

Proposed Budget - Department Overview

FY2026-27



600 NE Grand Ave.
Portland, OR 97232-2736

Planning, Development and Research (PDR), April 2026

Summary of Department Budget for FY26-27 Proposed Budget

- **Major programs / work areas**
 - **Transportation Planning and Projects**
 - Metropolitan Planning Organization (MPO): fulfill federal and state transportation planning and policy responsibilities under federal and state law
 - High-capacity transit corridor planning and project development
 - Regional Travel Options and Safe Routes to Schools
 - Transportation System Management and operations to improve system efficiency
 - Regional Emergency Transportation Routes planning
 - Increase the resilience of our region to extreme weather events
 - **Land Use**
 - Guide land use decisions, implement state requirements for growth management planning and steward the region's Urban Growth Boundary (UGB)
 - Update the region's Charter-required 50-year Future Vision
 - **Community Investment and Development**
 - Affordable transit-oriented housing (Transit Oriented Development Program)
 - Grant programs for community placemaking, local planning to support development, and community focused economic development (Construction Excise Tax – CET Grants)
 - Targeted funding for activities that support housing production
 - Brownfields redevelopment
 - **Data and Research**
 - Data Resource Center (DRC) provides data, analysis, mapping, forecasting and modeling services to Metro departments and agencies around the region
 - These include, but are not limited to, GIS services, mapping, travel demand modeling, transportation emissions modeling, resiliency analysis, data visualization, HR dashboards and public data preservation efforts
- **Total Costs (appropriations budget)**
 - \$17.9 million in Personnel Services (**3% increase from FY26**)
 - 91.2 FTE – **1.4 FTE increase from FY26**
 - \$32.7 million in Materials and Services (**6% decrease from FY26**)
 - Due to less activity on M&S heavy projects (e.g. FHWA SS4A, TOD 82nd Ave Grant)
 - \$6.5 million in Cost Allocation Plan expenses (**15% increase from FY26**)
 - based on internal allocation of increased Metro overhead costs
 - **Total: \$57.1 million (1% decrease from FY26)**

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- **Major funding sources**
 - **46% Federal**
 - 42% formula funds (including TOD)
 - 4% discretionary
 - **54% Non-Federal**
 - 21% General Fund
 - 33% Other Non-Federal (mostly CET, Fund Exchanges, and internal transfers for DRC services)

Ongoing Department Growth and/or Reductions included in FY26-27 Proposed Budget

Growth

- **New Construction Excise Tax (CET) funded programs**
 - Housing Production Accelerator Fund (HPAF)
 - 1 new FTE (3-year Limited Duration Program Coordinator I)
 - \$5M of grants to be spent over 3-5 years (\$2M budgeted in FY27)
 - \$150k to explore Regional Land Bank concept
 - Job Ready Lands and Economic Development
 - 1 new FTE (3-year Limited Duration Senior Regional Planner)
 - \$2M for M&S related to the new Job Ready Land program
 - \$50k to support the update to the region's federally required Comprehensive Economic Development Strategy (CEDS)
 - \$300k of one-time General Fund to cover staff time that cannot be covered by CET funds (e.g. economic development activities that are not directly related to HPAF or Job Ready Lands).

Continuation

- **Future Vision**
 - \$570k of one-time General Fund to complete the Future Vision
 - Extend LD Program Coordinator I (#1734) to June 30, 2027 (6-month extension)
- **Regional Transportation Plan Update**
 - \$400k of existing PDR funds (no General Fund is requested) for federally required activity every 5 years
- **Modeling Support**
 - Extend LD Assistant Modeler (#1702) to December 31, 2026 (6-month extension / no General Fund is requested)

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Reductions

- **PDR continues to approach staffing decisions conservatively due to personnel costs increasing at a faster rate than ongoing revenue.**
 - Given the variety of funding sources for the department, lower funding availability does not affect all PDR program areas equally.
 - Proposed budget includes a net increase of 1.4 FTE overall (3% increase in Personnel expense), due to the addition of two Limited Duration positions that will support the implementation of the new CET-funded programs.

- **The decrease in M&S from FY26 reflects decreased project activity for certain M&S-heavy projects**
 - A majority of PDR M&S expenses are project-based and not required for ongoing operations, so PDR M&S costs can fluctuate significantly from year to year based on project timing.
 - When M&S-heavy projects end or move into a less M&S-heavy phase, M&S costs decrease.

Highlighted Significant Changes from FY26 Budget

See above.

Any Other Overall Impacts that Require Council Direction and/or Attention

As the region's federally designated MPO, PDR's work is intrinsically linked to the federal government. However, the actual impact of any potential changes in federal transportation funding or policy direction remains unpredictable. Should any significant transportation funding cuts become reality, then Council direction may be required depending on the severity of the funding cut.