

# Agenda



**Metro**

600 NE Grand Ave.  
Portland, OR 97232-2736

**Meeting:** Natural Areas and Capital Program Performance Oversight Committee

**Date:** Monday, December 14, 2020

**Time:** 3 to 5 p.m.

**Location:** Zoom

<https://us02web.zoom.us/j/85449233710?pwd=Szcxd04zRDFqSDlPYkljVnBPTnhuQT09>  
(password/ID and phone numbers below)

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**3:00**            **Introductions and announcements**

**3:30**            **FY 2020 Oversight Committee annual report**

**4:30**            **2019 parks and nature bond oversight committee: update and next steps**

**5:00**            **Adjourn**

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**Join Zoom Meeting:**

<https://us02web.zoom.us/j/85449233710?pwd=Szcxd04zRDFqSDlPYkljVnBPTnhuQT09>

**Meeting ID: 854 4923 3710**

**Passcode: 625259**

or

Dial by your location

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*Metro protects water quality, fish and wildlife habitat, and creates opportunities to enjoy nature close to home through a connected system of parks, trails and natural areas.*



# Meeting minutes

Meeting: Natural Areas and Capital Program Performance Oversight Committee  
Date/time: Monday, December 14, 2020, 3 to 5 p.m.  
Place: Zoom  
Purpose: Updates on bond, formation of 2019 oversight committee and annual report

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## **Attendees**

**Members:** Mark Aasland, Dean Alterman, Caylin Barter, Drake Butsch, Kelsey Cardwell, Peter Mohr, Fritz Paulus, Shannon Shoul, Lindsay Smith

**Metro Council:** Councilor Sam Chase

**Community:** Carine Arendes

**Staff:** MG Devereux, Dan Moeller, Mychal Tetteh, Beth Cohen, Humberto Marquez Mendez, Kelly Struhs, Marybeth Haliski, Melanie Reinert, Melissa Weber

**Actions agreed upon:** The committee will review the draft annual report this week and submit feedback to staff. The report will be revised and presented to Metro Council in early 2021.

## **Chairman Peter Mohr began the meeting at 3:04 p.m.**

- Peter M. shared some opening statements and introduced new Metro parks and nature Deputy Director, MG Devereux, formerly of Oregon State Parks.
- Attendees introduced themselves.
- Councilor Chase thanked the group for their work during his tenure as a Councilor and provided remarks giving an overview of Metro's successful work on the 2006 bond.

**MG D. went over the annual report—the final report will be prepared for the end of the calendar year and shared with Council in early 2021.**

**MG D. reviewed the acquisition summary and capital project highlights.**

## **Melissa Weber reviewed the annual financial report and program spending.**

- Grantees continue to work through projects, remaining local share projects are wrapping up, and there were some capital construction expenditures (Willamette Falls Legacy Project, Columbia Boulevard Bridge).
- Regarding administrative cost monitoring, there is an internal Parks and Nature and Metro agency-wide policy that administrative costs should not exceed 10% for the life of the bond.
  - FY20 costs were at 15.5%, but within the life of the bond, costs were at 9.4%.
- There is \$12M remaining to finish out final local share projects, pay out capital grants and finish administrative costs.
  - Melissa W. clarified the restrictions and eligible uses for remaining funds:
    - They are restricted for capital projects, and if what is earmarked is not feasible or practical, another capital project meeting the 2006 bond criteria should be identified for spending.
    - For acquisitions, spending could occur on acquisitions within the 2019 bond that meet the 2006 bond capital cost criteria.

- Melissa W. clarified that the remaining funds are kept separated from the 2019 bond funds for records and accounting.
  - Specific projects have been earmarked—some projects (i.e. Chehalem Ridge) did not have enough funding in 2006 and would move to 2019 funding.
  - Remaining 2006 funding could be spent on 2019 projects if they are identified as appropriate and meeting the 2006 criteria (there would be funding integration, but separate record keeping).
- The spending timeline for remaining funds is bound to internal targets, but there is not a firm designation; the team looks to spend this in the next two years.
  - Remaining local share and grant payments are based on partner and grantee timelines.
- Melissa W. clarified how administrative expenses are allocated or held.
  - The two 2006 bond administrative buckets (Parks and Nature division and agency-wide) will be closed next fiscal year, and administrative spending after that cutoff will be from the 2019 bond.
  - This is based on internal Metro policy and acknowledges that the majority of work is being done to support the new bond.
  - The goal is to keep remaining funds in acquisition as much as possible rather than spending fully on staffing.
  - Administrative costs on the 2006 bond will end at a certain point in time, and there is already minimal Parks and Nature support under 2006 as the teams shift into the 2019 bond work.

**Beth Cohen will share the oversight committee annual report draft and the fiscal report for the committee to review by the end of this business day or tomorrow.**

- The committee should return their comments within the week.
- The report will be shared to Council for the end of the year and presented with the broader Parks and Nature annual report on *February 4, 2021* [*tentative date as of this meeting, now likely to be on January 28, 2021*].

