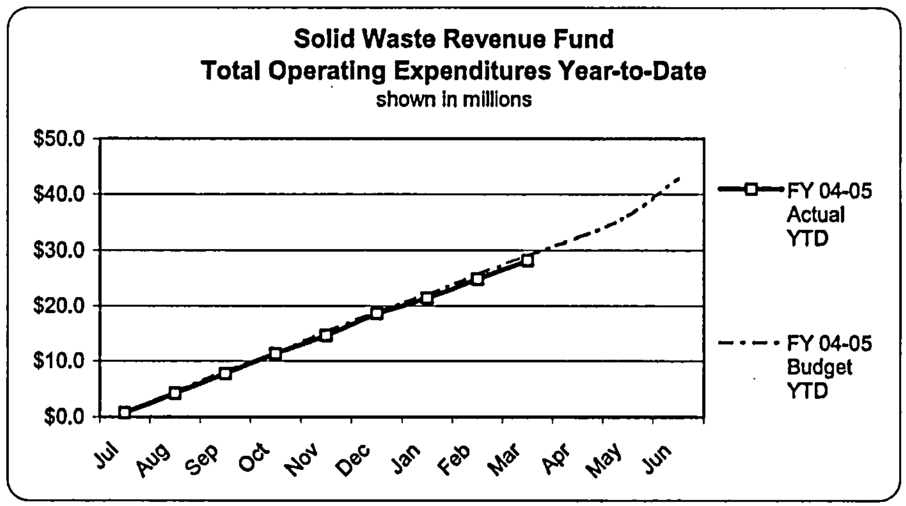
Enterprise Revenues through the third quarter were higher than normal, partially due to a 6.4 percent increase in tonnage. Also contributing to the increase is the shift in the rate structure from Regional System Fees to Disposal Fees.





Operating expenditures were 64 percent of budget through the third quarter.





Any comments or suggestions on how this summary, or the document in general, could be improved would be very welcome. Please do not hesitate to contact me with any questions or concerns.

Sincerely,

William L. Stringer
Chief Financial Officer & Director, Finance and Administrative Services Department

OPERATING FUNDS

Operating funds are those funds that contain the revenues and expenditures associated with Metro services. As a general rule, they are the funds where personal services expenditures are charged. Contained within this section is a budget-to-actual summary providing information regarding each fund's activity through the end of the third quarter, FY 2004-05. Also included is the same information for the corresponding period for last fiscal year. Along with the numerical information there is a brief explanation, by classification, of the revenues and expenditures in each fund.

The funds have been grouped by type: general government, enterprise, or internal service to provide for a better understanding of the different operations at Metro. The general government funds are the General, Planning, and Regional Parks funds. The enterprise funds include MERC Operating, Solid Waste Revenue, and Zoo Operating funds. The internal service funds are the Building Management, Risk Management, and Support Services funds.

General Fund

The General Fund was established to track revenues and expenditures for all general government functions. This includes the Metro Council and Public Affairs Department. The General Fund is supported by an excise tax on the purchase of Metro goods and services. Outlined below is an explanation of the activities in the General Fund through the third quarter, FY 2004-05.

Revenues

Excise Tax – A tax upon the purchase of Metro goods and services. At 77 percent, the taxes received through the end of the third quarter exceeded budget in total, and are above budget for discretionary revenue. Additional information regarding this tax is available in the Excise Tax section of this document, beginning on page 48.

Interfund Transfers In – Transfers come from departments for allocated costs in the Council Office. In the current fiscal year, these costs include the salary for the Chief Operating Officer and the Archives program. The total transfers are determined through the cost allocation plan. Through the end of the third quarter, transfers in are as expected, at 75 percent of budget.

Expenditures

Council Office – The Council Office is at 67 percent of budget through the end of the third quarter. Year-to-date spending on materials and services is only at 32 percent of budget.

Public Affairs and Government Relations Department – Through the end of the third quarter, the Public Affairs Department is at 65 percent of budget. Year-to-date spending on materials and services is only 29 percent of budget.

Special Appropriations – Budgeted expenditures in this category include a $125,000 special appropriation for election costs, $100,000 for public notice costs required by ballot measure or Metro code, $15,000 for Water Consortium dues, and a $25,000 contribution to the Regional Arts & Culture Council (RACC). Actual expenditures through the third quarter totaled $122,884, consisting of $15,600 in Water Consortium dues, the $25,000 contribution to RACC, and the balance of $82,284 in election expenses. It is estimated that public notice costs will be under spent by $75,000 and the election expenses are under spent $42,716.

Interfund Transfers Out – This category includes transfers to the central service funds to pay for services allocated through the cost allocation plan. Central service transfers are made monthly, quarterly, or semi-annually depending on the type. Also included in this category are monthly transfers of excise tax to various operating funds. The General Fund is monitored to ensure there is sufficient cash balance before excise tax transfers are made. Through the end of the third quarter, transfers out were at 77 percent of budget.

General Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$2,035,545		$2,561,919	126%	$1,277,550		$1,648,753	129%
Current Revenues								
Metro Excise Tax	12,083,153	3,146,224	9,307,350	77%	10,019,954	2,498,399	7,322,201	73%
Enterprise Revenue	0	0	22	0%	0	0	70	0%
Earnings on Investments	25,000	10,946	38,337	153%	25,000	2,465	16,110	64%
Other Miscellaneous Revenue	0	42	781	0%	0	9,364	9,377	0%
Interfund Transfers In	291,550	72,885	218,655	75%	248,114	62,034	186,102	75%
Subtotal Current Revenues	12,399,703	3,230,096	9,565,144	77%	10,293,068	2,572,262	7,533,861	73%
Total Resources	$14,435,248	$3,230,096	$12,127,063	84%	$11,570,618	$2,572,262	$9,182,613	79%
Requirements								
Operating Expenditures								
Council Office	$1,435,201	$323,940	$956,816	67%	$1,400,107	$297,231	$882,233	63%
Public Affairs Department	665,991	153,616	434,073	65%	652,445	101,146	292,230	45%
Special Appropriations	265,000	82,284	122,884	46%	340,000	58,323	98,934	29%
Subtotal Operating Expenditures	2,366,192	559,840	1,513,773	64%	2,392,552	456,700	1,273,397	53%
Non-Operating Expenditures								
Interfund Transfers Out	10,108,318	2,379,042	7,784,616	77%	8,041,194	1,992,485	5,832,338	73%
Contingency	646,335	0	0	0%	443,930	0	0	0%
Subtotal Non-Operating Expenditures	10,754,653	2,379,042	7,784,616	72%	8,485,124	1,992,485	5,832,338	69%
Subtotal Current Expenditures	$13,120,845	$2,938,882	$9,298,389	71%	$10,877,676	$2,449,185	$7,105,735	65%
Unappropriated Balance	1,314,403		2,828,674		692,942		2,076,879	
Total Requirements	$14,435,248		$12,127,063		$11,570,618		$9,182,613	

Planning Fund

The Planning Fund was established to track the revenues and expenditures associated with the Transportation and Growth Management activities. As outlined in the Metro Charter, growth management and land-use planning are the primary missions of the agency. The information outlined below provides an explanation of the activities in the Planning Fund through the third quarter of FY 2004-05.

Revenues

Grants – The majority of funding comes from federal, state, and local grants. Funds are received on a reimbursement basis and typically lag one to two months behind expenditures. Revenues recorded to date reflect eight months of grant billings.

Local Government Shared Revenues – Represents fees received for boundary mapping services provided by the department.

Enterprise Revenue – Historically, this category primarily includes revenues generated through the Data Resource Center. Revenues are the result of contracts with private entities, local jurisdictions, and storefront sales. Most of the contracts are invoiced quarterly. Revenues received through the first three quarters represent billings for services and sales on a reimbursement basis. Recording of revenues typically lags one to two months behind expenditures. Other non-contract revenues include $125,000 for the aerial photography consortium, $81,000 in DRC lite sales and approximately $54,000 in other products including document or publication sales such as digital aerial photography, street design handbooks, bike maps or other standard or custom storefront products.

Interfund Transfers – Includes transfers of excise tax from the General Fund as well as transfers for direct services from other Metro departments. Excise tax transfers are received monthly providing the General Fund cash flow permits. Direct transfers are made as expenses are incurred. Through the third quarter, nine months of excise tax transfers have been received.

Expenditures

Personal Services - Expenditures are as expected through the end of the third quarter, at 70 percent.

Materials & Services – The majority budgeted for this expenditure category is tied to the purchase of TOD lands ($4.4 million) or the direct receipt of grant funds. TOD land purchases are made as appropriate lands become available. Only one expenditure for $200,000 has been made. All other expenditures were as expected in this quarter.

Capital Outlay (CIP) – Capital expenditures are for replacement of components of the Travel Forecasting and Data Resource Center computer systems. No expenditures have been made to date. Planned expenditures have been deemed not necessary at this point.

Interfund Transfers Out – This category includes transfers to the central service funds to pay for services allocated through the cost allocation plan. Central service transfers are made monthly, quarterly, or semi-annually depending on the type. These transfers are as anticipated through the end of the third quarter.

Planning Fund

As of March, 31 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$627,552		$2,956,802	471%	$654,431		$1,950,893	298%
Current Revenues								
Grants	13,420,145	1,720,338	4,054,789	30%	12,895,064	1,539,311	3,194,127	25%
Local Gov't Shared Revenue	0	6,800	24,410	0%	0	5,250	12,750	0%
Enterprise Revenue	247,588	344,066	454,535	184%	543,480	192,347	330,842	61%
Earnings on Investments	0	27,782	79,874	0%	0	4,939	32,877	0%
Other Miscellaneous Revenue	31,000	25,249	32,179	104%	14,536	192	535	4%
Interfund Transfers In	4,599,990	1,120,299	3,389,177	74%	4,643,456	1,123,528	3,407,197	73%
Subtotal Current Revenues	**18,298,723**	**3,244,534**	**8,034,964**	**44%**	**18,096,536**	**2,865,568**	**6,978,328**	**39%**
Total Resources	**$18,926,275**	**$3,244,534**	**$10,991,766**	**58%**	**$18,750,967**	**$2,865,568**	**$8,929,221**	**48%**
Requirements								
Operating Expenditures								
Personal Services	$7,019,486	$1,668,244	$4,902,965	70%	$7,262,224	$1,702,200	$4,941,703	68%
Materials and Services	8,890,860	412,034	1,471,318	17%	8,561,505	259,257	833,652	10%
Subtotal Operating Expenditures	15,910,346	2,080,278	6,374,283	40%	15,823,729	1,961,457	5,775,354	36%
Non-Operating Expenditures								
Debt Service	0	0	0	0%	44,212	43,175	44,212	100%
Capital Outlay Projects (CIP)	47,000	0	0	0%	54,200	0	44,653	82%
Interfund Transfers Out	2,189,991	532,251	1,757,941	80%	2,437,286	708,912	1,874,505	77%
Contingency	688,938	0	0	0%	301,540	0	0	0%
Subtotal Non-Operating Expenditures	2,925,929	532,251	1,757,941	60%	2,837,238	752,087	1,963,369	69%
Subtotal Current Expenditures	**$18,836,275**	**$2,612,529**	**$8,132,224**	**43%**	**$18,660,967**	**$2,713,544**	**$7,738,724**	**41%**
Unappropriated Balance	90,000		2,859,542		90,000		1,190,498	
Total Requirements	**$18,926,275**		**$10,991,766**		**$18,750,967**		**$8,929,221**	

Regional Parks Operating Fund

The Regional Parks Operating Fund was established to track the revenues and expenditures related to the operations of the parks, golf courses, marine facilities, pioneer cemeteries, and open spaces managed by Metro. The information listed below provides an explanation of the activities in this fund through the third quarter of FY 2004-05.

