



MULTNOMAH COUNTY
AGENDA PLACEMENT REQUEST (revised 09/22/08)

APPROVED : MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R-3 DATE 12/17/09
DEBORAH L. BOGSTAD, BOARD CLERK

Board Clerk Use Only

Meeting Date: 12/17/09
Agenda Item #: R-3
Est. Start Time: 10:00 am
Date Submitted: 12/02/09

BUDGET MODIFICATION: DCM-10

BUDGET MODIFICATION DCM-10 Approving General Fund Contingency
Agenda Title: Transfer of \$392,706 to Pay Assessments to Multnomah County from the
Portland Mall Revitalization Project Local Improvement District

Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title sufficient to describe the action requested.

Requested Meeting Date: December 17, 2009 **Amount of Time Needed:** 5 minutes
Department: County Management **Division:** Facilities & Property Mgmt
Contact(s): Bob Thomas, Facilities & Property Management Director
Phone: (503) 988-6294 **Ext.** 86294 **I/O Address:** 274
Presenter(s): Bob Thomas, Mark Campbell

General Information

1. What action are you requesting from the Board?

The Department of County Management is requesting Board approval for General Fund Contingency to pay the County's obligation for its share of the downtown Portland Mall Revitalization Local Improvement District Assessments.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

On October 14, 2009, the City Council of Portland voted to assess benefited properties for street and other improvements in the Portland Mall Revitalization Project Local Improvement District (LID). The total amount of the LID is just over \$22 million. Portland State University contributed \$7 million into the LID for the project and remaining property owners have now been assessed just over \$15 million on a prorated basis among all properties in the LID. Multnomah County originally received initial estimates of cost responsibility for the LID in November 2006. Until very recently the County believed it would not have this obligation, but was not able to get a formal agreement with the City to not assess its properties. Fourteen properties and buildings have now been assessed

by the LID. Payments are due this month.

3. Explain the fiscal impact (current year and ongoing).

The General Fund Contingency is reduced by \$392,706 and the appropriations for the Facilities Management Fund are increased by the same amount. This action is a one time only action.

4. Explain any legal and/or policy issues involved.

Multnomah County is obligated by the Local Improvement District to pay its share of the costs associated with the reconstruction of the downtown Portland Mall and Streetcar Extension.

5. Explain any citizen and/or other government participation that has or will take place.

The LID was formed to provide local financing sources for the addition of light rail to the Portland Mall and for the downtown Portland Streetcar. Multnomah County is property tax exempt for its properties but is not exempt for assessments due to formations of local improvement districts.

ATTACHMENT A

Budget Modification

If the request is a **Budget Modification**, please answer **all** of the following in detail:

- **What revenue is being changed and why?**

Facilities Management Fund revenue is being increased by \$392,706 by this transfer of General Fund Contingency.

- **What budgets are increased/decreased?**

The General Fund Contingency is reduced by \$392,706 and the appropriation for the Facilities Management Fund is increased by \$392,706.

- **What do the changes accomplish?**

The changes will allow Facilities & Property Management to pay LID assessments for County owned properties.

- **Do any personnel actions result from this budget modification? Explain.**

No

- **How will the county indirect, central finance and human resources and departmental overhead costs be covered?**

N/A

- **Is the revenue one-time-only in nature? Will the function be ongoing? What plans are in place to identify a sufficient ongoing funding stream?**

The contingency request is one time only for a one time only expense.

- **If a grant, what period does the grant cover?**

N/A

- **If a grant, when the grant expires, what are funding plans?**

N/A

Contingency Request

If the request is a **Contingency Request**, please answer **all** of the following in detail:

- **Why was the expenditure not included in the annual budget process?**

This expenditure was not anticipated as being an obligation to the County until final notification from the City of Portland in September.

- **What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?**

The properties being assessed largely house General Fund programs of the County and would ultimately be the obligation of the General Fund as program tenants of these buildings if paid over time.