**Beth C. shared a slide presentation on the 2019 Parks and Nature bond, recapping the mission, estimated program timelines, and refinement processes through May 2021—highlights included:**

- At the spring 2020 meeting, the Metro Council gave direction to prioritize and move forward programs that could put money into communities as soon as possible, in response to the social and economic effects of COVID-19.
- Work is underway to compile data and analysis on target area priorities in 2021, and we are in the middle of refinement.
- Council also authorized staff to continue acquisitions of available tax lot opportunities that were identified in the 2006 bond and align with the 2019 bond criteria as well.
- Local share, capital grants and large scale community visions are being expedited, staffed, and materials and frameworks are being created, such as a handbook for the local share program which was drafted this fall.
- Taking care of what we have is also a priority, with critical infrastructure work at existing parks launching in 2021.
- The bond is actively looking for opportunities to build contracting opportunities for COBID firms.
- The trails program is working on mapping, data collection, priorities for acquisition and construction, and is continuing conversations with partners.

- The bond criteria are at the center of all this work (including conservation, racial equity, and work within the broader agency's tribal affairs portfolio).
  - We are working on new ways of partnering with community based organizations, tribal governments, and individual stakeholders.
  - Metro's new Tribal Liaison, Katie McDonald, is leading Metro's government to government relationship building, with conversations with some Tribes beginning in the next month or so.
  - The foci for these conversations include land acquisition and restoration, cultural resource protection, and educational interpretation opportunities.

**Peter M. had praise for the 2006 programs and suggested the team consider lessons learned on challenging parts of that bond to determine improvements that can be made.**

- One area to consider is local share and working with jurisdictions to streamline that process from the last bond.
- He stressed the importance of maintaining existing resources (natural or experience-based), to keep the asset values created by bond project investments in the long term.
- MG D. acknowledge the differences in the local share program between the 2006 and 2019 bonds, and shared that the new process would be more collaborative.
  - Program staff will work with partners towards the bond goals brought by Council, including conservation and racial equity work.
  - The program handbook will help guide which projects should be prioritized and can be deemed shovel-ready.

**Staff acknowledged that this has been an unpredictable and challenging year to get dialogue with stakeholders started, and that we are trying to move as quickly and responsibly as possible while recognizing that some voices don't have the capacity or ability to engage right now.**

- Peter M. encouraged the same strong engagement, vetting and due diligence in outreach as in the past bond work.

**At the April 2020 meeting, the committee met to discuss recruitment for the 2019 oversight committee and created a memo.**

- The next committee should carry over expertise in bond oversight, financial knowledge, conservation expertise, and have a racial equity lens in committee membership.
- All members should be invested in the equity lens and have overlap in interests and areas of expertise.
- Staff gave recommendations to Council this fall to determine the recruitment processes.
- Metro held an open public application process online to seek candidates with expertise from this committee and other knowledge and backgrounds.
  - The applications opened in October and closed this month.
  - Over 100 applications were received.
  - The review process for applications is underway, and candidates will be updated in early 2021.
  - We will seat the new committee on the same date of the annual report presentation in early February 2021.
- Consider how to balance the history from this committee to bridge between the new and old committees and retain some past perspectives and background knowledge.
- Candidate geography balance across the region is also being considered.
- The advice and insight this committee provided this past spring has and will continue to inform the new committee processes.
- The new committee will consist of 13-17 members with rolling terms (one or two years).

- Mark Aasland suggested that the charter frame specific attendance requirements, term limits and expectations.
- Kelsey Cardwell recommended that the meetings be structured so that all members have a level of ownership in the meetings.
- Peter M. noted a lack of formal structure in the past committee and encouraged defining the structure for this committee from the start.
- Dean Alterman recommended that members understand it is not necessary for each member to understand everything.
- Rather, each member should pick a few things to learn and follow closely (i.e. finances and trails), as this can help with overall coverage and balance.
- Peter M. noted the differences in scope and goals between bonds and agreed that the broadened scope calls for 13-17 member size.
- Kelsey C. concurred and encouraged the staff to consider how virtual meetings can be utilized for as an opportunity for engagement while being aware of its limitations.
- Beth C. acknowledged that the committee's work will evolve over the life of the bond.
- Carine Arendes suggested the Southwest Corridor Committee as a model of a well-run larger committee with solid meeting processes in place (13+ members).

**MG D. thanked Councilor Chase for his work at Metro.**

- Councilor Chase thanked Parks and Nature for model work within the agency and thanked the oversight committee for their work.

**Next Steps:**

Staff will share the draft annual report by the end of business today or tomorrow morning.

- The committee can return comments within the week for edits which can be incorporated in the final to be shared with Council.
- Staff will be in touch in early 2021 to confirm the report dates in late January or early February.
- We hope the committee can attend, as this is a chance for Council to acknowledge the group's work.
- Due to the end of the year, holidays, and schedule constraints, the group asked to limit the rounds of review on the report as much as possible.

**Adjournment:**

The meeting adjourned at 4:40 p.m.

*Meeting notes recorded by Melanie Reinert: [melanie.reinert@oregonmetro.gov](mailto:melanie.reinert@oregonmetro.gov)*

*For reference, 2019 bond information is available online: <https://www.oregonmetro.gov/public-projects/parks-and-nature-investments/parks-and-nature-investments>*



