

JIM



METRO

March 3, 2000

Craig Zell, MAI, SRA  
Zell & Associates, Appraisers  
6800 SW 105<sup>th</sup> Ave., Suite 110  
Beaverton, OR 97008

Re: Port of Portland property appraisal review

Dear Craig:

Enclosed, please find a copy of the appraisal written by Real Property Consultants.

Please review the referenced appraisal for compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), State of Oregon law and other applicable standards as may be appropriate. Primary emphasis should be placed on the reasonableness of the value conclusion, especially with respect to the assumptions used. If, in your professional opinion, you determine that the referenced appraisal does not meet standards required by USPAP or other generally accepted appraisal standards, and with the approval of the division manager, you may:

1. work with the appraiser to correct the deficiencies;
2. determine an acceptable range of value if sufficient information is available to make such a determination;
3. order a second appraisal.

Please return the completed review by March 17, 2000, or call Elaine Stewart at 797-1515 if there is anything that might delay the review. If you require any additional information, please contact Elaine Stewart. She may also have relevant information from her discussions with City of Portland planning staff.

Sincerely,

Dan Kromer  
Manager, Operations and Maintenance Division

cc Elaine Stewart  
Jim Morgan

**Notes from discussions with city planners, 2/29/00**

Jim - Eyal -  
gave this to  
Zell too, w/  
copy of city's  
handouts -  
ems

Steve Gerber, transportation planner

Industrial access is assured at the site – the zoning requires it (assuming a right of way remains). Even if the old Marine Drive were vacated by the Port, the city still must allow access to the site because of the zoning (plus, the Marine Drive realignment that crosses the tax lot does not eliminate the right to access both portions).

Phil (Tim?) Nanemy, land use planner

There is no environmental overlay at the site. May not even need to be screened with vegetation except near the OS zone of the lakes (depends on whether Marine Drive has been vacated).

Zone IH has less requirements re landscaping, setback, etc. than other zones. It is an “industrial sanctuary” for uses that are not desirable in other places.

Things that might affect appraised value include:

- the cost of “bulbing out” next to Marine Drive for turning trucks in & out of road;
- highest & best use is manufacturing (warehouse/storage/etc.) and not office space;
- fill to bring floor up to 100-year floodplain (but is only a foot or so and warehouse with raised floor would be unaffected).

Nanemy printed relevant pages describing and comparing IH and other zones.

**Issues not discussed that may be relevant**

Goal 5 requirement as currently drafted allows only 50% of property within 200 ft of waterway to be developed. Title 3 is 50 ft buffer. Port is seeking exemption from Goal 5; impact of rule is not clear at this time.

Stormwater treatment – didn’t think to ask about it. We certainly would not support discharge into lakes; how would they treat, could it go to Port’s facility, would they need to treat it on site? Could be another expense of developing site.