JOHN A. RANKIN, LLC. Attorney/Consultant 26715 SW Baker Road Sherwood, Oregon 97140 (503) 625-9710 / Fax (503) 625-9709 email: john@johnrankin.com

November 4, 2014

VIA EMAIL AND FAX ONLY

Ms. Susan Anderson, Director Planning and Sustainability Commission City of Portland 1900 SW 4th Avenue, Suite 7100 Portland, Oregon 97201 Email: <u>psc@portlandoregon.gov</u> Ph: 503-833-7700 Fx: 503-823-7800

Written Testimony – Planning and Sustainability Hearing – November 4, 2014
Property Owner – Keith and Elizabeth Dieringer
Subject Property – 1S2E24BD – Tax Lots 300, 1100 and 2700.
Situs Address – 7315 SE 152nd Avenue, Portland, Oregon 97236
Proposed Comprehensive Plan Amendment – SE Barbara Welch Road Area.

Dear Director Anderson and PSC Members:

Please accept this letter as our written testimony for placement in the record of the November 4, 2014 Public Hearing on the proposed Comprehensive Plan Amendment (PAPA) in the SE Barbara Welch Road Area which appears to affect the above the described property.

On behalf of our clients, Keith and Elizabeth Dieringer, owners of the above noted three tax lots included in the address shown above, we respectfully request that you remove all of their properties consisting of approximately 6.4 acres (as shown on the attached map) from the PAPA proposed for the SE Barbara Welch Road area which for the following reasons and findings:

1. The PAPA as proposed would actually downzone the Dieringer properties from its current Plan designation of "Low Density Single-Family" with zoning of "R-10 (minimum lot size of 10,000 square feet) to the proposed "Single – Dwelling 20,000" with zoning of R-20 (minimum lot size of 20,000 square feet), resulting in a 50% reduction in the number of future lots and homesites that could be

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developed on the Dieringer property and a nearly 50% reduction in fair market value on the development market.

- In 2007, the City of Portland approved the "SE 152nd Avenue LID" which included the Dieringer property in its boundary. The level of the Dieringer's assessment established by the City was based on the Office of Transportation's "highest and best use" calculation that the Dieringer property would be developed into twenty-two lots at some time in the future.
- 3. The Dieringers were required to pay over \$110,000 in individual assessment on those future twenty-two lots or over \$5,000 per future lot.
- 4. The proposed PAPA will reduce the potential number of lots that can be developed on the Dieringer to approximately eleven lots, which results in the following impacts:
 - **a.** A 100% increase on the per lot LID assessment from \$5,000 to \$10,000 per lot, thereby increasing the individual lot encumbrance and reducing marketability.
 - **b.** An approximately 50% reduction in the fair market value of the Dieringer property for development from \$1,100,000 (22 lots at \$50,000 each raw land) to \$550,000 (11 lots at \$50,000) resulting in a loss of over \$500,000 to the Dieringers.
 - c. Adverse impacts on the Dieringer's existing loans by significantly increasing the current loan to value ratio and potentially jeopardizing the current loans.
 - 5. Finally, Oregon's land use statutes provide just compensation for unfair burdens caused by land use regulations. ORS 195.300ff.1 As established above, if the City of Portland enacts the PAPA and applies it to the Dieringer properties to restrict its residential use, then the City must pay the Dieringers just compensation for the reduction in fair market value.

Therefore, the Dieringers respectfully request that you remove their properties from consideration for inclusion in the PAPA. Thank you for your time and consideration. If you have any questions or need additional information, please call or email me.

Very truly yours,

^{1 195.305} Compensation for restriction of use of real property due to land use regulation. (1) If a public entity enacts one or more land use regulations that restrict the residential use of private real property or a farming or forest practice and that reduce the fair market value of the property, then the owner of the property shall be entitled to just compensation from the public entity that enacted the land use regulation or regulations as provided in ORS 195.310 to 195.314.

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JAR/bhs Encl: As noted above. Pc: Clients

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