Metro



# Natural areas and capital program performance oversight committee

December 14, 2020

# 2019 Parks and Nature bond recap

**Protect clean water, restore fish and wildlife habitat and connect people with nature close to home**

**6 bond program areas:**

Protect and restore land

Local share

Walking and biking trails

Improve Metro Parks

Nature in neighborhood capital grants

Large-scale community visions

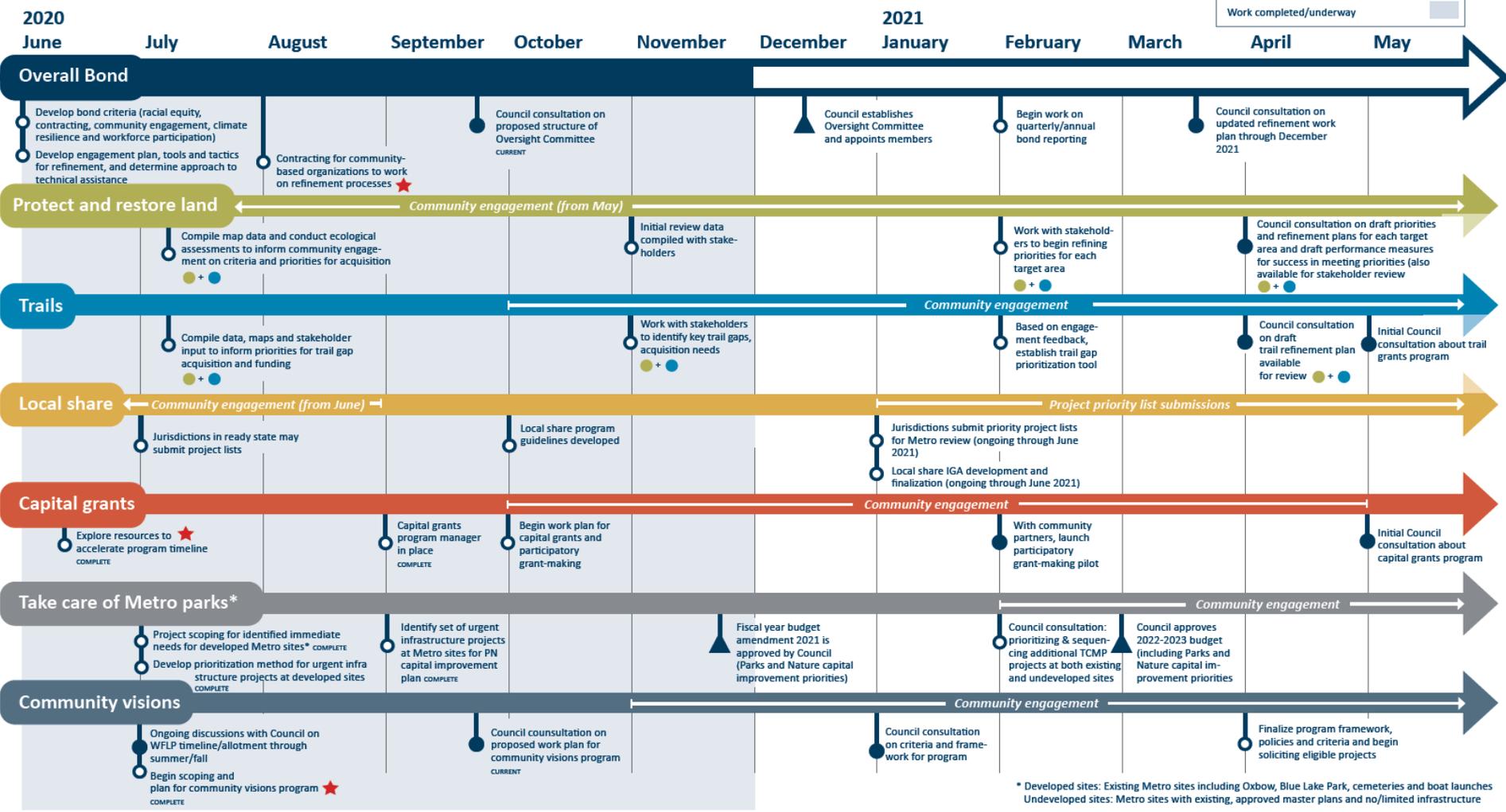
**3 bond criteria:** racial equity, community engagement, climate resilience

# Refinement timeline

## Metro Parks and Nature bond refinement timeline

December 2020 - proposed high-level milestones subject to change, refinement timeline expected to continue through 2021

- Anticipated Council action 
- Anticipated refinement milestone (marked at starting points) 
- Council consultation (via briefing/work session as Council directs) 
- Joint work across programs (color coded by program) 
- Adjustments to timeline in response to Council direction 
- Work completed/underway 



\* Developed sites: Existing Metro sites including Oxbow, Blue Lake Park, cemeteries and boat launches  
Undeveloped sites: Metro sites with existing, approved master plans and no/limited infrastructure

# 2019 bond: early refinement activities underway

**Protect and restore:** Can act on acquisition opportunities during refinement; data collection to inform priorities for target areas

**Local share, capital grants and large scale community visions:** Expedite program development

**Improve Metro Parks:** Investments at Blue Lake, Oxbow, Graham Oaks, continued work at Chehalem Ridge and Newell Creek

**Trails:** meetings with jurisdictional partners, mapping and data



# How we are doing the work

Commitment to core conservation values

Center racial equity throughout the refinement process

Incorporate this work in broader agency development of a tribal affairs portfolio

# FY 2020 annual report

Focused on

- Land acquisition and capital project highlights
- financial reporting

Committee review and next steps

- Committee review from Dec 14-December 21
- Presentation to Council on February 4 2021

