



600 NE Grand Ave.
Portland, OR 97232-2736

Council retreat agenda

Tuesday, November 27, 2018

1:00 PM

Oregon Convention Center, Rooms D133 and

D134

1:00 Introduction, Background, and Goals for the Day

Presenter: Martha Bennett

1:10 Budget Calendar Review

Presenter: Tim Collier

1:20 Financial Conditions by Major Funds

Presenter: Tim Collier

- a. General Fund*
- b. Visitor Venues*
- c. Solid Waste*
- d. Oregon Zoo*

2:20 Break

2:30 Council Initiatives Discussion & Direction

4:00 Next Steps & Debrief

4:15 Adjourn

Metro respects civil rights

Metro fully complies with Title VI of the Civil Rights Act of 1964 and related statutes that ban discrimination. If any person believes they have been discriminated against regarding the receipt of benefits or services because of race, color, national origin, sex, age or disability, they have the right to file a complaint with Metro. For information on Metro’s civil rights program, or to obtain a discrimination complaint form, visit www.oregonmetro.gov/civilrights or call 503-797-1536. Metro provides services or accommodations upon request to persons with disabilities and people who need an interpreter at public meetings. If you need a sign language interpreter, communication aid or language assistance, call 503-797-1700 or TDD/TTY 503-797-1804 (8 a.m. to 5 p.m. weekdays) 5 business days before the meeting. All Metro meetings are wheelchair accessible. For up-to-date public transportation information, visit TriMet’s website at www.trimet.org.

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 的不歧視公告

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 baahsan tahay turjubaan si aad uga qaybqaadatid kullanka dadweynaha, wac 503-797-1700 (8 gallinka hore illaa 5 gallinka dambe maalmaha shaqada) shan maalmo shaqo 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がご要請に対応できるよう、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 ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬស្នើសុំទទួលបានកម្មប្រព័ន្ធរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។ បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំស្នើសុំអង្គប្រជុំសាធារណៈរបស់លោកអ្នក ។

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 saww ntxov txog 5 teev tsaus ntuj weekdays) 5 hnub ua hauj lwm ua ntej ntwam lub rooj sib tham.

Materials following this page were distributed at the meeting.

	General Fund	Parks Levy	MERC Fund	SW Fund	Oregon Zoo Fund	Bond Funds
Resources	Property Taxes Excise Taxes Construction Excise Taxes TOD Funding Charges for Services Interest Internal Transfers Grants	Property Taxes Interest	Event Revenue Interest Transient Lodging Taxes Food and Beverage	Regional System Fees Tonnage Charges Interest	Admissions Food and Beverage GF Transfers Interest Grants	Bond Sales Interest
Programs/ Expenditures	Parks, Planning, Central Services Zoo Transfer, Expo Transfer DEI, Council Office Research Center	Parks operations Natural Areas Restoration	P'5, OCC, Expo Events, Conventions, Trade Shows Broadway	Household Hazardous Waste Recycling Programs Transfer station operations Compliance	Living Collections Guest Services	Natural Areas Zoo Infrastructure Housing
Positives	Strong economy, Stable income base	In place through 22-23	Strong economy, strong events business Convention hotel to open late 19 early 2020	Strong Economy Steady Tip fee Healthy Reserves	Strong Economy Strong Brand	Have achieved voter promises
Headwinds	Eventual economic slowing FTE cost increases and growth PERS Impact of Housing Bond	Renewal and/or replacement plan PERS	P'5 capital needs, Expo revenue issues Pay Equity Personnel Business Model PERS	Eventual economic slowing FTE cost increases and growth PERS	Eventual economic slowing FTE cost increases and growth PERS Weather dependant	Zoo and NA bonds completed in 2021 Impacts of Housing Bond on current Metro Infrastructure unknown
18-19 Appropriations (In Millions)	127	23	139	132	52	73

FY 2019-20 Council Budget Review Key Dates and Deadlines

Color Key:

Financial Planning key actions or dates	Chief Operating Officer deadlines or key actions
Council budget retreats, work sessions, meetings or key action dates	Department deadlines

Tuesday, November 27, 2018	COUNCIL RETREAT: Planning and policy discussion, review of budget calendar and process
February 7, 2019 (tentative)	COUNCIL RETREAT: Planning and policy discussion
Thursday March 28, 2019	Release Proposed Budget to Council in electronic format for individual review (no deliberation of proposal allowed until April 11th)
COB Thursday April 4, 2019	Councilor questions (first round) due to Financial Planning
Thursday April 11, 2019 2:00 p.m.	COUNCIL MEETING (Public Hearing): Resolution # XX-XXXX Chief Operating Officer acting as Budget Officer presents Proposed Budget and Budget Message to the Metro Council acting as Budget Committee
COB Thursday April 11, 2019	Department responses to Councilor questions due to Financial Planning (first round)
Monday afternoon April 15, 2019	Distribute responses to Councilor questions on budget (first round)
COB Monday April 15, 2019	Councilor questions on budget due to Financial Planning (second round)
Tuesday April 16, 2019 2:00 p.m.	BUDGET WORK SESSION: Discussion of budget. Review process and calendar, Councilor questions, Councilor discussion, Council work session
COB Thursday April 18, 2019	Department responses to Councilor questions due to Financial Planning (second round)
Monday afternoon April 22, 2019	Distribute responses to Councilor questions on budget (second round)
Tuesday April 23, 2019 2:00 p.m.	BUDGET WORK SESSION (if needed): Discussion of budget. Review process and calendar, Councilor questions, Councilor discussion, Council work session
Thursday May 2, 2019 2:00 p.m.	COUNCIL MEETING (Public Hearing): Resolution # XX-XXX Council approves budget for transmittal to the TSCC
Wednesday, May 15, 2019	Deadline to file budget with the TSCC
May 16 – June 5, 2019	TSCC public comment period (minimum 20 days)
Monday May 20, 2019 COB	Deadline for submittal of final department substantive and technical amendments <i>Amendments after approval are subject to limitations of Oregon Budget Law</i>
10:00 AM Tuesday May 21, 2019.	Deadline for submittal of Councilor amendments to the budget <i>Amendments after approval are subject to limitations of Oregon Budget Law</i>
Thursday, June 6, 2019 12:30 p.m.	TSCC public hearing on Approved Budget Metro Regional Center Council Annex
Friday June 7, 2019	Release packet of final department technical amendments and Councilor amendments
Tuesday June 11, 2019 2:00 p.m.	BUDGET WORK SESSION: Discussion of Councilor amendments; Review of final technical amendments
Thursday, June 13, 2019 2:00 p.m.	COUNCIL MEETING (Public Hearing): Resolution # XX-XXXX Council considers and votes on amendments to budget
Tuesday June 18, 2019 2:00 p.m.	BUDGET WORK SESSION (if needed): Additional discussion of Councilor amendments
Thursday, June 20, 2019 2:00 p.m.	COUNCIL MEETING (Public Hearing): Resolution # XX-XXXX- final action taken Council adopts budget
July 1, 2019	Budget Effective
July 15, 2019	Deadline to file tax levy information with TSCC & Counties (July 14 th is Saturday)

DRAFT COUNCIL INITIATIVES

Last updated for the November 27, 2018, retreat.

	2018 Progress	0-18 Months January 2019	18+ Months July 2020
<p>Council Ownership</p>	<p><u>Transportation</u> ✓ 2018 Regional Transportation Plan • Long-Term Funding Coalition</p> <p><u>Land Use</u> ✓ Equitable Housing Strategy & Coalition ✓ 2018 Urban Growth Management Decision</p> <p><u>Parks and Nature</u> • Next Generation Natural Areas Bond • Long-term Funding Discussion</p> <p><u>Solid Waste</u> ✓ Roadmap Decisions Supporting the Post-2019 Operating Environment • Regional Solid Waste Plan</p>	<p><u>Transportation</u> • Long-term Funding Coalition • 2020 Funding Measure • •</p> <p><u>Land Use</u> • Equitable Housing Bond Implementation • 2040 Vision Refresh • Regional Employment • •</p> <p><u>Parks and Nature</u> • Next Generation Natural Areas Bond • Long-term Funding Discussion • •</p> <p><u>Solid Waste</u> • Regional Solid Waste Plan • •</p> <p><u>Agency-wide</u> • 2019 Legislative Agenda • •</p>	<p><u>Transportation</u> • 2020 Funding Measure • •</p> <p><u>Land Use</u> • Equitable Housing Bond Implementation • Mid-cycle Process – UGB • •</p> <p><u>Parks and Nature</u> • Long-term Funding • •</p> <p><u>Solid Waste</u> • •</p> <p><u>Agency-wide</u> • 2020 Legislative Agenda • •</p>

