

RESOLUTION NO. 26-5571, PARKS AND NATURE BOND EARNINGS ALLOCATION

Date: April 7, 2025

Department: Parks and Nature

Meeting Date: April 23, 2026

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ISSUE STATEMENT

Resolution 19-4988, adopted by Council in 2019, authorized the bond sales and outlined funding allocations for the six programs in the Parks and Nature bond including funding caps on all but the Take Care of Metro Parks and Protect and Restore Land programs. Resolution 19-4988 also noted “The Metro Council may annually allocate interest earnings on unspent bond proceeds to the capital costs of any Metro bond program area”.

In addition to these program allocations, the bond measure accrues interest earnings and bond premium, offset by bond discounts and any investment losses. Metro has completed two bond sales to date—in April 2020 and March 2025, which have generated a combined \$33 million in additional proceeds and earnings as of December 31, 2025.

Resolution 26-5571 builds on the authority from Resolution 19-4988 so Council can allocate the \$33 million to the Protect and Restore Land and Take Care of Metro Parks programs.

ACTION REQUESTED

Consideration and approval of Resolution 26-5571 to allocate 60 percent of current bond premium and interest earnings to the Protect and Restore Land program and 40 percent to Take Care of Metro Parks.

IDENTIFIED POLICY OUTCOMES

Council consideration and approval of Resolution 26-5571 to allocate additional bond funds received in alignment with bond requirements to advance Council direction on maximizing desired outcomes. Provide clear direction for the allocation of funding between the bond programs.

POLICY OPTIONS

Council has three options to consider:

- Allocate current bond earnings to the two Metro bond programs in alignment with the staff recommendation
- Wait on providing directions on allocating the approximately \$33M current bond earnings
- Direct staff to identify a different approach to allocating the bond earnings

STAFF RECOMMENDATION

Council approval of Resolution 26-5571 to allocate 60 percent of current bond and future bond premium and interest earnings to the Protect and Restore Land program and 40 percent to Take Care of Metro Parks.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Broader parks and nature bond context

The Metro Council adopted Resolution 19-4988 to maximize Metro’s ability to make bond investments in protected lands, parks, trails and natural areas on behalf of the region. Over half, or \$253 million, of the funds authorized by Resolution 19-4988 is allocated to the two program areas that Metro implements directly—\$155 million the Protect and Restore Land program and \$98 million to the Take Care of Metro Parks program (representing 61% and 39% of the \$253 million respectively).

The recommended allocation of earnings in Resolution No. 26-5571 reflects a similar allocation percentage. Parks and Nature is confident that the proposed allocation approach in Resolution 26-5571 will provide staff the capacity continue to advance Council priorities as bond spending ramps down by 2031.

Explicit list of stakeholder groups and individuals who have been involved in policy development:

The Natural Areas and Capital Program Performance Oversight Committee is charged by the Metro Council with reviewing bond spend and award on an annual basis. The oversight committee, which presented its most recent annual report to the Metro Council in November 2025, affirmed that Metro continues to meet expectations in its bond administration. The committee has also emphasized that conservation of fish and wildlife habitat is a generational opportunity and encourages Metro to maximize the amount of funds available for bond funded land acquisition in alignment with regional priorities.

Budget planning

Through Resolution No. 26-5571, Council will establish priorities at the bond program budget level. Within each bond program, staff will continue to assign funds to specific project priorities that already align with existing Council policy direction and can be responsive to opportunities as they arise and changing conditions. As such, Council will continue to review and approve allocations to specific bond funded projects as part of the agency budget and capital improvement plan process each year.

Financial implications

The table below illustrates each of the six bond program areas in initial allocation, total spent and awarded as of January 2026. The table also indicates how the Metro-led programs are committed to project priorities such as land acquisition, capital restoration and site improvements in alignment with the agency’s budget and capital improvement plan.

The Protect and Restore Land program has completed over 40 acquisitions with 2019 bond dollars, resulting in over 1880 acres and 0.8 miles of trail right of way. There are multiple

demands on Protect and Restore Land program funding including once in a generation land acquisitions, making investments to return recently acquired properties to stable conditions, investing in regional restoration priorities and fulfilling the bond promise to invest up to \$15 million through a community-led acquisition process. If the program continues investing at the current pace, available funding will be exhausted by FY 2028.

The proposed allocation percentage to Protect and Restore Land in Resolution No. 26-5571 reflects the centrality of land protection and restoration to Metro’s parks and nature mission as well as the efficiency of the program to expend funds utilizing a robust pipeline of acquisitions through its willing seller program. Further, the allocation of bond earnings will allow the program to remain opportunistic as generational acquisition opportunities arise and to offset the pressure from increased costs of doing business.

The funds in the Take Care of Metro Parks program are fully committed to priority projects that help make Metro developed nature parks safe and welcoming. Most recently, Council has adopted the Willamette Cove master plan formalized a commitment to implementing the master plan. In addition, the department has identified and prioritized a list of capital needs to enhance or renew elements at our developed sites. The proposed allocation percentage in resolution 26-5571 to Take Care of Metro Parks allows Metro more capacity to implement the Willamette Cove master plan and be strategic about addressing priority needs on the department’s capital improvement plan.

The other four bond programs, which award funds to park providers and community organizations to invest in local nature priorities, are ineligible to receive this bond allocation, have yet to award all the available funds and have been able to meet demand for local share and grants with available funds.

One additional financial factor that governs Metro’s management of bond proceeds is to stay aligned with spend down requirements associated with individual bond sales. Metro is anticipating at least one more bond sale for the 2019 parks and nature bond.

Snapshot of bond allocation, total spent, awarded and committed as of January 2026

Bond program	Initial allocation	Total spent	Total awarded	Total committed
PRL	\$155 M	\$69.6 M	NA	\$155 M
TCMP	\$98 M	\$44.3 M	NA	\$98 M
Local share	\$92 M	\$14.7 M	\$42 M	\$92 M*
Trails	\$40 M	\$3.3 M	\$19.5 M	\$31 M
Capital grants	\$40 M	\$7.8 M	\$13.7 M	\$40 M
LSCV	\$50 M	\$600,000	\$22 M (includes pilot round)	\$42 M*
Bond earnings	\$33 M			

* doesn't include projected administrative or direct personnel allocations

BACKGROUND

To date, Metro has invested or awarded over \$220 million of 2019 parks and nature bond funds to protect land, improve experiences at regional nature parks and support nature priorities in communities across the region. Parks and Nature will continue to update Council on bond spend and award trajectory. Upon approval of Resolution 26-5571, staff will utilize the agency budget and capital improvement plan process to report on the status of funds within each program.

ATTACHMENTS

- Is legislation required for Council action? Yes
- If yes, is draft legislation attached? Yes, Res. 26-5571
- What other materials are you presenting today? Three community members will join and share their perspectives on the importance of the project.