# FY 2020 highlights: Acquisition

ACRES ACQUIRED TO DATE: 6,876 acres

ACRES ACQUIRED IN FY 2020: 447 acres of natural areas and trail connections

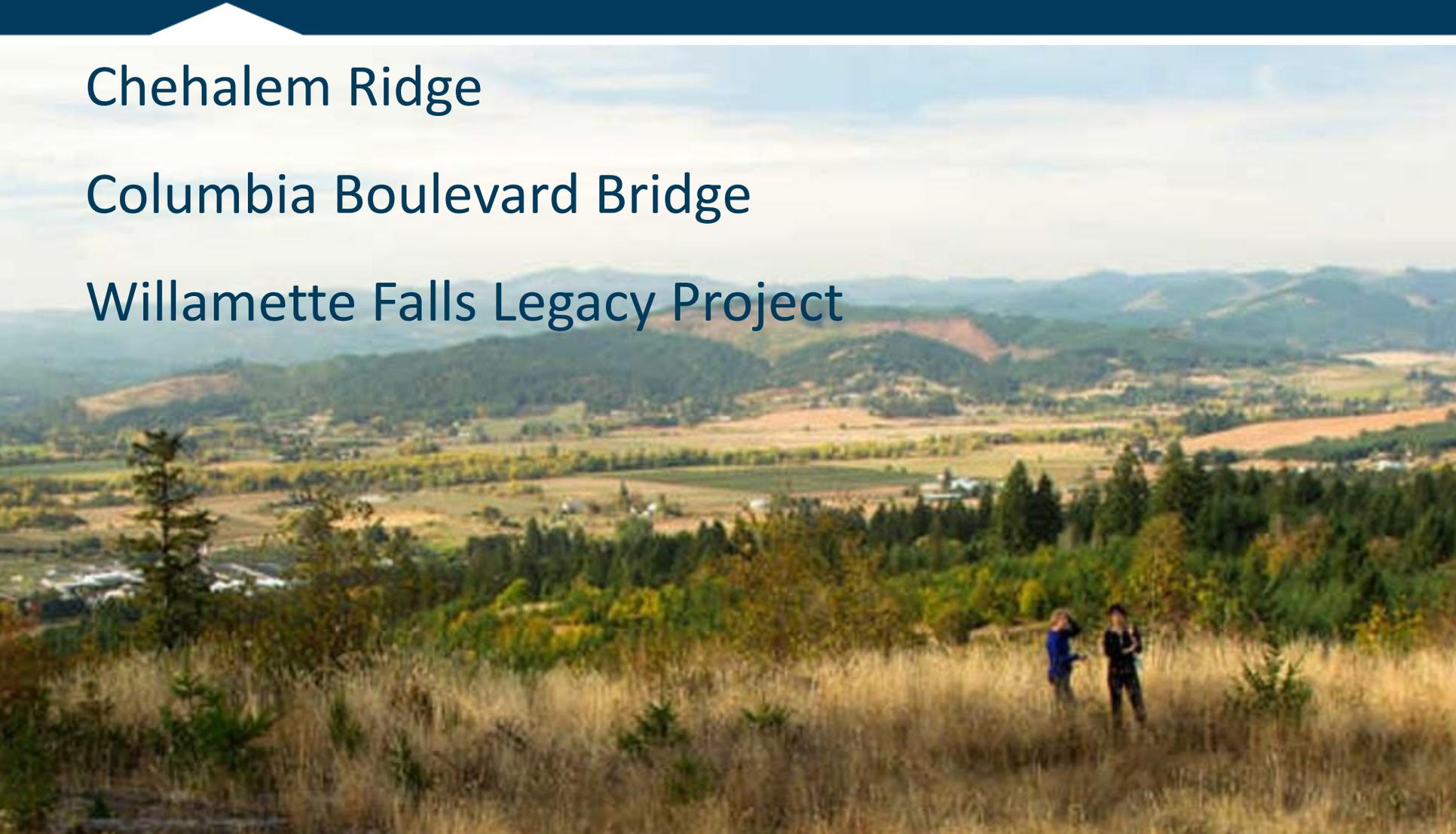
Six target areas were represented in the nine new properties Metro purchased.

# FY 2020 highlights: Capital projects

Chehalem Ridge

Columbia Boulevard Bridge

Willamette Falls Legacy Project



# 2019 parks and nature oversight committee: what we heard

Your feedback helped shape recommendation to Council on the future oversight committee

- Broad and open recruitment
- Look for commitment to racial equity across the committee
- Bring expertise that matches all that's in the bond including conservation, acquisition, construction, working lands and climate, to name a few

# 2019 parks and nature bond oversight committee: next steps

Open recruitment has received over 100 applications

Internal staff review now to develop recommendation on a slate of members and a chair

