

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1996-97 )	ORDINANCE NO. 96-653A
BUDGET AND APPROPRIATIONS )	
SCHEDULE FOR THE PURPOSE OF )	Introduced by Mike Burton
TRANSFERRING \$117,000 FROM THE )	Executive Officer
GENERAL FUND CONTINGENCY TO THE )	
CONSTRUCTION ACCOUNT IN THE )	
GENERAL REVENUE BOND FUND FOR )	
BUILDING IMPROVEMENTS NECESSARY TO )	
ACCOMMODATE ADDITIONAL OFFICE )	
SPACE NEEDS OF THE OPEN SPACES )	
PROGRAM AND THE TRANSPORTATION )	
AND GROWTH MANAGEMENT )	
DEPARTMENTS; AND DECLARING AN )	
EMERGENCY )	

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations with the FY 1996-97 Budget; and

WHEREAS, The need for a 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 1996-97 Budget and Schedule of Appropriations are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purposes of transferring \$117,000 from the General Fund Contingency to the Construction Account in the General Revenue Bond Fund for the purpose of building improvements necessary to accommodate additional office space needs of the Open Spaces Program and the Transportation and Growth Management Departments.

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 \_\_\_\_ day of \_\_\_\_\_, 1996.

Not Adopted

\_\_\_\_\_  
Jon Kvistad, Presiding Officer

ATTEST:

Approved as to Form:

\_\_\_\_\_  
Recording Secretary

\_\_\_\_\_  
Daniel B. Cooper, General Counsel

**Exhibit A  
Ordinance No. 96-653A**

FISCAL YEAR 1995-96		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<b>General Fund</b>							
<b>Total Personal Services</b>		<b>21.00</b>	<b>1,070,990</b>	<b>0.00</b>	<b>0</b>	<b>21.00</b>	<b>1,070,990</b>
<b>Total Materials &amp; Services</b>			<b>267,228</b>		<b>0</b>		<b>267,228</b>
<b>Total Capital Outlay</b>			<b>37,400</b>		<b>0</b>		<b>37,400</b>
<b>Interfund Transfers</b>							
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		345,813		0		345,813
581610	Trans. Indirect Costs to Support Svcs. Fund		458,097		0		458,097
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Gen'l		3,381		0		3,381
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		7,506		0		7,506
<b>Excise Tax Transfers</b>							
582120	Trans. Res. to Zoo Operating Fund		61,990		0		61,990
582140	Trans. Res. to Planning Fund		3,689,624		0		3,689,624
582413	Trans. Res. to Gen'l Revenue Bond Fund		0		117,000		117,000
582554	Trans. Res. to Spectator Facilities fund		250,000		0		250,000
582610	Trans. Res. to Support Svcs. Fund		65,000		0		65,000
582160	Trans. Res. to Reg. Parks/Expo Fund		679,073		0		679,073
582160	Trans. Res. to Reg. Parks/Expo Fund (landbanking)		97,277		0		97,277
582160	Trans. Res. to Reg. Parks/Expo Fund (eamd on facilities)		291,271		0		291,271
<b>Total Interfund Transfers</b>			<b>5,949,032</b>		<b>117,000</b>		<b>6,066,032</b>
<b>Contingency and Unappropriated Balance</b>							
599999	Contingency		608,541		(117,000)		491,541
599990	Unappropriated Fund Balance		200,000		0		200,000
<b>Total Contingency and Unappropriated Balance</b>			<b>808,541</b>		<b>(117,000)</b>		<b>691,541</b>
<b>TOTAL FUND REQUIREMENTS</b>		<b>21.00</b>	<b>8,133,191</b>	<b>0.00</b>	<b>0</b>	<b>21.00</b>	<b>8,133,191</b>

