

## IMPACT STATEMENT

**Legislation title:** Create a local improvement district to construct street, sidewalk and stormwater improvements in the N Suttle Road Local Improvement District (Ordinance; C-10058)

**Contact name:** Andrew Aebi, Portland Bureau of Transportation

**Contact phone:** 503-823-5648

**Presenter name:** Andrew Aebi

### **Purpose of proposed legislation and background information:**

This Ordinance will form the North Suttle Road Local Improvement District ("LID") as a prerequisite to beginning design of the project. The scope of the project is to fully reconstruct the street with curbs, sidewalks and drainage.

The street is in very poor condition and it is not possible for property owners to build improvements on a piecemeal basis, as it is necessary to build a new stormwater management system with an outfall to the Columbia River. Right-of-way acquisition ("ROW") will be necessary on this project and will be authorized by a separate and subsequent Ordinance. ROW costs are included in the project estimate.

This LID was initiated by Council prerogative instead of by petition. The Ordinance reflects a 3.5% decrease (\$300,000) in LID costs reflecting the inclusion of \$300,000 in PBOT Heavy Vehicle Use Tax ("HVUT") funding.

This Ordinance will be amended to reflect any remonstrances or objections received, and/or possible scope changes after LID formation.

### **Financial and budgetary impacts:**

- Property owners' combined assessments range from \$1,220.20 (revised from \$1,264.70 at the Resolution phase) to \$1,767,737.83 (revised from \$1,705,533.34 at the Resolution phase).
- The level of confidence is Low.
- No change to staffing levels
- 100% of the LID revenue (\$8,225,450.95) is to be added to the FY17-18 fiscal year budget.
- The project is not currently in the 5-year CIP.

**Community impacts and community involvement:**

- PBOT has received multiple complaints from property owners since 2003 about the condition of North Suttle Road pavement, flooding and lack of stormwater management.
- PBOT currently has maintenance responsibility for the street, and performed maintenance in 2016. However, the condition of the road remains very poor, and this maintenance will not be effective nor good use of limited maintenance funds.
- Outreach has been made to the Fixing Our Streets Oversight Committee about providing Heavy Vehicle Use Tax (HVUT) funding for this LID. The extent of HVUT funding has been confirmed at \$300,000 and has been incorporated into this LID Formation Ordinance to be considered by Council on July 12, 2017.
- North Suttle Road is proposed to be added to the new PBOT System Development Charge (SDC) project list. The extent of SDC funding will be confirmed subsequent to Council approval of this Resolution and will be incorporated into the subsequent LID Formation Ordinance to be considered by Council on July 12, 2017.

**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

KK 6-16-17



**PORTLAND BUREAU OF TRANSPORTATION**

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**Dan Saltzman** Commissioner **Leah Treat** Director

August 17, 2017

## **PROPOSED AMENDMENTS TO FORMATION OF THE NORTH SUTTLE ROAD LOCAL IMPROVEMENT DISTRICT ("LID")**

Create a local improvement district to construct street, sidewalk and stormwater improvements in the N Suttle Road Local Improvement District (Ordinance; C-10058)

### **I. SUMMARY**

A first reading of the proposed LID Formation Ordinance ("Ordinance") was held on July 12, 2017. Consideration of this Ordinance was postponed to August 23, 2017 to allow additional time for a privately-funded engineering study ("study") to be completed. A property owner meeting to discuss the draft findings of the study was held on August 7, 2017 and the chief engineers of the Portland Bureau of Transportation ("PBOT") and the Bureau of Environmental Services ("BES") attended this meeting. A final version of this study was completed on August 16, 2017 and is being incorporated into this Ordinance. PBOT and BES desire the flexibility to implement as many of the study recommendations as possible with authority to implement changes delegated by Council in lieu of a requirement to hold an additional Council hearing after LID formation.