Council reviews and appoints committee at Feb. 4 meeting

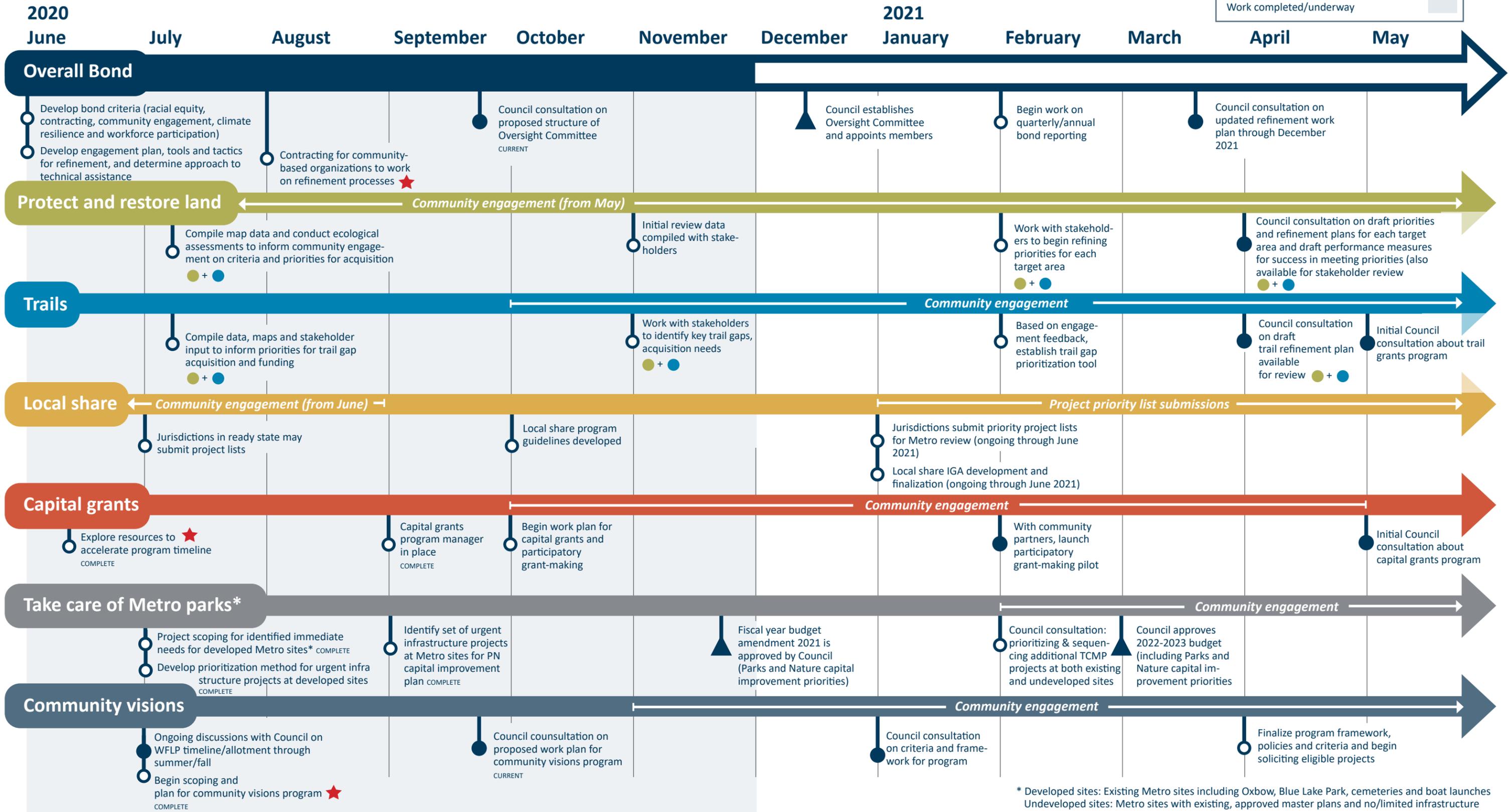


# Metro

## Parks and Nature bond refinement timeline

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Summary of Resources, Requirements and Changes in Fund Balance  
(Unaudited)

