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ZIDELL SUBMITS PERMIT APPLICATION FOR MAJOR ENVIRONMENTAL CLEANUP OF INDUSTRIAL PROPERTY IN PORTLAND'S SOUTH WATERFRONT DISTRICT
\$20-million plan will be one of largest privately-funded cleanups along Willamette

PORTLAND, OREGON -- ZRZ Realty, Inc. has submitted a permit application to conduct one of the largest privately-funded environmental cleanups ever undertaken on the Willamette River. ZRZ (also known as Zidell) estimates a \$20-million investment to remediate environmental contamination on 18 waterfront acres of a 30-acre site located in the South Waterfront district in Portland. The property, which stretches along the Willamette River for 3,000 feet from just south of the Marquam Bridge to south of the Ross Island Bridge, has been home to heavy industrial use for nearly 100 years.

The Joint Permit Application (JPA) to the Army Corps of Engineers and the Oregon Department of State Lands (DSL) is the result of a 2006 Consent Agreement between Zidell and the State of Oregon, which outlined requirements for the cleanup. Over the past 15 years, Zidell has conducted extensive analysis of site contamination, habitat and biology, and has collaborated with the Oregon Department of Environmental Quality (DEQ) to determine the best methods for protecting public health and the environment.

“This is a major milestone in the history of this property,” said Jay Zidell, President of The Zidell Companies, the family-owned business that has operated a variety of industrial businesses on the site since the 1920s. “This neighborhood, which was once a major shipyard,

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has seen significant changes over the last 15 years. Our remediation plan will help ready our property for transition to non-industrial uses. We have worked closely with DEQ to ensure that the plan meets strict requirements for protecting the environment while preparing the site for future use.”

The Zidell Waterfront Remediation Project will result in long-term beneficial effects for both land and water, including:

- Improving riparian and aquatic habitats for fish and wildlife and improving ecological functions at the site;
- Capping over 16 acres of riverbank and river bottom to isolate contaminants from the environment;
- Planting more than 200 native trees and 15,000 native shrubs, covering more than 4 acres of land. These plantings will replace current 2.1 acres of vegetation, only 0.1 acres of which is native plants; the rest consists of large areas of invasive Himalayan blackberry and butterfly bush; and
- Removing more than 2,100 old, treated wood pilings from the river to improve habitat.

The Zidell cleanup is necessary because the land is contaminated with a variety of chemicals as a result of industrial uses that began in 1916 with the founding of Commercial Iron Works, which delivered 185 ships from this site to the United States Navy during World War II. In the 1920s, Sam Zidell leased a portion of the property for his industrial equipment business and eventually purchased the current property as the family business expanded into steel and steel reclamation, industrial valves and pipe fittings, and barge building. The Zidell Companies dismantled 336 ships at their shipyard facilities in Portland and Tacoma, with a majority of the

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work done in Portland, and have also built more than 300 barges on this Portland waterfront site. Jay Zidell, Sam's grandson, now leads the company, which employs more than 200 people in the Northwest. Currently, the Zidell property includes an active barge construction facility, office buildings, vacant land, and a ¼-mile long, narrow panhandle of riverbank land between the Marquam and Ross Island bridges. In addition to the site's industrial uses, it includes several large city and Oregon Department of Transportation sewer outfalls which lead directly into the Willamette River. Tri-met's planned Portland-Milwaukie Light Rail Line will bisect the Zidell property before crossing the river. When complete, the clean up and remediation will set the table for recycling the historic industrial district into one of Portland's best mixed-use neighborhoods, with eco-district features and unique pedestrian access to the Willamette River

The Corps of Engineers and Department of State Lands are expected to conclude their "completeness review" of the application within three to four weeks, after which there will be opportunities for public and agency comment on the plan. Zidell anticipates that it will begin the cleanup in 2011.

About the Zidell Companies

The Zidell Companies represent a major industrial, real estate and marine enterprise and a manufacturer and supplier of industrial welding fittings. Zidell Marine Corporation builds and leases barges of all types and sizes, including double-hulled tank barges for hauling petroleum products, as well as standard and special purpose barges for the hauling of lumber, grain, gravel, and general freight. The company also leases and charters barges to shipping companies based regionally and worldwide. Tube Forgings of America, Inc., is one of the world's largest manufacturers of carbon steel welding fittings and was the first such U.S.-owned manufacturer to

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earn an ISO 9002 certification. ZRZ Realty owns 30 acres in the middle of the South Waterfront neighborhood.

For additional information about the Zidell Companies, visit www.zidell.com. For information about the Zidell cleanup from DEQ, visit www.deq.state.or.us/lq/cu/nwr/Zidell/index.htm, or contact Project Manager Keith Johnson at 503-229-6431.