Revenues

Grants – For FY 2004-05, budgeted revenues in the operating fund reflect only those grants anticipated for the Greenspaces restoration/education grant program or restoration/improvement projects not deemed by accounting definition to be capital. All other grants related to capital projects formerly budgeted in the Regional Parks Fund have been moved to the Regional Parks Capital Fund. Revenues received in the third quarter reflect second quarter grant billings. Grants are received on a reimbursement basis and may lag 1-3 months.

Intergovernmental Revenues – The funds received are Metro's share of the revenues received by the State from the registration fees for recreational vehicles and County marine fuel taxes. Receipts from the State through the third quarter are in line with budget.

Enterprise Revenues – This category represents revenues received for the use of Metro Regional Parks and golf course. The first six months of the fiscal year, in particular the first quarter, are typically the highest revenue generating months. The revenue received to date, at approximately 66 percent of budget, is well below historical averages and expectations. Almost all areas except Property Rentals are experiencing below average revenue generation. Most Regional Parks' revenues are sensitive to weather fluctuations. A week of rain in August plus weeks of very hot weather in July and August combined to significantly reduce rounds of golf played at Glendoveer Golf Course. While the nice weather in September did not correlate to an upturn in golf rounds at the time, the mild winter has helped Glendoveer Golf Course revenues to rebound. The abbreviated Salmon fishing season this spring will have a small but noticeable impact on boat launch fee revenue. Environmental issues with the lake at Blue Lake Park resulted in low attendance during August, typically one of the two highest revenue months of the year. Attendance revenues did pick up again in September so it appears the "lake issues" caused only a temporary effect on attendance. A one-time block of grave sales in July will partially offset some of the loss in revenues but is insufficient to make up for loss of revenue in significant areas. The department has managed to reduce some expenditures to compensate and will continue to monitor the budget closely.

Contributions and Donations – The FY 2004-05 budget assumed contributions from Multnomah County for operational support of Bybee House and from Portland Parks & Recreation for technical support on the three bridges project. In addition, a mid-year budget amendment added $1.329 million in donations for several restoration or improvement projects. Through the third quarter, the department has received $1.174 million in contributions for the Clackamas River Fish Channel Restoration Project, as well as $17,000 in support of the Smith & Bybee Lakes Trail Alignment Project, and $114,175 for turtle nesting and salmon habitat improvement projects at Smith & Bybee Wetlands.

Interfund Transfers In – Interfund transfers received include excise tax revenue from the General Fund and transfers from the Open Spaces Fund for former Multnomah County local share projects managed by the Regional Parks Department. Excise tax transfers are made on a monthly basis, as cash flow in the General Fund permits. Through the third quarter, the department has received nine months of excise tax transfers from the General Fund. Transfers from the Open Spaces Fund are made quarterly as expenditures for the Multnomah County local share projects are incurred.

Expenditures

Personal Services – Expenditures are slightly below budget expectations through the third quarter. To manage the fiscal impact of reduced enterprise revenues, the department has reduced its temporary and seasonal staffing.

Materials and Services – This expenditure is at 74 percent of budget through the third quarter. While as a percentage of budget, spending is higher than historical averages, it is still within expectations. The FY 2004-05 budget planned for several restoration projects, totaling almost $1.4 million. Through the end of the third quarter, approximately $1.5 million has been expended toward these projects, with the largest being The Clackamas River Fish Channel Restoration Project of $1.174 million. Other expenditures contributing to the higher than normal spending include approximately $19,000 for insurance on rental properties originally purchased through the open spaces bond measure and $25,000 to Fairview for police services at Chinook Landing and Blue Lake Regional Park incurred during last fiscal year but not invoiced until this fiscal year. Without these extraordinary projects, spending to date would be approximately 51 percent of budget.

Capital Outlay (Non CIP) – No capital expenditures are budgeted in the operating fund in FY 2004-05.

Capital Outlay (CIP) – All capital projects have been moved to the Regional Parks Capital Fund beginning 7/01/04.

Interfund Transfers Out – Interfund transfer expense includes three primary categories – transfer of excise tax and other funding support to the Regional Parks Capital Fund for the development of four open space sites into accessible natural areas; transfers to central service fund, for allocated costs such as accounting services, legal services, risk management, building rent, information technology services, and human resource services; and transfers to other funds such as the Planning Fund for reimbursement of services received on a variety of projects. Central Service transfers are made monthly, quarterly, or semi-annually depending on type. Excise tax and other transfers are made as requested. Expenditures through the third quarter are as expected.

Regional Parks Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$3,700,311		$3,478,901	94%	$3,158,426	2,372	$3,599,184	114%
Current Revenues								
Grants	464,118	3,934	37,660	8%	698,353	70,984	83,634	12%
Intergovernmental Revenues	403,975	56,354	256,519	63%	414,361	67,295	278,279	67%
Enterprise Revenues	2,614,335	374,382	1,721,583	66%	2,458,663	402,232	1,873,430	76%
Earnings on Investments	60,000	15,715	56,834	95%	58,998	4,920	36,578	62%
Contributions and Donations	1,369,300	114,188	1,321,022	96%	277,640	300	24,675	9%
Other Miscellaneous Revenues	11,500	2,018	10,213	89%	11,500	2,240	19,999	174%
Interfund Transfers In	4,189,269	1,046,529	3,233,059	77%	3,168,349	667,075	1,996,345	63%
Subtotal Current Revenues	**9,112,497**	**1,613,119**	**6,636,890**	**73%**	**7,087,864**	**1,215,047**	**4,312,941**	**61%**
Total Resources	**$12,812,808**	**$1,613,119**	**$10,115,791**	**79%**	**$10,246,290**	**$1,217,419**	**$7,912,124**	**77%**
Requirements								
Operating Expenditures								
Personal Services	$3,409,886	$766,146	$2,451,349	72%	$3,063,164	$674,630	$2,220,854	73%
Materials and Services	3,157,022	267,857	2,338,249	74%	2,003,468	304,677	1,150,698	57%
Capital Outlay Projects (non-CIP)	0	0	0	0%	26,400	(37,489)	76,194	289%
Subtotal Operating Expenditures	6,566,908	1,034,003	4,789,598	73%	5,093,032	941,818	3,447,745	68%
Non-Operating Expenditures								
Capital Outlay Projects (CIP)	0	0	0	0%	1,073,311	216,524	252,098	23%
Interfund Transfers Out	2,902,040	1,102,810	2,517,661	87%	1,294,707	314,342	894,093	69%
Contingency	394,503	0	0	0%	86,390	0	0	0%
Subtotal Non-Operating Expenditures	3,296,543	1,102,810	2,517,661	76%	2,454,408	530,866	1,146,191	47%
Subtotal Current Expenditures	**$9,863,451**	**$2,136,813**	**$7,307,259**	**74%**	**$7,547,440**	**$1,472,684**	**$4,593,936**	**61%**
Unappropriated Balance	2,949,357		2,808,532		2,698,850		3,318,188	
Total Requirements	**$12,812,808**		**$10,115,791**		**$10,246,290**		**$7,912,124**	

MERC Operating Fund

The MERC Operating Fund contains the operating revenues and expenditures of the facilities managed by the Metro Exposition-Recreation Commission (MERC). These facilities include the Oregon Convention Center (OCC), the Portland Metropolitan Exposition Center (Expo), and the Portland Center for the Performing Arts (PCPA). The fund also includes MERC Administration. The information outlined below provides an explanation of the activities in this fund through the end of the third quarter of FY 2004-05. MERC's overall results were about as expected..

Revenues

Intergovernmental Revenue – The FY 04-05 Budget includes $7.0 million in Multnomah County Lodging Tax, with $5.74 million for Convention Center operations, and $1.26 million for PCPA. As of the end of the third quarter, 51% of the Lodging Tax has been received from Multnomah County. Indications from Multnomah County are that this revenue source will be better than last year and possibly provide some funding for PCPA that it has not funded for the past two years.

Enterprise Revenue – This classification consists of revenue that is received for the services provided by the different facilities. The $19.1 million received for the year is 80% of budget, up 5% from the prior year's 75% of budget. The actual revenues are $.1 million lower than last year as the current year budget is less than the last fiscal year budget.

Expo Center – Enterprise revenue is about 75% of budget and about what is expected.

Oregon Convention Center – At about 88% of budget, enterprise revenues are up from budget and about equal to the prior year's actuals. Overall revenues for OCC are expected to be about the same as last fiscal year in spite of a decrease in expected convention bookings for FY 2004-05. Concession revenues are tracking much higher than expected. A supplemental budget is currently in process to recognize $2.5 million more in Concession revenues to fund operating expenditures to support the increased revenues.

Portland Center for the Performing Arts – Year-to-date revenues are over 71% of budget. PCPA Broadway series is not generating as much business as originally budgeted due to lower than expected attendance and two weeks less of Broadway year-to-date.

Contributions and Donations – Included in this classification budget are contributions from the City of Portland to support the operation of PCPA for $315,000. An additional $251,000 was received this fiscal-year which represents a one-time offset for the prior year unfunded VDI lodging tax. The balance will be addressed in Portland's FY 2005-06 budget.

Expenditures

Expo Center – With current revenues at 4.2 million (76% of budget) and Operating Expenditures at about 2.7 million (68% of budget), coupled with administrative overhead and debt service transfer of 1.4 million, Expo experienced an increase in Fund Balance of about .1 million as of the third quarter. These results are about the same as last year's third quarter. Expo plans on meeting budgeted projections by year-end.

Oregon Convention Center – Current Revenues of 13 million, including hotel/motel tax receipts (73% of budget) were insufficient to fully fund expenditures of 14.6 million. The result is a reduction in ending fund balance of $1.6 million at the end of the third quarter. This is an improvement over the prior year. OCC expects to exceed expectations and add to fund balance this fiscal year, predominately from better Concession revenues. A supplemental budget is currently in process to recognize 2.6 million in additional Concession revenues.

Portland Center for the Performing Arts – With Current Revenues of 5.4 million and Operating Expenditures of 5.4 million, fund balance remains unchanged. This is better than prior year this time.

MERC Administration – Expenditures year-to-date are as expected.

Interfund Transfers Out – Expenditures are as expected.

Debt Service – Expenditures are as expected.

MERC Operating Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$10,806,745		$10,556,300	98%	$9,986,094	(2,863)	$9,768,676	98%
Current Revenues								
Intergovernmental Revenue	7,000,663	1,530,365	3,581,419	51%	7,988,680	1,484,695	3,401,051	43%
Enterprise Revenue	23,856,990	7,156,028	19,073,575	80%	25,461,276	7,838,422	19,203,542	75%
Earnings on Investments	69,503	27,038	113,890	164%	206,281	8,083	31,364	15%
Contributions and Donations	331,128	330,128	581,128	175%	324,635	0	26,950	8%
Other Miscellaneous Revenue	80,000	24,237	57,620	72%	100,000	(58,473)	(2,980)	-3%
Interfund Transfers In	536,129	45,531	136,593	25%	173,939	0	0	0%
Subtotal Current Revenues	**31,874,413**	**9,113,328**	**23,544,226**	**74%**	**34,254,811**	**9,272,727**	**22,659,927**	**66%**
Total Resources	**$42,681,158**	**$9,113,328**	**$34,100,525**	**80%**	**$44,240,905**	**$9,269,864**	**$32,428,603**	**73%**
Requirements								
Operating Expenditures								
Expo Center	$3,955,335	$1,226,890	$2,684,528	68%	$4,238,676	$1,315,159	$2,841,682	67%
Oregon Convention Center	16,466,171	4,626,385	13,460,430	82%	18,318,119	4,101,047	13,236,843	72%
Portland Center for the Performing Arts	6,448,123	1,662,092	4,845,104	75%	6,828,639	1,635,982	4,705,911	69%
MERC Administration	1,214,749	326,612	924,747	76%	1,134,664	247,608	750,069	66%
Subtotal Operating Expenditures	28,084,378	7,841,980	21,914,809	78%	30,520,098	7,299,797	21,534,504	71%
Non-Operating Expenditures								
Debt Service	22,809	0	19,992	88%	22,809	(1,810)	20,539	90%
Interfund Transfers Out	3,666,545	540,483	3,008,713	82%	3,694,943	513,161	2,668,225	72%
Contingency	2,479,849	0	0	0%	1,222,561	0	0	0%
Subtotal Non-Operating Expenditures	6,169,203	540,483	3,028,705	49%	4,940,313	511,351	2,688,764	54%
Subtotal Current Expenditures	**$34,253,581**	**$8,382,463**	**$24,943,514**	**73%**	**$35,460,411**	**$7,811,148**	**$24,223,268**	**68%**
Unappropriated Balance	8,427,577		9,157,012		8,780,494		8,205,335	
Total Requirements	**$42,681,158**		**$34,100,525**		**$44,240,905**		**$32,428,603**	