	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>Program Total</u>
	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>
Beginning Fund Balance	-	122,299,840	93,979,815	77,117,028	56,792,608	36,469,110	98,782,888	78,247,338	65,755,357	52,348,497	36,934,426	16,425,918	33,689,656	22,478,757	22,478,757
<b>Resources</b>															
Bond Proceeds	130,678,369	-	-	-	-	90,015,894	-	-	-	-	-	30,688,409	-	-	251,382,672
Interest Earnings	1,301,230	5,600,503	2,538,906	940,859	322,830	139,417	180,451	551,006	404,005	325,517	203,942	244,209	690,548	414,429	13,857,851
Other Resources	10,000	27,380	5,322,056	385,730	414,009	964,004	882,461	3,038,628	2,679	590,211	2,143,949	319,643	464,507	101,257	14,666,514
<b>Subtotal Resources</b>	<b>131,989,599</b>	<b>5,627,883</b>	<b>7,860,962</b>	<b>1,326,589</b>	<b>736,839</b>	<b>91,119,314</b>	<b>1,062,911</b>	<b>3,589,634</b>	<b>406,684</b>	<b>915,728</b>	<b>2,347,891</b>	<b>31,252,261</b>	<b>1,155,055</b>	<b>515,686</b>	<b>279,907,037</b>
<b>Requirements</b>															
<b>Land Acquisition</b>															
Staff Costs	117,956	206,692	425,072	465,329	512,240	658,515	514,455	625,344	617,960	682,467	725,138	387,580	328,147	449,539	6,716,433
Materials & Services	6,786	2,599	334,980	328,153	8,506	3,907	31,450	4,037	10,452	6,016	6,627	187,579	4,255	2,273	937,620
Land Costs	7,596,372	25,224,753	14,517,160	10,282,293	8,416,742	14,616,212	7,802,932	5,500,237	6,429,224	3,148,085	5,363,484	3,403,597	4,026,517	2,324,715	118,652,322
<b>Due Diligence</b>															
Staff Costs	-	412,029	492,589	455,774	430,237	464,571	438,935	498,527	529,928	603,792	591,650	632,220	617,137	657,595	6,824,984
Materials & Services	96,539	199,756	183,474	299,244	315,358	412,112	699,814	246,354	199,088	137,362	180,056	181,435	304,605	71,390	3,526,587
<b>Stabilization</b>															
Staff Costs	19,578	116,534	190,606	290,234	388,887	430,992	441,095	431,361	507,678	512,779	408,044	333,351	240,827	249,151	4,561,118
Materials & Services	294	177,441	345,330	284,874	643,569	681,557	1,251,803	1,344,431	1,559,795	2,415,241	2,324,318	1,143,818	1,185,991	919,686	14,278,149
<b>Local Share</b>															
Staff Costs	-	36,269	43,872	47,458	49,759	56,434	57,341	59,700	62,704	65,137	65,790	68,225	71,155	32,251	716,096
Materials & Services	-	25	188	3,500	-	-	1,488	-	-	-	-	-	-	38,156	43,357
Payments to Jurisdictions	400,000	4,798,366	4,316,165	5,399,109	6,312,927	8,563,477	6,230,760	3,629,160	911,948	640,322	1,371,651	599,350	(236,593)	-	42,936,641
<b>Capital Grants</b>															
Staff Costs	-	63,831	89,352	125,466	91,744	111,876	94,896	92,017	96,385	118,485	137,734	151,290	157,697	79,396	1,410,170
Materials & Services	-	1,400	1,363	811	114	180	25	-	2,923	-	1,133	225	40	-	8,215
Grant Payments	-	-	49,750	534,899	1,287,039	195,282	1,510,360	747,233	744,792	922,969	2,086,173	3,140,934	920,449	1,622,851	13,762,730
<b>Capital Construction</b>															
Staff Costs	-	84,071	113,921	115,064	100,643	115,884	142,649	128,057	48,379	257,693	393,014	439,316	589,027	621,510	3,149,228
Capital	455,072	1,513,347	2,503,147	1,841,075	917,019	(9,098)	301,099	808,810	48,233	4,658,279	6,914,798	1,286,082	1,760,203	2,198,956	25,197,022
<b>Administration</b>															
Bond Issuance Costs	295,889	-	-	-	-	325,046	43	-	-	-	-	-	-	-	620,978
Refinement															
Staff Costs	1,477	5,426	-	-	-	-	-	-	-	-	-	-	-	-	6,903
Materials & Services	382,030	85,882	-	-	-	-	-	-	-	-	-	-	-	-	467,912
Direct Admin Costs															
Staff Costs	230,815	527,644	490,722	750,704	868,127	677,019	694,589	739,338	524,683	610,092	573,689	581,736	687,861	571,921	8,528,938
Materials & Services	25,980	152,422	51,490	56,082	263,857	890,303	533,379	399,297	455,907	235,698	193,823	142,453	159,118	66,634	3,626,443
Indirect Admin Costs*	60,971	339,422	574,569	370,939	453,567	611,267	851,346	827,713	1,063,468	1,315,383	1,519,276	1,309,333	1,549,518	1,066,770	11,913,543
<b>Other Requirements</b>															
Subtotal Requirements	<b>9,689,759</b>	<b>33,947,909</b>	<b>24,723,748</b>	<b>21,651,009</b>	<b>21,060,337</b>	<b>28,805,536</b>	<b>21,598,461</b>	<b>16,081,614</b>	<b>13,813,545</b>	<b>16,329,799</b>	<b>22,856,399</b>	<b>13,988,523</b>	<b>12,365,954</b>	<b>10,972,794</b>	<b>267,885,388</b>
Ending Fund Balance	122,299,840	93,979,815	77,117,028	56,792,608	36,469,110	98,782,888	78,247,338	65,755,357	52,348,497	36,934,426	16,425,918	33,689,656	22,478,757	12,021,649	12,021,649
<b>Administration as % of Total Expenditures</b>															
	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20 YTD</u>	<u>Total</u>
	10.29%	3.27%	4.52%	5.44%	7.53%	8.69%	9.63%	12.23%	14.80%	13.23%	10.01%	14.54%	19.38%	15.54%	9.39%

\* Indirect Administrative Expenses are those charged through internal allocation, and include services such as Human Resources, risk management, payroll, building rents, etc.

Note: Due Diligence staff costs have been removed from "Indirect Admin Costs" and the FTE for these positions is shown as a direct expense.

**Date:** December 2020  
**To:** Metro Council  
**From:** Natural Areas and Capital Program Performance Oversight Committee  
**Re:** Fiscal year 2020 Annual Report

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## **A report to the community from the Natural Areas and Capital Program Performance Oversight Committee**

Metro's Natural Areas Program buys land from willing sellers and supports projects in local communities to protect wildlife habitat, preserve and restore regional watersheds, and increase access to nature for the people who live in the three-county region. In 2006, Portland-area voters approved a \$227.4 million bond measure to fund the Natural Areas Program. In 2019, Portland-area voters approved a new \$475 million bond measure to protect and restore nature and connect it with people.

Each year, as stipulated in the bond, the Natural Areas Program Performance Oversight Committee has provided independent review to guide the program. At regular meetings with Metro staff, the committee reviews projects and acquisitions funded with taxpayer dollars to ensure the program is well-managed, staffed appropriately, utilizes effective tools and performance measures, and meets the bond's defined goals. The Metro Council revised the Metro Code in 2017, adding responsibilities for oversight of capital projects funded by Metro's 2018-2023 local option levy for parks and natural areas and changed the name of the committee to the Natural Areas and Capital Program Performance Oversight Committee to reflect its expanded role.

