

**FINANCIAL IMPACT STATEMENT  
For Council Action Items**

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Becky Chiao		2. Telephone Number 503-823-6124	3. Bureau/Office/Department OMF/Risk Management
4a. To be filed (date) February 25, 2010	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to FPD Budget Analyst February 17, 2010

**1) Legislation Title:** \*Pay Claim of Rodney Smart.

**2) Purpose of the Proposed Legislation:** This ordinance will close OMF Risk Management File No. G2007-0667-01 for a total of \$50,000.00. Please see memorandum for detail.

**3) Revenue:**

**Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.**

This legislation will have no impact on City revenue.

**4) Expense:**

**What are the costs to the City as a result of this legislation? What is the source of funding for the expense?** (Please include costs in the current fiscal year as well as costs in future years) (If the action is related to a grant or contract please include the local contribution or match required)

Cost to the City is \$50,000.00. The source of funding is the City's Insurance and Claims Fund. All cost of the settlement is in the current fiscal year.

**Staffing Requirements:**

**5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** (If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.)

No.

**6) Will positions be created or eliminated in future years as a result of this legislation?**

No.

**Complete the following section only if an amendment to the budget is proposed.**

**7) Change in Appropriations** (If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Center Code column if new center needs to be created. Use additional space if needed.)

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Amount

Jeff Baer, Director, BIBS  
Kate Wood, Risk Manager

Kate Wood By mm s



## CITY OF PORTLAND, OREGON

### Office of Management and Finance Risk Management Services

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Kate Wood, Risk Manager  
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**DATE:** February 10, 2010

**TO:** Mayor Sam Adams

**FROM:** Becky Chiao  
503-823-6124

**RE:** \*Pay Claim of Rodney Smart (emergency)

**FOR MAYOR'S OFFICE USE ONLY**

Reviewed by Bureau Liaison \_\_\_\_\_

1. **INTENDED THURSDAY FILING DATE:** February 25, 2010
2. **REQUESTED COUNCIL AGENDA DATE:** March 3, 2010
3. **CONTACT NAME & NUMBER:** Becky Chia, 503-823-6124
4. **PLACE ON:**  CONSENT  REGULAR
5. **BUDGET IMPACT STATEMENT ATTACHED:**  Y  N  N/A
6. **(3) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED:**  Yes  No  N/A

#### 7. BACKGROUND/ANALYSIS

This lawsuit was brought by a man who fell and injured himself coming out of the Starbucks Coffee Shop in Pioneer Courthouse Square. Because of contractual obligations, the City is required to defend and indemnify Starbucks Co. in the lawsuit. The settlement of the case for \$50,000.00 was negotiated by the outside attorney paid for by the City to defend Starbucks.

The \$50,000 includes up to \$29,000.00 in medical expenses and pain and suffering. There have been other falls at the same location, prior to the installation of handrails and a warning sign. Because there is a possibility of Starbucks losing at trial after additional money in legal fees paid, Risk Management and the City Attorney's office recommend passage of this ordinance.

#### 8. FINANCIAL IMPACT

Approval of the settlement would result in a payment of \$50,000.00 from the liability fund.

#### 9. RECOMMENDATION/ACTION REQUESTED

Submit the attached Ordinance for approval by City Council as an emergency ordinance.