<p>Council Attention</p>	<ul style="list-style-type: none"> • Construction Career Pathways Project • Diversity Equity and Inclusion (CORE) ✓ 2018 Legislative agenda • Willamette Falls Riverwalk & Legacy Project • Oregon Zoo Business Plan ✓ VFIGA ✓ Regional Disaster Preparedness Plan 	<ul style="list-style-type: none"> • Construction Career Pathways Project • Congestion Pricing • Diversity, Equity, and Inclusion (CORE) • Willamette Falls Riverwalk & Legacy Project • Oregon Zoo Business Plan • Regional Disaster Preparedness • Investment & Innovation Grants • Plastic Bags • Prep for 2021 Mid-cycle Urban Growth Management Decision 	<ul style="list-style-type: none"> • DEI • Willamette Falls Riverwalk & Legacy Project • Investment & Innovation Grants • Disaster Debris IGAs & Exercise
<p>Council Awareness</p>	<ul style="list-style-type: none"> • Financial 'Headwinds' • Expo Center Business Plan • Least Cost Planning Tool for 2021 • Economic Value Atlas • Columbia River Levee System ✓ Title X Parks & Nature Regulations ✓ Parks and Nature Discussions with City of Portland • Zoo Bond Project Completion & Master Plan Update • Congestion Pricing • Performance Measurement 	<ul style="list-style-type: none"> • Financial 'Headwinds' • Expo Center Business Plan • Least Cost Planning Tool for 2021 • Columbia River Levee System • Zoo Master Plan Update • Transportation Technology Strategy • Performance Measurement • LEAN • Risk Management 	

April 2018

To the Metro Council, citizens and regional partners and valued employees:

I am pleased to present Metro's FY 2018-19 proposed budget for Metro Council consideration. The annual budget is a financial plan for accomplishing goals for the region. It creates an annual opportunity for the Metro Council and staff to evaluate how we're faring as a region, to evaluate our progress towards the six desired regional outcomes, and to ensure that our programs and activities are effective and efficient in providing excellent public services to the people of our region. Our spending plan provides information to the region's residents about how Metro will work in the coming year.

The key message for the FY 2018-19 proposed budget is remarkably similar to the FY 2017-18 Budget. That is, the Metro Council has defined a clear agenda for the agency for the coming year, and the financial condition of the agency supports significant progress on that agenda. There are four major issues that I would like to highlight for Council consideration:

This proposed budget funds important work for the region in FY 2018-19

Because of Metro's track record of strong financial management and because of the focus of the Metro Council and departments on the mission of the agency, this proposed budget positions Metro to continue to inspire, teach, engage and invite people to enhance the quality of life and environment for the region's current and future generations. Throughout our four major lines of business – solid waste, parks and nature, planning and development, and visitor venues – this budget provides funding for our core services and for key initiatives that improve the quality of our programs and services for the benefit of the people of our region. Some of the notable projects that will be funded in this budget include:

- Advancing a series of livability funding measures in affordable housing, parks and natural areas and transportation over the next three years. The proposed budget supports progress on all three measures, with the primary activity in the first half of FY 2018-19 on affordable housing, transitioning to a discussion of possible renewal of our Natural Areas bond after January 2019.
- Advancing projects to improve safe and reliable transportation throughout the region. The proposed budget includes continued support for the 2018 Regional Transportation Plan, scheduled for adoption in December 2018, and for the Metro Council's initiative to build a coalition to increase funding for all modes of transportation in our region. The proposed budget includes funds to pilot a new grant program to address the policy and service issues posed by emerging transportation technologies, for a trail purchase of Sidewalk Labs data to see if private, user generated data can be used to improve our modeling, and funding for efforts to further Metro's Congestion Pricing agenda.
- Continuing efforts to strengthen the region's economy through projects like the economic value atlas and our leadership of the brownfields coalition.
- Continuing our region's leadership in preventing waste, recycling and reusing what we can, and protecting health and the environment in managing the stuff we have to throw away. This budget funds the next steps of projects inside the Solid Waste Roadmap, including critical decisions about Metro South Station and food scraps. The budget also includes funding for update of the Regional Solid Waste Plan and increases in staffing to improve operations.

Chief Operating Officer's Budget Message

- Welcoming millions of visitors to our visitor venues. The proposed budget anticipates that 1.52 million people will visit the Oregon Zoo, more than 500,000 people will attend an event or show at the Portland Expo Center, the Oregon Convention Center will host 48 major conventions, and Portland's Centers for the Arts will host nine weeks of Broadway shows, nearly 60 shows booked by Portland's Presents, and hundreds of shows and concerts by the region's non-profit performing arts companies.
- Leading the 2018 Growth Management conversation. In 2015 the Council committed to revisiting questions about urban growth in calendar year 2018. This proposed budget includes funding for Planning and Development, the Research Center, Communications, and the Council Office to complete this work in December 2018.

This is just a small sampling of the work that will be accomplished in FY 2018-19. The proposed budget funds our core, everyday operations, and positions us to respond to changing conditions in our region.

This proposed budget continues to invest in equity, diversity and inclusion

Metro is focused on the future, and we know that our region's population will be more racially and ethnically diverse in the future than it is today. We also know that many people in our region face barriers that make it harder for them to succeed.

In June 2016 Metro Council adopted the agency's Strategic Plan to Advance Racial Equity, Diversity, and Inclusion. In 2017, Council updated our Diversity Action Plan. Council has made increasing the diversity of our workforce, increasing the percentage and dollar value of the contracts we award to minority, women, and emerging-owned businesses, improving our relationships with historically underserved communities, and ensuring that all of the region's residents have access to the six desired regional outcomes high priorities for our departments.

This proposed budget includes funding for programs and activities to support diversity, equity, and inclusion in every department of Metro. Some highlights of the proposed budget include:

- Continued support for the Diversity, Equity and Inclusion Team in the Office of the Chief Operating Officer. This team is facilitating the implementation of the Strategic Plan to Advance Racial Equity Diversity and Inclusion and the Diversity Action Plan. Department specific plans in Planning and Development, Parks and Nature, Property and Environmental Services, and the Oregon Zoo (scheduled for completion in June 2018) have highlighted the need for increased work by the DEI team, Human Resources, Communications, and Finance and Regulatory Services to coordinate recruitment, engagement, and procurement strategies that help departments achieve their DEI goals;
- Continued funding for the Community Partnerships pilot project;
- Integration of equity into the Regional Solid Waste Plan and into the options under consideration for the Solid Waste Roadmap;
- Funding of the Construction Careers Pathway Project (C2P2) next steps;
- Continued support for the Partners in Nature and Access to Nature programs in Parks and Nature;
- Continued support in Human Resources focused on training, employee engagement and retention and on outreach that supports the recruitment goals of the Equity Strategy and Diversity Action Plan;
- Continued support for outreach and process reform for procurement services and efforts to increase participation of Certification Office of Business Inclusion and Diversity (COBID) firms.

This budget continues to adjust for Financial “Headwinds”

As Council is aware, the long-term forecasts for the General Fund and the Oregon Zoo in particular reflect that the financial constraints we have faced in preparing this budget are long-term and are structural in nature. Personnel costs growing at more than 6 percent on average the last 3 years, revenues cannot – legally or actually – keep pace with the increasing costs of providing services. Additionally, Metro will continue to face increases that are outside of the agency’s direct control for the foreseeable future. Oregon PERS rates will likely increase by 5.25 percent of payroll, a 40 percent increase in FY 2019-20. Additionally, Metro is working on complying with Oregon’s new pay equity law. We anticipate that there will be both some classifications and some positions where pay increases will be required – and desired – to address the inequities that have developed over time. This will increase the cost of personnel in FY 2019-20 at a higher rate than in prior fiscal years. Finally, health care costs have begun to rise again after several years of being flat (or declining).

Because of the structural and long-term nature of these challenges, Metro’s departments and staff began reviewing and prioritizing their programs and activities in summer 2017. Metro Council has discussed some of the preliminary work done at the Oregon Zoo. Council has also approved eliminating the excise tax at the Oregon Convention Center and at the Portland Expo Center and replacing it with a management fee. This move provides more stability for both the General Fund and for the venues. As program review and financial planning surfaces other issues, Metro Staff will update the Council and ask for direction. As in previous years, staff will work with Council in the fall in advance of the budget process for FY 2019-20 to ensure that Council provides direction. As noted above, Metro has been a responsible and proactive steward of public funds throughout its history.

Lastly, as I wrote last year, I note that discussion of the costs of personal services is among the most challenging that we face as an agency. Metro has a high quality workforce that provides valuable services to the public every day. Our employees work hard to improve the economy, environment and quality of life in our region. And, as an employer, Metro strives to provide fair, competitive wages and benefits that attract and retain a high quality workforce. Many – in fact most – of the things that are driving the cost of personnel are outside of the control of the Metro Council, of Metro management, and of our employees and labor unions. As we have in the past, Metro management will work collaboratively with our employees to consider all of the options for a sustainable financial future for our agency, and we will continue to honor and respect our employees as dedicated public servants.

This proposed budget invests in Metro’s infrastructure

As in the past three fiscal years, this proposed budget recommends that Metro invest in taking care of our systems and structures. The proposed budget includes funding to address these deferred investments and also to increase our efficiency.