Expo Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$3,204,397		$2,539,442	79%	$2,774,973	(2,372)	$2,600,119	94%
Current Revenues								
Enterprise Revenue	5,738,321	2,292,824	4,302,870	75%	6,394,466	2,442,192	4,417,013	69%
Earnings on Investments	35,000	7,883	37,780	108%	52,269	1,027	14,899	29%
Other Miscellaneous Revenue	0	2,207	19,696	0%	0	(29,949)	(29,800)	0%
Interfund Transfers In	(182,064)	(45,516)	(136,548)	75%	(153,647)	(30,116)	(104,174)	68%
Subtotal Current Revenues	5,591,257	2,257,397	4,223,798	76%	6,293,088	2,383,154	4,297,938	68%
Total Resources	$8,795,654	$2,257,397	$6,763,240	77%	$9,068,061	$2,380,782	$6,898,057	76%
Requirements								
Operating Expenditures								
Personal Services	1,278,644	336,451	924,752	72%	1,301,286	339,849	910,398	70%
Materials and Services	2,676,691	890,438	1,759,776	66%	2,937,390	975,311	1,931,284	66%
Subtotal Operating Expenditures	3,955,335	1,226,890	2,684,528	68%	4,238,676	1,315,159	2,841,682	67%
Non-Operating Expenditures								
Interfund Transfers Out	1,560,907	58,762	1,384,798	89%	1,451,631	55,723	1,295,911	89%
Contingency	296,675	0	0	0%	169,632	0	0	0%
Subtotal Non-Operating Expenditures	1,857,582	58,762	1,384,798	75%	1,621,263	55,723	1,295,911	80%
Subtotal Current Expenditures	$5,812,917	$1,285,652	$4,069,326	70%	$5,859,939	$1,370,882	$4,137,593	71%
Unappropriated Balance	2,982,737		2,693,915		3,208,122		2,760,464	
Total Requirements	$8,795,654		$6,763,240		$9,068,061		$6,898,057	

Convention Center Operating Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$4,328,256		$4,736,133	109%	$4,485,334	(8,608)	$4,134,586	92%
Current Revenues								
Intergovernmental Revenue	5,740,961	1,193,685	2,793,507	49%	6,250,134	1,158,062	2,652,820	42%
Enterprise Revenue	11,999,695	3,496,736	10,525,696	88%	13,243,027	3,518,641	10,472,301	79%
Earnings on Investments	15,000	9,837	35,509	237%	102,000	2,574	810	1%
Other Miscellaneous Revenue	80,000	(12,786)	(29,845)	-37%	100,000	(10,705)	5,470	5%
Interfund Transfers In	(69,179)	(105,795)	(317,385)	459%	(396,751)	(111,859)	(386,933)	98%
Subtotal Current Revenues	**17,766,477**	**4,581,677**	**13,007,482**	**73%**	**19,298,410**	**4,556,714**	**12,749,417**	**66%**
Total Resources	**$22,094,733**	**$4,581,677**	**$17,743,615**	**80%**	**$23,783,744**	**$4,548,106**	**$16,884,004**	**71%**
Requirements								
Operating Expenditures								
Personal Services	6,874,627	1,726,743	5,225,140	76%	7,808,193	1,636,533	5,114,199	65%
Materials and Services	9,591,544	2,899,642	8,235,291	86%	10,509,926	2,464,515	8,122,644	77%
Capital Outlay Projects (non-CIP)	0	0	0	0%	0	0	0	0%
Subtotal Operating Expenditures	16,466,171	4,626,385	13,460,430	82%	18,318,119	4,101,047	13,236,843	72%
Non-Operating Expenditures								
Debt Service	22,809	0	19,992	88%	22,809	(1,810)	20,539	90%
Interfund Transfers Out	1,392,879	303,526	1,089,344	78%	1,570,801	289,308	867,924	55%
Contingency	1,347,698	0	0	0%	734,127	0	0	0%
Subtotal Non-Operating Expenditures	2,763,386	303,526	1,109,336	40%	2,327,737	287,498	888,463	38%
Subtotal Current Expenditures	**$19,229,557**	**$4,929,911**	**$14,569,767**	**76%**	**$20,645,856**	**$4,388,545**	**$14,125,306**	**68%**
Unappropriated Balance	2,865,176		3,173,849		3,137,888		2,758,698	
Total Requirements	**$22,094,733**		**$17,743,615**		**$23,783,744**		**$16,884,004**	

Portland Center for the Performing Arts

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$3,219,962		$3,198,087	99%	$2,572,341	8,117	$2,874,728	112%
Current Revenues								
Intergovernmental Revenue	1,259,702	336,680	787,912	63%	1,738,546	326,633	748,231	43%
Enterprise Revenue	5,946,394	1,420,078	4,208,558	71%	5,819,783	1,857,644	4,291,503	74%
Earnings on Investments	19,503	11,553	46,258	237%	48,940	4,172	13,310	27%
Contributions and Donations	331,128	330,128	581,128	175%	324,635	0	22,000	7%
Other Miscellaneous Revenue	0	34,564	66,993	0%	0	(17,820)	21,349	0%
Interfund Transfers In	(404,824)	(101,205)	(303,615)	75%	(373,143)	(73,138)	(252,994)	68%
Subtotal Current Revenues	7,151,903	2,031,799	5,387,234	75%	7,558,761	2,097,490	4,843,400	64%
Total Resources	$10,371,865	$2,031,799	$8,585,321	83%	$10,131,102	$2,105,607	$7,718,128	76%
Requirements								
Operating Expenditures								
Personal Services	3,949,998	1,002,387	3,029,982	77%	4,326,018	1,012,067	2,991,806	69%
Materials and Services	2,498,125	659,705	1,815,122	73%	2,502,621	623,915	1,714,105	68%
Subtotal Operating Expenditures	6,448,123	1,662,092	4,845,104	75%	6,828,639	1,635,982	4,705,911	69%
Non-Operating Expenditures								
Interfund Transfers Out	712,759	178,195	534,571	75%	672,511	168,130	504,390	75%
Contingency	696,561	0	0	0%	273,418	0	0	0%
Subtotal Non-Operating Expenditures	1,409,320	178,195	534,571	38%	945,929	168,130	504,390	53%
Subtotal Current Expenditures	$7,857,443	$1,840,287	$5,379,675	68%	$7,774,568	$1,804,112	$5,210,301	67%
Unappropriated Balance	2,514,422		3,205,646		2,356,534		2,507,827	
Total Requirements	$10,371,865		$8,585,321		$10,131,102		$7,718,128	

Solid Waste Revenue Fund

The Solid Waste Revenue Fund was established to track revenues and expenditures associated with the collection, recovery, and disposal of waste within the Metro boundary. The Solid Waste and Recycling department manages this fund. The information listed below provides an explanation of the activities in this fund through the third quarter of FY 2004-05.

Revenues

Enterprise Revenue – Enterprise revenue through the third quarter of the 04-05 fiscal year is higher than the prior fiscal year and the adopted 04-05 budget. This increase is due to the combined effect of an increase in regional tonnage of 6.4 percent over budget and a rate increase effective 9-01-04.

Earnings on Investments – This classification accounts for the interest earnings on the department's cash balances. At 83% of budget, earnings on investments are higher than was expected.

Miscellaneous Revenue – This classification mainly includes pass-through debt service receipts, cash over and short, and fines.

Interfund Transfers In – Budgeted Interfund Transfers are for direct costs related to the Rehabilitation and Enhancement Fund. These transfers are always made at the end of the fiscal year.

Expenditures

Personal Services – These expenditures are as expected at 73 percent of budget.

Materials and Services – These expenditures are higher than expected at 64 percent of budget. Major contracts expenditures seasonally lag one month so this represents only eight months of those major expenditures. A budget amendment is in process to increase appropriations by 1.4 million to cover increased disposal costs. Those cost increases are directly related to the increase in tonnage disposed at our facilities over what was budgeted.

Capital Outlay (Non CIP) – Expenditures in this classification are for minor repairs to Solid Waste and Recycling facilities, as well as the purchase of equipment for use by the department. Expenditures at 68% of budget are as expected.

Debt Service – Funds are for the repayment of the bonds sold to finance the construction of the Metro Central Transfer Station and the Riedel Compost Facility. The amount is considerably lower than last year but as expected year to date. Last fiscal year the defeasance of bonds in FY 2002-03 was funded July 1st of FY 2003-04.

Capital Outlay (CIP) – Capital project expenditures of 25% of budget are lower than expected. The emphasis of spending in the first half of this fiscal year was on bidding and bid analysis. The delay in Latex Paint Facility move has caused a back up of several projects. That project is expected to be complete in April. One project, the Metro South Install Sidewalk on Washington Street, is scheduled to be carried forward. Other projects that were not expected to be completed were already included in the Proposed FY 2005-06 budget.

Interfund Transfers Out – The planned transfers to central service funds for allocated costs are within expectations for the year.

Contingency – Based on recent tonnage trends, the department has requested a budget amendment in the fourth quarter of this year due to increased disposal costs from the increase in tonnage.

Solid Waste Revenue Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$30,014,392		$32,716,644	109%	$31,239,138		$34,800,955	111%
Current Revenues								
Grants	0	0	0	0%	0	504	81,409	0%
Enterprise Revenue	48,964,852	11,788,047	37,241,248	76%	49,596,153	11,975,499	36,249,094	73%
Earnings on Investments	433,084	154,345	515,885	119%	678,896	37,733	299,861	44%
Bond and Loan Proceeds	0	0	0	0%	0	0	0	0%
Other Miscellaneous Revenue	365,000	60,795	142,822	39%	365,000	31,672	104,024	28%
Interfund Transfers In	26,630	0	0	0%	130,023	0	0	0%
Subtotal Current Revenues	**49,789,566**	**12,003,187**	**37,899,956**	**76%**	**50,770,072**	**12,045,408**	**36,734,388**	**72%**
Total Resources	**$79,803,958**	**$12,003,187**	**$70,616,600**	**88%**	**$82,009,210**	**$12,045,408**	**$71,535,343**	**87%**
Requirements								
Operating Expenditures								
Personal Services	$8,585,228	$2,077,537	$6,249,847	73%	$8,680,433	$2,052,018	$6,093,872	70%
Materials and Services	34,288,136	7,504,815	21,913,388	64%	36,059,674	7,699,804	21,903,328	61%
Capital Outlay Projects (non-CIP)	187,900	62,482	127,358	68%	261,600	15,487	62,289	24%
Subtotal Operating Expenditures	43,061,264	9,644,833	28,290,593	66%	45,001,707	9,767,309	28,059,490	62%
Non-Operating Expenditures								
Debt Service	1,601,412	1,152,283	1,314,346	82%	1,861,426	73,293	4,140,311	222%
Capital Outlay Projects (CIP)	2,689,000	592,557	682,720	25%	5,010,600	576,440	3,339,700	67%
Interfund Transfers Out	4,308,854	1,049,632	3,237,353	75%	4,209,801	1,096,491	3,098,799	74%
Contingency	13,695,368	0	0	0%	10,908,338	0	0	0%
Subtotal Non-Operating Expenditures	22,294,634	2,794,472	5,234,418	23%	21,990,165	1,746,224	10,578,810	48%
Subtotal Current Expenditures	**$65,355,898**	**$12,439,305**	**$33,525,010**	**51%**	**$66,991,872**	**$11,513,533**	**$38,638,299**	**58%**
Unappropriated Balance	14,448,060		37,091,590		15,017,338		32,897,044	
Total Requirements	**$79,803,958**		**$70,616,600**		**$82,009,210**		**$71,535,343**	

Zoo Operating Fund

The Zoo Operating Fund is used to track the revenues and expenditures of the Oregon Zoo. Capital projects at the Zoo are budgeted in the Zoo Capital Fund. The information below provides some detail on the financial activity of this fund through the third quarter of FY 2004-05.

