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Thông báo về sự Metro không kỳ thị của

Metro tôn trọng dân quyền. Muốn biết thêm thông tin về chương trình dân quyền của Metro, hoặc muốn lấy đơn khiếu nại về sự kỳ thị, xin xem trong www.oregonmetro.gov/civilrights. Nếu quý vị cần thông dịch viên ra dấu bằng tay, trợ giúp về tiếp xúc hay ngôn ngữ, xin gọi số 503-797-1700 (từ 8 giờ sáng đến 5 giờ chiều vào những ngày thường) trước buổi họp 5 ngày làm việc.

Повідомлення Metro про заборону дискримінації

Metro з повагою ставиться до громадянських прав. Для отримання інформації про програму Metro із захисту громадянських прав або форми скарги про дискримінацію відвідайте сайт www.oregonmetro.gov/civilrights. або Якщо вам потрібен перекладач на зборах, для задоволення вашого запиту зателефонуйте за номером 503-797-1700 з 8.00 до 17.00 у робочі дні за п'ять робочих днів до зборів.

Metro 的不歧视公告

尊重民權。欲瞭解Metro民權計畫的詳情，或獲取歧視投訴表，請瀏覽網站 www.oregonmetro.gov/civilrights。如果您需要口譯方可參加公共會議，請在會議召開前5個營業日撥打503-797-1700（工作日上午8點至下午5點），以便我們滿足您的要求。

Ogeysiiska takooris la'aanta ee Metro

Metro waxay ixtiraamtaa xuquuqda madaniga. Si aad u heshid macluumaad ku saabsan barnaamijka xuquuqda madaniga ee Metro, ama aad u heshid warqadda ka cabashada takoorista, booqo www.oregonmetro.gov/civilrights. Haddii aad u baahan tahay turjubaan si aad uga qaybqaadatid kullaan dadweyne, wac 503-797-1700 (8 gallinka hore illaa 5 gallinka dambe maalmaha shaqada) shan maalmo shaqa ka hor kullanka si loo tixgaliyo codsashadaada.

Metro의 차별 금지 관련 통지서

Metro의 시민권 프로그램에 대한 정보 또는 차별 항의서 양식을 얻으려면, 또는 차별에 대한 불만을 신고 할 수 www.oregonmetro.gov/civilrights. 당신의 언어 지원이 필요한 경우, 회의에 앞서 5 영업일 (오후 5시 주중에 오전 8시) 503-797-1700를 호출합니다.

Metro의 差別禁止通知

Metroでは公民権を尊重しています。Metroの公民権プログラムに関する情報について、または差別苦情フォームを入手するには、www.oregonmetro.gov/civilrights。までお電話ください。公開会議で言語通訳を必要とされる方は、Metroがご要望に対応できるよう、公開会議の5営業日前までに503-797-1700（平日午前8時～午後5時）までお電話ください。

សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ១ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានការបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។ បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឱ្យគេបកប្រែសម្រាប់លោកអ្នក ។

إشعار بعدم التمييز من Metro

تحتزم Metro الحقوق المدنية. للمزيد من المعلومات حول برنامج Metro للحقوق المدنية أو لإيداع شكوى ضد التمييز، يُرجى زيارة الموقع الإلكتروني www.oregonmetro.gov/civilrights. إن كنت بحاجة إلى مساعدة في اللغة، يجب عليك الاتصال مقدماً برقم الهاتف 503-797-1700 (من الساعة 8 صباحاً حتى الساعة 5 مساءً، أيام الاثنين إلى الجمعة) قبل خمسة (5) أيام عمل من موعد الاجتماع.

Paunawa ng Metro sa kawalan ng diskriminasyon

Iginagalang ng Metro ang mga karapatang sibil. Para sa impormasyon tungkol sa programa ng Metro sa mga karapatang sibil, o upang makakuha ng porma ng reklamo sa diskriminasyon, bisitahin ang www.oregonmetro.gov/civilrights. Kung kailangan ninyo ng interpreter ng wika sa isang pampublikong pulong, tumawag sa 503-797-1700 (8 a.m. hanggang 5 p.m. Lunes hanggang Biyernes) lima araw ng trabaho bago ang pulong upang mapagbigyan ang inyong kahilingan.

Notificación de no discriminación de Metro

Metro respeta los derechos civiles. Para obtener información sobre el programa de derechos civiles de Metro o para obtener un formulario de reclamo por discriminación, ingrese a www.oregonmetro.gov/civilrights. Si necesita asistencia con el idioma, llame al 503-797-1700 (de 8:00 a. m. a 5:00 p. m. los días de semana) 5 días laborales antes de la asamblea.

Уведомление о недопущении дискриминации от Metro

Metro уважает гражданские права. Узнать о программе Metro по соблюдению гражданских прав и получить форму жалобы о дискриминации можно на веб-сайте www.oregonmetro.gov/civilrights. Если вам нужен переводчик на общественном собрании, оставьте свой запрос, позвонив по номеру 503-797-1700 в рабочие дни с 8:00 до 17:00 и за пять рабочих дней до даты собрания.

Avizul Metro privind nediscriminarea

Metro respectă drepturile civile. Pentru informații cu privire la programul Metro pentru drepturi civile sau pentru a obține un formular de reclamație împotriva discriminării, vizitați www.oregonmetro.gov/civilrights. Dacă aveți nevoie de un interpret de limbă la o ședință publică, sunați la 503-797-1700 (între orele 8 și 5, în timpul zilelor lucrătoare) cu cinci zile lucrătoare înainte de ședință, pentru a putea să vă răspunde în mod favorabil la cerere.

Metro txoj kev ntxub ntxaug daim ntawv ceeb toom

Metro tributes cai. Rau cov lus qhia txog Metro txoj cai kev pab, los yog kom sau ib daim ntawv tsis txaus siab, mus saib www.oregonmetro.gov/civilrights. Yog hais tias koj xav tau lus kev pab, hu rau 503-797-1700 (8 teev sawv ntxov txog 5 teev tsaus ntuj weekdays) 5 hnuv ua hauj lwv ua ntej ntawm lub rooj sib tham.

FY 2025-26 Council Budget Development Workshop
Work Session Topic

Metro Council Work Session
Tuesday, December 3, 2024

FY 2025-26 Budget Development Workshop

Date: 11/12/2024
Department: Finance and Regulatory
Services
Meeting Date: 12/3/2024

Prepared by: Amanda Akers
Presenter(s), (if applicable):
Marissa Madrigal, Chief Operating Officer
Brian Kennedy, Chief Financial Officer
Length: 100 minutes

ISSUE STATEMENT

The Metro Council develops the agency-wide vision that directs budget development. This is an opportunity for the Metro Council to hear about the regional economy, Metro's financial forecast, and to discuss Council priorities.

ACTION REQUESTED

Discuss Council priorities for the upcoming FY 2025-26 Budget Development with the Chief Operating Officer and Chief Financial Officer.

IDENTIFIED POLICY OUTCOMES

Council's direction will result in a Proposed budget, presented in Spring 2024, that reflects the Metro Council's priorities.

POLICY QUESTION(S)

What priorities would the Metro Council like departments and/or the agency to consider as the FY 2025-26 budget is being developed?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

Council can provide a strategic vision and priorities for departments and/or the agency.

STAFF RECOMMENDATIONS

Staff recommend that the Council provide clear priorities for specific departments or the agency to guide the FY 2025-26 budget development.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

- The Metro Budget is a critical policy document that supports the prioritization and financial oversight of services provided
- Investments in the Metro Budget support the advancement of Metro's racial equity goals and climate action

Legal Antecedents

- Oregon Budget Law found within Oregon Revised Statutes (ORS) 294.305 to 294.565 dictates several specific steps that must be followed during the budgeting process, most importantly that a budget must be adopted by June 30th of every year.

BACKGROUND

Metro Council approves and adopts the agency-wide budget annually that spans July 1 through June 30. Metro Council provides the strategic direction and priorities for Metro's departments to weave into their budgets. Council's communication of priorities ensures that Metro is continually making progress to provide the highest level of services, deliver on promises made to voters, and advance racial equity and climate action goals.

ATTACHMENTS

- Is legislation required for Council action? Yes No
- If yes, is draft legislation attached? Yes No
- What other materials are you presenting today? N/A

Proposed Budget - Department Overview

FY 2025-26



[department], [date]

Please provide the information requested below. When finished, please delete all blue font instructions before submitting the form.

Summary of Department Budget for FY26 Proposed Budget

Please highlight department including the following:

- Major programs and funding sources
- Accomplishments/work over the fiscal year
- Total Costs (appropriations budget)
- FTE to support proposed service level

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

Describe any major growth and/or reductions in the proposed fiscal year. How is the department leveraging the growth or mitigating reduction impacts.

Highlighted Significant Changes from FY25 Budget

Please identify the major changes from prior fiscal year

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

Summarize the overall impacts of decisions in the proposed budget for consideration that requires council direction or attention.

Attachments:

Supply following attachments

Org Chart

Budget Equity Tool – Reflection Questions

Direction for COO for Proposed Budget

FY 2025-26

[Date]



Metro

600 NE Grand Ave.
Portland, OR 97232-2736

Please provide the information requested below. When finished, please delete all blue font instructions before submitting the form.

Department: [enter department(s)]

Please note the department(s) impacted.

Program, project, or idea:

Describe one sentence summary on what the program, project or idea is.

Description of direction and outcomes to achieve:

Please detail the direction / idea and what the desired outcome is.

From Councilor:

- President Peterson
- Councilor Simpson
- Councilor Lewis
- Councilor Rosenthal
- Councilor González
- Councilor Nolan
- Councilor Hwang

Is a resolution/ordinance desired for this? Y / N

Use the check box to indicate Y for Yes or N for No

COO Notes

Staff Assigned: [name, title, department]

Please indicate staff assigned

Is the department doing this currently? Y / N

Use the check box to indicate Y for Yes or N for No

Relationship to other programs/departments

Describe how the proposal enhances or complements existing programs or projects? Are there other departments or programs that are leveraging this.

If yes, please describe deliverables and costs:

Detail the deliverables and costs associated that is in the current workplan

If no, describe the costs and the following two scenarios.

1) If budget was not adjusted, what are financial tradeoffs?

2) If budget was to be increased, how would it be supported?

Detail the financial impacts of implementing the idea and how it would be supported (\$, FTE, etc.)

How does the proposal support department and/or agency racial equity goals?

Indicate the considerations for equity

Funding time period

Indicate the time period the additional funding is required

One-time / ___ Specific time period (e.g. two years) / On-going

Materials following this page were distributed at the meeting.



Metro

Metro Council Budget Development Workshop

December 3, 2024

Agenda

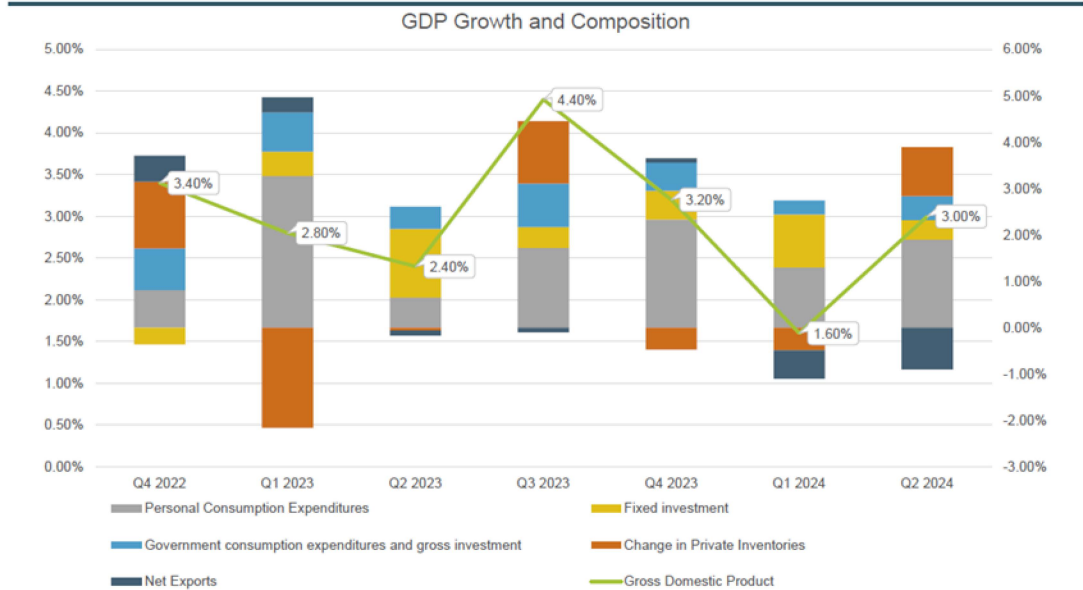
- Economic Outlook
- Five-year Forecasts
- Budget Direction to Departments
- Council Process Review

Economic Outlook

GDP – Impressing the Critics



September 30, 2024

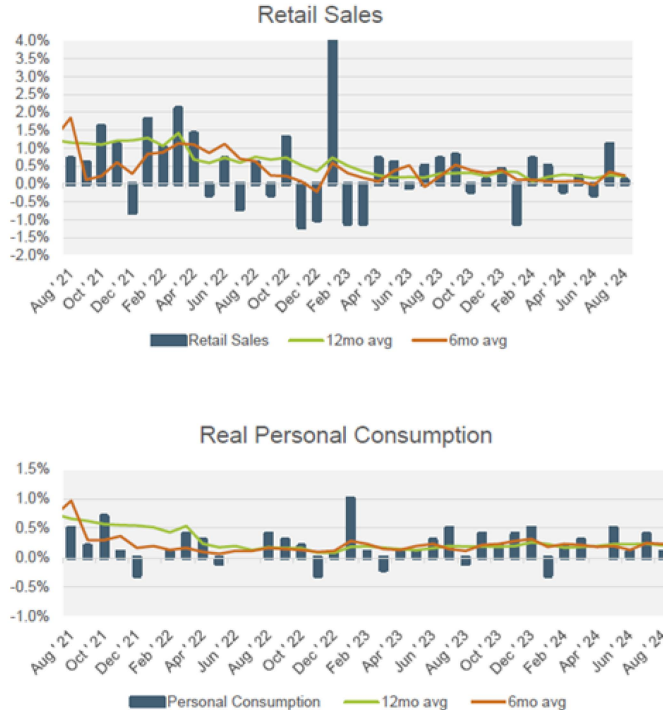


Economic growth accelerated in Q2 advancing at a brisk 3.0% while the Atlanta Fed GDPnow model is forecasting Q3 to register another solid quarter at 2.8% while blue chip consensus forecasts span a range from 1.25% to 2.50%.

Consumption – Keeping the Wallets & Purses Open



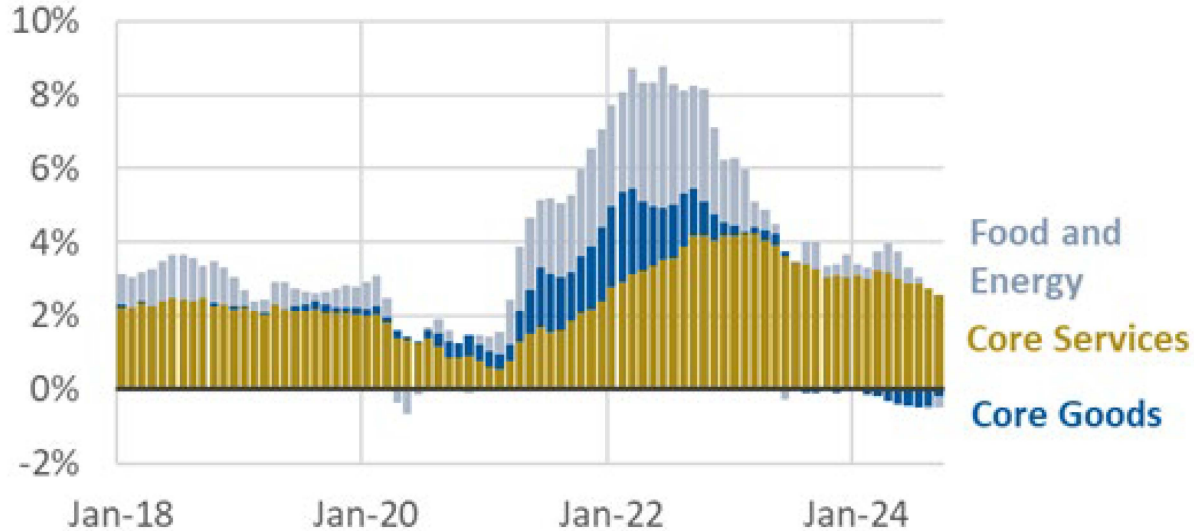
September 30, 2024



Consumption has held steady through the quarter with consumers continuing to prioritize spending on services and experiences, and as the personal savings rate has declined for five consecutive months, it is clear that job and wage growth have been powering consumption.

Inflation is slowing

Decomposing Year-over-Year Change in the West Region Consumer Price Index



Latest Data: Sept 2024 | Source: BLS, Oregon Office of Economic Analysis

Oregon Withholding

90 Day Sum of Collections: Year-over-Year Change | **Moving Average**



Latest Data: Nov 1, 2024 | Source: Oregon Dept. of Revenue, Oregon Office of Economic Analysis

Manufacturing Hours Worked

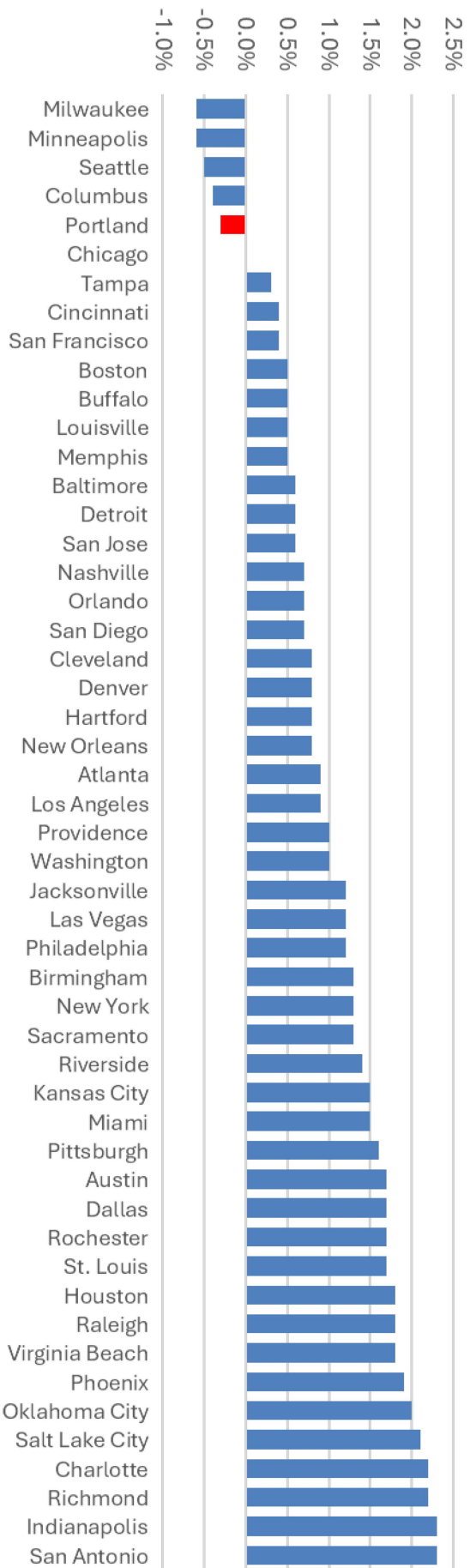
Number of hours worked per week in the **USA** and **Oregon**



Data: 3 month avg | Latest: Sept 2024 | Source: BLS, Oregon Emp Dept, Oregon Office of Economic Analysis

Portland MSA's employment growth is well below historic norms relative to the rest of the country

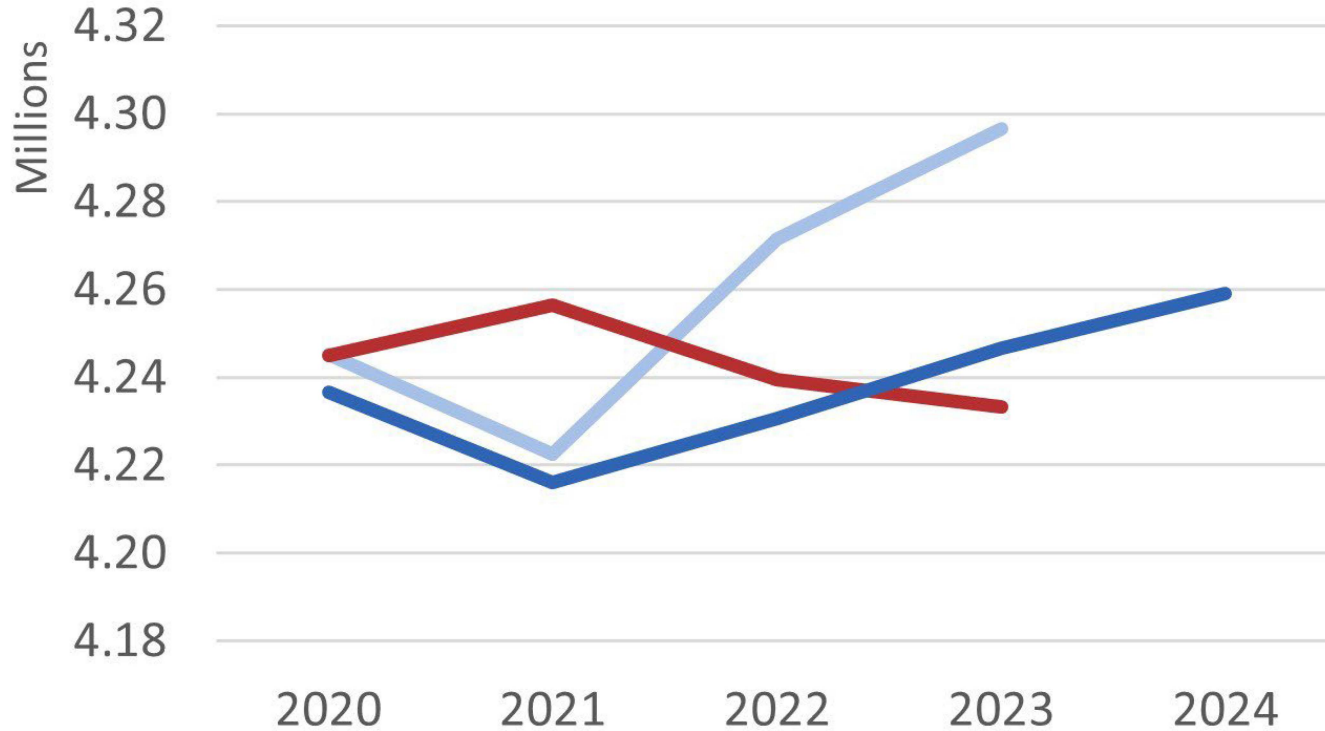
Metro Area Employment Growth (Oct. '23 - Oct. '24)



Source: U.S. Bureau of Labor Statistics (https://www.bls.gov/web/metro/largemetro_oly_change.htm)

Oregon Population Estimates

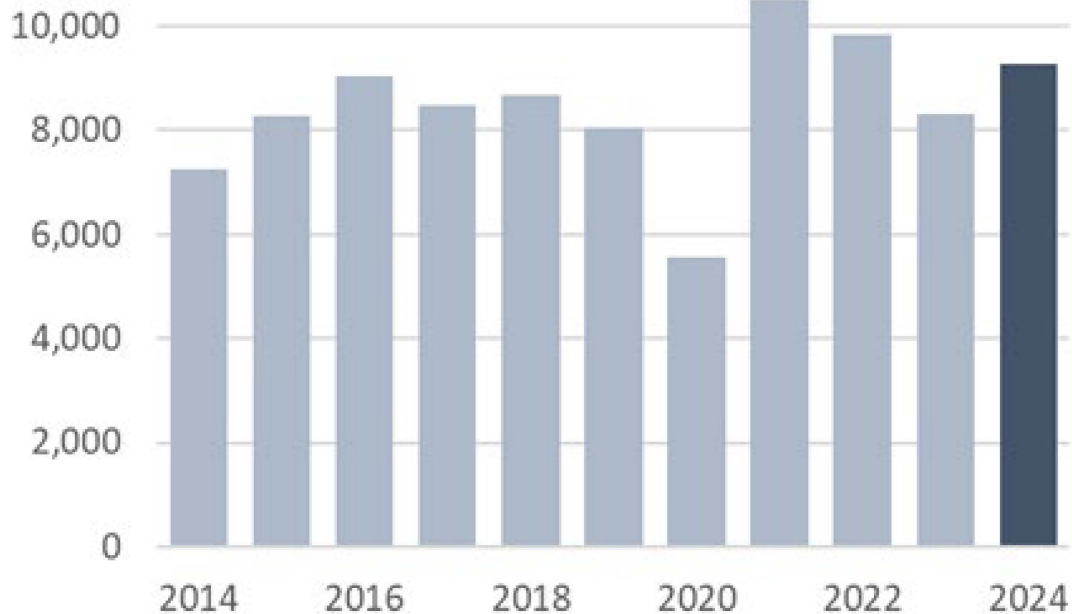
Census | Previous PSU | Current PSU



Source: Census, Portland State Univ Pop Research Center

Oregon Surrendered Driver Licenses

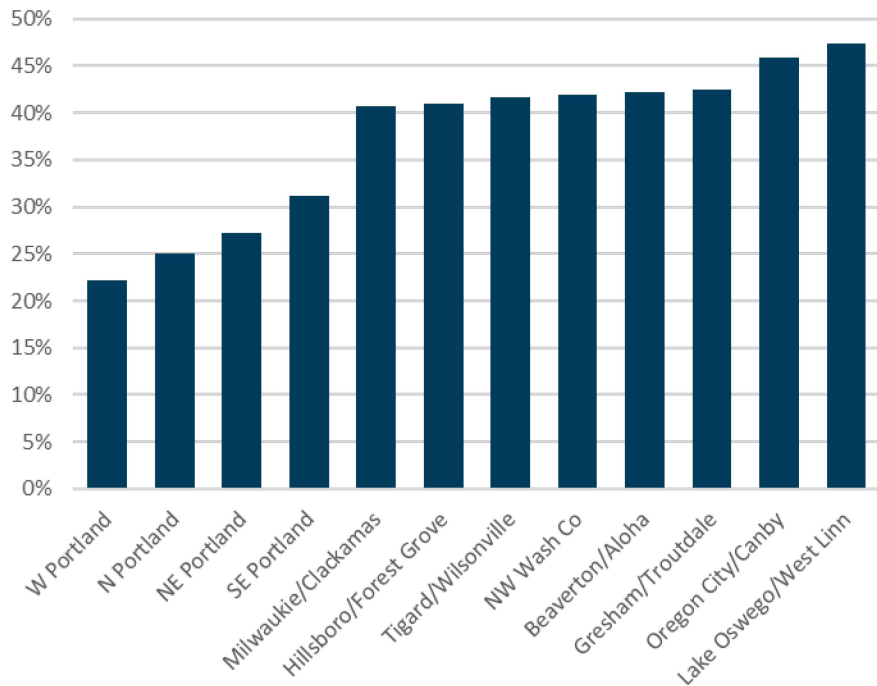
Average of 3 months ending September for each year



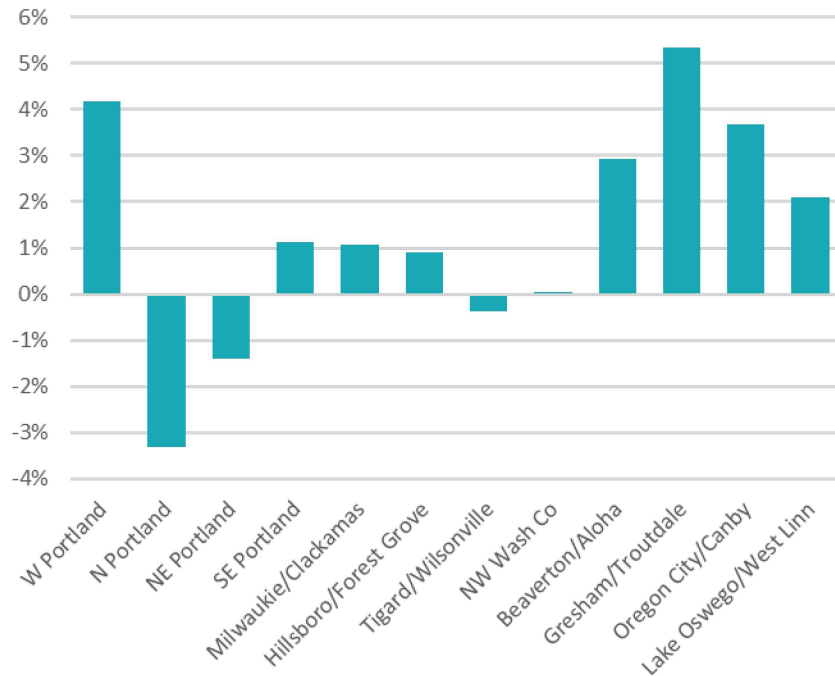
Source: Oregon Dept of Transportation, Oregon Office of Economic Analysis

Limited data suggest new migration patterns even within the Metro Area (home prices)

Change in average sale price, 2018-2022



Change in average sale price, 2023-2024



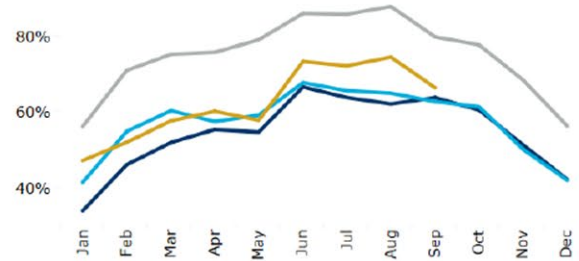
TLT Trends

Trends City of Portland

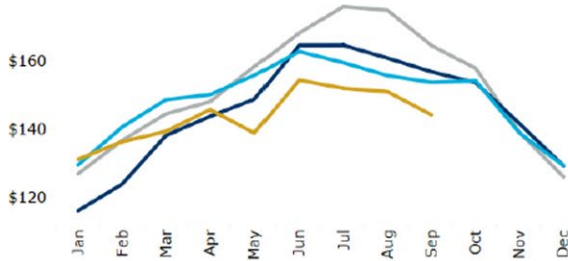
Month: September 2024
 Market: City of Portland
 Supply: Total
 Year: Multiple values

Legend: CY2019 (Grey), CY2022 (Dark Blue), CY2023 (Light Blue), CY2024 (Yellow-Gold)

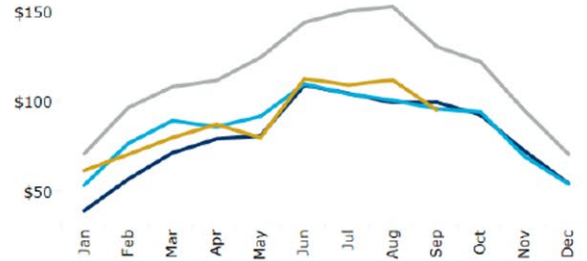
Occupancy



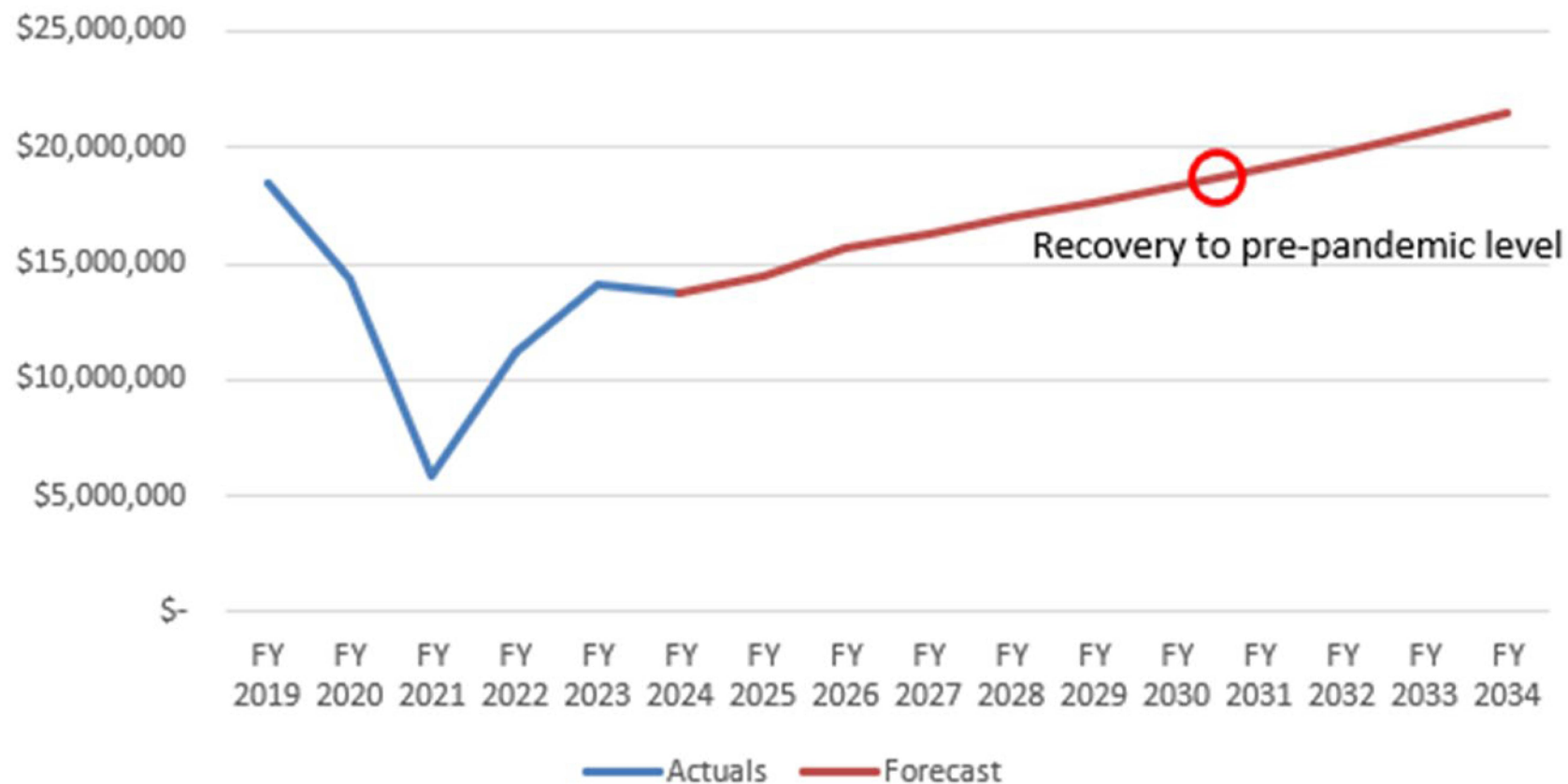
ADR



RevPAR



Transient Lodging Tax Revenue Forecast



Economic Outlook Last Year

- Economy is still strong (see: SHS tax revenues)
- Travel and tourism recovery is much slower than expected (and currently stalled)
- Inflation is easing, but high interest rates continue

~_(\ツ)_/~



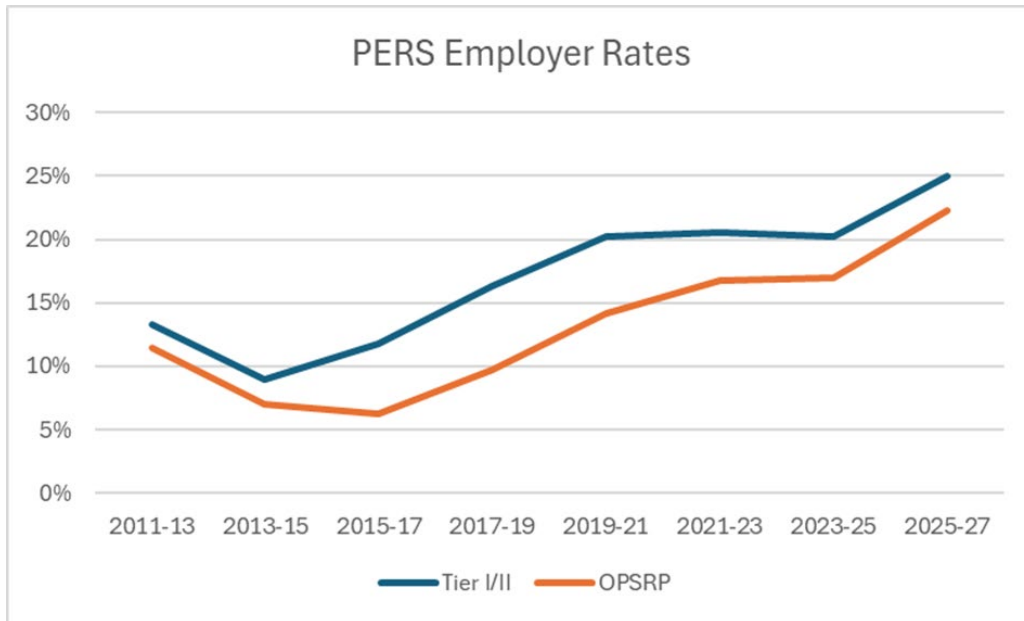
Economic Outlook Takeaways

- Strength in the national and Oregon economy is a positive, but some weakness in local economy
- Some local conditions (i.e. perception of downtown) may overwhelm more macro factors (i.e. spending on services and experiences)
- Slow TLT recovery is an ongoing challenge
- Significant uncertainty across the board

Forecast Themes

- Inflation is lower, but many increased costs are baked into budgets
- Significant increase in PERS employer rates for the next biennium (and beyond)
- Venues are facing slow recovery in transient lodging taxes and attendance
- Property and excise taxes are stable

PERS Employer Rates



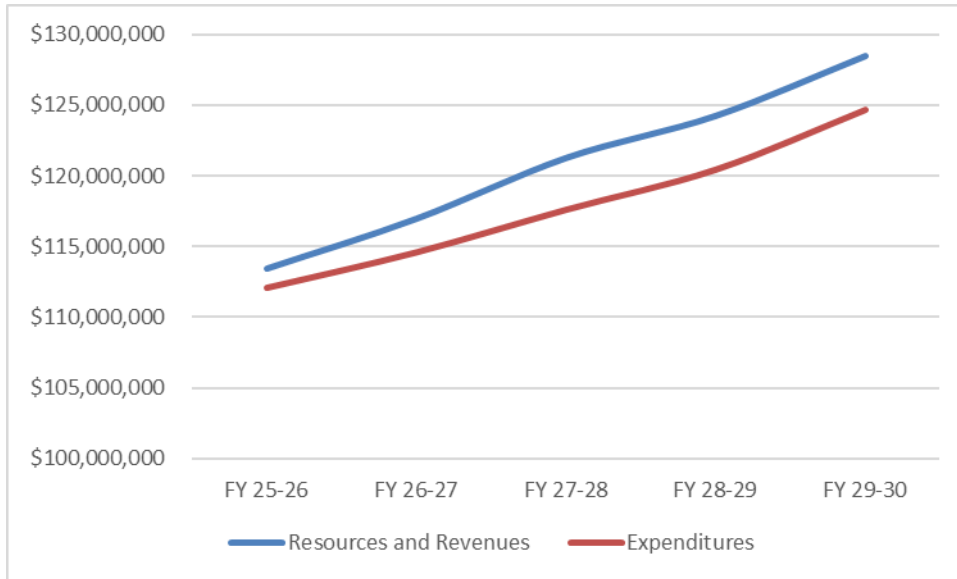
- Systemwide increase in personnel costs
- Investment returns below forecast
- Increase in unfunded actuarial liability

Five-year Forecasts

Key Assumptions:

- Inflation between 2% and 3%
- Interest rates fall over the five years
- Significant increase in PERS employer rates

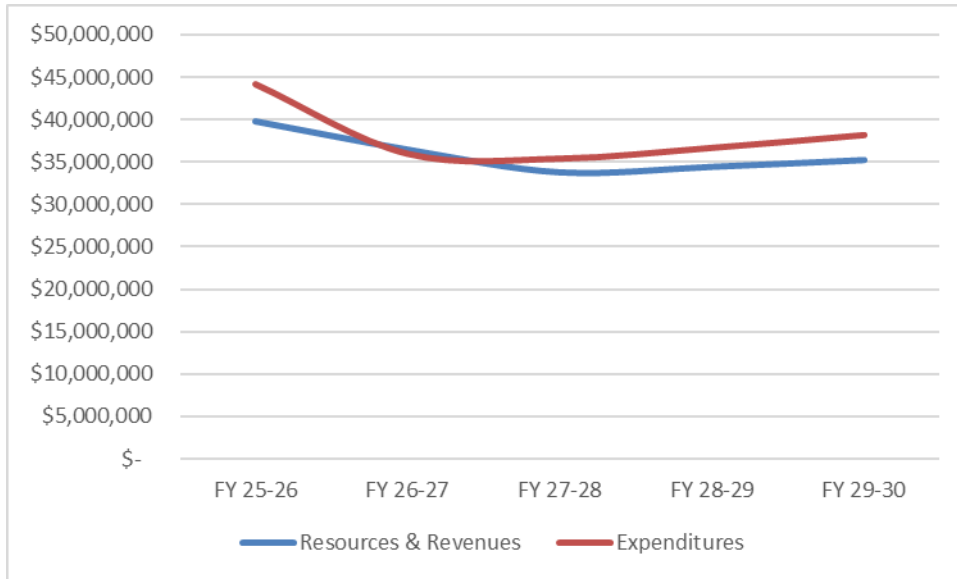
General Fund



Notes:

- Excise tax is stable
- Central services cost recovery is most of the General Fund, but financial stress in some external departments is a risk

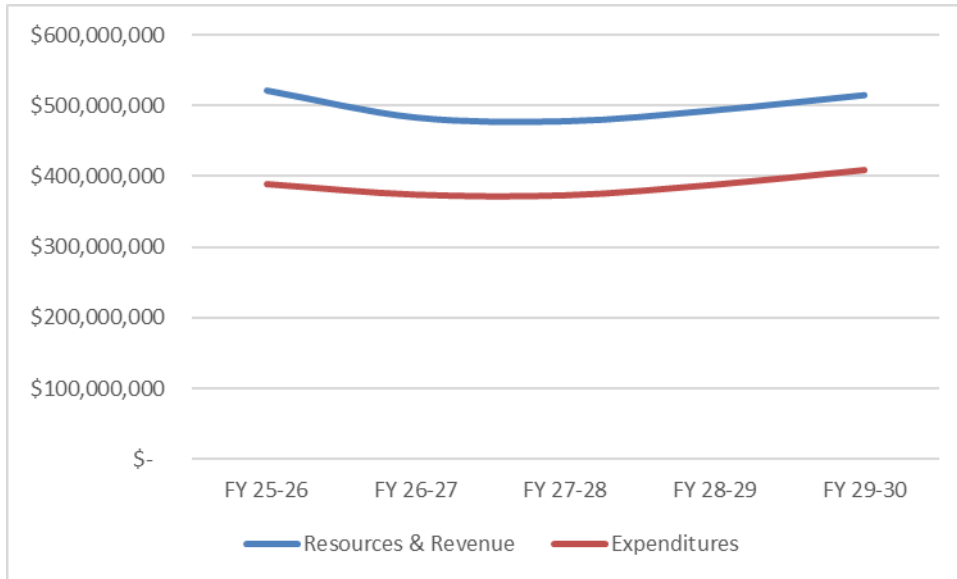
Planning, Development & Research



Notes:

- Assumes spend-down of one-time resources
- Assumes similar level of discretionary grants not currently awarded

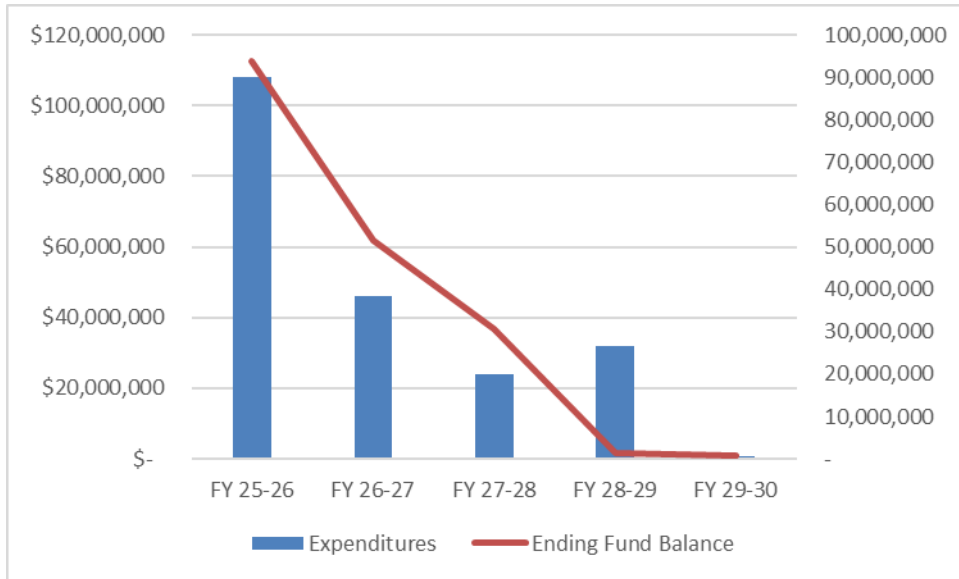
Supportive Housing Services Fund



Notes:

- Assumes spending consistent with December 2024 Revenue Forecast
- Carryover (above contingency and stabilization reserves) spent down by FY27-28

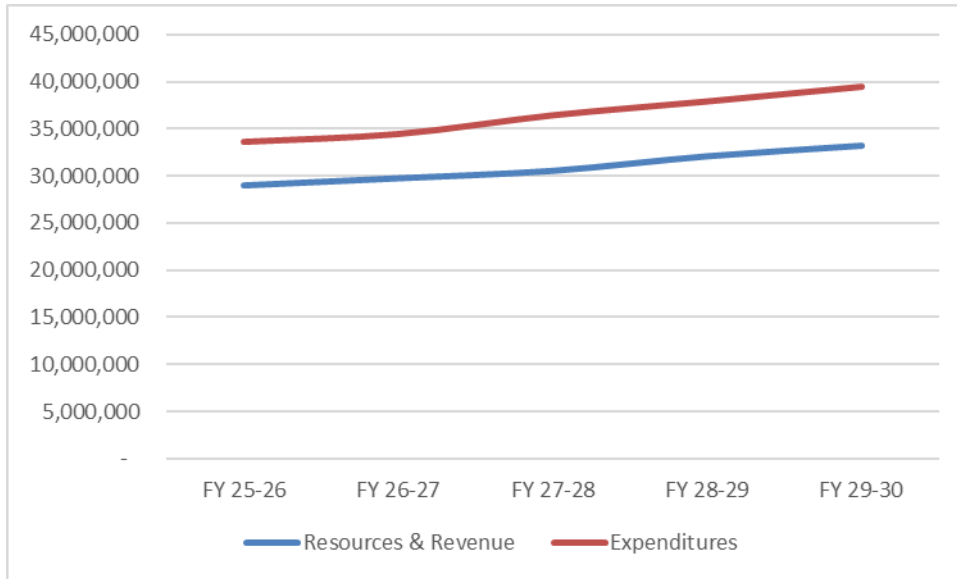
Affordable Housing Bond Fund



Notes:

- Final project costs expended in FY28-29

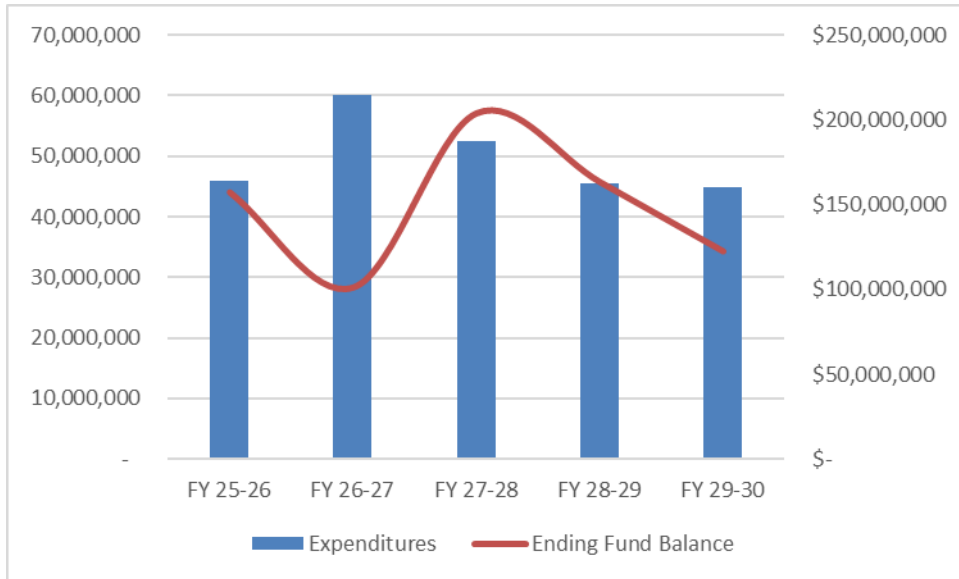
Parks and Nature Operating Fund



Notes:

- Parks and Nature working with COO to resolve structural deficit
- Primary issue is Local Option Levy revenues not keeping up with expenses

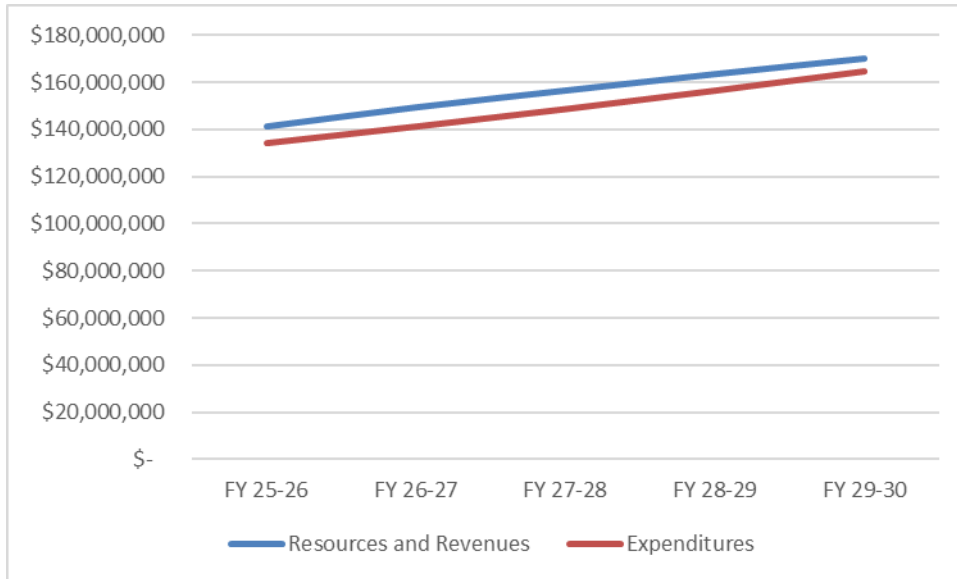
Parks and Nature Bond Fund



Notes:

- 2nd Bond Sale in spring 2025
- 3rd (and final) bond sale in FY27-28

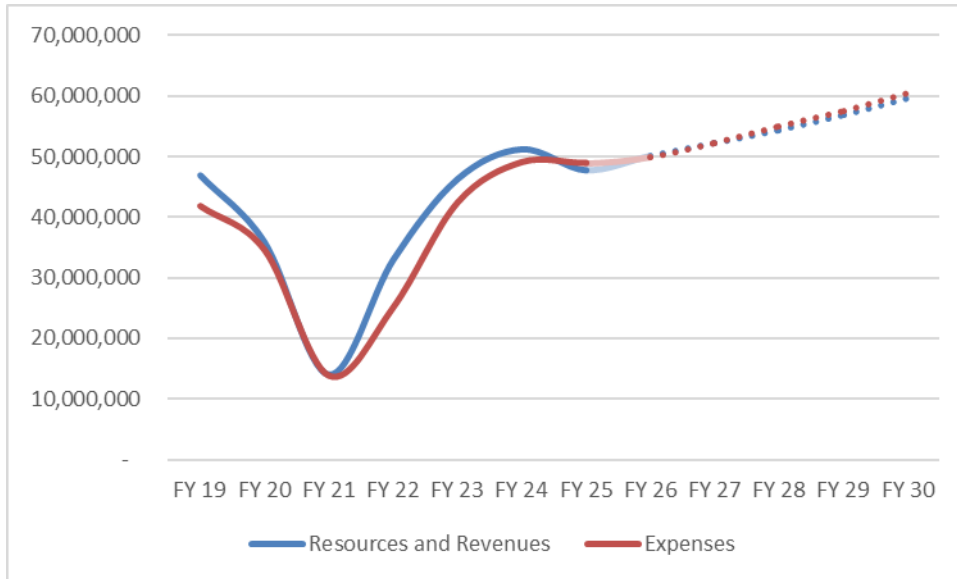
Waste Prevention & Environmental Services



Notes:

- Does not include new capital costs for implementation of Systems Facility Plan
- Revenue growth is assumed at approximately 5%/year

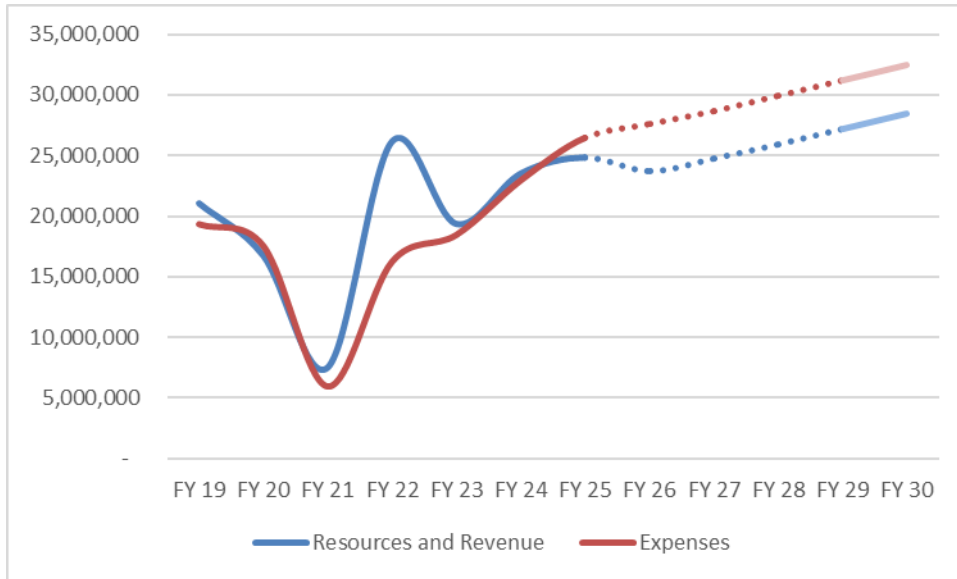
Oregon Convention Center



Notes:

- Forecast assumes OCC can manage to available revenues
- Future booking window is behind historical averages
- Capital funding continues to be a challenge

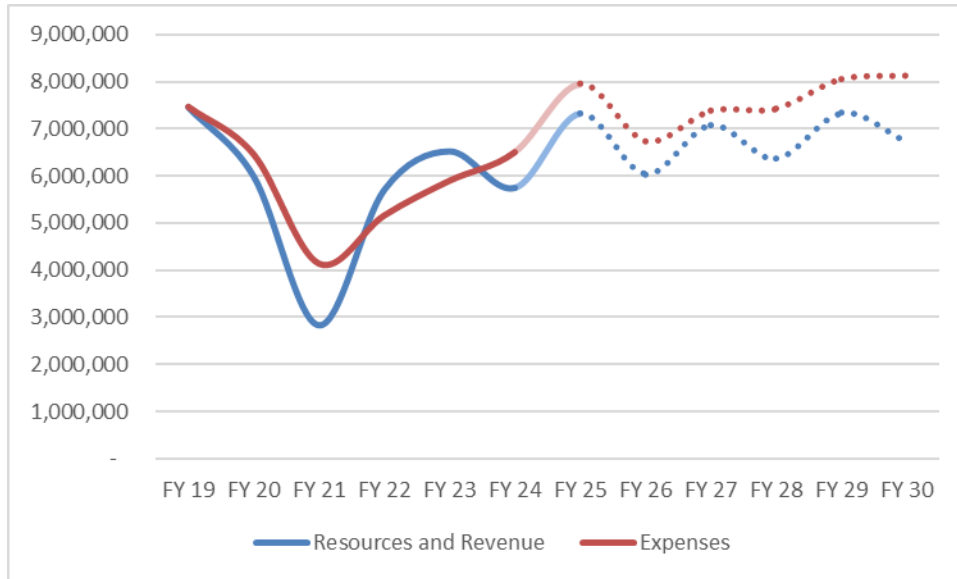
P'5 Centers for the Arts



Notes:

- Operating deficit and lack of capital funding are a major risk
- Political uncertainty adds new challenges
- Increasing costs and slow attendance growth putting significant pressure on P'5

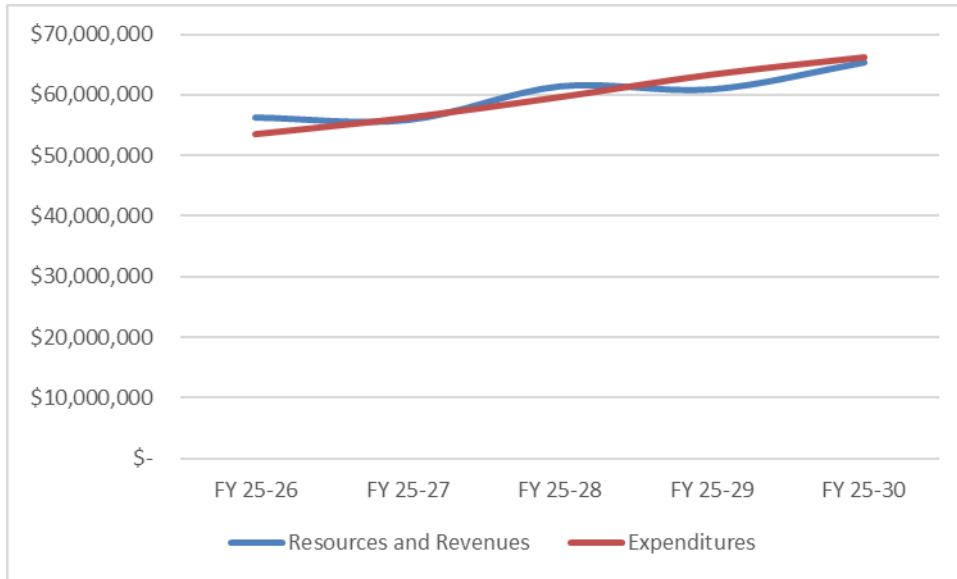
Portland Expo Center



Notes:

- Attendance and revenue recovery has stalled
- Forecast suggests ongoing structural deficit despite debt being retired
- Lack of capital funding is a significant challenge

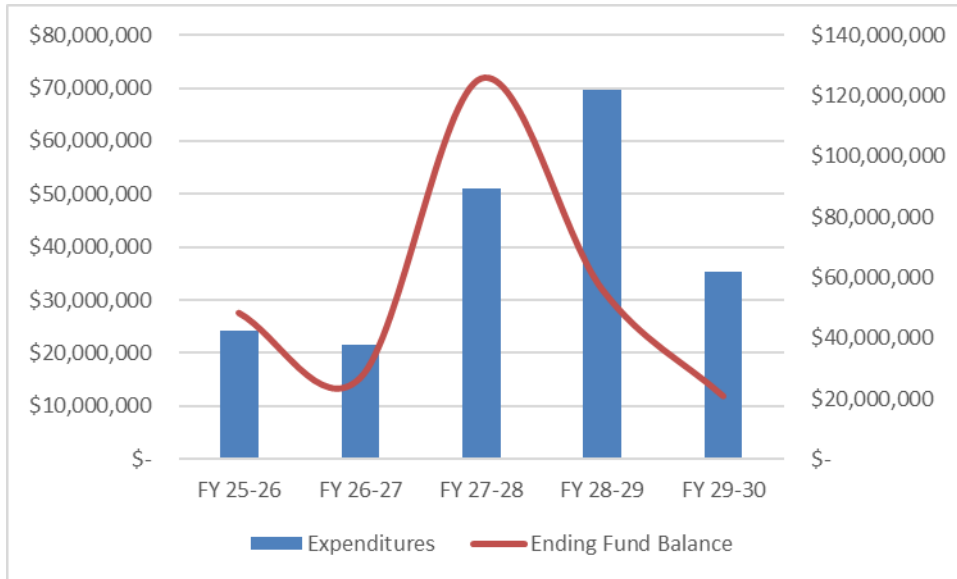
Oregon Zoo



Notes:

- Revenue fluctuations driven by attendance projections that factor in construction schedules
- Labor costs will continue to be a challenge
- Growing revenue will require creativity and innovation

Oregon Zoo Bond Fund



Notes:

- Forecast is very preliminary as implementation plan is still being developed

Budget Direction

- Departments need to submit balanced budgets
- General Fund departments to submit reduction packages for COO review
- Modification requests should be focused only highest, most urgent priorities

FY25-26 Budget Priorities

- Resolving structural deficits
- Careful review of Central Services costs
- Continued focus on climate resiliency, support for strategic targets implementation and prioritization of policy execution

Budget Process Preview

- Department budgets due to COO January 10th
- Proposed Budget published April 4th, 2025
- Proposed Budget presentation April 10th
- Council deliberation begins April 10th

Budget Materials Preview

- Department Proposed Budget Overview
- Councilor Direction & Idea Form

Discussion and Questions

- What are your overall, big-picture priorities for the FY25-26 budget?
- What specific investments would you like to see developed for your consideration in the spring?

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Direction for COO for Proposed Budget FY 2025-26

[Date]



Metro

600 NE Grand Ave.
Portland, OR 97232-2736

Please provide the information requested below. When finished, please delete all blue font instructions before submitting the form.

Department: [enter department(s)]
Please note the department(s) impacted.

Program, project, or idea:
Describe one sentence summary on what the program, project or idea is.

Description of direction and outcomes to achieve:
Please detail the direction / idea and what the desired outcome is.

Is a resolution/ordinance desired for this? Y / N
Use the check box to indicate Y for Yes or N for No

From Councilor:

- President Peterson
- Councilor Simpson
- Councilor Lewis
- Councilor Rosenthal
- Councilor González
- Councilor Nolan
- Councilor Hwang

COO Notes

Staff Assigned: [name, title, department]
Please indicate staff assigned

Is the department doing this currently? Y / N
Use the check box to indicate Y for Yes or N for No

Relationship to other programs/departments
Describe how the proposal enhances or complements existing programs or projects? Are there other departments or programs that are leveraging this.

If yes, please describe deliverables and costs:
Detail the deliverables and costs associated that is in the current workplan

If no, describe the costs and the following two scenarios.
1) If budget was not adjusted, what are financial tradeoffs?
2) If budget was to be increased, how would it be supported?
Detail the financial impacts of implementing the idea and how it would be supported (\$, FTE, etc.)

How does the proposal support department and/or agency racial goals?
Indicate the considerations for equity

Funding time period

Indicate the time period the additional funding is required

One-time / ___ Specific time period (e.g. two years) / On-going

Proposed Budget - Department Overview

FY 2025-26



[department], [date]

Please provide the information requested below. When finished, please delete all blue font instructions before submitting the form.

Summary of Department Budget for FY26 Proposed Budget

Please highlight department including the following:

- Major programs and funding sources
- Accomplishments/work over the fiscal year
- Total Costs (appropriations budget)
- FTE to support proposed service level

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

Describe any major growth and/or reductions in the proposed fiscal year. How is the department leveraging the growth or mitigating reduction impacts.

Highlighted Significant Changes from FY25 Budget

Please identify the major changes from prior fiscal year

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

Summarize the overall impacts of decisions in the proposed budget for consideration that requires council direction or attention.

Attachments:

Supply following attachments

Org Chart

Budget Equity Tool – Reflection Questions



Metro

600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov

Council President Lynn Peterson

December 3, 2025

Portland City Council
1900 SW Fourth Avenue
Portland, OR 97201

Dear Mayor Wheeler and Commissioners Rubio, Ryan, Mapps and Gonzalez,

I am writing on behalf of the Metro Council to express strong support for the Oregon Zoo's proposal to purchase your property located on the southern end of parking lot B in Washington Park. Metro regional government represents 1.7 million people in the greater Portland region as the nation's only elected regional government. Metro has a diverse portfolio of work, including management of the Oregon Zoo since 1976 and is deeply invested in its continued success.

The Oregon Zoo is recognized for its work in conservation and attracts more than 1.6 million visitors each year. It is a hub for science, conservation, education and animal well-being, and it acts globally on behalf of species from pikas to polar bears. The zoo also offers a special place for community placemaking by hosting some of Portland's most treasured traditions like the summer concert series and ZooLights.

Since its relocation to Washington Park in 1959, the Oregon Zoo has occupied a 64-acre campus. However, due to geological and environmental constraints, only approximately 43 acres are considered usable for development. The proposed purchase of the adjacent property would enable the zoo to relocate certain functions, such as administrative offices, freeing up valuable space for animal habitats and improving the overall experience for animals, visitors, and staff.

A thriving Oregon Zoo is an invaluable asset to Washington Park, this city, and our region. As a key partner in creating a vibrant, livable region, the Metro Council strongly supports the zoo's acquisition of this property. We believe this will support the zoo's continued success as a world-class institution and it will benefit both wildlife and our community.

Thank you for your consideration of this important proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Lynn Peterson".

Metro Council President Lynn Peterson