This report from the Oversight Committee to voters and the Metro Council considers the progress of the Natural Areas bond program during fiscal year 2019, from July 1, 2019 through June 30, 2020. In fiscal year 2020 the committee met three times (Sept. 24, 2019, Feb. 4, 2020 and April 30, 2020).

The committee has found that each of the three primary components of the Natural Areas bond program – acquisition, local share and capital grants – as well as capital development projects and other program efforts, meets or exceeds the goals set in 2006, as summarized below.

### **REGIONAL ACQUISITION**

**GOAL:** Acquire 3,500-4,500 acres from willing sellers in 27 target areas

**ACRES ACQUIRED TO DATE:** 6,876 acres

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Metro acquires land in 20 natural areas and seven trail or greenway corridors from target areas identified in the 2006 bond measure. Approximately \$2.3 million was spent by Metro on land acquisition in fiscal year 2020. Total expenditures for regional acquisitions stand at \$209 million.

Since 2006, nearly 6,900 acres have been acquired and protected, substantially surpassing the overall acreage goal of the 2006 bond. This year, Metro acquired 447 acres of natural areas and trail

connections widely distributed across the region. Six target areas were represented in the nine new properties Metro purchased.

### **ACQUISITION HIGHLIGHTS**

- Acquisition of a 283-acre property in the Columbia Slough target area, which consolidates Metro's ownership and management along the north and east sides of Smith and Bybee lakes to almost 1,960 acres. The property provides high quality habitat for a range of waterbirds, songbirds, raptors, reptiles, amphibians and mammals.
- Acquisition of two properties in the Chehalem Ridge target area – a 7-acre property which contains intact, older mixed upland forest adjacent to the north end of Chehalem Ridge Nature Park and includes habitat for elk, black bear, great-horned owls and pileated woodpeckers and a 10-acre property which adds to the northwest end of Chehalem Ridge Nature Park and includes oak habitat, a seasonal stream and riparian habitat.
- Acquisition of a 32-acre property in the Tonquin Geologic target area. This property adds a critical piece of floodplain to Metro's existing Coffee Lake Creek Wetlands and will enable restoration of the hydrology and wetland habitats on this 265-acre site.
- Acquisition of a 36-acre property in the Clear Creek target area which includes frontage along Clear Creek, mixed upland forest, prairie and several emergent wetlands, expanding the size of the Clear Creek North site to almost 106 acres and supporting conservation in one of the most important salmon bearing tributaries to the Clackamas River.
- A conservation easement on private property along Council Creek connecting Metro's existing holdings at East Council Creek, expanding the site to over 40 acres. The property enhances the view shed from a planned wetland overlook at the planned East Council Creek Nature Park and provides habitat for western pond turtles, northern red-legged frogs and a diverse mix of migratory songbirds.
- A trail easement along the Hedges Creek segment of the Ice Age Tonquin Trail which fills another trail gap along this important regional trail corridor, connecting residents and employees to downtown Tualatin. Metro acquired this easement in partnership with the City of Tualatin, who holds the easement and will build and manage the future trail. Another trail easement adds almost a half mile to the Ice Age Tonquin Trail corridor as it passes through southwest Tualatin and will provide an important connection between the Hedges Creek and Coffee Lake Creek segments of the trail. Metro acquired this easement in partnership with the City of Tualatin, who holds the easement and will build and manage the future trail.
- Acquisition of a property in the Deep Creek target area which provides 76 acres of upland and riparian forest and fills an important habitat gap along the North Fork of Deep Creek. The property also closes a critical gap along the Cazadero State Trail operated by the Oregon Parks and Recreation Department.

## LOCAL SHARE

**\$44 million** allocated to local governments for park improvement projects and locally important acquisitions

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Under the local share component of the bond, \$44 million is distributed on a per capita basis to the 28 cities, counties and park providers within Metro's jurisdiction to fund local acquisitions, restoration projects and trail and park improvement projects.

As of January 2021, the local share program funds will have been spent. In December 2020, local share expenditures stood at \$43,959,505 million or 99.9% of the total \$44 million allocation, and only Cornelius still had local share funds to expend on approved projects. The city identified the construction of a small bridge that will be part of a local trail through a new community park. Cornelius anticipates spending its local share allocation by Dec. 31, 2020.

## NATURE IN NEIGHBORHOODS CAPITAL GRANTS

**\$15 million** to community groups, non-profits and local governments for projects that "re-green" or "re-nature" neighborhoods

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Nature in Neighborhoods capital grants are made to community groups, schools and non-profits for projects that preserve or restore water quality and wildlife habitat, or increase the presence of nature in urban environments. All \$15 million has been committed to Metro Council-approved projects. The Metro Council has awarded grants to 55 projects. Over the nine granting cycles, four projects have been withdrawn due to feasibility issues and funds reallocated to other projects.

Here's the list of the five (5) capital grant projects, funded by the 2006 bond and completed or terminated during FY 2020:

- Boardman-Rinerson Wetland Complex Acquisition and public access, completed by the North Clackamas Parks and Recreation District (originally awarded to the Oak Lodge Sanitary District), total amount awarded: \$360,012.00
- Rock Creek Floodplain at Portland Community College, completed by Clean Water Services, total amount awarded: \$257,073.15.
- Oak Island Marsh Restoration, completed by the City of Hillsboro, total amount awarded: \$335,000.00
- Beaver Creek Fish Passage and Habitat Enhancement project, completed by Multnomah County, total amount awarded: \$579,500.00.