Revenues

Real Property Taxes – Revenues from Metro's voter-approved permanent rate levy. To date, 94 percent of budgeted property tax revenues have been received, higher than third quarter of last year.

Grants – Grant revenues budgeted in the current fiscal year include $72,000 from the Institute of Museum and Library Services for the ZAP program and $5,000 from the Bureau of Land Management. In December, an amendment was approved recognizing an additional $200,000 in grant revenues to fund storm water management projects at the Zoo. Work on this project, and the corresponding revenue, will be carried over into the next fiscal year.

Enterprise Revenues – Revenues received from admissions, catering, concessions, and other enterprise activities. The Zoo had a very strong second and third quarter due to the unseasonably warm weather. Attendance through the third quarter was nearly 941,000, exceeding budget by 6.8 percent. Most major revenue categories exceeded budget:

	YTD Budget	YTD Actual	% of Budget
Admissions	$3,791,017	$3,877,057	102.3%
Concessions	2,088,092	2,108,858	101.0%
Catering	1,006,911	978,123	97.1%
Railroad	329,981	332,817	100.9%
Retail	1,355,431	972,743	68.1%
Education	307,766	397,756	129.2%
Other	546,795	546,795	100.0%
Total	**$9,425,992**	**$9,164,149**	**97.2%**

Under the Gift Shop management agreement with Aramark, there is a month lag in the recognition of revenues, and as a result, retail year-to-date only includes eight months of sales.

Other includes revenue from the Simulator and Birds of Prey show. Also included with *other* is revenue from Reimbursed Services and Rentals, both associated with catering operations.

Donations – Donations are at 87 percent of budget. This includes nine months of regular OZF support at $40,000 per month. In last year's budget, the net revenue from the Simulator was included as a donation. This year, Simulator revenue is being recorded as enterprise revenue.

Interfund Transfers In – An amendment was passed in December transferring $62,280 from the General Fund for the completion of four capital maintenance projects at the Zoo.

Expenditures

Personal Services – Personal Services expenditures were 73 percent of budget, higher than the same period last year due primarily to the strong second and third quarter attendance.

Materials & Services – Materials and Services were at 61% of budget through the third quarter, consistent with the same period last year.

Capital Outlay – The budget includes $85,700 for various capital maintenance projects. In December, through a budget amendment, $200,000 in capital outlay was added for the completion of storm water management projects at the Zoo. This project is being carried over into the 2005-06 budget.

Interfund Transfers Out – This category represents transfers for central services, risk management for liability and workers compensation, and transfers to the General Revenue Bond Fund for debt service.

Zoo Operating Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$6,005,062		$6,303,382	105%	$5,202,233		$5,902,062	113%
Current Revenues								
Real Property Taxes	8,933,904	520,324	8,407,784	94%	8,822,490	518,460	8,055,073	91%
Grants	287,000	15,159	51,692	18%	0	30,900	44,963	0%
Enterprise Revenue	13,975,534	1,954,395	9,164,149	66%	13,114,025	1,694,881	8,036,835	61%
Earnings on Investments	90,076	44,154	118,312	131%	104,045	11,812	67,884	65%
Contributions and Donations	951,320	273,216	830,004	87%	1,232,000	178,615	782,958	64%
Other Miscellaneous Revenue	49,907	18,657	52,929	106%	29,756	57,051	91,382	307%
Interfund Transfers In	62,280	0	62,280	100%	0	0	0	0%
Subtotal Current Revenues	**24,350,021**	**2,825,905**	**18,687,149**	**77%**	**23,302,316**	**2,491,718**	**17,079,095**	**73%**
Total Resources	**$30,355,083**	**$2,825,905**	**$24,990,531**	**82%**	**$28,504,549**	**$2,491,718**	**$22,981,157**	**81%**
Requirements								
Operating Expenditures								
Personal Services	$12,341,572	$2,737,382	$8,985,760	73%	$13,032,647	$2,686,718	$8,936,518	69%
Materials and Services	8,424,755	1,341,508	5,144,174	61%	7,602,026	1,262,596	4,727,627	62%
Capital Outlay Projects (non-CIP)	85,700	0	81	0%	268,600	13,075	70,521	26%
Subtotal Operating Expenditures	20,852,027	4,078,890	14,130,015	68%	20,903,273	3,962,389	13,734,665	66%
Non-Operating Expenditures								
Capital Outlay Projects (CIP)	200,000	0	330	0%	0	(189)	16	0%
Interfund Transfers Out	2,790,366	621,178	2,256,510	81%	2,600,295	576,233	1,890,501	73%
Contingency	2,030,595	0	0	0%	749,744	0	0	0%
Subtotal Non-Operating Expenditures	5,020,961	621,178	2,256,840	45%	3,350,039	576,044	1,890,517	56%
Subtotal Current Expenditures	**$25,872,988**	**$4,700,068**	**$16,386,855**	**63%**	**$24,253,312**	**$4,538,433**	**$15,625,182**	**64%**
Unappropriated Balance	4,482,095		8,603,676		4,251,237		7,355,975	
Total Requirements	**$30,355,083**		**$24,990,531**		**$28,504,549**		**$22,981,157**	

Building Management Fund

The Building Management Fund was established to track the revenues and expenditures related to the operations of the Metro Regional Center and attached parking structure. This fund is an internal service fund, and as such, receives transfers from other portions of the agency as its primary revenue source. The information listed below provides an explanation of the activities in this fund through the third quarter, FY 2004-05.

Revenues

Enterprise Revenues – These revenues are received from parking fees and rental income. Through the end of November 2003, the parking structure at the Metro Regional Center had been managed by MERC. Under the agreement, MERC collected all of the parking fees and paid rent monthly to Metro. Under the current agreement, Metro receives all of the parking revenues and pays MERC to administer a contract for third party management of the parking structure. Rental income received through the third quarter was at eighty percent of budget and parking revenues were seventy-five percent. Under the parking structure management agreement there is a lag in the recognition of revenues. Revenue through the third quarter will be higher once March parking revenues have been fully reconciled and recorded.

Interfund Transfers In – This category includes indirect transfers for operations and debt service related to the Metro Regional Center. Transfers are made semi-annually for debt service and monthly for operations.

Expenditures

Personal Services – Expenditures are as anticipated through the end of the third quarter.

Materials and Services – Expenditures in this category provide for operations of Metro Regional Center and include utilities, repairs, and cleaning services. Materials and Services expenditures also include fees for management of the parking structure that were not included in FY 2003-04. As a percentage of budget, M&S spending is higher than last year primarily due to the parking management contract.

Capital Outlay – This classification includes appropriations for minor repair and remodeling for Metro Regional Center and acquisition of building maintenance equipment. None of this money was needed through the end of the third quarter.

Interfund Transfers Out – These transfers are made to the General Revenue Bond Fund to cover the debt service requirements for the Metro Regional Center and attached parking structure. In October 2003, this debt was refinanced with Full Faith & Credit refunding bonds.

Building Management Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$1,659,770		$1,684,394	101%	$1,541,439		$1,570,356	102%
Current Revenues								
Enterprise Revenue	526,834	157,744	397,824	76%	562,556	(18,539)	285,554	51%
Earnings on Investments	25,000	8,258	29,612	118%	30,000	2,123	18,811	63%
Other Miscellaneous Revenue	0	9	20	0%	0	19	55	0%
Interfund Transfers In	2,119,904	496,299	1,964,017	93%	2,209,499	995,255	2,075,009	94%
Subtotal Current Revenues	**2,671,738**	**662,311**	**2,391,472**	**90%**	**2,802,055**	**978,858**	**2,379,430**	**85%**
Total Resources	**$4,331,508**	**$662,311**	**$4,075,867**	**94%**	**$4,343,494**	**$978,858**	**$3,949,786**	**91%**
Requirements								
Operating Expenditures								
Personal Services	$311,440	$73,323	$218,825	70%	$306,549	$68,502	$205,262	67%
Materials and Services	672,345	162,268	454,870	68%	596,510	119,808	368,109	62%
Capital Outlay	15,000	0	0	0%	15,000	0	0	0%
Subtotal Operating Expenditures	998,785	235,590	673,695	67%	918,059	188,310	573,371	62%
Non-Operating Expenditures								
Interfund Transfers Out	1,607,314	343,582	1,510,314	94%	1,755,696	205,176	1,410,730	80%
Contingency	66,259	0	0	0%	40,000	0	0	0%
Subtotal Non-Operating Expenditures	1,673,573	343,582	1,510,314	90%	1,795,696	205,176	1,410,730	79%
Subtotal Current Expenditures	**$2,672,358**	**$579,172**	**$2,184,009**	**82%**	**$2,713,755**	**$393,486**	**$1,984,101**	**73%**
Unappropriated Balance	1,659,150		1,891,858		1,629,739		1,965,685	
Total Requirements	**$4,331,508**		**$4,075,867**		**$4,343,494**		**$3,949,786**	

Risk Management Fund

The Risk Management Fund was established to track the revenues and expenditures of insurance-related activities at Metro. This fund is an internal service fund, and as such, receives transfers from other portions of the agency as its primary revenue source. The information listed below provides an explanation of the activities through the third quarter FY 2004-05.

Revenues

Grants – The $10,000 grant budgeted for this fund is from the State of Oregon to assist with certain Worker's Compensation claims for injured employees.

Enterprise Revenues – Payments from departments for unemployment and health and welfare insurance. Departments pay these charges through reimbursements as a part of the fringe benefits paid per employee. Reimbursements generally lag one to two months behind payment of the health and welfare insurance premiums.

Interfund Transfers In – Interfund transfers include costs associated with the liability, property, and workers compensation programs that are allocated through the cost allocation plan. Transfers are made on a monthly basis. This fiscal year the monthly transfer schedule has been accelerated to address cash-flow concerns in the Risk Management Fund. Through the end of the third quarter, 90 percent of the transfers have been made.

Expenditures

Personal Services – The expenditures in this classification are for the staff that administers the Risk Management programs. Personal Services, as a percentage of budget, appear high through the third quarter. This is primarily due to unexpected legal work performed by Office of Metro Attorney staff and being charging directly to the fund. Beginning in FY 2004-05, staff administering the benefits program were moved to the Human Resources Department and charged through the cost allocation plan rather than to the Risk Management Fund. Overall, personal services expenditures are lower than the previous year as a result.

Materials and Services – Included in this classification are the payments of insurance premiums and other costs associated with the Risk Management functions of the agency overall. Major expenses through the third quarter included the purchase of liquor liability and property insurance, premium payments for the health and welfare program, workers compensation, and liability and property programs. Expenses are as expected through the end of the third quarter.

