

Portland, Oregon

**FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT
For Council Action Items**

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

1. Name of Initiator Dan Vizzini	2. Telephone No. 3-4038	3. Bureau/Office/Dept. Environmental Services
4a. To be filed (hearing date): September 14, 2011	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>	5. Date Submitted to Commissioner's office and FPD Budget Analyst: August 25, 2011
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed	6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) Legislation Title:

Authorize a settlement agreement with the Eastridge Park Homeowners Associations for the repair of a landslide and the extension and improvement of a City storm sewer. (Ordinance)

2) Purpose of the Proposed Legislation:

Facilitate the efficient and cost-effective improvement of a damaged storm sewer and outfall structure, in conjunction with the repair of a landslide area on private property.

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)?

- City-wide/Regional
- Northeast
- Northwest
- North
- Central Northeast
- Southeast
- Southwest
- East
- 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.

Not Applicable. No revenues are anticipated.

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.)

BES will reimburse the Eastridge Park Homeowners Association for 25% of the cost of restoring the slope and a service road to a width of 14 feet, and construct public works improvements to the City's storm sewer system. The Bureau's share of total capital costs are estimated to range from \$35,000 to \$40,000.

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

Not Applicable. No addition staffing is required.

(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]

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.

The requested Council action involves a settlement agreement between the City and the Eastridge Park Homeowners Association (HOA) for the repair of a landslide and the improvement of a City storm sewer and outfall structure. The affected area is isolated and mostly contained in an environmental protection zone on property owned by the HOA. The Bureau expects that the impacts of the construction project will be limited to the immediate area of the landslide and the neighborhood represented by the HOA.

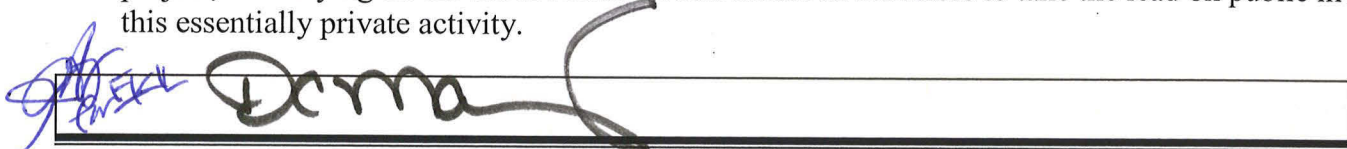
The Bureau has been negotiating this settlement for more than a year. All discussions have been limited to the President of the Eastridge Park Homeowners Association and members of the association board of directors. The Bureau has inquired about the communications between the HOA and individual property owners, specifically those property owners who directly abut the landslide and will be most directly impacted by the repair work. The HOA representatives have reported that they have been communicating with HOA members throughout the negotiations process, have engaged property owners who are directly affected by the repair work during the design phase of the project, and will continue to work with affected property owners throughout the construction phase of the project.

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

- a) **What impacts are anticipated in the community from this proposed Council item?**
- 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?**
- c) **How did public involvement shape the outcome of this Council item?**
- d) **Who designed and implemented the public involvement related to this Council item?**
- e) **Primary contact for more information on this public involvement process (name, title, phone, email):**

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

No. The Eastridge Park Homeowners Association is fully responsible for managing the landslide repair and sewer extension project, and as such, is primarily responsible for communicating with their member homeowners. The Bureau intends to preserve this relationship by playing a supporting role throughout this project, and relying on the HOA President and Board of Directors to take the lead on public involvement in this essentially private activity.



APPROPRIATION UNIT HEAD (Typed name and signature)



CITY OF PORTLAND ENVIRONMENTAL SERVICES



1120 SW Fifth Avenue, Room 1000, Portland, Oregon 97204 ■ Dan Saltzman, Commissioner ■ Dean Marriott, Director

City Council
Agenda Item
Staff Supplemental Report

TO: Commissioner Dan Saltzman
THROUGH: Matt Grumm or Amy Trieu

FROM: Dean Marriott

DATE: August 25, 2011

RE: Accept a settlement agreement with the Eastridge Park Homeowners Associations for the repair of a landslide and the extension and improvement of a City storm sewer. (Ordinance)

Requested Council Hearing Date: September 14, 2011

I. RECOMMENDATION

Adopt the ordinance and accept the settlement agreement as prepared by the Bureau and the Eastridge Park Homeowners Association.

II. BACKGROUND

During the winter of 2008-2009, a landslide occurred west of residences located at 7429 and 7525 SE 141st Avenue. The landslide damaged an existing City storm sewer.

The Bureau of Environmental Services investigated the affected area and the condition of the storm sewer, and determined that it was in the best long-term interest of the City's stormwater management utility to replace the damaged storm sewer, and extend the storm sewer further down the affected hillside to an improved outfall structure.

The Bureau and the Eastridge Park Homeowners Association (HOA) began discussions in 2010 to develop a coordinated approach to the landslide repair and storm sewer improvements. Subsequent meetings have focused on the specific sequencing of construction work, additional requirements to comply with City environmental zone regulations, and the allocation of project costs. Based on these discussions, the Bureau and HOA completed work on the proposed settlement agreement that Council will consider on September 14, 2011.

III. FINANCIAL IMPACT

The Bureau estimates that the storm sewer improvement will cost \$35,000 to \$40,000, including \$15,000 to \$25,000 for the City's share of site preparation and excavation costs and costs for the restoration of the hillside to comply with City environmental zone requirements. The Bureau is prepared to reimburse the Eastridge Homeowners Association for these capital costs based on terms and conditions set forth in the settlement agreement.

IV. LEGAL ISSUES

The proposed settlement agreement has been reviewed by the City Attorney's Office and the Bureau of Risk Management.

V. CONTROVERSIAL ISSUES

The Ordinance contains an emergency clause to ensure that repair of the landslide area is completed before the end of October 2011. The HOA is concerned that any further delay threatens two residences that abut the affected area.

VI. LINK TO CURRENT CITY POLICIES

The proposed improvements to the storm sewer and outfall structure conform to Bureau asset management principals and advance the mission of the City's stormwater management utility. Payments made to the HOA are considered capital costs for site preparation, excavation, construction of system improvements and restoration of the disturbed environmental zone.

VII. CITIZEN PARTICIPATION

Not applicable. The entire project is contained within an isolated neighborhood represented by the Eastridge Park Homeowners Association.

VIII. OTHER GOVERNMENT PARTICIPATION

Not applicable.

IX. FINANCIAL IMPACT ON LOCAL ECONOMY

IF APPLICABLE, PROVIDE INFORMATION ON ESTIMATED NUMBER OF JOBS CREATED BY THIS ACTION

IF THIS ACTION IS CONTRACT-RELATED, PROVIDE INFORMATION ON M/W/ESB PARTICIPATION (NUMBER AND PERCENTAGE)

This project has engaged a local geo-technical firm and will employ the services of a local construction contractor. The Bureau does not expect this project to result in any additional private sector jobs due to the project's limited scope and duration.

- X. IF THIS IS A CONTRACT, DOES CONTRACTOR HAVE A CURRENT BUSINESS LICENSE? _____ WHAT IS THEIR BUSINESS LICENSE NUMBER? _____ IS THEIR ACCOUNT WITH THE CITY CURRENT? _____ IF NOT, HOW MUCH IS OWING? _____

No public contracting is anticipated. The HOA is fully responsible for procuring a construction contractor and managing this construction project.