- *Technology.* The proposed budget includes investments in our technology infrastructure, all of which are needed to update systems that have become outdated over time. In particular, this budget includes continuing improvements to the PeopleSoft system, updating of the agencies websites, and continued improvements to the payroll system.
- *Buildings and Physical Assets.* The proposed budget invests in Metro’s capital assets, with significant investments contemplated in our visitor venues. As Council knows, the Oregon Zoo will begin construction of the two final projects of the 2008 zoo bond – Polar Passage and Primates – in FY 2018-19. Additionally, the Oregon Convention Center will complete design of a major renovation of the Oregon Ballroom and the entryways on Holladay and Martin Luther King, Jr. Boulevard. The proposed budget includes equipment upgrades at MetroPaint and

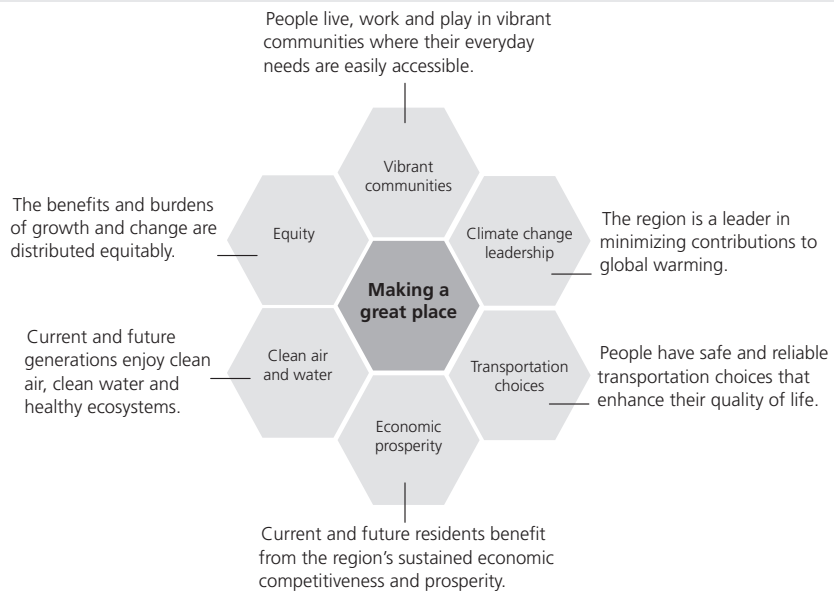
maintenance projects at Metro Central and Metro South. The proposed budget includes projects to meet the commitments of the 2013 local option levy, renewed for an additional five years, effective beginning in FY 2018-19, including Newell Canyon, Killin Wetlands, Borland, and the office at Oxbow park. Also include in this budget, is the first year of a three year project updating the MRC.

How the budget proposal was developed

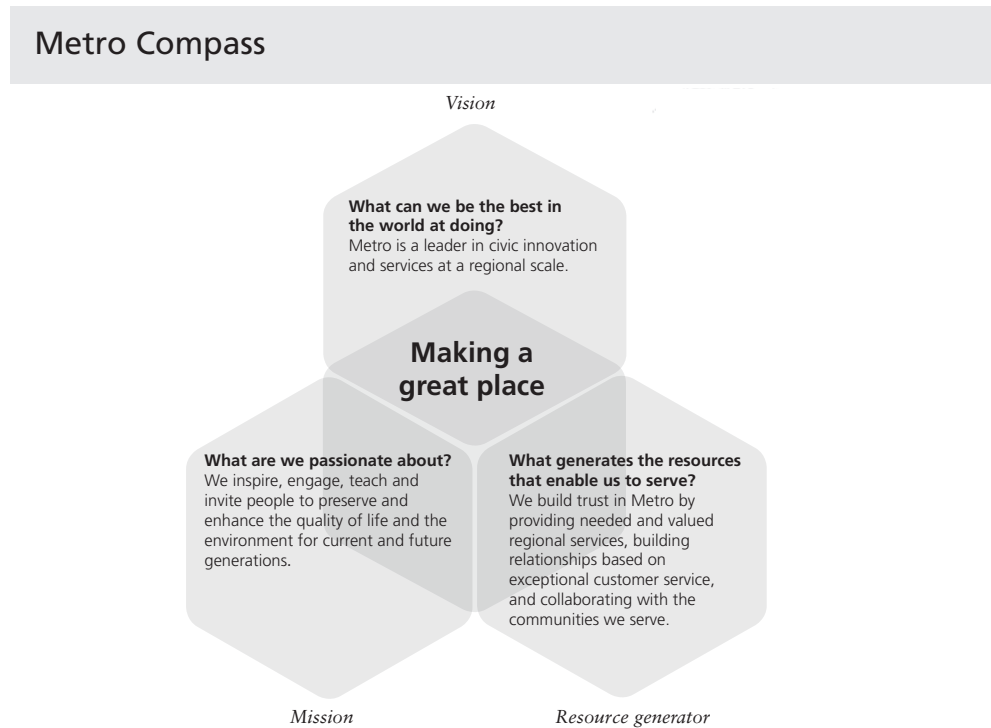
In two retreats in the winter of FY 2017-18, the Metro Council provided direction about strategic priorities and key Council initiatives that would focus their efforts through FY 2018-19. Based on this direction, I instructed programs to prepare initial budget requests that emphasized these goals and initiatives, maintained the existing portfolio of Metro’s programs and activities and provided a modest increase of 2.5 percent allocated to departments to cover inflation in their materials and services costs.

As we have in past years, we used three tools to frame the proposed budget. First, this proposed budget is anchored by the region’s six desired outcomes. Developed in a collaborative process and adopted by the Metro Council in 2010, the six outcomes focus on what makes this region a great place. Department’s activities and programs are tested against whether they are making these outcomes more likely over time.

Region’s six desired outcomes



Second, the department directors and I used the Metro Compass to develop the Budget. The Metro Compass helps us ensure that Metro’s programs and activities achieve our vision for the region, deliver on our core mission, and build public trust in Metro.



Council Initiatives

As in past years, the Council identified several programs and projects as high priority items for funding. These programs, activities and projects are funded immediately after Metro’s legal and policy requirements are met. In FY 2018-19 the top initiatives identified for Council’s focus include:

Transportation

- 2018 Regional Transportation Plan
- Long term funding coalition and possible 2020 funding measure

Land Use

- 2018 Urban Growth Management Decision
- Equitable Housing Strategy and 2018 Affordable Housing Measure

Parks and Nature

- Possible 2019 Parks and Nature Bond Measure
- Convening discussions about long term funding for natural areas operations

Solid Waste

- Solid Waste Roadmap Decisions to support post 2019 operating environment

SUMMARY OF CHANGES BY DEPARTMENT

The proposed budget includes the following service level changes:

Metro Council

The Metro Council budget includes the Council, the Office of the Chief Operating Officer and Government Affairs and Policy Development, and the Diversity, Equity and Inclusion Team.

The Metro Council leads Metro towards a regional vision of vibrant neighborhoods, economic prosperity, clean air and water, safe and reliable transportation and equity for all. The proposed budget enables Council to guide key agency projects. The proposed FY 2018-19 budget includes funding for the Government Affairs Policy Development team to support the Council's strategy for affordable housing, parks and nature and long term transportation funding. Additionally, this budget includes separating out a budget for the Deputy Chief Operating Officer as a program in the Council/COO budget, and the transfer of 2.00 FTE from other departments to help manage the agency's Asset Management and Capital Planning project. This is done because of adding the Asset Management Capital Planning program under the DCOO.

Office of Metro Auditor

The Office of the Metro Auditor ensures that Metro and its activities are transparent and accountable to the public. Auditors objectively analyze Metro programs to determine areas where service quality can be improved and efficiencies can be gained. The Metro Auditor selects an external financial auditing firm to audit Metro's annual financial statements and administers the contract. There are no service level changes proposed for FY 2018-19.

Parks and Nature

Parks and Nature's mission is to protect water quality, fish and wildlife habitat and create opportunities to enjoy nature close to home through a connected system of parks, trails and natural areas.

This budget continues the funding for the local option Parks and Natural Areas levy, which was renewed by the voters in November 2016 and is therefore in its sixth year. The budget includes the addition of 5.5 FTE to address deficiencies identified in the 2016 operations plan.

The proposed budget for Parks and Nature also reflects the likelihood that the Willamette Falls Riverwalk construction will be delayed, so funding for this project is reduced and some staff have been redirected to other programs.

Planning and Development

Planning and Development provides a broad scope of planning services that assure Metro's compliance with federal and state land use and transportation planning requirements, manages grants to other agencies, leverages community development and stimulates private investments in communities that support Metro's desired outcomes in the region.

Major budget changes in the department for FY 2018-19 include funding for a Regional Congestion Pricing study and an Emerging Technology Grants Pilot Program focusing on project to help Metro adapt to technology changes related to transportation.

Property and Environmental Services

Property and Environmental Services contributes directly to the preservation of the region's livability and supports the goals and objectives developed by the Metro Council by providing for the safe, efficient, and effective reuse, recycling, and disposal of solid and household hazardous waste and by promoting sustainable resource management through waste reduction initiatives, hands-on interpretive programs, youth and adult education, grants, demonstration projects, and volunteer opportunities.

This budget includes the addition of 7.0 FTE to provide program support for the Solid Waste Operation and a 7.0 FTE to for Metro Paint. It also adds 1.0 FTE for an integrated pest management position.

Research Center

Research Center serves Metro's six regional outcomes by providing information that enables Council and client departments to make informed plans and decisions. The Research Center coordinates data and research activities with partners in government, academic institutions and the private sector.

The FY 2018-19 budget has an additional 2.0 FTE to assist with developing an agency performance measurement tool and large data subscriptions.

Visitor Venues

Metro's Visitor Venues include the Oregon Convention Center (OCC), Portland's Centers for the Arts (Portland's), Portland Expo Center (Expo) and the Oregon Zoo. Formed in July 2010 to enhance collaboration on operational issues, the venues team actively works toward a common mission of maintaining world-class gathering and entertainment spaces for residents and visitors and creating significant economic impact throughout the region.

The OCC Convention Hotel began construction in FY 2017-18 and will open in early 2020. This will help enhance the OCC marketability for additional conventions to national audiences.

Portland's and Expo Center are looking forward to solid years. The overall MERC Fund will be adding 5.0 FTE. The proposed budget includes a \$400,000 transfer from the General Fund to MERC, specifically for Expo operations.

Operational Support

Communications

Metro's Communications supports the Metro Council and departments in providing public involvement in key agency decisions. Audiences include other government partners, specific advocacy groups, media outlets and the general public.

There are no major changes in the FY 2018-19 budget.

Finance and Regulatory Services

Finance and Regulatory Services provides financial management, administrative, regulatory and operational services to Metro's elected officials, operating centers and services, employees and the public. In addition, Finance and Regulatory Services licenses small contractors and sets rates for public solid waste disposal facilities.

There is 1.0 FTE addition for the PES and Parks Finance Group and funding for a major PeopleSoft module implementation.

Human Resources

Human Resources is a full service department providing benefits, classification and compensation, employee and labor relations, organization development and training, recruitment and selection, and systems administration for the agency.

The FY 2018-19 budget includes an increase in the department's training programs and an amount held in reserve for the state-mandated pay equity study.

Information Services

Information Services supports Metro's goals and business processes through the development implementation, support and management of its information systems.

The FY 2018-19 budget reflects funding for development of a strategic plan, several large infrastructure projects and the continued implementation of the Voice-over Internet Protocol (VoIP).

Office of Metro Attorney

The Office of Metro Attorney has full charge and control of all legal business for the agency. The Office of Metro Attorney provides legal representation to Metro, both formally and informally, in a manner consistent with Metro's goals and policies, and that fully complies with the highest professional and ethical standards of the Oregon State Bar, the Oregon Supreme Court and the legal profession.

There are no budget additions for FY 2018-19.

General Expense

The General Expense category includes non-program revenues such as property tax, excise tax and interest earnings as resources. On the expenditure side, it includes non-operating expenses such as general obligation debt service, transfers and, in the General Fund, special appropriations that are not tied to an individual program, service or center. The greatest interest centers on the General Fund, which is discussed in detail below.

Revenues

The General Fund includes three important discretionary revenues: property tax, excise tax and interest earnings. These are the resources that the Council can direct by choice to any general purpose. Since 2008 interest earnings have remained at an unprecedented low, effectively removing them from being considered a primary resource. The excise tax on solid waste disposal is established in Metro Code to generate a defined yield and may increase annually based on a specific consumer price index. The rate is calculated based on tonnage of the prior two years. For FY 2018-19 the proposed rate will increase by \$1.60 cents per ton; excise tax on other Metro facilities and services remains at 7.5 percent. Discretionary excise tax is expected to generate \$18 million. Construction excise tax collections have continued to remain strong. The tax was extended by the Metro Council in September of 2014.

Property taxes are levied for both operations (discretionary) and general obligation debt service (dedicated). The permanent operating levy has a permanent rate of \$0.0966 per thousand, about ten cents, and raises \$16 million for discretionary purposes. The Parks and Natural Areas Local Option Levy at \$0.096 per thousand, raises about \$15 million a year. The levy for general obligation debt will be \$48 million, based on debt schedules and cash flow requirements for existing debt. The estimated schedule is based on a not-to-exceed maximum for each issue, consistent with promises made to Metro taxpayers. Combined, the estimated tax rate for an urban Metro resident is 48 cents per thousand, or about \$95 for owners of property assessed at \$200,000.

Expenditures

The General Expense spending includes general agency payments for elections, the outside annual audit and, in accordance with the financial policies, the appropriated contingency for the General Fund and the annual contribution to renewal and replacement. The General Expense category also includes special appropriations. These include payments for previously awarded grants for Nature in Neighborhoods small projects and Community Planning and Development grants; and payments for specific organizational dues and sponsorships such as Rail-Volution, the Regional Arts and Culture Council and the Lloyd Business Improvement District. The proposed FY 2018-19 budget maintains \$25,000 for regional economic development membership, \$50,000 for Intertwine organizational support, and \$60,000 for Willamette Falls Locks. Also included is \$300,000 for Community Partnerships, implementation of the Strategic Plan to Advance Racial Equity, Diversity and Inclusion and \$744,000 for development of the Livability Funding Strategy. The annual general fund transfer to MERC is \$400,000 and designated specifically for Expo operations.

CAPITAL IMPROVEMENT PLAN

The five-year Capital Improvement Plan identifies all capital projects that exceed \$100,000 and meet the State of Oregon's definition for public improvements. The \$277.5 million CIP ending plan includes 216 projects, about one quarter new capital projects and three quarters scheduled renewal and replacement projects. On a funding basis, it is the reverse – about 85 percent of the spending is related to new capital, led by the Natural Areas, zoo bond projects and MERC venues.

New Capital projects

The General Fund does not have a reserve for new capital projects, relying on the accumulation of one-time resources from unanticipated revenues or underspending in a prior year to fund the most critical new capital needs. For FY 2018-19 this includes the MLK Plaza and major upgrades at OCC, compactors at the transfer stations and Parks and Nature projects funded by the local option levy and Natural Areas Bonds. The Oregon Zoo Infrastructure and Animal Welfare Bond will begin construction of Polar Passage and primates projects. A major renovation project will begin at the Metro Regional Center.

Renewal and replacement

Renewal and replacement projects are scheduled according to the expected useful life of the asset and its condition. All operating funds make annual contributions for renewal and replacement. This accumulating strategy is intended to smooth out the funding in years when higher cost projects are scheduled. The General Fund contribution in FY 2018-19 will be \$1.4 million. Significant renewal and replacement projects for FY 2018-19 include renovations at the Oregon Convention Center and roof replacements at Expo and Metro Regional Center.

CHARTER LIMITATION ON EXPENDITURES

Metro's charter includes a limitation on expenditures of certain tax revenues imposed and collected by Metro, specifically the general excise tax and the construction excise tax. The general excise tax is a yield-base tax which may increase annually only by the consumer price index. The majority of the excise tax is collected on solid waste activities and is calculated as a per-ton tax. Metro assesses an excise tax on construction permits throughout the region to fund land use planning to make land ready for development. Collections continue to be strong overall. The expenditure limit for FY 2018-19 is \$23.2 million; budgeted expenditures are \$18.3 million. The proposed budget does not exceed this limitation.

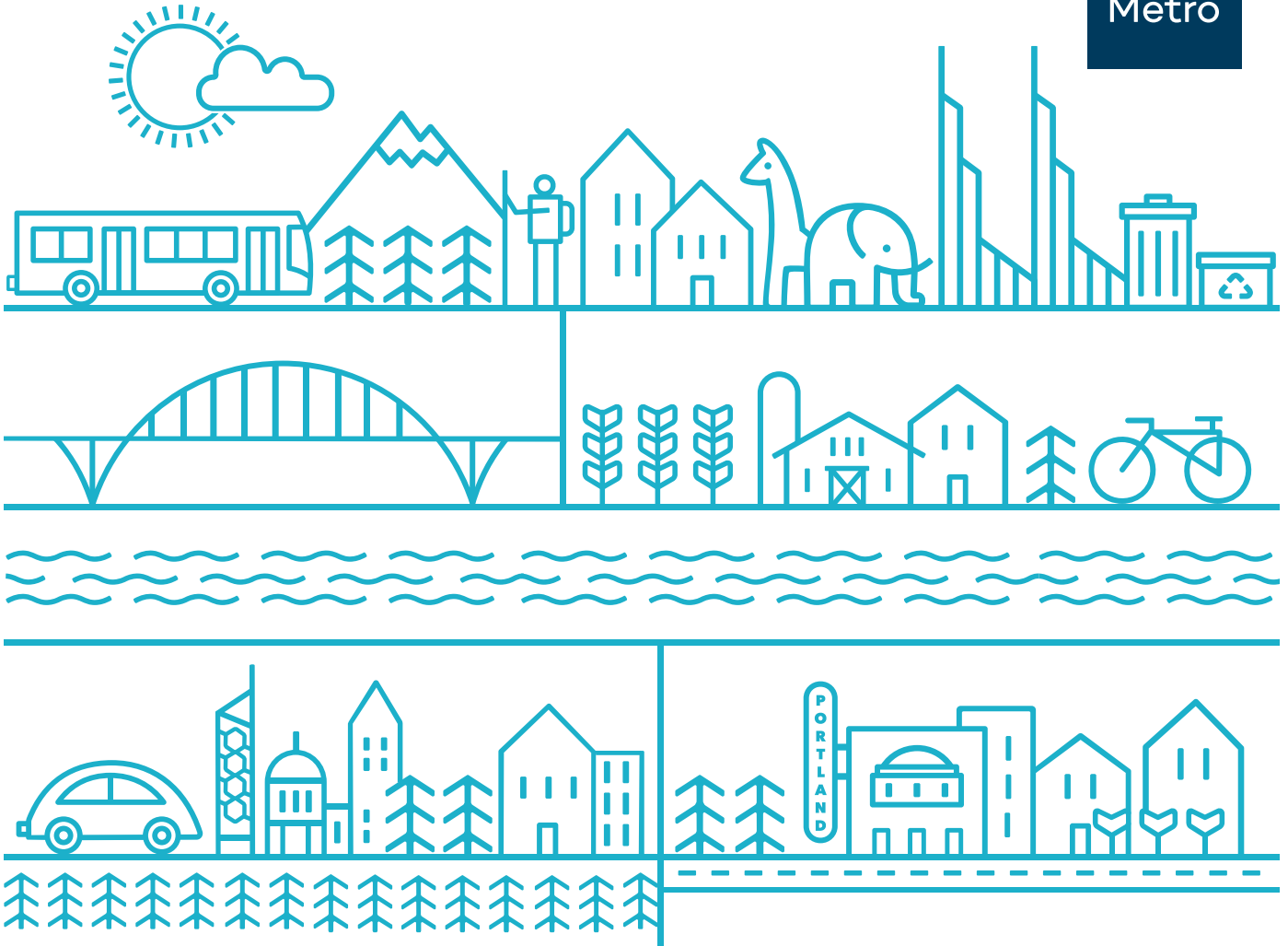
I look forward to your deliberations.