Risk Management Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$5,596,030		$85,933	2%	$6,442,134	40	$6,018,604	93%
Current Revenues								
Grants	10,000	5,602	5,602	56%	10,000	0	0	0%
Enterprise Revenue	5,901,190	1,547,621	3,836,555	65%	5,312,168	1,080,011	3,710,484	70%
Earnings on Investments	100,912	27,032	94,585	94%	140,000	6,651	72,059	51%
Other Miscellaneous Revenue	0	5,522	6,987	0%	0	16,710	16,710	0%
Interfund Transfers In	1,352,998	221,335	1,217,354	90%	1,000,000	250,004	750,012	75%
Subtotal Current Revenues	7,365,100	1,807,111	5,161,083	70%	6,462,168	1,353,376	4,549,266	70%
Total Resources	$12,961,130	$1,807,111	$5,247,016	40%	$12,904,302	$1,353,416	$10,567,870	82%
Requirements								
Operating Expenditures								
Personal Services	$127,500	$30,196	$101,897	80%	$303,521	$71,372	$320,442	106%
Materials and Services	8,038,881	1,827,483	5,040,324	63%	7,318,836	1,335,659	4,770,139	65%
Subtotal Operating Expenditures	8,166,381	1,857,679	5,142,222	63%	7,622,357	1,407,032	5,090,581	67%
Non-Operating Expenditures								
Contingency	534,547	0	0	0%	500,000	0	0	0%
Subtotal Non-Operating Expenditures	534,547	0	0	0%	500,000	0	0	0%
Subtotal Current Expenditures	$8,700,928	$1,857,679	$5,142,222	59%	$8,122,357	$1,407,032	$5,090,581	63%
Unappropriated Balance	4,260,202		104,794		4,781,945		5,477,289	
Total Requirements	$12,961,130		$5,247,016		$12,904,302		$10,567,870	

Support Services Fund

The Support Services Fund is an internal service fund established to track the revenues and expenditures of the departments and programs that provide services to the entire agency. As an internal service fund, transfers from other funds, as determined through the cost allocation plan, support the activities in this fund. The information outlined below provides an explanation of the activities in this fund through the third quarter FY 2004-05.

Revenues

Enterprise Revenue – This revenue is received from the Contractors Business License program. Revenues for this program are at 71 percent of budget through the end of the third quarter.

Interfund Transfers In – Transfers from other funds to support the activities in this fund. The total amount, as determined through the cost allocation plan and transfers are made on a monthly basis.

Expenditures

Finance and Administrative Services – This department includes the Accounting, Financial Planning, Risk Management, Contract Services, Property Services, and Information Technology divisions. Expenditures for this department are as expected through the third quarter.

Finance and Administrative Services – Information Technology Division – This division manages Information Technology services throughout Metro. IT expenses are as expected through the third quarter.

Human Resources – This department provides human resource services for the entire agency. Expenditures for this department were as expected through the end of the third quarter.

Public Affairs and Government Relations – Creative Services – This division of the Public Affairs department provides communications products and tools to the agency. Expenditures, at 67 percent of budget, were as expected through the end of the third quarter.

Office of the Metro Attorney – This department provides legal counsel to the Metro Council and all departments within the agency. Expenditures in this department were as expected through the end of the third quarter.

Metro Auditor – This office provides auditing services to the agency. Expenditures in this department were as expected through the end of the third quarter.

Capital Outlay (CIP) – Capital expenditures budgeted in this fund include $36,000 in the Property Services division for the purchase of two new satellite copiers and $139,000 in the IT division for upgrades to network infrastructure and server management. Through the end of the third quarter, $35,203 has been spent on copiers, and $23,740 on network and server upgrades.

Interfund Transfers Out – These include transfers for indirect costs as allocated through the cost allocation plan for the Support Services departments' use of Building Management and Risk Management services.

Support Services Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$1,050,873		$1,147,517	109%	$678,272		$772,198	114%
Current Revenues								
Grant Revenue	0	5,000	5,000	0%	0	5,000	5,000	0%
Enterprise Revenue	418,868	111,742	295,304	71%	432,000	112,883	291,661	68%
Earnings on Investments	3,500	9,668	32,443	927%	12,960	2,154	17,590	136%
Other Miscellaneous Revenue	0	9,370	11,317	0%	0	14,276	19,765	0%
Interfund Transfers In	9,679,671	2,419,926	7,259,778	75%	9,687,849	2,367,195	7,101,585	73%
Subtotal Current Revenues	**10,102,039**	**2,555,705**	**7,603,841**	**75%**	**10,132,809**	**2,501,508**	**7,435,600**	**73%**
Total Resources	**$11,152,912**	**$2,555,705**	**$8,751,359**	**78%**	**$10,811,081**	**$2,501,508**	**$8,207,799**	**76%**
Requirements								
Operating Expenditures								
Finance and Administrative Services	$3,445,949	$713,019	$2,083,338	60%	$3,683,245	$696,957	$2,109,734	57%
Finance and Administrative Services - IT	2,187,235	426,560	1,499,629	69%	2,186,329	424,407	1,492,159	68%
Human Resources	1,077,057	247,426	685,203	64%	953,682	176,571	616,826	65%
Public Affairs - Creative Services	541,122	119,581	364,959	67%	538,375	119,576	366,227	68%
Office of the Metro Attorney	1,083,292	247,063	760,181	70%	1,153,083	235,859	738,613	64%
Office of the Auditor	645,956	123,787	393,250	61%	654,940	123,100	430,488	66%
Subtotal Operating Expenditures	8,980,611	1,877,436	5,786,561	64%	9,169,654	1,776,470	5,754,047	63%
Non-Operating Expenditures								
Debt Service	0	0	0	0%	34,620	33,808	34,620	100%
Capital Outlay Projects (CIP)	193,000	2,805	59,938	31%	280,000	75,122	216,962	77%
Interfund Transfers Out	705,540	161,032	653,057	93%	756,557	314,999	668,278	88%
Contingency	1,034,261	0	0	0%	418,276	0	0	0%
Subtotal Non-Operating Expenditures	1,932,801	163,837	712,995	37%	1,489,453	423,930	919,860	62%
Subtotal Current Expenditures	**$10,913,412**	**$2,041,273**	**$6,499,556**	**60%**	**$10,659,107**	**$2,200,400**	**$6,673,907**	**63%**
Unappropriated Balance	239,500		2,251,803		151,974		1,533,892	
Total Requirements	**$11,152,912**		**$8,751,359**		**$10,811,081**		**$8,207,799**	

CAPITAL FUNDS

Capital Funds

There are five capital funds included in this section: the Regional Parks Capital Fund, the Open Spaces Fund, the Zoo Capital Fund, the Convention Center Project Capital Fund and the MERC Pooled Capital Fund. Each of these funds was established to track the revenues and expenditures related to major capital projects or capital improvements at Metro facilities.

- Regional Parks Capital Fund – Parks capital projects
- Open Spaces Fund – open spaces land purchases
- Zoo Capital Fund – Great Northwest Project, as well as other Zoo capital projects
- Convention Center Capital Fund – original construction of OCC and the expansion project
- MERC Pooled Capital Fund – major capital renewal and replacement needs for all the MERC facilities

Regional Parks Capital Fund

The Regional Parks Capital Fund was established in FY 2004-05 to account for all major capital development projects, as well as renewal and replacement of the extensive regional park infrastructure. The information outlined below provides an explanation of the activities of the fund through the third quarter of FY 2004-05.

Revenues

Grants – The budget anticipates the receipt of approximately $634,000 in grant funding for various projects. Significant grant funded projects include $300,000 for M. James Gleason Boat Ramp Renovation Phase I and approximately $334,000 for the Gales Creek/Tualatin River Confluence Restoration Project. Grants are received on a reimbursement basis. Grants are billed quarterly and received on a reimbursement basis. Grant funding for expenditures incurred in the third quarter will be received during the fourth quarter.

Donations – The budget anticipates the receipt of about $34,000 in donations related to the Gales Creek/Tualatin River Confluence Restoration Project. No donations have been received to date.

Interfund Transfer In – This category represents transfers from two primary categories – excise taxes levied in support of development of four open space sites to accessible natural areas and transfers from other funds of funding dedicated to specific projects (i.e., the Multnomah County local share funding transferred from the Open Spaces Fund). Transfers are made as requested.

Expenditures

Materials and Services – This category represents the amount budgeted for renewal and replacement projects during FY 2004-05. Through the third quarter, approximately $88,000 has been spent on the Glendoveer Fence replacement project and about $21,000 in other miscellaneous renewal and replacement projects.

Capital Outlay (CIP) – Significant capital projects anticipated in FY 2004-05 include $300,000 for M. James Gleason Boat Ramp Renovation Project, $367,740 for the Gales Creek/Tualatin River Confluence Restoration Project, $140,000 for a water play area at Blue Lake Park, and $225,000 to begin design and engineering at two of the open space sites to be developed into public parks. The Gales Creek/Tualatin River Confluence Restoration Project, the Water Play area at Blue Lake Park, and design and engineering at the Graham Oaks Nature Area Development have been carried forward to next or future years. Costs associated with other significant capital projects are expected in the last half of FY 2005-06. Through the end of the third quarter, only minimal costs associated with the completion of smaller projects have been recorded.

Regional Parks Capital Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$0		$0	0%	$0		$0	0%
Current Revenues								
Grants	633,749	0	0	0%	0	0	0	0%
Earnings on Investments	0	2,960	5,458	0%	0	0	0	0%
Donations	33,991	0	0	0%	0	0	0	0%
Interfund Transfers In	1,804,822	819,822	1,609,822	89%	0	0	0	0%
Subtotal Current Revenues	**2,472,562**	**822,782**	**1,615,280**	**65%**	**0**	**0**	**0**	**0%**
Total Resources	**$2,472,562**	**$822,782**	**$1,615,280**	**65%**	**$0**	**$0**	**$0**	**0%**
Requirements								
Operating Expenditures								
Materials and Services	620,000	12,483	121,790	20%	0	0	0	0%
Subtotal Operating Expenditures	620,000	12,483	121,790	20%	0	0	0	0%
Non-Operating Expenditures								
Capital Outlay Projects (CIP)	1,029,240	89,356	101,083	10%	0	0	0	0%
Contingency	58,500	0	0	0%	0	0	0	0%
Subtotal Non-Operating Expenditures	1,087,740	89,356	101,083	9%	0	0	0	0%
Subtotal Current Expenditures	**$1,707,740**	**$101,839**	**$222,873**	**13%**	**$0**	**$0**	**$0**	**0%**
Unappropriated Balance	764,822		1,392,407		0		0	
Total Requirements	**$2,472,562**		**$1,615,280**		**$0**		**$0**	

Open Spaces Fund

This fund is used to account for bond proceeds and expenditures related to the open spaces, parks and streams bonds. The information outlined below provides an explanation of the activities in this fund through the third quarter of FY 2004-05.

Revenues

Grants – The budget represents anticipated contributions from the National Fish & Wildlife Foundation for stabilization projects on Open Spaces properties. No grant revenues have been received through the third quarter.

Enterprise Revenue – This represents revenue received from other jurisdictions for providing real estate services. The department currently has contracts with several local jurisdictions. Revenue generated from the contracts funds the salary of one real estate negotiator. Revenues are received quarterly on a reimbursement basis. Only two quarter of revenues are recognized through March.

Interest Earnings – The interest earned on the remaining bond proceeds provides a portion of the resources that support the open spaces program. Under GASB 31 interest earnings will be adjusted at year-end to fair market value of investments as of June 30th.

Miscellaneous Revenue – Represents the first two payments from the Zoo to reimburse the department for use of the land associated with the Condor breeding facility.

Expenditures

Personal Services – Expenditures in this classification are for the staffing that is required for the open space acquisition services, including the due diligence staff. Expenditures are as anticipated through the third quarter.

Materials and Services – The major expenditures in this classification, payments of local share funds to local jurisdictions, are paid as requests are received for reimbursement. At the end of the third quarter, approximately $20,000 in outstanding local share projects remain (not including Multnomah County local share managed by Metro). Other major projects are related to stabilization activities on purchased properties.

Capital Outlay (CIP) – Expenditures are for the purchase of land. Actual expenditures are subject to negotiations with landowners.