- **Why are no other department/agency fund sources available?**

This large total assessment was unexpected and not available from the Facilities Management Fund or other sources.

- **Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account. What are the plans for future ongoing funding?**

This expenditure produces no new revenue or cost savings.

- **Has this request been made before? When? What was the outcome?**

This request has not been made before.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

ATTACHMENT B

BUDGET MODIFICATION: DCM - 10

Required Signatures

**Elected Official or
Department/
Agency Director:**

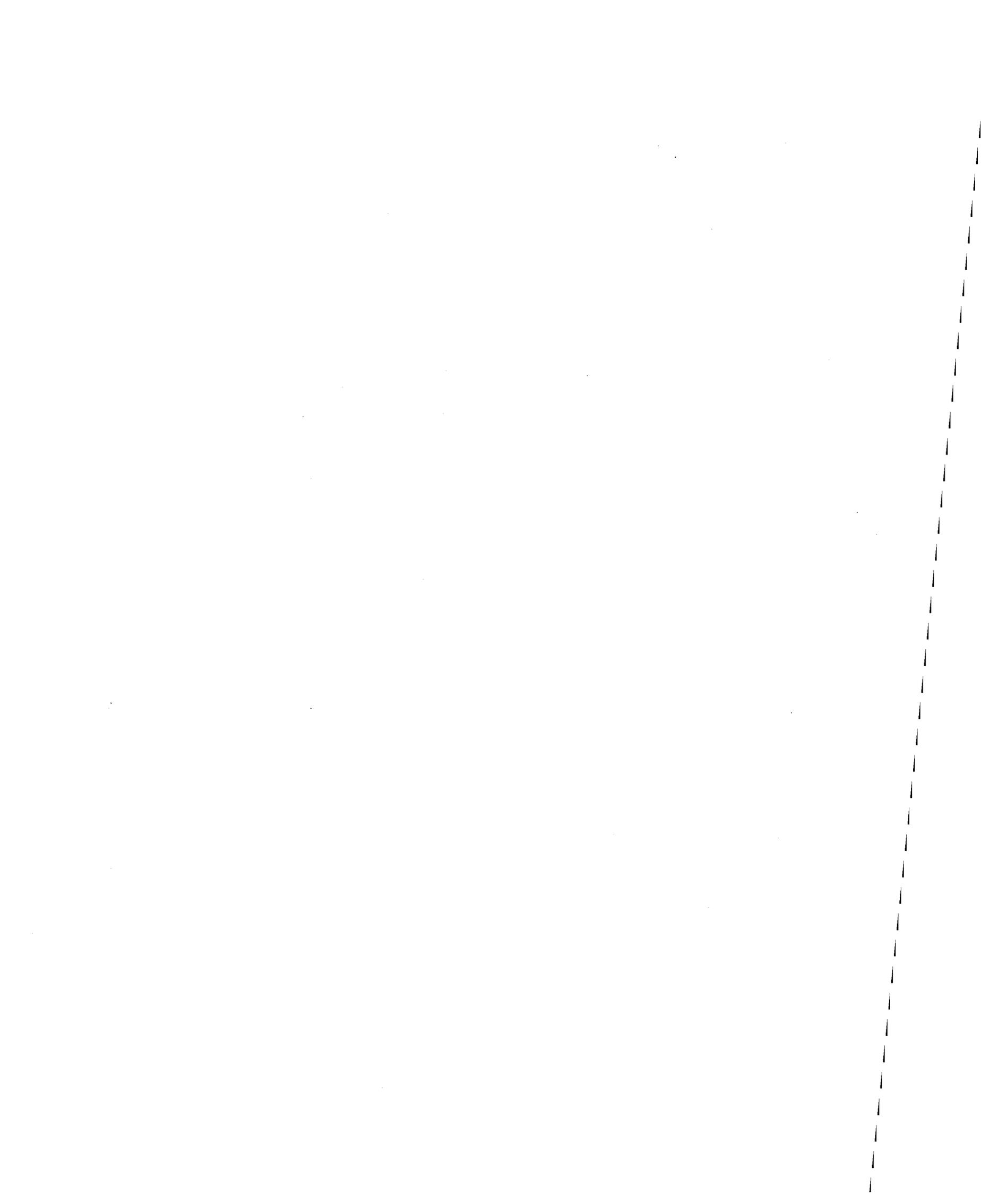


Date: 12/02/09

Budget Analyst:



