

Portland, Oregon  
**FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT**  
**For Council Action Items**

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

|   |  |   |   |
|---|--|---|---|
| 1. Name of Initiator<br><b>Allison Rouse</b>  |  | 2. Telephone No.<br><b>823-5598</b>   | 3. Bureau/Office/Dept.<br><b>PP&amp;R</b>   |
| 4a. To be filed (hearing date):<br><br><b>February 5, 2014</b>  | 4b. Calendar (Check One)<br>Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/> |   | 5. Date Submitted to<br>Commissioner's office<br>and FPD Budget Analyst:<br><br><b>January 27, 2014</b> |
| 6a. Financial Impact Section:<br><input checked="" type="checkbox"/> Financial impact section completed |  | 6b. Public Involvement Section:<br><input checked="" type="checkbox"/> Public involvement section completed |   |

**1) Legislation Title:**

\*Authorize commitment to fund operations and maintenance of the South Waterfront Greenway Central District improvements. (Ordinance)

**2) Purpose of the Proposed Legislation:**

In May 2012, PP&R informed Council via Ordinance 185370 of the anticipated O&M costs of the Greenway Central District development. Phase 1-only O&M costs were estimated at \$4,000 in one-time inspection costs plus ongoing costs of \$55,670 per year. A low-confidence estimate for O&M needs for Phase 2, construction of which was unfunded at the time, was also provided, with the caveat that both site and permitting conditions were not fully known at that time. The Phase 2 figures were \$13,230 one-time and \$ 346,800 annually.

Now, after two seasons of construction to finish Phase 1, the actual site conditions and permit conditions are much better understood. Several things changed about the project that affect the O&M estimate presented in May 2012:

1. The Federal and State permits that govern the design were not received until the end of June 2012, after the O&M estimate was prepared. They carried conditions requiring site clean-up monitoring and repair into perpetuity, and for the fish habitat, inspection and monitoring activities up to seven years after construction.
2. Much was learned during the 2012-2013 construction, particularly about the soft, fast-draining riverbank soils, which will require increased establishment maintenance of all planted areas, and about the effect of river action upon the lowest reaches of the habitat areas. While the design is anticipated to hold up well, there is anticipated to be a heightened level of maintenance care related to annual deposits of river debris and shifting of beach materials.
3. In order to limit construction cost increases related to very high river levels during 2012 and to soil structure and contamination, changes were necessarily made to the

construction contract that shifted responsibility for establishment maintenance from the contractor where it normally resides onto PP&R, increasing PP&R's O&M estimates.

Now, PP&R has obtained the funding necessary to build Phase 2 immediately, and completion is expected by December of 2014. PP&R wishes to update the Council on the expected costs for operating and maintaining the full Greenway – Central District improvements (Phase 1 and 2).

This Ordinance requests authorization for an updated operation and maintenance (O&M) appropriation for the entire South Waterfront Greenway Central District. One-time costs of \$26,730 and ongoing costs of \$488,831 per year are expected, beginning in December 2014. These supercede the previously-approved estimates (combined Ph. 1 and 2) of \$17,230 one-time and \$402,470 annually. The goals and outcomes of this request are fully discussed in the attached document "Operations Plan for South Waterfront Greenway – Central District" which outlines PP&R's understanding of the site, the permit requirements and prudent, cost-effective asset management activities that will be required to operate and maintain the improvements.

**3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?**

- |  |                                    |   |                                |
|--|------------------------------------|---|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest            | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast             | <input type="checkbox"/> Southeast | <input checked="" type="checkbox"/> Southwest | <input type="checkbox"/> East  |
| <input type="checkbox"/> Central City                  |                                    |   |                                |

### **FINANCIAL IMPACT**

**4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.**

This legislation does not generate or reduce current nor future revenue.

**5) 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. If there is a project estimate, please identify the *level of confidence*.)**

This Ordinance will increase the bureau's Current Appropriation Level ("CAL") by \$488,831 annually beginning in FY 2015-16 or the first fiscal year after the in-service date, whichever comes later.

Pro-rated annual expenses and the one time expense of \$26,730 will be requested during the appropriate budget adjustment process during FY 14/15, reflecting the in-service date of December 2014.

**6) Staffing Requirements:**

- **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.

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

Yes, one full-time, permanent position will be created in FY 15/16.

*(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 Fund Center column if new center needs to be created. Use additional space if needed.)*

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

**[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]**

## PUBLIC INVOLVEMENT

**8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:**

- ☒ **YES:** Please proceed to Question #9.  
☐ **NO:** Please, explain why below; and proceed to Question #10.

This Ordinance is an administrative action to adjust the O&M request estimate for an existing project that has already had extensive public involvement. An update on the project is sent out twice a month to residents, businesses, community organizations and local publications, and the community has received in person meetings many times, as recently as January 15, 2014. At that meeting, the project team explained the Phase 2 work, budget and discussed the construction impacts with them.

**9) If "YES," please answer the following questions:**

**a) What impacts are anticipated in the community from this proposed Council item?**

The community is very invested in the completion of this project and in successful operation and maintenance of this large public investment. Project capital funding has been a briefing topic with the community since we began work and PP&R has been transparent about budget challenges - and project successes - in biweekly e-mail and internet updates as well as 4 community meetings since construction began in June of 2012. The South Waterfront (SOWA) community is supportive of completing Phase 2 as quickly as possible.

**b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?**

An extensive public participation process began in 2003 with the master planning process for the South Waterfront Greenway as a whole and continued with a focused Advisory Group process in 2007 and 2008. Since then, a public information plan has kept the large group of stakeholders informed about progress via website updates, e-mail blasts supplemented by occasional meetings, and Facebook posts. PP&R visited the SOWA neighborhood 4 times in 2012, three times in 2013, and sent out project updates every 2-3 weeks throughout the duration of 2012 and 2013 construction seasons. PP&R has begun this process again for 2014 with a public meeting on January 15, 2014.

Stakeholders contacted include, but are not limited to: South Portland Neighborhood Association, South Waterfront Community Association (e-Current + Nature and Greenspaces Committee), e-mail contact lists developed during public meetings, Design

Commission, Parks Disabled Advisory Committee and the Audubon Society. The Native Advisory Committee for PP&R has also been involved.

**c) How did public involvement shape the outcome of this Council item?**

Feedback from the public has clearly indicated the public's commitment to completion of this project. Using feedback from the community received during our regular project updates, the Council item has been worded as clearly as possible, so that they have a full understanding of the issue at hand.

**d) Who designed and implemented the public involvement related to this Council item?**

Portland Parks & Recreation's Community Involvement Manager, Elizabeth Kennedy-Wong.

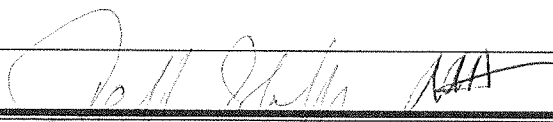
**e) Primary contact for more information on this public involvement process (name, title, phone, email):**

Elizabeth Kennedy-Wong (503-823-5113).

**10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.**

No future public involvement is anticipated or necessary for this Council item because it is fundamentally administrative in nature, and also due to the regular updates that keep the community and stakeholders informed about general project issues and progress.

Jeff Shaffer, Finance Manager



APPROPRIATION UNIT HEAD (Typed name and signature)