Sincerely,



Martha J. Bennett

Chief Operating Officer.



Budget in brief

FY 2018-19

TABLE OF CONTENTS

- From the Metro Council President 2
- Metro at a glance 4
- Metro budget process 7
- Public investments at work 8
- Money in 10
- Money out 11
- Metro's public service lines 12
- Budget in action 14



I am proud to introduce the Fiscal Year 2018-19 budget, which reflects the Metro Council's work to implement the greater Portland region's six desired outcomes. This budget strengthens our commitment to these outcomes, delivers high quality services and continues Metro's track record of making sound financial decisions. This budget provides funding for our core services and for key initiatives that improve the quality of our programs and services throughout our four major lines of business – solid waste, parks and nature, planning and development, and visitor venues.

Metro began advancing a series of livability funding measures in FY 2017-18. Over the next three years, we will work on affordable housing, parks and natural areas, and transportation, to ensure that we maintain the quality of life in our region for future generations. This budget supports progress on all three of these areas with a focus on affordable housing in the first half of the year and a discussion of possible renewal of our natural areas bond in 2019.

We will continue to advance projects to improve safe and reliable transportation throughout the region. We will do this through support for the 2018 Regional Transportation Plan, which is scheduled for adoption in December 2018, and support for the Metro Council's initiative to build a coalition to increase funding for

all modes of transportation in our region. Included in this budget are funds to pilot a new grant program to address the policy and service issues posed by emerging transportation technologies, and funding for efforts to further Metro's support of value pricing on highways in the region. We will also continue our efforts to strengthen the region's economy through projects like the Economic Value Atlas, our leadership of the Oregon Brownfields Coalition, and advancing the Construction Career Pathways Project.

Greater Portland continues to be a leader in preventing waste, recycling and reusing what we can, and protecting health and the environment. We have important decisions to make this year related to our Solid Waste Roadmap, including next steps on Metro South Station and what to do with food scraps from homes and businesses in our region. We will also continue our work to update the Regional Solid Waste Plan and our budget increases staffing to improve operations.

Our visitor venues continue to do an outstanding job in welcoming millions of visitors and hosting hundreds of conventions, shows and events. This budget will invest in the Polar Passage and Primates at the Oregon Zoo, and the completion of design for a major renovation of the Oregon Ballroom and the entryways on the northeast side of the Oregon Convention Center. In addition to equipment upgrades at MetroPaint and maintenance projects at Metro Central and Metro South, we are investing in significant renewal and replacement projects. These projects will meet the commitments of the 2013 local option levy, renewed for an additional five years, effective beginning in FY 2018-19, including Newell Canyon, Killin Wetlands, the Native Plant Center and Oxbow Regional Park.

In fulfilling the Metro Council's 2015 commitment to revisiting questions around urban growth, we are continuing to lead the 2018 Growth Management conversation. We are evaluating the growth boundary and expected people and jobs in the next 20 years by working with residents, elected leaders, community groups and researchers. The Council identified the 2018 Urban Growth Management Decision as one of our top funding initiatives for FY 2018-19. We are

taking into consideration funding for Planning and Development, the Research Center, Communications, and the Council Office to complete this work in December 2018.

We continue the important work of implementing the Strategic Plan to Advance Racial Equity, Diversity, and Inclusion and the Diversity Action Plan. Metro's Diversity, Equity and Inclusion Team will provide continued support as we move forward in our department specific plans in Planning and Development, Parks and Nature, Property and Environmental Services, and the Oregon Zoo. Increasing the diversity of our workforce, increasing the percentage and dollar value of the contracts we award to minority, women, and emerging small businesses, improving our relationships with historically underserved communities, and ensuring that all of the region's residents have access to the six desired regional outcomes will continue to be made high priorities for our departments. The Community Partnerships pilot project, Regional Solid Waste Plan, Equitable Housing Strategy, Construction Careers Pathway Project, Partners in Nature and Access to Nature programs are just some of the programs and activities supported through this budget.

Those of you that have met me, heard me speak at a Friday Forum, seen me at a council meeting or generally caught me in the last eight years know I am a storyteller. A budget is a story – a reflection of where we are, who we are, and what we want to be. It is a statement of priorities, and this is my final one. For the past eight years, you, the public, have trusted me with leadership of this regional government. In that time, we saw the Great Recession come and go, witnessed an unprecedented economic boom, passed bonds and levies, welcomed a new polar bear cub, said goodbye to our beloved Packy, and our agency stepped up to serve the needs of this region. It has been an honor serving you, and I hope in this budget you find a commitment to enhancing your life, your opportunities, your recreation, and your participation in this great place we have made.

Sincerely,

Tom Hughes
Metro Council President

Want to learn more?

Metro's full budget document will be available on our website by Aug. 31, 2018.

Visit: oregonmetro.gov/metro-budget

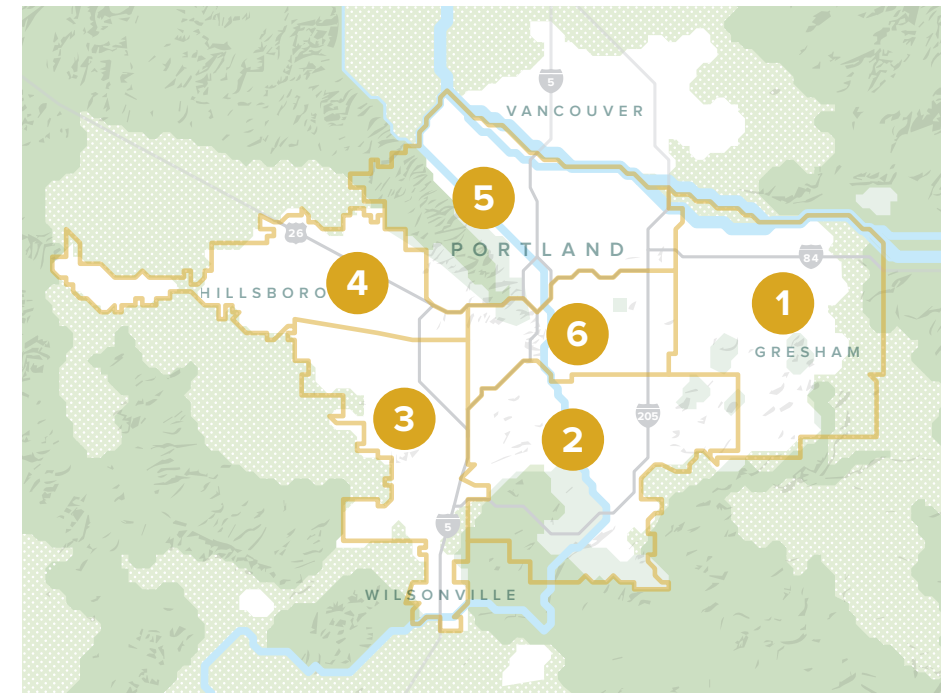


Metro at a glance

Metro works with communities, businesses and residents to make the Portland metropolitan area a great place to live. Metro crosses city limits and county lines to build a resilient economy, keep nature close by and respond to a growing population. Representing a diverse population of 1.8 million people in 24 cities and three counties, Metro's directly elected council gives voters a voice in decisions about how the Portland region grows and communities prosper.

The people of the Portland region created Metro because clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy, sustainable transportation and living choices for people and businesses. Voters have asked Metro to help with the challenges and opportunities that affect the 24 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to providing services, operating venues and making decisions about how the Portland region grows. Together, Metro and the people are making a great place, now and for generations to come.



Metro's service and council districts



From left: Bob Stacey, District 6; Sam Chase, District 5; Shirley Craddick, District 1; Tom Hughes, Council President; Kathryn Harrington, District 4; Betty Dominguez, District 2; Craig Dirksen, District 3

Metro Council

Tom Hughes
Metro Council President
tom.hughes@oregonmetro.gov

Shirley Craddick
District 1
shirley.craddick@oregonmetro.gov

Betty Dominguez
District 2
betty.dominguez@oregonmetro.gov

Craig Dirksen
District 3
craig.dirksen@oregonmetro.gov

Kathryn Harrington
District 4
kathryn.harrington@oregonmetro.gov

Sam Chase
District 5
sam.chase@oregonmetro.gov

Bob Stacey
District 6
bob.stacey@oregonmetro.gov

Metro Auditor

Brian Evans
brian.evans@oregonmetro.gov

Get involved.