Date: 12/02/09





Department of County Management
MULTNOMAH COUNTY OREGON

Budget Office

501 SE Hawthorne Blvd., Suite 531
Portland, Oregon 97214
(503) 988-3312 phone
(503) 988-5758 fax
(503) 988-5170 TDD

TO: Board of County Commissioners
FROM: Julie Neburka, Principal Budget Analyst
DATE: December 2, 2009
SUBJECT: General Fund Contingency Request of \$392,706 to pay for street and other improvements in the Portland Mall Revitalization Project Local Improvement District (LID).

The Department of County Management (DCM) requests \$392,706 from the General Fund Contingency to pay in full an assessment from the City of Portland for the Portland Mall Revitalization Project Local Improvement District (LID). This LID was formed by City of Portland ordinance in November of 2004, and assesses a total of just more than \$22 million from property owners that are expected to benefit from the downtown Portland Mall improvements. A great number of our services are located in County-owned buildings downtown, and while our properties are exempt from property taxes, they are not exempt from assessments by local improvement districts. If granted, this request will be a one-time payment that will satisfy our obligation for this particular local improvement district.

General Fund Contingency Policy Compliance

The Budget Office is required to inform the Board if contingency requests submitted for approval satisfy the general guidelines and policies for using the General Fund Contingency.

- Criteria 1 states contingency requests should be for one-time-only purposes. *This payment will be one-time-only.*
- Criteria 2 Addresses emergencies and unanticipated situations. *While the County was aware of this local improvement district, it had been our understanding until recently that our obligation might be waived. After negotiation with the City of Portland, that turned out not to be the case.*
- Criteria 3 addresses items identified in Board Budget Notes. *This request was not identified in the FY 2010 Board Budget Notes.*

Budget Modification ID: DCM-10

Budget/Fiscal Year: 2010

EXPENDITURES & REVENUES

Please show an increase in revenue as a negative value and a decrease as a positive value for consistency with SAP.

