

IMPACT STATEMENT

Legislation title: *Pay lawsuit of Innovative Housing, Inc. in the sum of \$40,000 involving the Bureau of Environmental Services (Ordinance)

Contact name: Randy Stenquist

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Presenter name: Randy Stenquist

Purpose of proposed legislation and background information:

This Ordinance settles a property damage lawsuit brought by Innovative Housing, Inc., resulting from a sewer backup incident at their affordable housing building located in downtown Portland on March 9, 2015. Risk Management, the City Attorney's Office and BES participated in a mediation with Innovative Housing Inc. in May, 2017 and negotiated the proposed settlement agreement in exchange for a dismissal of the lawsuit.

Financial and budgetary impacts:

This legislation will have no impact on City revenue.

Total cost to the City to settle the lawsuit is \$40,000. The source of funding is the City's Insurance and Claims Fund. All cost of the settlement is in the 2017-2018 fiscal year. This Ordinance does not amend the budget.

Community impacts and community involvement:

This Ordinance settles a lawsuit resulting from a sewer backup incident involving the Bureau of Environmental Services. No public involvement or input was sought regarding this Ordinance. The City Attorney's Office and Risk Management have concluded that it is not appropriate to have public involvement in settlement negotiations regarding tort claims or lawsuits against the City.

No future public involvement is anticipated or necessary. Approval by City Council of this Ordinance will fully settle a tort claim against the City of Portland.

Budgetary Impact Worksheet**Does this action change appropriations?**

☐ **YES:** Please complete the information below.

☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount