



# **METRO FY 2023-24 BUDGET**

Summary of Proposed Budget Amendments  
and Budget Notes for the FY 2023-24 Budget

Discussion of Budget Amendments  
and Budget Notes: June 13, 2023

Vote to Incorporate Budget Amendments  
and Budget Notes: June 15, 2023 (Public Hearing)

Vote to Adopt Budget: June 22, 2023

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Reading This Report

The **Report Summary** section provides a high-level overview of the report.

The **General Fund Summary** highlights changes to General Fund and other notable fund changes.

The **Budget Amendments and Capital Improvement Plan Changes** displays all of the proposed amendments and changes to the Capital Improvement Plan (CIP), a brief description of each amendment or change, and the financial impact to the budget.

The **Councilor Budget Notes** document legislative intent before the programmatic specifics required to develop an amendment have been fully developed. Each proposed budget note is briefly described, with the full Budget Note texts following.

The **Attachments** are the Capital Improvement Plan (CIP) changes in detail.

Table of Contents

**Report Summary** .....2

**General Fund Summary** .....3

**Budget Amendments and Capital Improvement Plan Changes**.....4-9

**Councilor Budget Notes** .....10-14

**Attachments** .....15-16

## Report Summary

This report includes 14 proposed budget amendments and changes to the capital improvement plan (CIP), and four Councilor budget notes.

The different types of budget amendments are:

- Substantive Amendments that may change appropriations in a fund or alter FTE.
- Technical Amendments that include carry forwards for unspent FY 2022-23 funds. Others refine the budget to reflect anticipated activities in FY 2023-24, but do not change appropriations or FTE.

The proposed budget amendments in this report would *increase* appropriations to the:

- **General Fund** by \$460,328
- **General Asset Management Fund** by \$373,000
- **General Obligation Debt Service Fund** by \$3,500,750
- **Solid Waste Fund** by \$1,000,000
  - **Total Appropriation** Increase: \$5,334,078

The proposed budget amendments in this report would add an *additional 18.2 FTE*:

- **Finance and Regulatory Services:** 0.2 FTE – add to existing Senior Management Analyst
- **Human Resources:** 1.0 FTE – Recruiter for Housing
- **Communications:** 1.0 FTE – Community Engagement Specialist for Housing
- **Supportive Housing Services:**
  - 2.0 FTE - Technical Assistance/Events Coordinators
  - 1.0 FTE - Program Assistant
  - 1.0 FTE - Manager
  - 2.0 FTE - Compliance Coordinators
  - 1.0 FTE - Data Coordinator
  - 1.0 FTE - Policy & Planning Project Manager
  - 2.0 FTE - Senior Regional Planners
  - 1.0 FTE - Program Supervisor
  - 1.0 FTE - Principal Regional Planner
  - 1.0 FTE - Operations Manager I
  - 1.0 FTE - Contract Coordinator
  - 1.0 FTE - Project Manager
  - 1.0 FTE - Executive Portfolio Coordinator

The proposed changes to the Capital Improvement Plan (CIP) for FY 2023-24 are:

- **Information Technology and Records Management** increase of \$373,000 (Attachment 1)
- **Parks and Nature** increase of \$441,500 (Attachment 2)

This report includes four proposed budget notes that can be found starting on page 10.

## General Fund Summary

The following are the proposed amendments that would increase appropriations within the General Fund:

- \$55,328 increase to Planning, Development and Research (#571)
- \$60,000 increase to Capital Asset Management (#572)
- \$160,000 increase to Chief Operating Officer [within Council] (#573, #578)
- \$35,000 increase to Diversity, Equity and Inclusion (#574)
- \$150,000 increase to Government Affairs and Policy Development [within Council] (#574)

The **Budget Amendments and Capital Improvement Plan Changes** section of this report describes all the proposed amendments in detail.

### Notable Changes in Other Funds:

- General Asset Management Fund
  - Carry forward \$373,000 in unspent project funding
- General Obligation Debt Service Fund
  - Increase appropriations by \$3,500,750 resulting from the General Obligation Refunding Bonds issuance
- Solid Waste Fund
  - Carry forward \$1,000,000 in unspent project funding
- Supportive Housing Services Fund
  - Add 16 new FTE

## Budget Amendments and Capital Improvement Plan Changes

Below is a list, by department, of each proposed budget amendment. Associated CIP changes can be found as attachments.

### Central Services

<ul style="list-style-type: none"> <li>• <b>Amendment #564 (Substantive)</b> Special Appropriations - Memberships</li> </ul>	<p>Transfer \$12,100 from the Council Opportunity Fund contingency for economic development and community business alliance memberships. (See Budget Note #1 for more details).</p>
<ul style="list-style-type: none"> <li>• <b>Amendment #570 (Substantive)</b> Communication and Human Resources - FTE for Housing Department support (see Housing section below for more details)</li> </ul>	<p>Housing is requesting Human Resources support for the rapid growth and hiring of the proposed positions with a new Recruiter dedicated to Housing. Housing is also requesting an engagement position, within Communications, who will support outreach to community stakeholders with the goal of improved community relationships and understanding of Metro's housing work.</p> <ul style="list-style-type: none"> <li>• 1.0 FTE Recruiter (HR, dedicated to Housing for one year) - \$152,500</li> <li>• 1.0 FTE Community Engagement Specialist (Communications, supports Housing) - \$146,000</li> </ul> <p>General Fund contingency will be reduced by \$298,500 to fund these positions.</p>
<ul style="list-style-type: none"> <li>• <b>Amendment #571 (Technical)</b> Planning, Development and Research – Carryover and MPO funding decrease</li> </ul>	<p>Carryover of \$100k for the winter aerial photo flight, contract #936844.</p> <p>Reduction of \$44,672 in MPO funds due to final amounts from ODOT (decrease of approximately \$8k) and deferred funding for Complete Streets to FY25 (approximately \$37k). This is offset by a decrease in contingency.</p> <p>This results in a net increase in appropriations of \$55,328.</p> <p>This amendment includes other administrative adjustments to reallocate budget and personnel by account code, costing center and project, to better align with expected operations. These adjustments do not impact appropriations.</p>
<ul style="list-style-type: none"> <li>• <b>Amendment #572 (Technical)</b> Capital Asset Management - Carryover</li> </ul>	<p>Capital Asset Management is requesting the following carryover of unspent FY22-23 funds to FY23-24:</p> <p>-\$60,000 for a planned facilities condition assessment that will allow us to better plan for MRC major maintenance needs. This project is also aligned with our broader asset management goals by setting standard process/procedures/data structure for future facility condition assessments at other Metro facilities.</p>

	<p>-Contract 938506 with Akana</p> <p>This request will move budget to FY23-24 and increase appropriations by \$60,000.</p>
<ul style="list-style-type: none"> <li>• <b>Amendment #573 (Technical)</b> Office of the Chief Operating Officer – Carryover</li> </ul>	<p>The Office of the COO, within the Council department, is requesting the following carryover of unspent FY22-23 funds to FY23-24:</p> <p>- \$50,000 for design and facilitation of the Metro Strategic Outcomes and Targets Project</p> <p>- Contract 937793 with Drawbridge Innovations</p> <p>This request will move budget to FY23-24 and increase appropriations by \$50,000.</p>
<ul style="list-style-type: none"> <li>• <b>Amendment #574 (Technical)</b> Diversity, Equity and Inclusion - Carryover</li> </ul>	<p>DEI is requesting the following carryover of unspent FY22-23 funds to FY23-24:</p> <p>- \$35,000 for SPAREDI evaluation with Equity and Results consulting</p> <p>- Contract 937771</p> <p>This request will move budget to FY23-24 and increase appropriations by \$35,000.</p>
<ul style="list-style-type: none"> <li>• <b>Amendment #575 (Technical)</b> Government Affairs and Policy Development - Carryover</li> </ul>	<p>GAPD, within the Council department, is requesting the following carryover of unspent FY22-23 funds to FY23-24:</p> <p>- \$150,000 for a planned public opinion and messaging research project related to climate due to timing considerations.</p> <p>- Contract 938124 for FM3, Scope of work developed April 2023.</p> <p>This request will move budget to FY23-24 and increase appropriations by \$150,000.</p>
<ul style="list-style-type: none"> <li>• <b>Amendment #577 (Technical)</b> Information Technology and Records Management – Carryover and CIP</li> </ul>	<p>Information Technology has unspent project funding in FY22-23 to carryover into FY23-24.</p> <p>This request seeks a carryover of unspent funds to FY23-24 Beginning Fund Balance of \$373,000 to the General Asset Management fund for IT capital projects and corresponding increases in appropriations.</p> <p>Additionally, this request amends the 5-year CIP plan to reflect the updated timing of these projects (See CIP Attachment 1).</p>

<ul style="list-style-type: none"> <li>• <b>Amendment #578 (Technical)</b> Chief Operating Officer - Carryover</li> </ul>	<p>The Office of the COO, within the Council department, is requesting the following carryover of unspent FY22-23 funds to FY23-24:</p> <p>- \$110,000 for MERC Venues Visioning for finalizing the work with Harnett &amp; Associates, LLC contract 938096 and continued market study.</p> <p>This request will move budget to FY23-24 and increase appropriations by \$110,000.</p>
<ul style="list-style-type: none"> <li>• <b>Amendment #582 (Substantive)</b> Finance and Regulatory Services – FTE Increase</li> </ul>	<p>FRS is requesting an increase of 0.2 FTE to an existing .8 FTE position, to make it 1.0 FTE. This increase will benefit the department by adding capacity for business process improvements within the ERP system and ensuring the posit. This is related to position 406 (Senior Management Analyst).</p> <p>\$22,701 will be transferred from the General Fund contingency for this FTE increase.</p>

## Housing

<ul style="list-style-type: none"> <li>• <b>Amendment #570 (Substantive)</b> Additional FTE</li> </ul>	<p>The Housing Department is proposing 16 new FTE with this budget amendment, bringing the new FY24 Housing FTE to 20, and raising the Housing Department total to 41.4 FTE. This will provide necessary capacity for new and growing bodies of work and programmatic opportunities. These new positions will provide the structure the department needs to bring partners, agencies, and the broader community together with a common vision for a more equitable housing landscape. Housing is also requesting additional support for this growth from central service departments: 1 FTE in HR and 1 FTE in Communications.</p> <p>The new positions will provide capacity in the following key areas:</p> <p><b>Regional System Capacity</b> – Council, counties and the oversight committee have identified the health and capacity of our non-profit partners as a significant need. This team will support regional growth of service providers through capacity building, workforce development, trainings and creation of standardized resources and technical assistance. This proposal increases this team from 2 to 6 FTE with the following additions:</p> <ul style="list-style-type: none"> <li>- 2 Technical Assistance/Events Coordinators</li> <li>- 1 Program Assistant</li> <li>- 1 Manager</li> </ul> <p><b>Compliance and Data Reporting</b> – Successful implementation of supportive housing means effective programmatic accountability.</p>
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	<p>The data reporting and compliance team will utilize reporting and monitoring structures to ensure that our partners are meeting contractual obligations and work plan goals. This proposal increases this team from 4 to 7 FTE with the following additions:</p> <ul style="list-style-type: none"> <li>- 2 Compliance Coordinators</li> <li>- 1 Data Coordinator</li> </ul> <p><b>Policy</b> – The voters of the region have asked Metro to lead in addressing a housing and homelessness crisis through a regional vision and approach. The policy team will support Metro's role as a regional leader in housing through sound policy development and implementation. This team will support policy development associated with the Tri-County Planning Body regional plan as well as priority policy areas such as equitable lease-up. This proposal increases this team from 3 to 6 FTE with the following additions:</p> <ul style="list-style-type: none"> <li>- 1 Policy &amp; Planning Project Manager (2 year limited duration)</li> <li>- 2 Senior Regional Planner (2 year limited duration)</li> </ul> <p><b>Regional Alignment</b> – The Housing Department is advancing the vision for a more equitable housing landscape through the implementation and integration of the affordable housing bond (AHB) and supportive housing services (SHS). This regional multi-jurisdictional implementation approach requires significant alignment and coordination efforts. This team will support the development of a regional plan that coordinates county level implementation of SHS toward a regional system of care as well as coordination with jurisdictional partners to advance the alignment of regional strategies and policies in housing department efforts. This proposal increases this team from 4 to 5 FTE with the following addition:</p> <ul style="list-style-type: none"> <li>- 1 Program Supervisor</li> </ul> <p><b>Permanent Supportive Housing (PSH)</b> - PSH is the most effective strategy for ending homelessness for chronically homeless populations. SHS has a ten-year goal of placing 5,000 households who qualify as population A into PSH. The ability to effectively scale up permanent supportive housing regionally will define the success of SHS implementation. This position will work across all teams in the Housing Department to manage planning, policy development, establishment of standards and models, support cross-jurisdictional funding alignment and lead regional</p>
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	<p>coordination and scaling of PSH. This position reports directly to the Housing Director.</p> <ul style="list-style-type: none"> <li>- 1 Principal Regional Planner</li> </ul> <p><b>Operations/Admin</b> - Over the last five years, Metro has assumed a new line of business in housing and ending homelessness. The newly formed Housing department is in a unique stage of departmental development which requires specialized and time limited capacity to support growth, create departmental processes and procedures, respond to rapidly changing environments, and move towards long term stability. This proposal increases this team from 1 to 4 FTE with the following additions:</p> <ul style="list-style-type: none"> <li>- 1 Operations Manager I (2 year limited duration)</li> <li>- 1 Contract Coordinator (2 year limited duration)</li> <li>- 1 Project Manager (2 year limited duration)</li> </ul> <p><b>Executive Team</b> - As the department grows and evolves in size and complexity more capacity is needed to support effective leadership and strategies. This position will help to coordinate and implement a clear and cohesive strategy for Council and committee engagement with the goal of facilitating communication and policy and programmatic alignment. This position reports directly to the Housing Director.</p> <ul style="list-style-type: none"> <li>- 1 Executive Portfolio Coordinator</li> </ul> <p>In addition, Housing is requesting HR support for the rapid growth and hiring of the proposed positions with a new Recruiter dedicated to Housing. Housing is also requesting an engagement position which will support outreach to community stakeholders with the goal of improved community relationships and understanding of Metro's housing work.</p> <ul style="list-style-type: none"> <li>- 1 Recruiter (HR, dedicated to Housing for one year)</li> <li>- 1 Community Engagement Specialist (Communications, supports Housing)</li> </ul> <p>Supportive Housing Services contingency will be reduced by \$2,562,574 to pay for these positions. Additionally, \$37,601 will be transferred from the Affordable Housing personnel services to contingency, due to position reallocations. The Communications and Human Resources positions will be paid for by General Fund contingency (see Amendment #570).</p>
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## Parks & Nature

<ul style="list-style-type: none"> <li>• <b>Amendment #579 (Technical)</b> Budget realignment and CIP Changes</li> </ul>	<p>The acquisition of the Meyers property will result in stabilization activities that will be tracked on the agency CIP. This amendment reduces the stabilization bucket of funds to accommodate a line item to better track this project (See CIP Attachment 2).</p> <p>\$207,000 will be transferred to the Parks and Nature Bond Fund contingency from capital outlay, because of this amendment.</p> <p>No appropriations increase.</p>
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## Waste Prevention and Environmental Services

<ul style="list-style-type: none"> <li>• <b>Amendment #580 (Technical)</b> Carryforward and budget realignment</li> </ul>	<p>This request is for a one-time carryforward of \$1M for Investment and Innovation grants, increasing the Solid Waste Fund Appropriations by \$1,000,000.</p> <p>Additionally, this amendment includes several administrative adjustments to align the budget with expected operations. Moving \$90,300 from Community Waste Prevention to Waste Prevention Outreach. These changes will not affect the fund appropriations.</p>
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## Debt Service