| Line No. | Fund Center | Fund Code | Program # | Func. Area | Internal Order | Accounting Unit | | Cost Element | Current Amount | Revised Amount | Change Increase/Decrease | Subtotal | Description |
|----------|-------------|-----------|-----------|------------|----------------|-----------------|-------------|--------------|----------------|----------------|--------------------------|----------|---|
| | | | | | | Cost Center | WBS Element | | | | | | |
| 1 | 19 | 1000 | | 20 | | 9500001000 | | 60470 | 7,331,609 | 6,938,903 | (392,706) | | Decrease GF Contingency |
| 2 | 19 | 1000 | | 20 | 8 | | | 60560 | 1,100,000 | 1,492,706 | 392,706 | | Increase GF Cash Transfer |
| 3 | 72-50 | 3505 | | 20 | | 902575 | | 50320 | (1,100,000) | (1,492,706) | (392,706) | | Increase Cash Transfer Rev, LID Tax Assessments |
| 4 | 72-50 | 3505 | | 20 | | | B601 Base | 60160 | 0 | 19,075 | 19,075 | | Increase PassThru_Central Lib_R246570 |
| 5 | 72-50 | 3505 | | 20 | | 902575 | | 60160 | 20,128 | 20,882 | 554 | | Increase PassThru_Hawthorne Bridgehead_R245923 |
| 6 | 72-50 | 3505 | | 20 | | 902575 | | 60160 | 20,682 | 21,457 | 775 | | Increase PassThru_Hawthorne Bridgehead_R245920 |
| 7 | 72-50 | 3505 | | 20 | | 902575 | | 60160 | 21,457 | 22,564 | 1,107 | | Increase PassThru_Hawthorne Bridgehead_R245926 |
| 8 | 72-50 | 3505 | | 20 | | | B155 Base | 60160 | 0 | 2,061 | 2,061 | | Increase PassThru_Martha Washington_R246628 |
| 9 | 72-50 | 3505 | | 20 | | 902575 | | 60160 | 22,564 | 25,446 | 2,882 | | Increase PassThru_Hawthorne Bridgehead_R245919 |
| 10 | 72-50 | 3505 | | 20 | | 902575 | | 60160 | 25,446 | 30,625 | 5,179 | | Increase PassThru_Morrison Bridgehead_R245946 |
| 11 | 72-50 | 3505 | | 20 | | 902575 | | 60160 | 30,625 | 37,892 | 7,267 | | Increase PassThru_Morrison Bridgehead_R245899 |
| 12 | 72-50 | 3505 | | 20 | | | B161 Base | 60160 | 0 | 23,862 | 23,862 | | Increase PassThru_Mead_R246294 |
| 13 | 72-50 | 3505 | | 20 | | | B101 Base | 60160 | 0 | 97,751 | 97,751 | | Increase PassThru_Courthouse_R246104 |
| 14 | 72-50 | 3505 | | 20 | | | B119 Base | 60160 | 0 | 2,081 | 2,081 | | Increase PassThru_JC_R504898 |
| 15 | 72-50 | 3505 | | 20 | | | B119 Base | 60160 | 2,081 | 200,527 | 198,446 | | Increase PassThru_JC_R286121 |
| 16 | 72-50 | 3505 | | 20 | | | B160 Base | 60160 | 0 | 31,480 | 31,480 | | Increase PassThru_McCoy_R246124 |
| 17 | 72-50 | 3505 | | 20 | | 902575 | | 60160 | 37,892 | 38,078 | 186 | | Increase PassThru_Burnside Bridge |
| 18 | | | | | | | | | 0 | 0 | 0 | | |
| 19 | | | | | | | | | 0 | 0 | 0 | | |
| 20 | | | | | | | | | 0 | 0 | 0 | | |
| 21 | | | | | | | | | 0 | 0 | 0 | | |
| 22 | | | | | | | | | 0 | 0 | 0 | | |
| 23 | | | | | | | | | 0 | 0 | 0 | | |
| 24 | | | | | | | | | 0 | 0 | 0 | | |
| 25 | | | | | | | | | 0 | 0 | 0 | | |
| 26 | | | | | | | | | 0 | 0 | 0 | | |
| 27 | | | | | | | | | 0 | 0 | 0 | | |
| 28 | | | | | | | | | 0 | 0 | 0 | | |
| 29 | | | | | | | | | 0 | 0 | 0 | | |
| | | | | | | | | | 7,512,484 | | | | Total - Page 1 |
| | | | | | | | | | | | | 0 | GRAND TOTAL |