**Exhibit A  
Ordinance No. 96-653A**

FISCAL YEAR 1995-96		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<b>General Revenue Bond fund</b>							
<b>Resources</b>							
<u>Resources</u>							
METRO REGIONAL CENTER							
305000	Fund Balance						
	* Construction Account		47,070		0		47,070
	* Debt Service Account		125,000		0		125,000
	* Debt Service Reserve Account		1,794,020		0		1,794,020
	* Renewal & Replacement Account		235,979		0		235,979
361100	Interest on Investments						
	* Construction Account		2,470		0		2,470
	* Debt Service Reserve Account		89,700		0		89,700
	* Renewal & Replacement Account		11,800		0		11,800
391010	Trans. Resources from General Fund		0		117,000		117,000
391513	Trans. Resources from Building Fund						
	* from Metro Regional Center Account		1,159,036		0		1,159,036
	* from Parking Garage Account		302,957		0		302,957
WASHINGTON PARK PARKING LOT							
385300	OEDD Loan		2,575,064		0		2,575,064
<b>TOTAL RESOURCES</b>			<b>6,343,096</b>		<b>117,000</b>		<b>6,460,096</b>
<b>Construction Account</b>							
<u>Capital Outlay</u>							
METRO REGIONAL CENTER							
571500	Purchases-Office Furniture & Equipment		49,540		0		49,540
574520	Const. Work/Materials-Bldgs, Exhibits & Rel.		0		117,000		117,000
<b>TOTAL CONSTRUCTION ACCOUNT</b>			<b>49,540</b>		<b>117,000</b>		<b>166,540</b>
<b>Project Account</b>							
<b>TOTAL PROJECT ACCOUNT</b>			<b>2,375,000</b>		<b>0</b>		<b>2,375,000</b>
<b>Debt Service Account</b>							
<b>TOTAL DEBT SERVICE ACCOUNT</b>			<b>1,787,057</b>		<b>0</b>		<b>1,787,057</b>
<b>General Expenses</b>							
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency						
	Renewal & Replacement Account (Metro Reg. Center)		247,779		0		247,779
599990	Unappropriated Balance						
	Debt Reserve (Metro Regional Center)		1,883,720		0		1,883,720
<b>Total Contingency and Unapp. Balance</b>			<b>2,131,499</b>		<b>0</b>		<b>2,131,499</b>
<b>TOTAL FUND REQUIREMENTS</b>			<b>6,343,096</b>		<b>117,000</b>		<b>6,460,096</b>

**EXHIBIT B**  
**FY 1996-97 SCHEDULE OF APPROPRIATIONS**  
**ORDINANCE NO. 96-653A**

GENERAL FUND	Current Appropriation	Revision	Proposed Appropriation
<b>Council</b>			
Personal Services	753,119	0	753,119
Materials & Services	104,320	0	104,320
Capital Outlay	31,500	0	31,500
<b>Subtotal</b>	<b>888,939</b>	<b>0</b>	<b>888,939</b>
<b>Executive Management</b>			
Personal Services	317,871	0	317,871
Materials & Services	37,908	0	37,908
Capital Outlay	5,900	0	5,900
<b>Subtotal</b>	<b>361,679</b>	<b>0</b>	<b>361,679</b>
<b>Special Appropriations</b>			
Materials & Services	125,000	0	125,000
<b>Subtotal</b>	<b>125,000</b>	<b>0</b>	<b>125,000</b>
<b>General Expenses</b>			
Interfund Transfers	5,949,032	117,000	6,066,032
Contingency	608,541	(117,000)	491,541
<b>Subtotal</b>	<b>6,557,573</b>	<b>0</b>	<b>6,557,573</b>
Unappropriated Balance	200,000	0	200,000
<b>Total Fund Requirements</b>	<b>\$8,133,191</b>	<b>\$0</b>	<b>\$8,133,191</b>
<b>GENERAL REVENUE BOND FUND</b>			
<b>Construction Account</b>			
Capital Outlay	49,540	117,000	166,540
<b>Subtotal</b>	<b>49,540</b>	<b>117,000</b>	<b>166,540</b>
<b>Project Account</b>			
Capital Outlay	2,375,000	0	2,375,000
<b>Subtotal</b>	<b>2,375,000</b>	<b>0</b>	<b>2,375,000</b>
<b>Debt Service Account</b>			
Debt Service	1,787,057	0	1,787,057
<b>Subtotal</b>	<b>1,787,057</b>	<b>0</b>	<b>1,787,057</b>
<b>General Expenses</b>			
Contingency	247,779	0	247,779
<b>Subtotal</b>	<b>247,779</b>	<b>0</b>	<b>247,779</b>
Unappropriated Balance	1,883,720	0	1,883,720
<b>Total Fund Requirements</b>	<b>\$6,343,096</b>	<b>\$117,000</b>	<b>\$6,460,096</b>