Help shape the future of the Portland region. Visit oregonmetro.gov/regional-leadership/metro-advisory-committees

Learn more about volunteer opportunities at oregonmetro.gov/how-metro-works/volunteer-opportunities



Council priorities

Metro's budget is designed to implement six key outcomes for the Portland region:

Equity The benefits and burdens of growth and change are distributed equitably across the Portland region.

Vibrant communities People live, work and play in vibrant communities where their everyday needs are easily accessible.

Safe and reliable transportation People have safe and reliable transportation choices that enhance their quality of life.

Economic prosperity Current and future residents benefit from the Portland region's sustained economic competitiveness and prosperity.

Clean air and water Current and future generations enjoy clean air, clean water and healthy ecosystems.

Leadership on climate change The Portland region is a leader in minimizing contributions to global warming.

Strategic goals

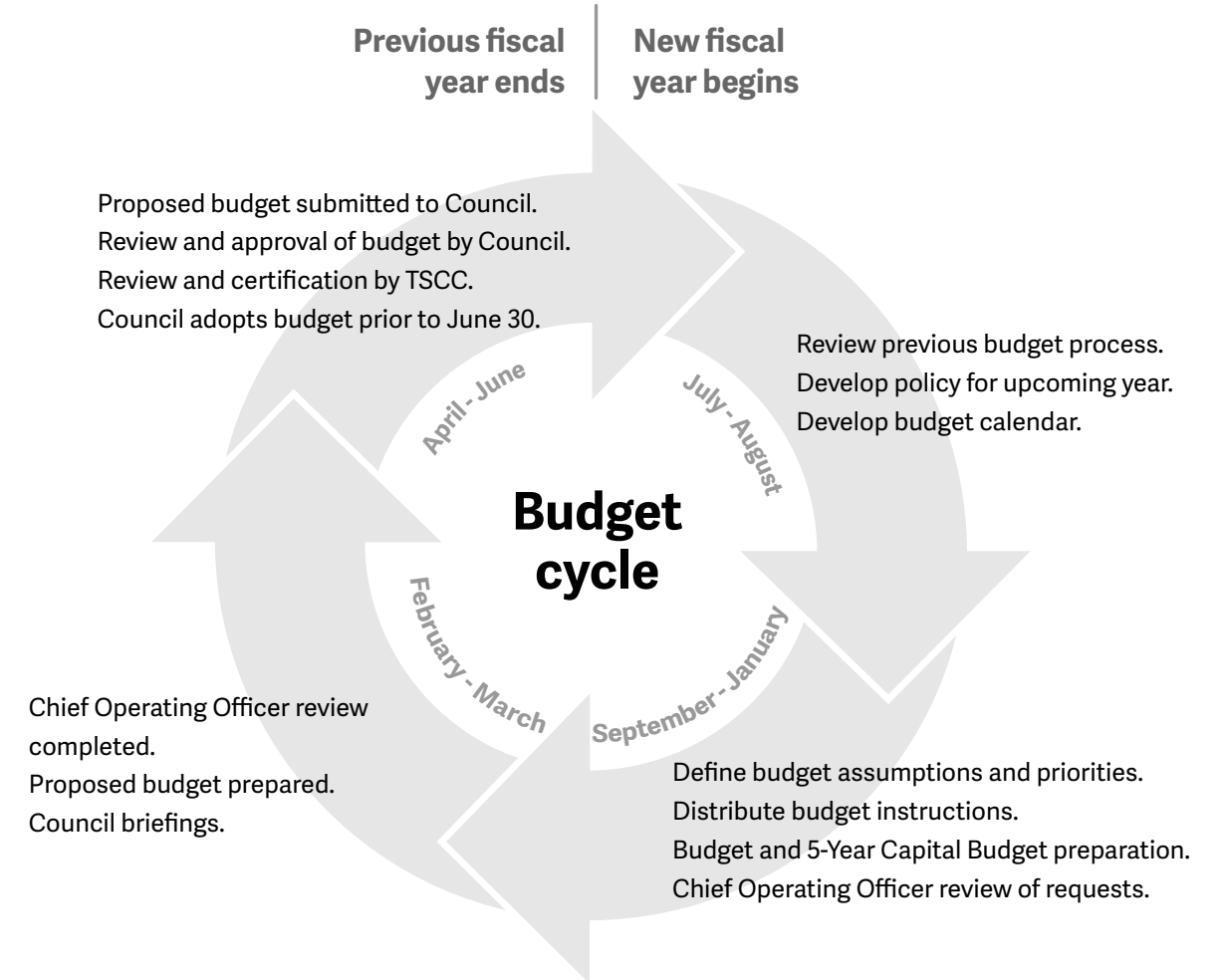
Metro's strategic priorities drive the budget and Metro's projects and initiatives.

1. Invest in roads, bridges, transit, parks and other systems that create vibrant communities
2. Set the stage for the future of the region with innovative planning
3. Make investments to preserve and enhance the natural environment
4. Invest in efforts to increase high wage jobs
5. Ensure regional efforts respond to the increasing diversity of the region's residents
6. Increase citizen engagement and involvement throughout the region and with Metro

Budget highlights

- Investments in improving Metro's relationships with a diverse range of community leaders and organizations. The budget includes investments to improve Metro's partnerships with community based organizations, and implementation of more integrated marketing and public engagement efforts.
- Investments in projects that prepare the Portland region for strategic opportunities.
- Investments in work to increase the supply of affordable housing, and continued support in development that increases transit ridership through the Transit Oriented Development program.
- Investments in innovative planning for the region's solid waste system.
- Continued investments to fulfill Metro's promises in the 2007 natural areas bond measure, parks and nature local option levy and 2008 Oregon Zoo bond measure.
- Investments to implement the recently adopted Strategic Plan to Advance Racial Equity, Diversity and Inclusion.

Metro's budget process



What is the Tax Supervising Conservation Commission?

The Tax Supervising and Conservation Commission is an independent, impartial panel of citizen volunteers established to monitor the financial affairs of local governments in the county.

The commission is comprised of five commissioners, appointed by the governor to four-year terms. The commissioners direct the commission's affairs and serve without compensation.

The Tax Supervising and Conservation Commission protects and represents the public interest, ensures public agencies operating within Multnomah County are compliant with local budget law, promotes economy and efficiency within those local agencies, and provides advice and assistance.



Public investments at work

Metro receives 24 percent of its funds from property taxes. Most property tax money is non-discretionary, meaning it is dedicated to specified voter-approved projects. Discretionary property tax revenue supports activities like the Metro Council, park operations and planning and development.

Permanent property tax levy

Metro has a general operating levy supported by a permanent rate of 9.66 cents per \$1,000 of assessed value. The permanent

levy provides 5 percent of Metro's overall operating revenue.

Parks and natural areas local option levy extended to June 2023

A voter-approved five-year local option levy of 9.6 cents per \$1,000 of assessed value is dedicated to improving water quality for native fish, removing invasive weeds, restoring wetlands and providing opportunities for people from around the Portland region to experience nature close to home.

Oregon property tax formula

Real property assessed value divided by \$1,000 multiplied by the tax rate equals annual property tax

$$\frac{\$100,000}{\$1,000} \times \$0.0966 = \$9.66$$

Cost to an average homeowner

Based on an assessed value of \$250,000, a Metro resident should expect to pay \$118 annually, an increase of about \$15 or 15 percent from FY 2017-18.

	Amended FY 2017-18 budget	Adopted FY 2018-19 budget	Percent change
Permanent operating rate (per thousand)	9.66¢	9.66¢	
Parks and nature levy (per thousand)	9.60¢	9.60¢	
Debt service (per thousand)	22¢	28¢	27%



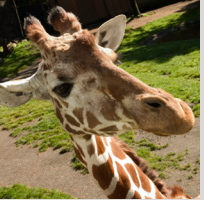
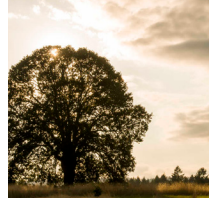
In FY 2018-19 the Oregon Zoo continues construction of the three final projects of the 2008 zoo bond program – Polar Passage, Primates and the Rhino Habitat. Parks and Nature will use bond funds to continue acquisition of natural areas as well as capital projects to increase access to those areas.

Capital projects funded by bond proceeds

Parks and natural areas bond to be fully paid in 2026

In 2006, the Portland region's voters approved bond measure 26-80 to continue work started by a first natural areas bond measure approved in 1995. The 2006 measure provided \$227.4 million to acquire and preserve natural areas to safeguard water quality, protect fish and wildlife habitat and ensure access to nature.

For FY 2018-19, Measure 26-80 is 19¢ per \$1,000 of assessed value.



In 2008, the Portland region's voters approved Measure 26-96 to provide \$125 million for improvements to the Oregon Zoo, designed to enhance animal care, save water and energy and provide a better visitor experience.

For FY 2018-19, Measure 26-96 is 9¢ per \$1,000 of assessed value.