BES and PBOT have mutually agreed to provide additional funding of \$500,000 to defray the property owners' cost of the LID subject to certain conditions. The joint financial participation of both bureaus will provide significant financial leverage, effectively doubling their respective investments in much-needed new stormwater and transportation infrastructure. The intent is for this funding to offset previously-budgeted direct costs of the project and to provide financial relief to property owners. This additional funding is not intended to fund unbudgeted costs within property owners' control; i.e., eminent domain and/or responding to a future writ of judicial review. Both bureaus wish to provide all project funding via assessments to their properties.

Separate from the scope and budget amendments proposed above, the LID apportionment as proposed reflects no actual area of exemption for the environmental protection ("p") zone area offered on past LIDs. The LID Administrator recommends that Council grant a new exemption for National Wetlands Inventory data as mapped in GIS.



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## **II. RECOMMENDATION FOR COUNCIL**

The Local Improvement District Administrator therefore requests that Council append additional findings and directives to the end of the proposed Ordinance:

### **Additional Findings:**

18. An engineering study was received from Maul Foster Alongi Inc. on August 16, 2017 and is included as Exhibit H to this Ordinance.
19. PBOT will provide an additional \$500,000 in project funding, from Transportation System Development Charge ("TSDC") revenue, subject to directives 'k' and 'l' of this Ordinance, subject to subsequent Council approval of the new Citywide TSDC project list. This funding will be in the form of an additional assessment of this amount to the property with Pending Lien No. 160842.
20. The \$300,000 in funding identified in Finding No. 10 of this Ordinance will be provided in the form of an additional assessment of this amount to the property with Pending Lien No. 160842, not subject to the conditions of directives 'k' and 'l' of this Ordinance, and will be in lieu of \$300,000 in non-LID funding of this project.
21. BES will provide an additional \$500,000 in project funding to defray property owners' costs of building new stormwater infrastructure, which is estimated at a cost more than this additional funding. This funding will be from BES ratepayer revenue and is subject to directives 'k' and 'l' of this Ordinance. This funding will be in the form of an additional assessment of this amount to the property with Pending Lien No. 160824.


22. PBOT completed geographic information system (“GIS”) calculations of National Wetland Inventory (“NWI”) area on July 15, 2017 and found the following:
- a. The property with Pending Lien No. 160818 has 5,220 square feet of NWI area.
  - b. The property with Pending Lien No. 160831 has 8,270 square feet of NWI area.
  - c. The property with Pending Lien No. 160833 has 118 square feet of NWI area.
  - d. The property with Pending Lien No. 160838 has 104,711 square feet of NWI area.

Additional Directives:

- m. A change in scope as recommended in Finding No. 18 of this Ordinance will not require subsequent Council approval per Section 17.08.080 of City Code; however, any change(s) in street scope will be at the sole discretion of the City Engineer, and any change(s) in stormwater scope will be at the sole discretion of the Chief Engineer of BES as they may deem to be feasible and appropriate.
- n. The Local Improvement District Administrator to prepare an LID apportionment within the Final Assessment Ordinance in accordance with Finding No. 19 of this Ordinance and its terms and conditions, upon completion of construction of the N. Suttle Rd. LID.
- o. The Local Improvement District Administrator to prepare an LID apportionment within the Final Assessment Ordinance in accordance with Finding No. 20 of this Ordinance upon completion of construction of the N. Suttle Rd. LID.
- p. The Local Improvement District Administrator to prepare an LID apportionment within the Final Assessment Ordinance in accordance with Finding No. 21 of this Ordinance and its terms and conditions, upon completion of construction of the N. Suttle Rd. LID.

- q. The Local Improvement District Administrator to prepare an LID apportionment within the Final Assessment Ordinance in accordance with Finding No. 22 of this Ordinance, upon completion of construction of the N. Suttle Rd. LID. A partial exemption for any single property based on NWI area does not relieve the remaining obligation for remaining non-NWI area. Remaining assessable area associated with Pending Lien Nos. 160833 and 160838 will be proportionally reallocated based on area to other properties in common ownership with Pending Lien Nos. 160826, 160828, and 160834.

Respectfully submitted,

A handwritten signature in black ink that reads "Andrew H. Aebi". The signature is written in a cursive, slightly slanted style.

Andrew H. Aebi  
Local Improvement District Administrator