**All other appropriations remain as previously adopted**

## STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 96-653 AMENDING THE FY 1996-97 BUDGET AND APPROPRIATIONS SCHEDULE TRANSFERRING \$ 73,798 FROM THE GENERAL FUND TO THE CONSTRUCTION ACCOUNT IN THE GENERAL REVENUE BOND FUND FOR THE PURPOSE OF BUILDING IMPROVEMENTS NECESSARY TO ACCOMMODATE ADDITIONAL OFFICE SPACE NEEDS OF THE OPEN SPACES PROGRAM AND THE TRANSPORTATION AND GROWTH MANAGEMENT DEPARTMENTS; AND DECLARING AN EMERGENCY

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Date: September 5, 1996

Presented By: Bill Potter  
Berit Stevenson

### PROPOSED ACTION

This Ordinance amends the FY 1996-97 Budget to transfer \$73,798 from the General Fund to the General Revenue Bond Fund, Construction Account to accommodate the office space demands of the legal staff of the Open Spaces program and the staff of both the Transportation and Growth Management Departments. This short term space project will consist primarily of design and renovation of previously leased space on the first floor of the Metro Regional Center.

### FACTUAL BACKGROUND AND ANALYSIS

The Property Services Division within the Administrative Services Department conducted a space needs analysis of all departments and offices housed at the Metro Regional Center. This analysis covered both short term and long term space needs. During the course of this study, immediate short term needs of the legal staff of the Open Spaces program and the Transportation and Growth Management Departments were identified.

The legal staff of the Open Spaces Department consists of an attorney, an appraiser and two legal assistants. Currently these staff are occupying open work cubicles within the Open Spaces area located on the first floor. The confidential nature of the work requirements of the attorney and the appraiser have made the open work cubicles unsuitable. Enclosed offices would allow these staff members to conduct real estate negotiations and other confidential discussions with prospective sellers and others. In addition, currently two staff of the Open Spaces Program are occupying space within the Regional Parks and Greenspaces area due to a lack of available space in the Open Spaces area. The proposed project provides for the relocation of all four legal staff of the Open Spaces Program thereby making space available for all members of the Open Spaces staff.

The Transportation Department FTE's working within Metro Regional Center have increased by 10.58 from FY 1994-95 to the current fiscal year. Metro's Growth Management Department has experienced an increase in FTE of 4.17 within the same time period. As a result of these increases, the third floor area of the Metro Regional Center where these Departments are

located are over crowded. As interim measures, staff have been assigned to meeting room and library space, common work areas have been eliminated and support space functions have been relocated to hallways.

Property Services staff have developed a three-faceted plan for responding to these immediate space needs. The primary element of the plan is to remodel the former American Advertising Museum space and current security office located along Grand Avenue on the first floor into office space suitable for relocation of the Growth Management Department.<sup>1</sup> The remodeled space will provide work area for 21 persons, a small departmental meeting room and a public entrance located adjacent to the base of the stairway at the existing Grand Avenue entrance. Construction activities which are necessary to make the space suitable for office use include minor demolition and reconstruction, acoustical treatment, re-wiring for both electrical and data/voice needs, lighting, and carpet patching. To contain construction costs and to maintain the future flexibility of the space, minimal new construction of interior walls will occur.

Secondarily, a previously open work area in the legal office area will be remodeled to provide an enclosed office. The support staff assigned to this area currently will be relocated to a nearby underutilized waiting area. The new office will be available for the Open Spaces attorney, providing her with the type of work space necessary for her to perform her work assignments and proximity to the other staff attorneys. Lastly, additional movable partitions will be purchased and installed in the area to be vacated by Growth Management staff. These new panels will be identical to the existing panel system in the building and will provide for two additional work stations.