<ul style="list-style-type: none"> <li>• <b>Amendment #583 (Substantive)</b> Changes related to General Obligation Refunding Bonds Issuance</li> </ul>	<p>Metro Council authorized the issuance of general obligation refunding bonds to refund all or portion of the General Obligation Bonds, Series 2012 A. This will establish General Obligation Refunding Bonds, Series 2023, for which Metro will levy property tax each year until the bond is paid. Based on the preliminary estimates for debt service obligations of the refunded debt and all other Metro issued General Obligation Debt, the Tax Levy necessary to pay debt service will be \$84,003,146. The amendment below updates the Approved Budget (from Proposed) sufficient to meet those obligations and record estimated Tax Revenue for FY23-24.</p> <p>This request increases expected Property Tax revenue by \$3,500,750 and increases debt service by that same amount.</p>
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## Councilor Budget Notes

### **Budget Note Summaries:**

#### **Budget Note #1 (Councilor Gonzalez):**

Allocate funding to support membership in economic development and community business alliances across the region.

Sponsored by: Councilor Gonzalez

#### **Budget Note #2 (Councilor Hwang):**

Council requests a report from Metro staff detailing the amount of grant funding awarded to regional community-based organizations in fiscal year 2023, the desired outcome of the grant, and grant or project status.

Sponsored by: Councilor Hwang

#### **Budget Note #3 (Councilor Rosenthal):**

Create a special initiative to identify ways to improve plastics reuse and recycling.

Sponsored by: Councilor Rosenthal

#### **Budget Note #4 (Councilor Rosenthal):**

Focus information, coordination, and outreach beyond the existing Metro communities to deal with regional issues that affect and are affected by smaller regional communities.

Sponsored by: Councilor Rosenthal

The full text of the Budget Notes are included in the following pages (11-14).

**FY 2023-24 Council Proposals  
For Budget Note Discussion  
BUDGET NOTE #1**

Sponsor: Councilor Gonzalez
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**Budget Note Title:**

Increase funding support for regional business alliances.

**Budget Note Narrative:**

Each year Metro Council allocates funding to support membership in economic development and community business alliances across the region. Each alliance originally was selected based on geographical representation throughout the region, and localized economic impact that reflects Metro's desired outcome of "Current and future residents benefit from the region's sustained economic competitiveness and prosperity."

Currently, the economic development alliances Metro supports are as follows. Current membership is based on the allocated amount of \$2,580 annually.

- Westside Economic Alliance representing the western portion of the region.
  - Clackamas County Business Alliance representing the southeastern portion of the region.
  - Business for a Better Portland representing Portland area.
  - Columbia Corridor Association representing the northern portion of the region.
- And previously East Metro Economic Alliance representing the northeastern portion of the region. \*Note: East Metro Economic Alliance no longer exists as of last year, so no funding was issued in the current fiscal year.

Westside Economic Alliance, Clackamas County Business Alliance and Columbia Corridor Association memberships include representation from Metro Council on their respective boards of directors.

This budget amendment seeks to:

- Increase the allocation to our partnering economic development alliances from \$2,580 to \$5,000/year each year beginning in FY 23/24.
- Provide Councilor Ashton Simpson the opportunity to select an alternative economic development organization within District 1 for Metro to support in place of East Metro Economic Alliance. This newly selected organization would also be funded in the amount of \$5,000/year beginning in FY 23/24.

**FY 2023-24 Council Proposals  
For Budget Note Discussion  
BUDGET NOTE #2**

Sponsor: Councilor Hwang
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**Budget Note Title:**  
Grant Tracking

**Budget Note Narrative:**

Metro provides direct financial support to the region's community-based organizations in a multitude of ways, but there is no central technology system that allows staff or Council to easily quantify the amount, timing, or purpose of that financial support. Council requests a report from Metro staff detailing the amount of grant funding awarded to regional community-based organizations in fiscal year 2023, the desired outcome of the grant, and grant or project status. The report should be searchable by CBO. Additionally, the report should include the amounts of any discounts or subsidies given to CBOs that booked space or gave performances at Metro's venues: P'5, OCC, Expo, and the Zoo. Finally, Council requests that the COO explore options for creating a database for tracking grant awards, outcomes, and status for fiscal 2024 and beyond.