Interfund Transfers Out – Transfers out of the Open Spaces Fund include expenditures for Multnomah County local share projects and for central services. Local share transfers are made quarterly as expenses are incurred. Central service transfers are made monthly, quarterly, or semi-annually depending on type.

Open Spaces Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$6,678,356		$5,564,935	83%	$10,851,057		$9,415,427	87%
Current Revenues								
Grants	200,000	0	0	0%	200,000	0	0	0%
Enterprise Revenue	55,000	11,665	24,632	45%	0	16,975	26,983	0%
Earnings on Investments	91,600	44,776	117,801	129%	85,000	(8,776)	46,112	54%
Donations	0	0	5,000	0%	0	0	0	0%
Other Miscellaneous Revenues	0	46,512	46,512	0%	0	1,300	1,300	0%
Interfund Transfers In	0	0	0	0%	0	0	4,657	0%
Subtotal Current Revenues	346,600	102,953	193,945	56%	285,000	9,500	79,053	28%
Total Resources	$7,024,956	$102,953	$5,758,880	82%	$11,136,057	$9,500	$9,494,480	85%
Requirements								
Operating Expenditures								
Personal Services	$494,137	$109,351	$347,014	70%	$520,617	$116,245	$360,159	69%
Materials and Services	1,270,395	42,536	374,211	29%	2,112,643	132,011	578,138	27%
Subtotal Operating Expenditures	1,764,532	151,887	721,224	41%	2,633,260	248,256	938,298	36%
Non-Operating Expenditures								
Capital Outlay Projects (CIP)	3,096,940	343,434	833,226	27%	5,137,300	626,662	1,047,330	20%
Interfund Transfers Out	608,749	62,658	476,277	78%	1,009,078	99,547	243,290	24%
Contingency	174,735	0	0	0%	250,000	0	0	0%
Subtotal Non-Operating Expenditures	3,880,424	406,092	1,309,503	34%	6,396,378	726,208	1,290,619	20%
Subtotal Current Expenditures	$5,644,956	$557,978	$2,030,727	36%	$9,029,638	$974,464	$2,228,917	25%
Unappropriated Balance	1,380,000		3,728,153		2,106,419		7,265,563	
Total Requirements	$7,024,956		$5,758,880		$11,136,057		$9,494,480	

Zoo Capital Fund

This fund is used to account for expenditures related to capital projects at the Oregon Zoo. The information outlined below provides an explanation of the activities in this fund through the third quarter FY 2004-05.

Revenues

Contributions and Donations – Major Contributions and Donations in the third quarter included $130,246 in donations to fund the Condor Creek Conservation Facility and $3,567 for completion of the Great Northwest project.

Expenditures

Personal Services – Personal Services spending through the third quarter was for the salary of the Capital Projects Designer.

Capital Outlay (CIP) – Capital spending through the third quarter was primarily for completion of the final tasks on the Family Farm and Eagle Salmon exhibits and for work at the Condor Creek Conservation Facility.

Zoo Capital Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$3,698,288		$4,640,828	125%	$6,110,661		$6,407,568	105%
Current Revenues								
Grants	0	0	46,985	0%	0	0	135,000	0%
Earnings on Investments	55,474	21,425	75,846	137%	122,213	7,119	63,802	52%
Contributions and Donations	1,100,000	133,813	441,674	40%	2,000,000	1,266,381	1,362,045	68%
Subtotal Current Revenues	**1,155,474**	**155,239**	**564,505**	**49%**	**2,122,213**	**1,273,499**	**1,560,847**	**74%**
Total Resources	**$4,853,762**	**$155,239**	**$5,205,333**	**107%**	**$8,232,874**	**$1,273,499**	**$7,968,415**	**97%**
Requirements								
Operating Expenditures								
Personal Services	$71,083	$16,741	$44,624	63%	$96,819	$16,102	$93,362	96%
Subtotal Operating Expenditures	71,083	16,741	44,624	63%	96,819	16,102	93,362	96%
Non-Operating Expenditures								
Capital Outlay Projects (CIP)	3,000,000	109,983	277,902	9%	4,742,862	1,234,451	2,381,788	50%
Contingency	505,648	0	0	0%	500,000	0	0	0%
Subtotal Non-Operating Expenditures	3,505,648	109,983	277,902	8%	5,242,862	1,234,451	2,381,788	45%
Subtotal Current Expenditures	**$3,576,731**	**$126,724**	**$322,526**	**9%**	**$5,339,681**	**$1,250,553**	**$2,475,150**	**46%**
Unappropriated Balance	1,277,031		4,882,808		2,893,193		5,493,265	
Total Requirements	**$4,853,762**		**$5,205,333**		**$8,232,874**		**$7,968,415**	

Convention Center Project Capital Fund

This fund was used to account for revenues and expenditures related to the expansion of the Oregon Convention Center. The information outlined below provides an explanation of the activities in this fund through the third quarter FY 2004-05. This project finished on schedule and opened April 2003, and the fund has been closed with the transfer of $278,259 in fund balance to MERC Pooled Capital Fund.

Revenues

Interest Earnings **–** The interest earned on fund balance.

Expenditures

Interfund Transfers Out **–** A budget of $385,000 was created to allow this fund to close at the beginning of FY 2004-05. The actual of $278,259 was transferred to the MERC Pooled Capital Fund and is devoted to any residual claims from the Convention Center expansion.

Convention Center Project Capital Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$385,000		$275,496	72%	$1,564,870		$1,939,119	124%
Current Revenues								
Earnings on Investments	0	0	2,763	0%	130	2,137	25,578	19676%
Interfund Transfers In	0	0	0	0%	260,000	0	0	0%
Subtotal Current Revenues	**0**	**0**	**2,763**	**0%**	**260,130**	**2,137**	**150,244**	**58%**
Total Resources	**$385,000**	**$0**	**$278,259**	**72%**	**$1,825,000**	**$2,137**	**$2,089,364**	**114%**
Requirements								
Operating Expenditures								
Personal Services	$0	$0	$0	0%	$116,300	($32)	$96,761	83%
Materials and Services	0	0	0	0%	2,300	0	803	35%
Subtotal Operating Expenditures	0	0	0	0%	118,600	(32)	97,564	82%
Non-Operating Expenditures								
Capital Outlay Projects (CIP)	0	0	0	0%	1,706,400	214,501	1,490,121	87%
Interfund Transfers Out	385,000	0	278,259	72%	0	0	0	0%
Subtotal Non-Operating Expenditures	385,000	0	278,259	72%	1,706,400	214,501	1,490,121	87%
Subtotal Current Expenditures	**$385,000**	**$0**	**$278,259**	**72%**	**$1,825,000**	**$214,469**	**$1,587,685**	**87%**
Unappropriated Balance	0		0		0		501,679	
Total Requirements	**$385,000**		**$278,259**		**$1,825,000**		**$2,089,364**	

MERC Pooled Capital Fund

This fund is used as a reserve fund for future major capital renewal and replacement needs for all the MERC facilities. The MERC Pooled Capital Fund budgets and accounts for those projects authorized and funded through MERC's capital planning process that identifies the mission, direction, and future facility needs of all MERC facilities. The information outlined below provides an explanation of the activities in this fund through the third quarter of FY 2004-05.

Revenues

Charges for Services – This classification records the contribution of Clarity Visual Systems Inc., the vendor for the Video Screen project.

Contributions from Other Governments – The revenues in this classification consist of contributions from the City of Portland to support the capital needs of PCPA.

Interest Earnings – The interest earned on fund balance.

Interfund Transfers In – Included in this category are the transfers from the three MERC facilities to cover planned capital improvements, the transfer of the $.50 a ton Solid Waste Excise tax dedicated for capital projects that promote the Convention Center's marketability, and the one-time transfer of the $278,000 balance remaining from the Oregon Convention Center Expansion.

Expenditures

Personal Services – Expenditures in this classification are for staffing required to manage the capital projects. Expenses in this category are 73% of budget, about what is expected.

Materials and Services – These expenditures represent the renewal and replacement projects that are not classified as capital outlay.

Capital Outlay (non-CIP) – These are small projects the facilities will complete during the year. Expenditures are about what is expected. About $37,000 of the total is the Parking Lot Maintenance that is a CIP project.

Capital Outlay (CIP) –MERC has budgeted a variety of projects for its facilities in this fiscal year's Capital Budget. Of the $3.4 million budget, $697,833 has been expended through March 31, 2005. Significant of these are $269,250 for the Video Screens for OCC, $162,6667 for the NTB- Restaurant & Bar Install and $39,533 for Canvas Tents for OCC. Of the $3.4 million budget, $1.6 million worth of projects are being carried forward into FY 2005-06. Significant in those carry forwards is a reduced LEED Certification project. The Chillers in this project can be retrofitted at a lower cost than replacement. Finally, the Audio Visual Head Room at OCC is failing and is emerging as an urgent project for FY 2005-06.

MERC Pooled Capital Fund

As of March 31, 2005

	Amended Budget 2004-05	Actuals Qtr 3 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 3 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	$4,714,622		$3,510,684	74%	$2,017,297	451	$4,479,989	222%
Current Revenues								
Charges for Service	88,000	0	88,000	100%	0	0	0	0%
Contributions from Governments	321,484	331,128	331,128	103%	3,208,931	0	0	0%
Earnings on Investments	67,779	16,556	54,662	81%	98,220	4,411	42,911	44%
Donations	627,775	0	0	0%	527,520	0	0	0%
Other Miscellaneous Revenue	0	77,833	77,833	0%	0	34,018	34,018	0%
Special & Extraordinary Items	0	44,770	44,770	0%	0	0	0	0%
Interfund Transfers In	1,185,106	0	961,009	81%	253,580	0	0	0%
Subtotal Current Revenues	**2,290,144**	**470,287**	**1,557,401**	**68%**	**4,088,251**	**38,429**	**76,929**	**2%**
Total Resources	**$7,004,766**	**$470,287**	**$5,068,085**	**72%**	**$6,105,548**	**$38,880**	**$4,556,918**	**75%**
Requirements								
Operating Expenditures								
Personal Services	$406,287	$116,115	$295,348	73%	$493,048	$72,805	$244,951	50%
Materials and Services	10,000	0	0	0%	35,000	0	1,177	3%
Capital Outlay Projects (non-CIP)	355,600	0	83,647	24%	449,580	370	73,647	16%
Subtotal Operating Expenditures	771,887	116,115	378,995	49%	977,628	73,175	319,775	33%
Non-Operating Expenditures								
Capital Outlay Projects (CIP)	3,440,750	140,990	697,833	20%	1,940,000	91,938	1,085,222	56%
Interfund Transfers Out	354,000	0	0	0%	0	0	0	0%
Contingency	387,581	0	0	0%	750,000	0	0	0%
Subtotal Non-Operating Expenditures	4,182,331	140,990	697,833	17%	2,690,000	91,938	1,085,222	40%
Subtotal Current Expenditures	**$4,954,218**	**$257,105**	**$1,076,829**	**22%**	**$3,667,628**	**$165,113**	**$1,404,997**	**38%**
Unappropriated Balance	2,050,548		3,991,256		2,437,920		3,151,922	
Total Requirements	**$7,004,766**		**$5,068,085**		**$6,105,548**		**$4,556,918**	

EXCISE TAX

Excise Tax Overview

Metro's excise tax is received from users of Metro facilities and services in accordance with the Metro Charter and Metro Code. The tax is recorded as revenue in the General Fund. This tax supports the general government activities of Metro, and also supports activities in the Planning and Regional Parks Departments. In FY 2004-05, it also began supporting the Oregon Convention Center to increase its competitiveness in the tourism market. The FY 2004-05 budget was adopted assuming an excise tax rate of 7.5 percent on all authorized revenues with the exception of the solid waste revenues, which are calculated on a per ton rate. For the first two months of FY 2004-05, the per ton rate was $6.61. This rate included about $1.03 per ton dedication to Regional Parks. On September 1, 2004, the rate increased to $8.58, providing an additional $1.50 per ton for Regional Parks and resetting the $1.03 to $1.00, as well as providing $.50 per ton for a dedicated piece of General Fund Contingency to support competitiveness at the Oregon Convention Center by creating the Tourism Opportunity & Competitiveness Account.