As stated above, Growth Management staff would relocate to the former Advertising Museum space. Transportation Department will move into 15 work spaces (one office and 14 cubicles) being vacated by Growth Management. The Open Spaces appraiser and two legal assistants would relocate into an office and two work cubicles also vacated by Growth Management. The Open Spaces attorney would relocate to the newly remodeled office within the legal offices area. The Open Spaces legal staff will be vertically proximate to the rest of the Open Spaces staff; the Open Spaces Program area is located in the south end of the building on the first floor. The new location for the Open Spaces legal staff will be the south side of the building on the third floor.

Upon completion of all staff moves and remodeling described above, five cubicles will be vacant and available for future use. These will be grouped together in the south east quadrant of the building. In addition, the crowded conditions which currently exist in the Transportation, Open Spaces and Parks areas will be remedied. Conference rooms and common work areas will be restored. Lastly, the Open Spaces attorney and appraiser will be relocated to offices.

The costs of all remodeling and procurement has been estimated at \$117,000. A detailed estimate follows:

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<sup>1</sup> The security office would be relocated to a vacant office located on the second floor and adjacent to the vending machines and kitchenette. This new location offers better proximity to the loading dock and main security/reception desk.

Advertising Museum Space			
	Construction Costs	\$64,000	
	Design Fees	\$ 4,000	
	Permits	\$ 2,500	
	Data/Telecom. Wiring	\$ 7,500	
	Furniture - Panels	\$30,000	
	Misc.	\$ 1,000	
	Total		\$109,000
Legal Office			
	Construction Costs	\$ 6,000	
	Design Fees	\$ 500	
	Total		\$6,500
Additional Panels			
	Furniture - Panels		\$1,500
	<b>Project Total</b>		<b>\$117,000</b>

The Development Services staff investigated alternative options for meeting the space requirements of Metro staff. The only viable alternative to this project is leasing additional off-site space. The cost to lease nearby office space for a five year period is estimated to be \$384,000 based on a lease rate of \$18.00 per square foot and \$30.00 per square foot for tenant improvements.

#### BUDGET IMPACT

Development Services staff have identified a source of funds which could be applied to this project. At the end of FY 1995-96, the construction account of the General Revenue Bond Fund has a balance of \$43,202. These funds remain from the Metro Headquarters project and have been carried over from the project's completion in 1993. Since that time, the funds have been earmarked for the Council Chamber closed circuit camera project which would install four closed circuit cameras and fully automated production capabilities. The cost estimate for the camera project was \$190,000 in 1993. Two grant applications have been unsuccessfully submitted in the past which would have provided the additional funds needed to complete the camera project. Based on the uncertainty of the camera project and the immediate needs of the short term space project, Development Services staff is recommending that the funds remaining in the General Revenue Bond Fund construction account be used for this project. If the construction account funds are used towards this short term space project, the net project costs remaining to be funded are estimated at \$73,798.



During FY 1995-96, Metro's legal counsel determined that remodeling or construction costs to Metro Regional Center were not a legal expenditure of the Open Spaces bond proceeds. The benefits of such remodel or construction accrue to the building's value and have a useful life that is much longer than the life of the Open Spaces program. As a result, remodeling costs resulting from staffing needs of the Open Spaces Program must be funded with general discretionary funding. In addition, construction and remodeling expenditures are not an allowable cost to grants. The Transportation Department's primary source of funding is grants. The Transportation department's contingency is primarily grant funded and is not available as funding for their share of the project. Finally, the Growth Management Department is funded through a combination of grants, contract revenue and General Fund transfer. The building remodel costs are not an allowable charge against the grants or contract revenue, leaving only the General Fund as a funding source.

For the above reasons, this action requests the transfer of \$73,798 from the General Fund contingency to the General Revenue Bond Fund, Construction Account. The amount transferred from the General Fund will be combined with the residual balance remaining from the original Metro Regional Center construction project to provide the full amount of funding needed for this project, \$117,000.

The FY 1996-97 fund balance estimate for the General Revenue Bond Fund, Construction Account has been revised downward to reflect the actual fund balance for the account at the end of FY 1995-96. In addition, the anticipated interest earnings during FY 1996-97 on the account have been eliminated to reflect the expenditure of the fund balance during the first part of FY 1996-97.

#### EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 96-653.

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1996-97 )	ORDINANCE NO. 96-653
BUDGET AND APPROPRIATIONS )	
SCHEDULE FOR THE PURPOSE OF )	Introduced by Mike Burton
TRANSFERRING \$73,798 FROM THE )	Executive Officer
GENERAL FUND CONTINGENCY TO THE )	
CONSTRUCTION ACCOUNT IN THE )	
GENERAL REVENUE BOND FUND FOR )	
BUILDING IMPROVEMENTS NECESSARY TO )	
ACCOMMODATE ADDITIONAL OFFICE )	
SPACE NEEDS OF THE OPEN SPACES )	
PROGRAM AND THE TRANSPORTATION )	
AND GROWTH MANAGEMENT )	
DEPARTMENTS; AND DECLARING AN )	
EMERGENCY )	

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations with the FY 1996-97 Budget; and

WHEREAS, The need for a 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 1996-97 Budget and Schedule of Appropriations are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purposes of transferring \$73,798 from the General Fund Contingency to the Construction Account in the General Revenue Bond Fund for the purpose of building improvements necessary to accommodate additional office space needs of the Open Spaces Program and the Transportation and Growth Management Departments.

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 \_\_\_\_ day of \_\_\_\_\_, 1996.

\_\_\_\_\_  
Jon Kvistad, Presiding Officer

ATTEST:

Approved as to Form:

\_\_\_\_\_  
Recording Secretary

\_\_\_\_\_  
Daniel B. Cooper, General Counsel

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Exhibit A  
Ordinance No. 96-653

FISCAL YEAR 1995-96		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<b>General Fund</b>							
<b>Total Personal Services</b>		<b>21.00</b>	<b>1,070,990</b>	<b>0.00</b>	<b>0</b>	<b>21.00</b>	<b>1,070,990</b>
<b>Total Materials &amp; Services</b>			<b>267,228</b>		<b>0</b>		<b>267,228</b>
<b>Total Capital Outlay</b>			<b>37,400</b>		<b>0</b>		<b>37,400</b>
<u>Interfund Transfers</u>							
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		345,813		0		345,813
581610	Trans. Indirect Costs to Support Svcs. Fund		458,097		0		458,097
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581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		7,506		0		7,506
<u>Excise Tax Transfers</u>							
582120	Trans. Res. to Zoo Operating Fund		61,990		0		61,990
582140	Trans. Res. to Planning Fund		3,689,624		0		3,689,624
582413	Trans. Res. to Gen'l Revenue Bond Fund		0		73,798		73,798
582554	Trans. Res. to Spectator Facilities fund		250,000		0		250,000
582610	Trans. Res. to Support Svcs. Fund		65,000		0		65,000
582160	Trans. Res. to Reg. Parks/Expo Fund		679,073		0		679,073
582160	Trans. Res. to Reg. Parks/Expo Fund (landbanking)		97,277		0		97,277
582160	Trans. Res. to Reg. Parks/Expo Fund (earned on facilities)		291,271		0		291,271
<b>Total Interfund Transfers</b>			<b>5,949,032</b>		<b>73,798</b>		<b>6,022,830</b>
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		608,541		(73,798)		534,743
599990	Unappropriated Fund Balance		200,000		0		200,000
<b>Total Contingency and Unappropriated Balance</b>			<b>808,541</b>		<b>(73,798)</b>		<b>734,743</b>
<b>TOTAL FUND REQUIREMENTS</b>		<b>21.00</b>	<b>8,133,191</b>	<b>0.00</b>	<b>0</b>	<b>21.00</b>	<b>8,133,191</b>