Oregon Zoo capital improvements, to be fully paid in 2028

Real property tax assessment and collection is the sole responsibility of your county. For more information on property taxes please contact your county assessor's office:

- Multnomah County Assessment and Taxation 503-988-3326
- Clackamas County Assessment and Taxation 503-655-8671
- Washington County Assessment and Taxation 503-846-8741

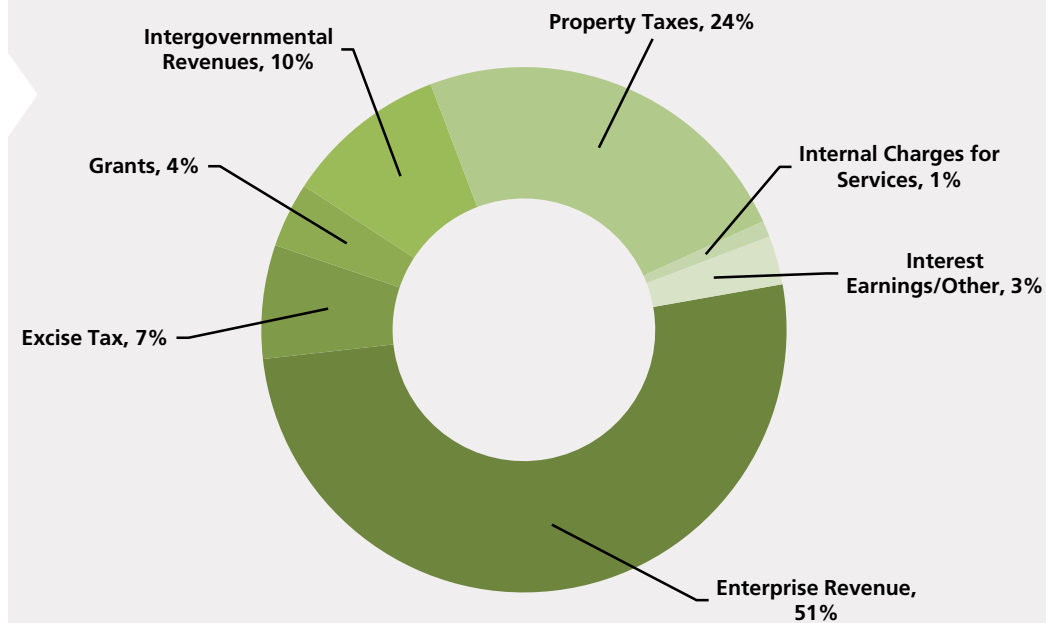
Money in



FY 2018-19

Metro revenues \$319,873,171

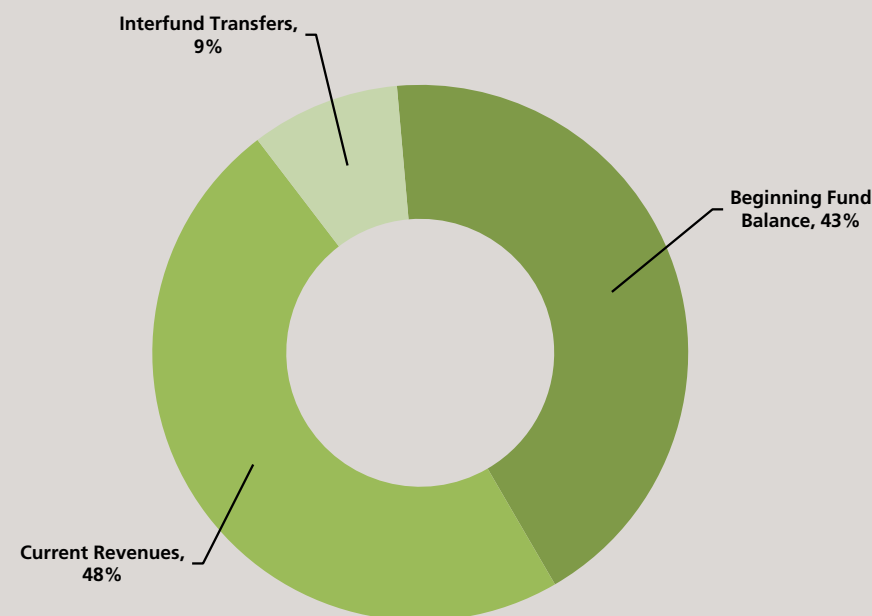
Current revenues include property taxes, bond proceeds, user fees, grants and interest earned on cash balances during the fiscal year.



FY 2018-19

Metro resources \$669,359,563

Total resources include current revenue, beginning fund balance and interfund transfers. Beginning fund balance consists of unspent resources carried forward from the previous fiscal year, primarily unspent bond proceeds and revenues restricted for specific purposes.



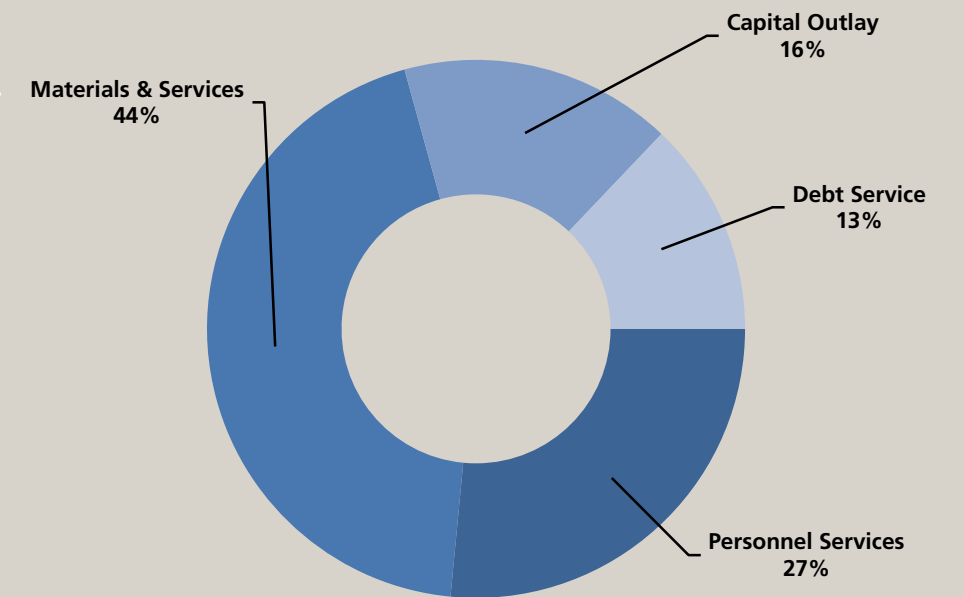
Money out



FY 2018-19

Metro expenditures \$428,542,797

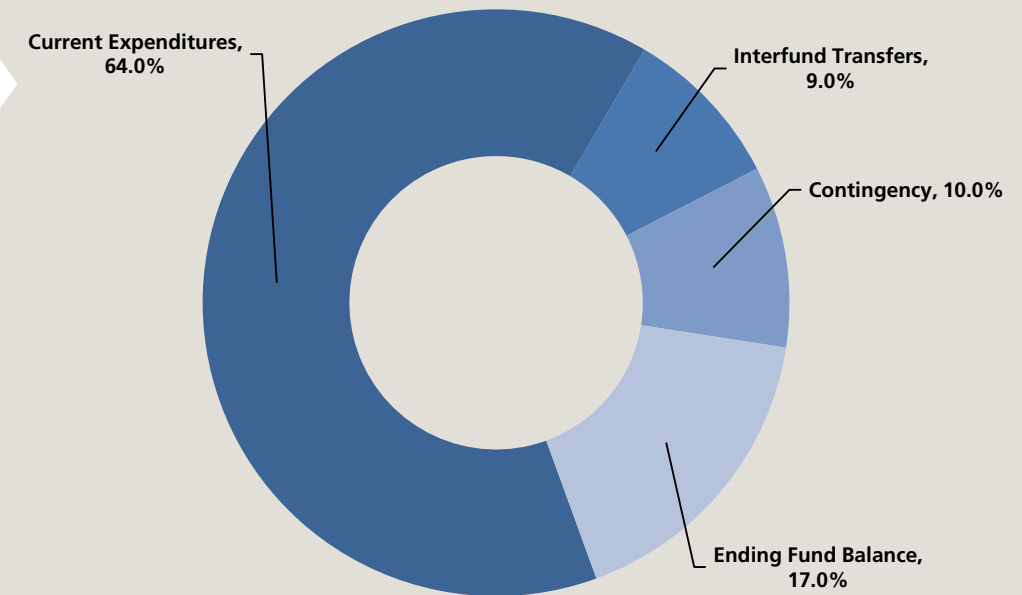
Current expenditures include salaries, wages, benefits, contract payments and debt payments due on outstanding bonds or loans. Current expenditures exceed current revenues due to the use of bond proceeds and restricted revenues received in a prior fiscal year.