| FM Side | | | PS/CO Side | | | Cost Element/ Commitment Item | Notes |
|---|--------------------|--------------------|-------------------|-------------|----------------|-------------------------------------|--|
| FM Fund Center | FM Fund Code | Functional Area | Internal Order | Cost Center | WBS Element | | |
| General Fund Contingency | | | | 9500001000 | | 60470 | Reduce available General Fund Contingency |
| 19 | 1000 | 0020 | | xxx | xxx | xxxx | Increase Expenditure |
| xx-xx | xxxxx | 0020 | | | | | |
| Indirect | | | | | | | |
| Central | | | | | | | |
| xx-xx | xxxxx | | | | xxx | 60350 | Indirect Expenditure |
| 19 | 1000 | 0020 | | 9500001000 | | 50310 | Indirect reimbursement revenue in General Fund |
| 19 | 1000 | 0020 | | 9500001000 | | 60470 | CGF Contingency expenditure |
| Departmental | | | | | | | |
| xxx | xxxxx | | | | xxx | 60355 | Indirect Department Expenditure |
| xx-xx | 1000 | | | xxx | xxx | 50370 | Indirect Dept reimbursement revenue in General Fund |
| xx-xx | 1000 | | | xxx | xxx | xxx | Off setting Dept expenditure in General Fund |
| Telecommunications | | | | | | | |
| xx-xx | xxxxx | | | | xxx | 60370 | Departmental telecommunication expenditure |
| 10-10 | 3503 | 0020 | | 709525 | | 50310 | Budgets receipt of reimbursement |
| 10-10 | 3503 | 0020 | | 709525 | | 60200 | Budgets offsetting expenditure in telecommunications fund |
| Data Processing | | | | | | | |
| xx-xx | xxxxx | | | | xxx | 60380 | Departmental data processing expenditures |
| 10-10 | 3503 | 0020 | | 709000 | | 50310 | Budgets receipt of Data Processing reimbursement |
| 10-10 | 3503 | 0020 | | 709000 | | 60240 | Budgets offsetting expenditures |
| PC Flat Fee <i>(Flat Fee is no longer in effect for most Departments beginning in FY 2007)</i> | | | | | | | |
| xx-xx | xxxxx | | | | xxx | 60390 | Departmental PC Flat Fee expenditure |
| 10-10 | 3503 | 0020 | | 709617 | | 50310 | Budgets receipt of PC Flat Fee |
| 10-10 | 3503 | 0020 | | 709617 | | 60240 | Budgets offsetting expenditure |
| Electronic Service Reimbursement | | | | | | | |
| xx-xx | xxxxx | | | | | 60420 | Departmental Electronics expenditure |
| 72-55 | 3501 | 0020 | | 904200 | | 50310 | Receipt of Electronics service reimbursement |
| 72-55 | 3501 | 0020 | | 904200 | | 60240 | Budgets offsetting expenditure |
| Motor Pool: <i>Use this cost center if you are adding funds for motor pool use.</i> | | | | | | | |
| xx-xx | xxxxx | | | | xxx | 60410 | Departmental Motor Pool expenditure |
| 72-55 | 3501 | 0020 | | 904150 | | 50310 | Budgets receipt of Motor Pool service reimbursement |
| 72-55 | 3501 | 0020 | | 904150 | | 60240 | Budgets offsetting expenditure |
| Fleet: <i>Use this cost center if you are adding funds for dedicated program cars.</i> | | | | | | | |
| xx-xx | xxxxx | | | | xxx | 60410 | Departmental Fleet expenditure |
| 72-55 | 3501 | 0020 | | 904100 | | 50310 | Budgets receipt of Fleet service reimbursement |
| 72-55 | 3501 | 0020 | | 904100 | | 60240 | Budgets offsetting expenditure |
| Building Management | | | | | | | |
| xx-xx | xxxxx | | | | xxx | 60430 | Departmental Building Management expenditure |
| 72-50 | 3505 | 0020 | | 902575 | | 50310 | Budgets receipt of Building Management service reimbursement |
| 72-50 | 3505 | 0020 | | 902575 | | 60170 | Budgets offsetting expenditure |
| Insurance Service Reimbursement | | | | | | | |
| xx-xx | xxxxx | | | | | 60140 or 60145 | Departmental Insurance expenditure |
| 72-10 | 3500 | 0020 | | 705210 | | 50316 | Insurance Revenue |
| 72-10 | 3500 | 0020 | | 705210 | | 60330 | Offsetting expenditure |
| Lease Payments to Capital Lease Retirement Fund | | | | | | | |
| xx-xx | xxxxx | | | | | 60450 | Departmental Capital Lease Retirement expenditure Contact your Budget Analyst to complete this. |
| Mail & Distribution | | | | | | | |
| xx-xx | xxxxx | | | | xxx | 60460 | Mail & Distribution expenditure |
| 72-55 | 3504 | 0020 | | 904400 | | 50310 | Budgets receipt of service reimbursement |
| 72-55 | 3504 | 0020 | | 904400 | | 60230 | Budgets offsetting expenditure |
| Records | | | | | | | |
| xx-xx | xxxxx | | | | xxx | 60460 | Records expenditure |
| 72-55 | 3504 | 0020 | | 904500 | | 50310 | Budgets receipt of service reimbursement |
| 72-55 | 3504 | 0020 | | 904500 | | 60240 | Budgets offsetting expenditure |
| Stores | | | | | | | |
| xx-xx | xxxxx | | | | xxx | 60460 | Stores expenditure |
| 72-55 | 3504 | 0020 | | 904600 | | 50310 | Budgets receipt of service reimbursement |
| 72-55 | 3504 | 0020 | | 904600 | | 60240 | Budgets offsetting expenditure |