Exhibit A  
Ordinance No. 96-653

FISCAL YEAR 1995-96		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<b>General Revenue Bond fund</b>							
<b>Resources</b>							
<u>Resources</u>							
METRO REGIONAL CENTER							
305000	Fund Balance						
	* Construction Account		47,070		(3,868)		43,202
	* Debt Service Account		125,000		0		125,000
	* Debt Service Reserve Account		1,794,020		0		1,794,020
	* Renewal & Replacement Account		235,979		0		235,979
361100	Interest on Investments						
	* Construction Account		2,470		(2,470)		0
	* Debt Service Reserve Account		89,700		0		89,700
	* Renewal & Replacement Account		11,800		0		11,800
391010	Trans. Resources from General Fund		0		73,798		73,798
391513	Trans. Resources from Building Fund						
	* from Metro Regional Center Account		1,159,036		0		1,159,036
	* from Parking Garage Account		302,957		0		302,957
WASHINGTON PARK PARKING LOT							
385300	OEDD Loan		2,575,064		0		2,575,064
<b>TOTAL RESOURCES</b>			<b>6,343,096</b>		<b>67,460</b>		<b>6,410,556</b>

**Construction Account**

<u>Capital Outlay</u>							
METRO REGIONAL CENTER							
571500	Purchases-Office Furniture & Equipment		49,540		(49,540)		0
574520	Const. Work/Materials-Bldgs, Exhibits & Rel.		0		117,000		117,000
Total Capital Outlay			49,540		67,460		117,000
<b>TOTAL CONSTRUCTION ACCOUNT</b>			<b>49,540</b>		<b>67,460</b>		<b>117,000</b>

**Project Account**

<b>TOTAL PROJECT ACCOUNT</b>	<b>2,375,000</b>	<b>0</b>	<b>2,375,000</b>
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**Debt Service Account**

<b>TOTAL DEBT SERVICE ACCOUNT</b>	<b>1,787,057</b>	<b>0</b>	<b>1,787,057</b>
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**General Expenses**

<u>Contingency and Unappropriated Balance</u>							
599999	Contingency						
	Renewal & Replacement Account (Metro Reg. Center)		247,779		0		247,779
599990	Unappropriated Balance						
	Debt Reserve (Metro Regional Center)		1,883,720		0		1,883,720
Total Contingency and Unapp. Balance			2,131,499		0		2,131,499
<b>TOTAL FUND REQUIREMENTS</b>			<b>6,343,096</b>		<b>67,460</b>		<b>6,410,556</b>

**EXHIBIT B**  
**FY 1996-97 SCHEDULE OF APPROPRIATIONS**  
**ORDINANCE NO. 96-653**

GENERAL FUND	Current Appropriation	Revision	Proposed Appropriation
<b>Council</b>			
Personal Services	753,119	0	753,119
Materials & Services	104,320	0	104,320
Capital Outlay	31,500	0	31,500
Subtotal	<u>888,939</u>	<u>0</u>	<u>888,939</u>
<b>Executive Management</b>			
Personal Services	317,871	0	317,871
Materials & Services	37,908	0	37,908
Capital Outlay	5,900	0	5,900
Subtotal	<u>361,679</u>	<u>0</u>	<u>361,679</u>
<b>Special Appropriations</b>			
Materials & Services	125,000	0	125,000
Subtotal	<u>125,000</u>	<u>0</u>	<u>125,000</u>
<b>General Expenses</b>			
Interfund Transfers	5,949,032	73,798	6,022,830
Contingency	608,541	(73,798)	534,743
Subtotal	<u>6,557,573</u>	<u>0</u>	<u>6,557,573</u>
Unappropriated Balance	200,000	0	200,000
<b>Total Fund Requirements</b>	<u>\$8,133,191</u>	<u>\$0</u>	<u>\$8,133,191</u>
<b>GENERAL REVENUE BOND FUND</b>			
<b>Construction Account</b>			
Capital Outlay	49,540	67,460	117,000
Subtotal	<u>49,540</u>	<u>67,460</u>	<u>117,000</u>
<b>Project Account</b>			
Capital Outlay	2,375,000	0	2,375,000
Subtotal	<u>2,375,000</u>	<u>0</u>	<u>2,375,000</u>
<b>Debt Service Account</b>			
Debt Service	1,787,057	0	1,787,057
Subtotal	<u>1,787,057</u>	<u>0</u>	<u>1,787,057</u>
<b>General Expenses</b>			
Contingency	247,779	0	247,779
Subtotal	<u>247,779</u>	<u>0</u>	<u>247,779</u>
Unappropriated Balance	1,883,720	0	1,883,720
<b>Total Fund Requirements</b>	<u>\$6,343,096</u>	<u>\$67,460</u>	<u>\$6,410,556</u>