Excise tax receipts exceeded budget through the third quarter of this fiscal year. Most of the increase was from Solid Waste, which had an overall tonnage increase of 6.4 percent over what was budgeted. Expenditure of excise taxes derived from solid waste activities is limited by Code and certain amounts of the per ton increase are dedicated. Third quarter projections indicate there will be a slight over collection in unrestricted excise tax of about $124,000. Lower than projected revenues for The Oregon Zoo, Regional Parks, and the Expo Center are offset by much better results for the Convention Center. Though lower than projected, The Oregon Zoo and Regional Parks improved over second quarter results.

The table on page 52 is a forecast of the General Fund through the end of the fiscal year. The actual beginning fund balance was about $526,374 higher than budgeted; $489,228 of the increase is unrestricted and $34,591 is restricted to the Solid Waste Recovery Rate Stabilization Reserve. Excise tax revenues are projected to be $1,452,053 higher than budget at the end of the fiscal year. This will result in a $124,011 increase in General Fund unrestricted Excise Tax, $1,106,678 additional contribution to the Recovery Rate Stabilization Reserve, $186,753 for Regional Parks projects, and $34,611 additional for the OCC Tourism Opportunity and Competitiveness Fund.

The net result of the above, coupled with full budgeted expenditures and an expected 5% underspending in Support Services, is a projected $2,130,024 increase, above budget, to the Ending Fund Balance: approximately $667,703 to the unrestricted balance, $1,138,348 to the Recovery Rate Stabilization Reserve, $34,665 to the Tourism Opportunity and Competitiveness Account, $286,753 reserved for projects ($100,000 to carry forward funding for Legal Notifications and Strategic Planning to FY 2005-06 and $186,753 for Regional Parks projects), and $2,600 to the PERS Reserve.

Excise Tax Year-to-Date

Third Quarter:

The excise taxes received through the third quarter are higher than budgeted as a result of higher than budgeted Solid Waste receipts and higher Oregon Convention Center receipts. Projections based on year-to-date actuals indicate excise taxes available for spending will be 1.03 percent above budget, a small improvement over the first quarter. Solid Waste and Recycling, Planning, and the Oregon Convention Center generated more tax than budgeted, and all other departments had shortfalls.

- *Solid Waste and Recycling* – Actual excise tax came in higher from increased tonnage at all facilities, resulting in an expected additional contribution to the General Fund Recovery Rate Stabilization Reserve on an annual basis of about $1,106,678 and additional available to Regional Parks of $186,753 and to the Oregon Convention Center Tourism Account of $34,611.

- *Oregon Zoo* – The excise tax received from Zoo operations through the third quarter is about 2 percent lower than anticipated, an improvement over second quarter's 6 percent shortfall.

- *Oregon Convention Center* – The Convention Center had a continued good year, exceeding expectations by 20 percent.

- *Regional Parks* – The excise tax received through the third quarter is lower than expected due to lower greens fees and parks revenues because of poor weather.

- *Expo Center* – The receipts are about 9 percent lower than what was anticipated through the third quarter.

- *Planning Department* – The excise tax received from the Planning Department is mostly a result of the activities of the Data Resource Center (DRC), which is higher than budgeted.

- *Building Management* – The excise tax receipts from this fund are as expected.

Actual Receipts through the Third Quarter: This chart represents actual excise tax receipts through March 31, 2005.

EXCISE TAX RECEIVED ACTUAL YTD VS PLAN YTD
As of March 31, 2005

	YTD Estimate	Actual	Difference	% Difference
SW&R Metro Facilities	3,135,454	3,445,911	310,457	9.90%
SW&R Non Metro Facilities	3,420,963	3,879,738	458,775	13.41%
Oregon Zoo	701,291	689,952	(11,339)	-1.62%
Oregon Convention Center	655,508	786,937	131,429	20.05%
Regional Parks	144,934	141,780	(3,154)	-2.18%
Expo Center	353,423	321,715	(31,708)	-8.97%
Planning Fund	8,073	11,481	3,408	42.21%
Building Management	29,635	29,839	204	0.69%
Total YTD	**$ 8,449,281**	**$ 9,307,353**	**$ 858,072**	**10.16%**

Revised Annual Forecast
as of month ending March 31, 2005

Facility/Function	FY 2004-05 Budget	Revised Annual Forecast	Difference	% Difference
SW&R Metro Facilities	4,196,770	4,871,893	675,123	16.09%
SW&R Non Metro Facilities	5,270,097	5,922,972	652,875	12.39%
Oregon Zoo	1,048,165	1,031,217	(16,948)	-1.62%
Oregon Convention Center	893,158	1,072,236	179,078	20.05%
Regional Parks	194,425	190,193	(4,232)	-2.18%
Expo Center	430,374	391,762	(38,612)	-8.97%
Planning Fund	10,651	15,147	4,496	42.21%
Building Management	39,513	39,785	272	0.69%
Total YTD	**$ 12,083,153**	**$ 13,535,206**	**$ 1,452,053**	**12.02%**
Recov Rate Stabilization Res		1,106,678	1,106,678	
Extra to Parks ($2,748,066 Orig Est)		186,753	186,753	
Extra to Tour Opp & Comp Fund ($504,306)		34,611	34,611	
Net Available Excise Tax	**$ 12,083,153**	**$ 12,207,164**	**$ 124,011**	**1.03%**
Recovery Rate Stab Reserve Beginning Balance			**$ 443,712**	
Projected Contribution FY 2004-05			**$ 1,106,678**	
Projected Balance 6/30/05			**$ 1,550,390**	
10% of Prior Two Years			**$ 1,546,934**	

GENERAL FUND
through March 31, 2005 - Third Quarter with Adjustments

	Amended Budget	Estimated Actuals		*$ Change from Budget*	*% Change*	
RESOURCES						
Beginning Fund Balance						
Undesignated Carryover	*1,223,246*	*1,712,474*	(1)	*489,228*	*39.99%*	*(1) Beginning fund balance has been adjusted to reflect the final audited FY 2003-04 ending fund balance.*
Project Carryover	50,000	50,000	(2)	-	0.00%	
Rate Stabilization Reserve	640,749	675,340		34,591	5.40%	
Zoo Project	63,000	63,000		-	0.00%	*(2) $50,000 carried forward for Strategic Planning*
Prior Year PERS Reserve	58,550	61,105	(3)	2,555	4.36%	*(3) Prior year PERs Reserve adjusted to actual.*
Total Beginning Fund Balance	2,035,545	2,561,919		526,374	25.86%	*(4) Projected Excise Tax as of 3rd Quarter. Excise tax generated from solid waste is higher than budget contributing an additional $1,452,053 to the fund. Approximately $186,753 of this amount is dedicated to the Regional Parks department and $34,611 the Tourism Opportunity & Competitiveness Account in the form of dedicated per ton Excise Tax. The remaining will be deposited in the General Fund Recovery Rate Stabilization Reserve (RRSR) per Metro Code. Excise tax generated at all other facilities is currently forecasted above budget approximately $124,011 resulting in a increase in the undesignated reserve.*
Current Revenues						
Excise Taxes	12,083,153	13,535,206	(4)	1,452,053	12.02%	
Interest	25,000	25,000		-	0.00%	
Transfers In	291,550	291,550		-	0.00%	
Subtotal Current Revenues	12,399,703	13,851,756		1,452,053	11.71%	
TOTAL RESOURCES	14,435,248	16,413,675		1,978,427	13.71%	
REQUIREMENTS						
Operating Expenditures						
Council Office	1,435,201	1,410,201	(5)	(25,000)	-1.74%	*(5) Operating Expenditures are as budgeted less the technical amendment to carry forward $25,000.*
Public Affairs Department	665,991	665,991		-	0.00%	
Special Appropriations	265,000	190,000	(6)	(75,000)	-28.30%	*(6) Special Appropriations estimate a $75,000 underspending in the Legal Notifications for Measure 36.*
	2,366,192	2,266,192		(100,000)	-4.23%	
Non-Op Subtotal Operating Expenditures						*(7) Central Service Transfers assume a 5% underspending.*
Central Service Transfers	1,031,945	980,348	(7)	(51,597)	-5.00%	
Excise Tax Transfers	9,076,373	9,076,373	(8)	-	0.00%	*(8) Excise Tax Transfers adjusted for $62,280 Bud Amend for Zoo, and $504,000 MTOCA transfer to OCC in the amended budget and forecast.*
	10,108,318	10,056,721		(51,597)	-0.51%	
Total Expenditures	12,474,510	12,322,913		(151,597)	-1.22%	
Ending Fund Balance (Incl. Budgeted contingency)						
Rate Stabilization Reserve	*412,042*	*1,550,390*	(9)	*1,138,348*	*276.27%*	*(9) Actual beginning fund balance and projected activity through FY 2004-05.*
Reserve for Projects	-	*286,753*		*286,753*	*n/a*	
Undesignated Reserve	*1,403,081*	*2,070,784*		*667,703*	*47.59%*	
Tourism Opportunity & Competitiveness	*307*	*34,972*	(10)	*34,665*	*11291.53%*	*(10) Estimated increase in per ton Excise Tax dedicated to this account from increased tonnage.*
PERS Reserve	*145,308*	*147,863*		*2,555*	*1.76%*	
TOTAL REQUIREMENTS	14,435,248	16,413,675		1,978,427	13.71%	

SPENDING vs APPROPRIATIONS

This section provides a comparison of the appropriation level with the actual spending through the end of the third quarter FY 2004-05. The appropriation level is the legal expenditure limit as prescribed in Oregon Budget Law. When expenditures are audited at the end of the fiscal year, compliance with this level of appropriations is one of the primary criteria audited.

FY 2004-2005
Budget Appropriations vs Expenditures
As of March 31, 2005

	Adopted Budget	Amended Budget	Year to Date Expenditures	% Expended	Balance Remaining
Building Manangement Fund					
Operating Expenses (PS & M&S)	$983,785	$983,785	$673,695	68.48%	$310,090
Capital Outlay	15,000	15,000	0	0.00%	15,000
Interfund Transfers	1,607,314	1,607,314	1,510,314	93.97%	97,000
Contingency	66,259	66,259	0	0.00%	66,259
Unappropriated Balance	1,659,150	1,659,150	0	0.00%	1,659,150
Total Fund Requirements	**$4,331,508**	**$4,331,508**	**$2,184,009**	**50.42%**	**$2,147,499**
Convention Center Capital Fund					
Interfund Transfers	$385,000	$385,000	$278,259	72.28%	$106,741
Total Fund Requirements	**$385,000**	**$385,000**	**$278,259**	**72.28%**	**$106,741**
General Fund					
Council Office/Public Affairs					
Operating Expenses (PS & M&S)	$2,101,192	$2,101,192	$1,390,889	66.20%	$710,303
	2,101,192	2,101,192	1,390,889	66.20%	710,303
Special Appropriations					
Materials & Services	265,000	265,000	122,884	46.37%	142,116
	265,000	265,000	122,884	46.37%	142,116
General Expenses					
Interfund Transfers	9,542,038	10,108,318	7,784,616	77.01%	2,323,702
Contingency	1,212,615	646,335	0	0.00%	646,335
	10,754,653	10,754,653	7,784,616	72.38%	2,970,037
Unappropriated Balance	1,314,403	1,314,403	0	0.00%	1,314,403
Total Fund Requirements	**$14,435,248**	**$14,435,248**	**$9,298,389**	**64.41%**	**$5,136,859**