How are functional areas assigned to cost objects?

For the most part, functional area is related to what department has recorded the revenue or expenditure (i.e. the District Attorney is reported in Public Safety and Justice). There are some exceptions to this rule that require certain funds to be assigned to a particular functional area, regardless of what department the revenues or expenditures are recorded in.

| Functional Area Assignments ~ Based on Fund | | |
|--|--------------------------------------|-----|
| 1501 – Road Fund | Roads and Bridges | 80 |
| 1502 – Emergency Communications Fund | Community Services | 60 |
| 1503 – Bike Path Fund | Community Services | 60 |
| 1504 – Recreation Fund | Community Services | 60 |
| 1506 – County School Fund | Community Services | 60 |
| 1509 – Willamette River Bridges Fund | Roads and Bridges | 80 |
| 1510 – Library Fund | Library | 70 |
| 1512 – Land Corner Preservation Fund | Roads and Bridges | 80 |
| 2500 – Justice Bond Project Fund | Public Safety and Justice | 50 |
| 2501 – Revenue Bond Project Fund | Community Services | 60 |
| 2502 – SB 1145 Fund | Public Safety and Justice | 50 |
| 2504 – Building Project Fund | Community Services | 60 |
| 2505 – Deferred Maintenance Fund | Community Services | 60 |
| 2506 – Library Construction / 1996 Bonds Fund | Library | 70 |
| 2507 – Capital Improvement Fund | Community Services | 60 |
| 2509 – Asset Preservation Fund | Community Services | 60 |
| 2510 – Library Property Fund | Library | 70 |
| 3000 – Dunthorpe-Riverdale Service Dist #14 Fund | Dunthorpe-Riverdale Service Dist #14 | 500 |
| 3001 – Mid County Service District #1 Fund | Mid County Service District #1 | 510 |
| 3002 – Behavioral Health Managed Care Fund | Behavioral Health Managed Care | 520 |

If a cost object is not in one of the funds listed above, then the functional area should be assigned based on the department that the cost object is in.

| Functional Area Assignments ~ Based on Department (Fund Center) | | |
|---|---------------------------|----|
| Non-Departmental (10, except 10-50) | General Government | 20 |
| Non-Departmental – CCFC (10-50) | Social Services | 40 |
| District Attorney (15) | Public Safety and Justice | 50 |
| Countywide (18 & 19) | General Government | 20 |
| Human Services (20, 25, 26, 30 & 31) | Social Services | 40 |
| School and Community Partnerships (21) | Social Services | 40 |
| Health (40) | Health Services | 30 |
| Community Justice (50) | Public Safety and Justice | 50 |
| Sheriff's Office (60) | Public Safety and Justice | 50 |
| County Management (72) | General Government | 20 |
| Community Services (91) | General Government | 20 |
| Library (80) | Library | 70 |

If you have any questions or comments, please contact Susan Luce in General Ledger at ext. 22138.