**All other appropriations remain as previously adopted**

## STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 96-653 AMENDING THE FY 1996-97 BUDGET AND APPROPRIATIONS SCHEDULE TRANSFERRING \$ 73,798 FROM THE GENERAL FUND TO THE CONSTRUCTION ACCOUNT IN THE GENERAL REVENUE BOND FUND FOR THE PURPOSE OF BUILDING IMPROVEMENTS NECESSARY TO ACCOMMODATE ADDITIONAL OFFICE SPACE NEEDS OF THE OPEN SPACES PROGRAM AND THE TRANSPORTATION AND GROWTH MANAGEMENT DEPARTMENTS; AND DECLARING AN EMERGENCY

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Date: September 5, 1996

Presented By: Bill Potter  
Berit Stevenson

### PROPOSED ACTION

This Ordinance amends the FY 1996-97 Budget to transfer \$73,798 from the General Fund to the General Revenue Bond Fund, Construction Account to accommodate the office space demands of the legal staff of the Open Spaces program and the staff of both the Transportation and Growth Management Departments. This short term space project will consist primarily of design and renovation of previously leased space on the first floor of the Metro Regional Center.

### FACTUAL BACKGROUND AND ANALYSIS

The Property Services Division within the Administrative Services Department conducted a space needs analysis of all departments and offices housed at the Metro Regional Center. This analysis covered both short term and long term space needs. During the course of this study, immediate short term needs of the legal staff of the Open Spaces program and the Transportation and Growth Management Departments were identified.

The legal staff of the Open Spaces Department consists of an attorney, an appraiser and two legal assistants. Currently these staff are occupying open work cubicles within the Open Spaces area located on the first floor. The confidential nature of the work requirements of the attorney and the appraiser have made the open work cubicles unsuitable. Enclosed offices would allow these staff members to conduct real estate negotiations and other confidential discussions with prospective sellers and others. In addition, currently two staff of the Open Spaces Program are occupying space within the Regional Parks and Greenspaces area due to a lack of available space in the Open Spaces area. The proposed project provides for the relocation of all four legal staff of the Open Spaces Program thereby making space available for all members of the Open Spaces staff.

The Transportation Department FTE's working within Metro Regional Center have increased by 10.58 from FY 1994-95 to the current fiscal year. Metro's Growth Management Department has experienced an increase in FTE of 4.17 within the same time period. As a result of these increases, the third floor area of the Metro Regional Center where these Departments are

located are over crowded. As interim measures, staff have been assigned to meeting room and library space, common work areas have been eliminated and support space functions have been relocated to hallways.

Property Services staff have developed a three-faceted plan for responding to these immediate space needs. The primary element of the plan is to remodel the former American Advertising Museum space and current security office located along Grand Avenue on the first floor into office space suitable for relocation of the Growth Management Department.<sup>1</sup> The remodeled space will provide work area for 21 persons, a small departmental meeting room and a public entrance located adjacent to the base of the stairway at the existing Grand Avenue entrance. Construction activities which are necessary to make the space suitable for office use include minor demolition and reconstruction, acoustical treatment, re-wiring for both electrical and data/voice needs, lighting, and carpet patching. To contain construction costs and to maintain the future flexibility of the space, minimal new construction of interior walls will occur.

Secondarily, a previously open work area in the legal office area will be remodeled to provide an enclosed office. The support staff assigned to this area currently will be relocated to a nearby underutilized waiting area. The new office will be available for the Open Spaces attorney, providing her with the type of work space necessary for her to perform her work assignments and proximity to the other staff attorneys. Lastly, additional movable partitions will be purchased and installed in the area to be vacated by Growth Management staff. These new panels will be identical to the existing panel system in the building and will provide for two additional work stations.