	Adopted Budget	Amended Budget	Year to Date Expenditures	% Expended	Balance Remaining
General Obligation Debt Service Fund					
Debt Service	$18,174,887	$18,174,887	$18,174,886	100.00%	1
Unappropriated Balance	9,814,193	9,814,193	0	0.00%	9,814,193
Total Fund Requirements	**$27,989,080**	**$27,989,080**	**$18,174,886**	**64.94%**	**$9,814,194**
General Revenue Bond Fund					
Project Account					
Capital Outlay - Washington Park Parking Lot	178,988	178,988	0	0.00%	178,988
	178,988	178,988	0	0.00%	178,988
Debt Service Account					
Debt Service - Metro Regional Center	1,510,314	1,510,314	1,510,314	100.00%	0
Debt Service - Expo Center Hall D	1,208,508	1,208,508	1,208,508	100.00%	0
Debt Service - Washington Park Parking Lot	420,242	420,242	420,241	100.00%	1
	3,139,064	3,139,064	3,139,063	100.00%	1
General Expenses					
Contingency	300,000	300,000	0	0.00%	300,000
	300,000	300,000	0	0.00%	300,000
Unappropriated Balance	392,594	392,594	0	0.00%	392,594
Total Fund Requirements	**$4,010,646**	**$4,010,646**	**$3,139,063**	**78.27%**	**$871,583**
MERC Operating Fund					
Operating Expenses (PS & M&S)	$28,084,378	$28,084,378	$21,914,809	78.03%	$6,169,569
Debt Service	22,809	22,809	19,992	87.65%	2,817
Interfund Transfers	3,666,545	3,666,545	3,008,713	82.06%	657,832
Contingency	2,479,849	2,479,849	0	0.00%	2,479,849
Unappropriated Balance	8,427,577	8,427,577	0	0.00%	8,427,577
Total Fund Requirements	**$42,681,158**	**$42,681,158**	**$24,943,514**	**58.44%**	**$17,737,644**

	Adopted Budget	Amended Budget	Year to Date Expenditures	% Expended	Balance Remaining
MERC Pooled Capital Fund					
Operating Expenses (PS & M&S)	$416,287	$416,287	$295,348	70.95%	$120,939
Capital Outlay	3,142,350	3,796,350	781,480	20.59%	3,014,870
Interfund Transfers	354,000	354,000	0	0.00%	354,000
Contingency	537,581	387,581	0	0.00%	387,581
Unappropriated Balance	2,050,548	2,050,548	0	0.00%	2,050,548
Total Fund Requirements	**$6,500,766**	**$7,004,766**	**$1,076,829**	**15.37%**	**$5,927,937**
Open Spaces Fund					
Operating Expenses (PS & M&S)	$1,764,532	$1,764,532	$721,224	40.87%	$1,043,308
Capital Outlay	3,096,940	3,096,940	833,226	26.90%	2,263,714
Interfund Transfers	608,749	608,749	476,277	78.24%	132,472
Contingency	174,735	174,735	0	0.00%	174,735
Unappropriated Balance	1,380,000	1,380,000	0	0.00%	1,380,000
Total Fund Requirements	**$7,024,956**	**$7,024,956**	**$2,030,727**	**28.91%**	**$4,994,229**
Pioneer Cemetery Perpetual Care Fund					
Unappropriated Balance	$133,173	$133,173	$0	0.00%	$133,173
Total Fund Requirements	**$133,173**	**$133,173**	**$0**	**0.00%**	**$133,173**
Planning Fund					
Operating Expenses (PS & M&S)	$15,662,444	$15,910,346	$6,374,283	40.06%	$9,536,063
Capital Outlay	47,000	47,000	0	0.00%	47,000
Interfund Transfers	2,189,991	2,189,991	1,757,941	80.27%	432,050
Contingency	786,840	688,938	0	0.00%	688,938
Unappropriated Balance	90,000	90,000	0	0.00%	0
Total Fund Requirements	**$18,776,275**	**$18,926,275**	**$8,132,224**	**42.97%**	**$10,704,051**

	Adopted Budget	Amended Budget	Year to Date Expenditures	% Expended	Balance Remaining
Regional Parks Capital Fund					
Operating Expenses (PS & M&S)	$620,000	$620,000	$121,790	19.64%	$498,210
Capital Outlay	1,087,740	1,029,240	101,083	9.82%	928,157
Contingency	0	58,500	0	0.00%	58,500
Unappropriated Balance	764,822	764,822	0	0.00%	764,822
Total Fund Requirements	**$2,472,562**	**$2,472,562**	**$222,873**	**9.01%**	**$2,249,689**
Regional Parks Operating Fund					
Operating Expenses (PS & M&S)	$4,879,860	$6,566,908	$4,789,598	72.94%	$1,777,310
Interfund Transfers	2,902,040	2,902,040	2,517,661	86.75%	384,379
Contingency	493,908	394,503	0	0.00%	394,503
Unappropriated Balance	2,940,082	2,949,357	0	0.00%	2,949,357
Total Fund Requirements	**$11,215,890**	**$12,812,808**	**$7,307,259**	**57.03%**	**$5,505,549**
Regional Parks Special Accounts Fund					
Operating Expenses (PS & M&S)	$225	$225	$0	0.00%	$225
Interfund Transfers	70,000	70,000	0	0.00%	70,000
Unappropriated Balance	370,864	370,864	0	0.00%	370,864
Total Fund Requirements	**$441,089**	**$441,089**	**$0**	**0.00%**	**$441,089**
Rehabilitation & Enhancement Fund					
Materials & Services	$534,151	$534,151	$303,895	56.89%	$230,256
Interfund Transfers	26,630	26,630	0	0.00%	26,630
Contingency	300,000	300,000	0	0.00%	300,000
Unappropriated Balance	1,482,986	1,482,986	0	0.00%	1,482,986
Total Fund Requirements	**$2,343,767**	**$2,343,767**	**$303,895**	**12.97%**	**$2,039,872**

	Adopted Budget	Amended Budget	Year to Date Expenditures	% Expended	Balance Remaining
Risk Management Fund					
Operating Expenses (PS & M&S)	$8,166,381	$8,166,381	$5,142,222	62.97%	$3,024,159
Contingency	534,547	534,547	0	0.00%	534,547
Unappropriated Balance	4,260,202	4,260,202	0	0.00%	4,260,202
Total Fund Requirements	**$12,961,130**	**$12,961,130**	**$5,142,222**	**39.67%**	**$7,818,908**
Smith and Bybee Lakes Fund					
Operating Expenses (PS & M&S)	$20,148	$20,148	$9,186	45.59%	$10,962
Capital Outlay	801,349	801,349	468,750	58.50%	332,599
Interfund Transfers	25,000	25,000	0	0.00%	25,000
Contingency	822	822	0	0.00%	822
Unappropriated Balance	3,594,145	3,594,145	0	0.00%	3,594,145
Total Fund Requirements	**$4,441,464**	**$4,441,464**	**$477,936**	**10.76%**	**$3,963,528**

	Adopted Budget	Amended Budget	Year to Date Expenditures	% Expended	Balance Remaining
Solid Waste Revenue Fund					
Operating Account					
Operating Expenses (PS & M&S)	$41,994,564	$41,994,564	$28,116,200	66.95%	$13,878,364
	41,994,564	41,994,564	28,116,200	66.95%	13,878,364
Debt Service Account					
Debt Service	1,251,412	1,251,412	1,251,413	100.00%	(1)
	1,251,412	1,251,412	1,251,413	100.00%	(1)
Landfill Closure Account					
Materials & Services	178,800	178,800	47,035	26.31%	131,765
Capital Outlay	401,900	401,900	60,550	15.07%	341,350
	580,700	580,700	107,585	18.53%	473,115
Renewal and Replacement Account					
Capital Outlay	1,514,000	1,514,000	93,569	6.18%	1,420,431
	1,514,000	1,514,000	93,569	6.18%	1,420,431
General Account					
Capital Outlay	961,000	961,000	655,959	68.26%	305,041
	961,000	961,000	655,959	68.26%	305,041
Master Project Account					
Debt Service	350,000	350,000	62,933	17.98%	287,067
	350,000	350,000	62,933	17.98%	287,067
Recycling Business Assistance Account					
Materials & Services	700,000	700,000	0	0.00%	700,000
	700,000	700,000	0	0.00%	700,000
General Expenses					
Interfund Transfers	4,308,854	4,308,854	3,237,353	75.13%	1,071,501
Contingency	13,695,368	13,695,368	0	0.00%	13,695,368
	18,004,222	18,004,222	3,237,353	17.98%	14,766,869
Unappropriated Balance	14,448,060	14,448,060	0	0.00%	14,448,060
Total Fund Requirements	**$79,803,958**	**$79,803,958**	**$33,525,010**	**42.01%**	**$46,278,948**

	Adopted Budget	Amended Budget	Year to Date Expenditures	% Expended	Balance Remaining
Support Services Fund					
Human Resources					
Operating Expenses (PS & M&S)	$1,077,057	$1,077,057	$685,203	63.62%	$391,854
	1,077,057	1,077,057	685,203	63.62%	391,854
Finance & Administrative Services					
Operating Expenses (PS & M&S)	5,628,184	5,628,184	3,565,195	63.35%	2,062,989
Capital Outlay	180,000	198,000	77,711	39.25%	120,289
	5,808,184	5,826,184	3,642,906	62.53%	2,183,278
Public Affairs - Creative Services					
Operating Expenses (PS & M&S)	541,122	541,122	364,959	67.44%	176,163
	541,122	541,122	364,959	67.44%	176,163
Office of Metro Attorney					
Operating Expenses (PS & M&S)	1,083,292	1,083,292	760,181	70.17%	323,111
	1,083,292	1,083,292	760,181	70.17%	323,111
Office of the Auditor					
Operating Expenses (PS & M&S)	645,956	645,956	393,250	60.88%	252,706
	645,956	645,956	393,250	60.88%	252,706
General Expenses					
Interfund Transfers	705,540	705,540	653,057	92.56%	52,483
Contingency	1,052,261	1,034,261	0	0.00%	1,034,261
	1,757,801	1,739,801	653,057	37.54%	1,086,744
Unappropriated Balance	239,500	239,500	0		
Total Fund Requirements	**$11,152,912**	**$11,152,912**	**$6,499,556**	**58.28%**	**$4,413,856**

	Adopted Budget	Amended Budget	Year to Date Expenditures	% Expended	Balance Remaining
Zoo Capital Fund					
Operating Expenses (PS & M&S)	$71,083	$71,083	$44,624	62.78%	$26,459
Capital Outlay	3,000,000	3,000,000	277,902	9.26%	2,722,098
Contingency	505,648	505,648	0	0.00%	505,648
Unappropriated Balance	1,277,031	1,277,031	0	0.00%	1,277,031
Total Fund Requirements	**$4,853,762**	**$4,853,762**	**$322,526**	**6.64%**	**$4,531,236**
Zoo Operating Fund					
Operating Expenses (PS & M&S)	$20,655,227	$20,766,327	$14,129,934	68.04%	$6,636,393
Capital Outlay	85,700	285,700	411	0.14%	285,289
Interfund Transfers	2,790,366	2,790,366	2,256,510	80.87%	533,856
Contingency	2,030,595	2,030,595	0	0.00%	2,030,595
Unappropriated Balance	4,482,095	4,482,095	0	0.00%	4,482,095
Total Fund Requirements	**$30,043,983**	**$30,355,083**	**$16,386,855**	**53.98%**	**$13,968,228**
Total Budget	**$285,998,327**	**$288,560,345**	**$139,446,031**	**48.32%**	**$148,784,814**

Outstanding Audit Report Summary

Total Outstanding Audits

Not Implemented	*In Progress*	*Future Activity (or event) Necessary to Address*	*Total*
30	34	13	77

Current Quarter Progress - Management Requests for Status Change

"Not Implemented" to "In progress"	*"In Progress" to "Completed"*	*Total*
7	5	12

Current Quarter Progress - Auditor Reviewed, Accepted and Removed from "Outstanding" Status

(Includes "completed" audits from prior quarters)	*Total*
	4