**FY 2023-24 Council Proposals  
For Budget Note Discussion  
BUDGET NOTE #3**

Sponsor: Councilor Rosenthal
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**Budget Note Title:**

Plastics Reduction Program

**Budget Note Narrative:**

Create a special initiative to identify ways to improve plastics reuse and recycling focusing on (potentially) 4 plastic streams: reusable, recyclable, potentially burnable, and toxic. It would be an approximately 18 month effort and would involve both new technology and regional, national, and international research into options and cost./benefit, and Best Practices specifically including lifecycle GHG, daily life microplastic, and ocean gyre impacts. It would include an estimate of volume of each waste stream in Metro area and potentially identify additional legal/legislative tools. It would also include long term landfill impacts.

Preliminary estimate: 0.25 – 0.5 FTE and allocation of \$100,000 for potential consultant costs.

**FY 2023-24 Council Proposals  
For Budget Note Discussion**  
BUDGET NOTE #4

Sponsor: Councilor Rosenthal
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**Budget Note Title:**

Regional Coordination and Communication Enhancement – Metro Communications

**Budget Note Narrative:**

Based on recent analysis of the need for better coordination, this would focus information, coordination, and outreach beyond the existing Metro communities to deal with regional issues that affect and are affected by smaller regional communities. This would formalize a process and dedicate staff time for interactions and create potential forums for input, based on the location and nature of concern. A plan for implementing such work could be the first step, including criteria for creating these links:

Potential communities might include: Sandy, Corbett, Estacada, Molalla, Canby, Woodburn, Newberg, Gaston, North Plains, and Scappoose. [note: Vancouver and Clark Co. are already somewhat integrated].

Potential areas of coordination include land use and jobs, aviation, climate resiliency and disaster preparedness, general transportation and tolling, and regional parks and natural areas.

Commitment: It is understood that Communications is planning on adding 1 FTE for enhanced outreach and communication to existing Metro cities. This proposal would suggest that  $\frac{1}{4}$  of that FTE time be dedicated in the first year to a) identifying potential regional topics, b) preliminary outreach to non-Metro communities to identify a level of interest, and c) developing a draft plan with recommendations regarding extra-Metro communications needs.

## Attachment 1

### Approved to Adopted Budget Amendment for FY2023-24

### Capital Improvement Plan (CIP) Detail Changes

#### IT

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	FY 2023-24			FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
						CIP	Change Request*	CIP Amended	CIP Amended	CIP Amended	CIP Amended	CIP Amended
N	i7007i	Microsoft Exchange upgrade	524060	616	00441	325,000	30,000	355,000	-	-	-	-
N	i9007U	Video Conference Equipment	520110	616	00441	75,000	30,000	105,000	-	-	-	-
N	i8004I	Tech Upgrades-Public Meetings	520110	616	00441	60,000	100,000	160,000	-	-	-	-
N	14003I	MRC Technology Together	520110	612	00441	200,000	200,000	400,000	-	-	-	-
N	i3008U	Drupal	579000	612	00441	100,000	13,000	113,000	-	-	-	-
								-	-	-	-	-

## Attachment 2

Approved to Adopted Budget Amendment for FY2023-24

Capital Improvement Plan (CIP) Detail Changes

Parks and Nature

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	FY 2023-24			FY 2024-25			FY 2025-26			FY 2026-27	FY 2027-28
						CIP	Change Request*	CIP Amended	CIP	Change Request	CIP Amended	CIP	Change Request	CIP Amended	CIP Amended	CIP Amended
Y	G18015	Meyers Stabilization	579000	352	02740		50,000	50,000		375,000	375,000		8,500	8,500	-	-
N	PTR001	St. Johns Prairie Trail	524000	360	03430		325,000	325,000			-			-	-	-
N	PBL016	Blue Lake Pier Demolition/Rehab	579000	352	03450		1,700,000	1,700,000			-			-	-	-
Y	CEM015	Cultural Heritage Healing Garden % for Art	579000	352	03450		50,000	50,000		150,000	150,000		10,000	10,000	-	-