As stated above, Growth Management staff would relocate to the former Advertising Museum space. Transportation Department will move into 15 work spaces (one office and 14 cubicles) being vacated by Growth Management. The Open Spaces appraiser and two legal assistants would relocate into an office and two work cubicles also vacated by Growth Management. The Open Spaces attorney would relocate to the newly remodeled office within the legal offices area. The Open Spaces legal staff will be vertically proximate to the rest of the Open Spaces staff; the Open Spaces Program area is located in the south end of the building on the first floor. The new location for the Open Spaces legal staff will be the south side of the building on the third floor.

Upon completion of all staff moves and remodeling described above, five cubicles will be vacant and available for future use. These will be grouped together in the south east quadrant of the building. In addition, the crowded conditions which currently exist in the Transportation, Open Spaces and Parks areas will be remedied. Conference rooms and common work areas will be restored. Lastly, the Open Spaces attorney and appraiser will be relocated to offices.

The costs of all remodeling and procurement has been estimated at \$117,000. A detailed estimate follows:

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<sup>1</sup> The security office would be relocated to a vacant office located on the second floor and adjacent to the vending machines and kitchenette. This new location offers better proximity to the loading dock and main security/reception desk.



Advertising Museum Space			
	Construction Costs	\$64,000	
	Design Fees	\$ 4,000	
	Permits	\$ 2,500	
	Data/Telecom. Wiring	\$ 7,500	
	Furniture - Panels	\$30,000	
	Misc.	\$ 1,000	
	Total		\$109,000
Legal Office			
	Construction Costs	\$ 6,000	
	Design Fees	\$ 500	
	Total		\$6,500
Additional Panels			
	Furniture - Panels		\$1,500
	<b>Project Total</b>		<b>\$117,000</b>

The Development Services staff investigated alternative options for meeting the space requirements of Metro staff. The only viable alternative to this project is leasing additional off-site space. The cost to lease nearby office space for a five year period is estimated to be \$384,000 based on a lease rate of \$18.00 per square foot and \$30.00 per square foot for tenant improvements.

#### BUDGET IMPACT

Development Services staff have identified a source of funds which could be applied to this project. At the end of FY 1995-96, the construction account of the General Revenue Bond Fund has a balance of \$43,202. These funds remain from the Metro Headquarters project and have been carried over from the project's completion in 1993. Since that time, the funds have been earmarked for the Council Chamber closed circuit camera project which would install four closed circuit cameras and fully automated production capabilities. The cost estimate for the camera project was \$190,000 in 1993. Two grant applications have been unsuccessfully submitted in the past which would have provided the additional funds needed to complete the camera project. Based on the uncertainty of the camera project and the immediate needs of the short term space project, Development Services staff is recommending that the funds remaining in the General Revenue Bond Fund construction account be used for this project. If the construction account funds are used towards this short term space project, the net project costs remaining to be funded are estimated at \$73,798.

During FY 1995-96, Metro's legal counsel determined that remodeling or construction costs to Metro Regional Center were not a legal expenditure of the Open Spaces bond proceeds. The benefits of such remodel or construction accrue to the building's value and have a useful life that is much longer than the life of the Open Spaces program. As a result, remodeling costs resulting from staffing needs of the Open Spaces Program must be funded with general discretionary funding. In addition, construction and remodeling expenditures are not an allowable cost to grants. The Transportation Department's primary source of funding is grants. The Transportation department's contingency is primarily grant funded and is not available as funding for their share of the project. Finally, the Growth Management Department is funded through a combination of grants, contract revenue and General Fund transfer. The building remodel costs are not an allowable charge against the grants or contract revenue, leaving only the General Fund as a funding source.

For the above reasons, this action requests the transfer of \$73,798 from the General Fund contingency to the General Revenue Bond Fund, Construction Account. The amount transferred from the General Fund will be combined with the residual balance remaining from the original Metro Regional Center construction project to provide the full amount of funding needed for this project, \$117,000.

The FY 1996-97 fund balance estimate for the General Revenue Bond Fund, Construction Account has been revised downward to reflect the actual fund balance for the account at the end of FY 1995-96. In addition, the anticipated interest earnings during FY 1996-97 on the account have been eliminated to reflect the expenditure of the fund balance during the first part of FY 1996-97.

#### EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 96-653.