FY 2018-19

Metro requirements \$669,359,563

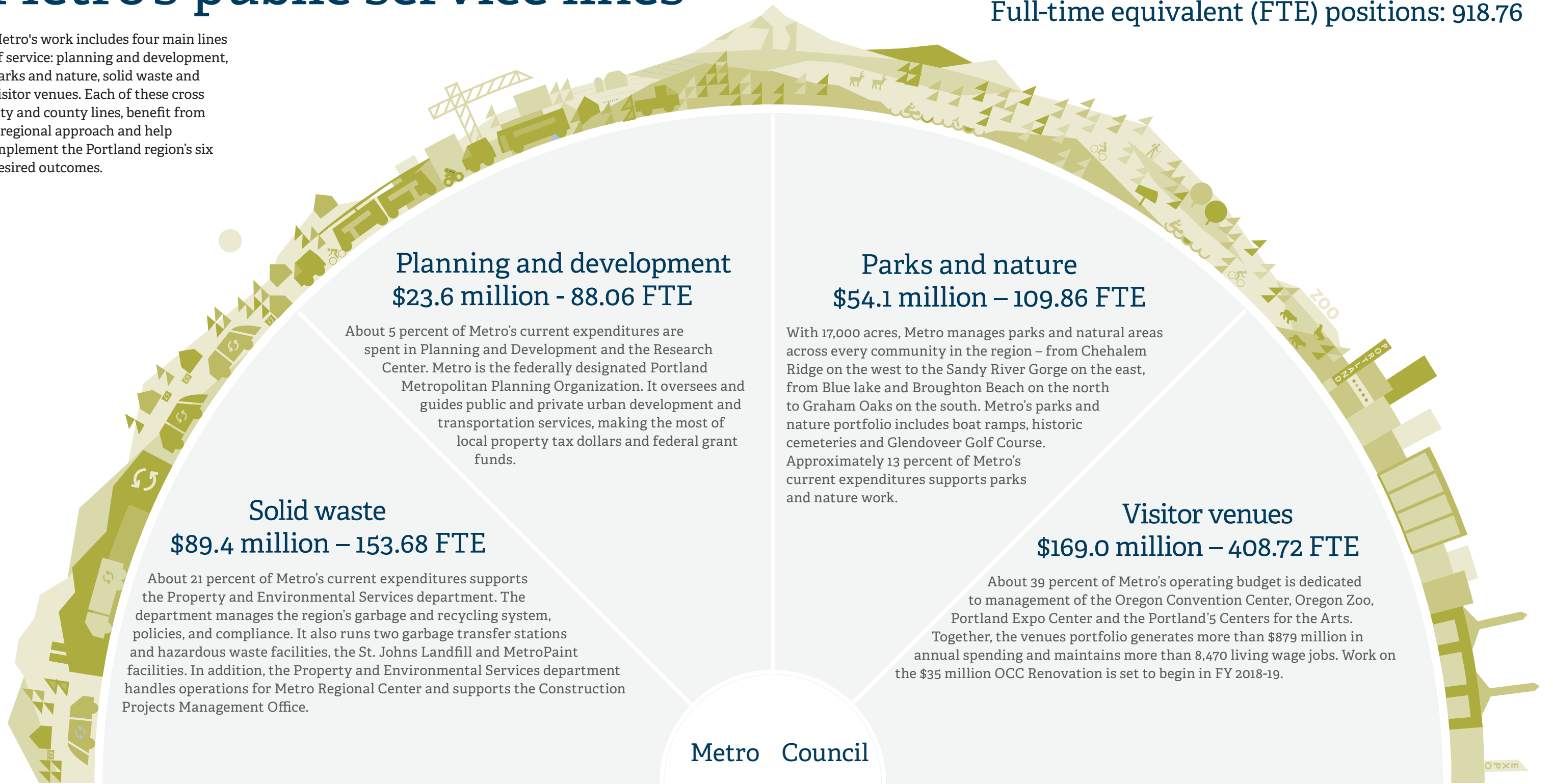
Total requirements include current expenditures, interfund transfers, contingency budget amounts and unappropriated fund balance. Contingencies provide for unforeseen requirements and cannot be used without Metro Council authorization.



Metro's public service lines

FY 2018-19 current expenditures: \$428,542,797
Full-time equivalent (FTE) positions: 918.76

Metro's work includes four main lines of service: planning and development, parks and nature, solid waste and visitor venues. Each of these cross city and county lines, benefit from a regional approach and help implement the Portland region's six desired outcomes.



Central leadership and service teams
\$37.1 million - 158.44 FTE
Debt Service - \$55.3 million

Central departments include Metro Auditor, Finance and Regulatory Services, Communications, Information Services, Human Resources, Office of Metro Attorney, Council Office and the Chief Operating Office. This work comprises 9 percent of Metro's current expenditures. Debt service includes all payments on Metro's outstanding debt, and comprises 13 percent of current expenditures,

Budget in Action



Improving Oxbow Park for people and wildlife.

Construction will finish on a new welcome center at Oxbow, which will greet visitors as they pass the park entrance. The center will include a reception area with information and activities for guests. The welcome center budget is \$2.1 million and the project will be completed in Fall 2018. Work is also continuing on a multi-year salmon habitat restoration project that has run the length of both sides of the Sandy River at the park. Metro is working on the project in partnership with the Portland Water Bureau.

Metro's budget has an impact on communities throughout the region. From a free field trip for a child to millions of dollars in construction projects, the budget is investing in our cities and counties, driven by the key desired outcomes adopted by Metro Council. The programs on the next page showcase just the tip of what we do.

Investment and Innovation grants in Property and Environmental Services.

In summer of 2018, Metro issued its first call for proposals for the new Investment and Innovation grant program. Program goals are to support businesses and nonprofit organizations involved in reducing waste, reusing, recycling, composting or producing energy from discarded materials. It seeks to provide opportunities for historically underrepresented, and people of color. The current budget includes \$3 million in grant funds to strengthen local systems for addressing waste.



From regular maintenance to large construction projects, Metro strives to be a good steward of its public assets. Metro actively pursues community partnerships and investment opportunities that create vibrant communities, economic prosperity, and socially equitable contracting opportunities. Metro plans to invest \$259.6 million in FY 2018-19 in the local economy through jobs, purchases of materials and land, construction and maintenance of Metro facilities and replacement of equipment.

Community investment spending

	3-year historical Average Spending	FY 2018-19 Budget
Planning and development	\$6.0 million	\$ 11.7 million
Parks and nature	23.9 million	40.4 million
Solid waste	49.1 million	71.3 million
Visitor venues	64.0 million	120.1 million
Support services	10.1 million	16.1 million
TOTAL	\$153.1 million	\$259.6 million

*Totals include materials, maintenance contracts, professional services contracts and capital expenditures including land acquisition, equipment, facility repairs and refurbishment, and new construction.



Major renovation at the Oregon Convention Center.

A \$35 million renovation of the Oregon Convention Center begins August 2018, as Portland prepares for the opening of the Hyatt Regency Portland, in late 2019. The renovation, which is funded through reserves built up from good financial management, includes upgrades to the interior of the 28-year-old center and reconstruction of the northeast plaza. As part of the overall plan, a \$27 million contract has been awarded to a minority-owned business as a prime contractor - the largest award to a minority-owned business in Oregon history. The remaining funding will go primarily to design fees and contingency (\$4 million and \$2.5 million, respectively), with the rest of the funding spread among a variety of smaller expenses.

Transit-Oriented Development Program.

This program has a unique and critical role in implementing greater Portland's 2040 Growth Concept of vibrant, walkable centers and station areas linked by transit. The program increases opportunities for people to live, work and shop in neighborhoods through easy access to high-quality transit. It supports construction of projects, which allow for greater density, and in turn makes life in an urban environment more affordable for more people. Related program activities include opportunity site acquisition, investment in urban living infrastructure, and technical assistance to communities and developers.



Learn more.

Check out Metro's budget impact across the region. Visit oregonmetro.gov/metro-budget

Diversity, Equity and Inclusion Initiatives

The Metro Council and central leadership drive initiatives that impact all public service lines and the community. One is the Diversity, Equity and Inclusion program.

- Metro adopted its Strategic Plan to Advance Racial Equity, Diversity and Inclusion in June 2016.
- The Construction Career Pathways Project (C2P2) is launching a public owner workgroup meant to build a regional framework designed to guide investments and strategies to create equitable opportunities for people of color and women to enter and sustain a career in the trades. Throughout this work, we'll be connecting pre-apprenticeship, contractor, community and labor partners into the workgroup discussions.
- Metro, in partnership with Mortenson Construction, created the Community Construction Training Program as part of the Hyatt Regency Portland construction project. This \$450,000 equity initiative supports 100 people of color and women to enter construction training programs, receive job placement support and apprentice retention services.
- To measure progress and continual improvement of the agency's efforts to advance racial equity, a major component of the Strategic Plan is to develop and implement evaluation metrics and an equity baseline for Metro. The DEI Program is spearheading this work through a mixed-methods (qualitative and quantitative) impact evaluation process. In addition to establishing DEI metrics and baseline for the agency, this process will also increase the transparency and accountability of Metro's DEI efforts as well as help a number of agency staff to acquire the knowledge and skills to strengthen their own evaluation work.
- Four Metro departments and venues will complete their department specific racial equity plans in Fall 2018. These plans have developed specific outcomes to advance the goals and actions of council-adopted Strategic Plan to Advance racial Equity and Inclusion. As a result, agency-wide central services departments have also developed key actions and strategies to support the goals of four departmental and venue-specific plans.



If you picnic at Blue Lake or take your kids to the Oregon Zoo, enjoy symphonies at the Schnitz or auto shows at the convention center, put out your trash or drive your car – we've already crossed paths.

So, hello. We're Metro – nice to meet you.

In a metropolitan area as big as Portland, we can do a lot of things better together. Join us to help the region prepare for a happy, healthy future.

Metro Council President

Tom Hughes

Metro Councilors

Shirley Craddick, District 1

Betty Dominguez, District 2

Craig Dirksen, District 3

Kathryn Harrington, District 4

Sam Chase, District 5

Bob Stacey, District 6

Auditor

Brian Evans