Withdrawn grant: Mt Scott Creek Oak Bluff Reach Restoration, implemented by Clackamas County Water and Environmental Services. The grant-funded project was suspended due to change in project conditions that made it unfeasible at this time. Total grant award: \$175,228.00. During the grant award period, Metro paid Clackamas County WES \$20,900.00, which were not required to be paid back by grantee since the funds were used to pay for capitalizable expenses.

## CAPITAL DEVELOPMENT PROJECTS

Approximately \$20 million of bond funds were dedicated to work on trail planning, park development and capital construction projects in program target areas as approved by the Metro Council in November 2014.

Based on recommendations from the committee in 2016, new performance measures were created for these capital construction projects, indicating whether the projects were on track with regard to scope, schedule and budget, including budget-to-actual costs. These capital development project performance measures are included in the Oversight Committee's dashboard report, updated and presented at every committee meeting.

### **CAPITAL DEVELOPMENT PROJECT HIGHLIGHTS**

- *Chehalem Ridge Nature Park:* Construction continues on the trailhead with major grading work completed. The underground utility systems work is nearly complete and the pouring of the concrete walks has begun. Metro has been awarded a local government grant from the Oregon Parks and Recreation Department to build out the trail system (\$347,000). Trail construction is well underway with several miles of all-ages and all-abilities trails already completed. Scheduled to open in 2021
- *Columbia Boulevard Bridge:* This project has successfully completed both the ODOT / Metro / PPR led public engagement on the design engineering proposal for the bridge and trail to broad community support. The project nearing the 30% or Type Size and Location design deliverable (delivery in Winter 2021) which will trigger all the next steps between the Federal Government (FHA), ODOT and Metro to deliver the project for PPR. Metro is being asked by FED/ODOT to commit to project funding gaps as discussed over the past year prior to the project starting the next phases.
- *Fanno Creek Trail:*
- *Gabbert Butte:* The master plan was adopted by Gresham City Council and Metro Council in summer 2019. Metro is negotiating an intergovernmental agreement with the City of Gresham for nature park design and construction. Once an agreement is in place, a request for proposal will be issued to hire a design team.
- *Marine Drive Trail:* This regional trail project will design and construct the Marine Drive Trail from Northeast 185th Avenue eastward to Northeast Interlachen Lane and Blue Lake Regional Park. Recent progress includes the identification of a consultant team to work with Metro on design and engineering. Next steps include finalizing a contract and existing conditions survey.
- *Willamette Falls Riverwalk:* The project work has paused and is currently experiencing a delay to allow for collaboration with the property owner, The Confederated Tribes of Grand Ronde.

### **OTHER OVERSIGHT COMMITTEE REVIEW**

#### **BUDGET, STAFF CAPACITY AND ADMINISTRATIVE COSTS**

The committee reviews the financial report, staffing levels and administrative costs at every meeting.

Metro sold the remaining 2006 bonds in spring 2018. Based on staff projections, most of the bond funds will be expended by June 2021.

In fiscal year 2015/16, more than 20 staff were assigned to the bond; that number has been reduced to 7.2 as of July 1, 2020. While the bond program work is winding down, many of the staff

assigned to the bond are members of the parks planning team working on capital projects such as those noted above. Management reviews the staffing levels every year, often moving staff to other funding sources as necessary.

Although administrative costs for fiscal year 2020 rose to 16%, the committee was satisfied that Metro is on track to fulfill the commitment capping cumulative administrative costs at less than 10% of total bond expenditures.

### **USE OF UNUSUAL CIRCUMSTANCES**

The bond has an unusual circumstances provision for property transactions that fall outside the due diligence guidelines. These transactions require authorization by the Metro Council and the committee reviews all unusual circumstances annually. No unusual circumstances required Metro Council approval this past fiscal year.

### **THE YEAR AHEAD**

Remaining funds from the 2006 bond measure are close to being spent or are dedicated to upcoming projects or acquisitions.

In November 2019 the voters of the Metro region authorized the sale of \$475 million in general obligation bonds for the purpose of protecting natural areas, water quality and fish and wildlife habitat and connecting people to nature. Metro sold the first round of these new bonds in April of 2020.

During this past year, the committee has reflected and developed a retrospective analysis on the structure, successes and challenges of the committee during oversight of the 2006 bond measure. This effort included reaching out to previous committee members through a survey and personal communication to inform a report that may assist Metro with the development and management of oversight committees for future funding sources. At its April 2020 meeting, members discussed lessons learned and considerations for the 2019 parks and nature bond as it is formed in January 2021. Some of the reflections are captured below.

The committee has committed to assisting with a transition to the 2019 parks and nature bond committee and there will likely be some members that continue with the oversight work on the new committee.

### **FY 2019 OVERSIGHT COMMITTEE MEMBERS**

Peter Mohr, Chair	Attorney
Mark Aasland	Senior project designer, PACE Engineers
Dean Alterman	Attorney, Folawn Alterman & Richardson LLP
Caylin Barter	Wild Salmon Center
Drake Butsch	Builder services manager, First American Title of Oregon
Kelsey Cardwell	Past president, Northwest Trail Alliance
Jon Horne	Sr. vice president, Wells Fargo Bank, Real Estate Advisory Division
William F. (Fritz) Paulus	Real property attorney

Shannon Shoul  
Lindsay Smith

Communications, strategy and performance management consultant  
Environmental specialist, Portland General Electric