

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 6800

ADOPT THE FRAMEWORK PLAN AND ITS VISION AND PRINCIPLES AS THE GUIDING DOCUMENT FOR THE EVALUATION OF FUTURE DEVELOPMENT OF THE BURNSIDE BRIDGEHEAD PROPERTY LOCATED ON BLOCKS 67, 68, 76, AND PORTIONS OF BLOCKS 69 AND 75, AT THE NORTHEAST CORNER OF NE MARTIN LUTHER KING JR. BLVD. AND E. BURNSIDE STREET IN THE CENTRAL EASTSIDE URBAN RENEWAL AREA.

WHEREAS, on August 27, 1986, City Council Ordinance No. 158940 adopted the Central Eastside Urban Renewal Plan (the "Plan") and the goals of the Plan emphasize revitalization, retention, and new business development and access to the river;

WHEREAS, on February 17, 1999 (Resolution No. 5228), the Portland Development Commission's ("PDC's") Board of Commissioners (the "Board") adopted the Eastbank at Burnside: Lower East Burnside Redevelopment Plan (the "Eastbank at Burnside Plan"), which emphasizes a mixed-use gateway project at the foot of the Burnside Bridge in the Central Eastside Urban Renewal Area (the "URA");

WHEREAS, PDC acquired Blocks 67, 68, and 76, and portions of Blocks 69 and 75 in the URA (collectively, the "Burnside Bridgehead Property") to implement the Eastbank at Burnside Plan;

WHEREAS, the City of Portland's Economic Development Strategy, a Five-Year Plan for Promoting Job Creation and Economic Growth, identifies the Burnside Bridgehead Property as a key catalytic site within the Central City and calls for the creation of a significant mixed-use gateway development at this location;

WHEREAS, PDC entered into a Memorandum of Understanding ("MOU") with Beam Development, as PDC's strategic advisor, to partner on the creation of a framework plan (the "Framework Plan") that provides a strategic guide to redevelopment of the 4.04-acre property;

WHEREAS, the Framework Plan vision is to create a strategic design approach for the redevelopment of the Burnside Bridgehead Property that will catalyze and identify the URA as an attainable, productive, and sustainable district;

WHEREAS, the Framework Plan initiates the vision with an initial phase that focuses on strategic incremental development on the Burnside Bridgehead Property to catalyze the site and the URA while not precluding long-range density and development goals for the site;

WHEREAS, the Framework Plan provides a guidebook to redevelopment of the site that aligns with PDC's Strategic Plan 2010 to promote the growth of high wage jobs and the industry cluster strategy in the Central City through partnerships, targeted tenancing, and focused public investments;

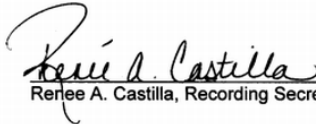
WHEREAS, the Framework Plan further aligns with PDC's Strategic Plan 2010 to develop new models of urban real estate development to address affordability, sustainability, and market demands; and

WHEREAS, the Burnside Bridgehead Citizen Advisory Committee has endorsed the Framework Plan as the guiding document for the evaluation of future development proposals on the Burnside Bridgehead Property.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts the Framework Plan, in the form attached hereto as Exhibit A, as the guiding document for the evaluation of future development of the Burnside Bridgehead Property; and

BE IT FURTHER RESOLVED that this resolution shall become effective thirty days from the date of its adoption.

Adopted by the Portland Development Commission on May 26, 2010.


Reree A. Castilla, Recording Secretary



Burnside Bridgehead

catalytic framework plan
portland, oregon 30 april 2010

DRAFT FOR BBH CAC and PDC Board Review and Comment

acknowledgments

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panoramic view of downtown portland from the burnside bridgehead site



executive summary

The four block Burnside Bridgehead site is one of the most critical pieces of real estate slated for redevelopment in Portland's Central City. The significance of the site derives mainly from its pivotal position at the intersection of the two elements that organize the City into four quadrants, Burnside Street, dividing north and south, and the Willamette River, separating the east and west sides. The establishment of the Streetcar Loop and the western terminus of the East Burnside/Couch couplet, both at the eastern edge of the site, promise to reinforce the site's identity as a center of urban activity. A recent emergence of restaurants, boutique retail and creative commercial and industrial start-ups along the lower Burnside corridor and throughout the Central Eastside points to the Burnside Bridgehead as a catalytic hub for similarly vibrant economic and cultural activity. The Burnside Bridgehead represents the opportunity to solidify the vitality of the Central Eastside Industrial District through a largely ground-up development that reinforces its character, scale, and economy.

The Burnside Bridgehead Framework plan is intended to be a tool for evaluating development proposals to ensure consistency with the comprehensive vision for the site as defined through 5 key principles:

- *The site should be developed to its full **Potential***
- *Development should ensure **Attainability***
- *Embrace **Sustainability***
- *Catalyze **Productivity***
- *And promote **Vibrancy***

This comprehensive Vision for the Burnside Bridgehead is the product of extensive research and collaboration between various consultant groups and engaged members of the greater Portland community. To ensure the realization of these goals, the Burnside Bridgehead Framework Plan takes a phased, organic approach toward development to fully utilize the site's flexible zoning and building height allowances and remain adaptable to marketplace needs, opportunities and demands. Phase I suggests a series of early infrastructural interventions to connect the Burnside Bridgehead back to the city grid and increase access

(left) view from the Burnside Bridge looking north into the site down 3rd Ave. with the convention plaza building on the left

to and from the site. This initial phase will include the establishment of a clear open-space network, renovation of the Convention Plaza building and new construction of four plus (4+) story structures for office/work-live/retail along NE 3rd Ave. Phase I will create immediate employment and living opportunities and give the site a clear urban identity while establishing a foundation for future development on the rest of the site.

Subsequent phases of construction on the site will respond to the current development environment and will continue to build upon the desire to encourage a contextually appropriate, atmospherically rich and pedestrian scaled community at the Burnside Bridgehead. The Burnside Bridgehead Framework Plan sets up guidelines for immediate incremental development based on historical tax map lot divisions within the site. By implementing these smaller lot sizes the plan employs a multivalent approach: ensuring a scale of development opportunities that will be accessible to a wider array of developers, with the result of a greater diversity and finer grain of projects on the site. In addition, smaller lot sizes will encourage more immediate development in a market that favors high debt coverage ratios, greater need to demonstrate market assumptions, smaller project scale and greater levels of at-risk capital. *The 'tax map' strategy also accounts for issues of long-term attainability on the Burnside Bridgehead site, encouraging low to mid-rise buildings that can make use of cost-effective construction types and sustainable design strategies with far-reaching cost reduction implications.* This approach is based on the assertion that providing attainable space is related to delivering space at a cost that allows for affordable rent levels for a wide variety of uses.

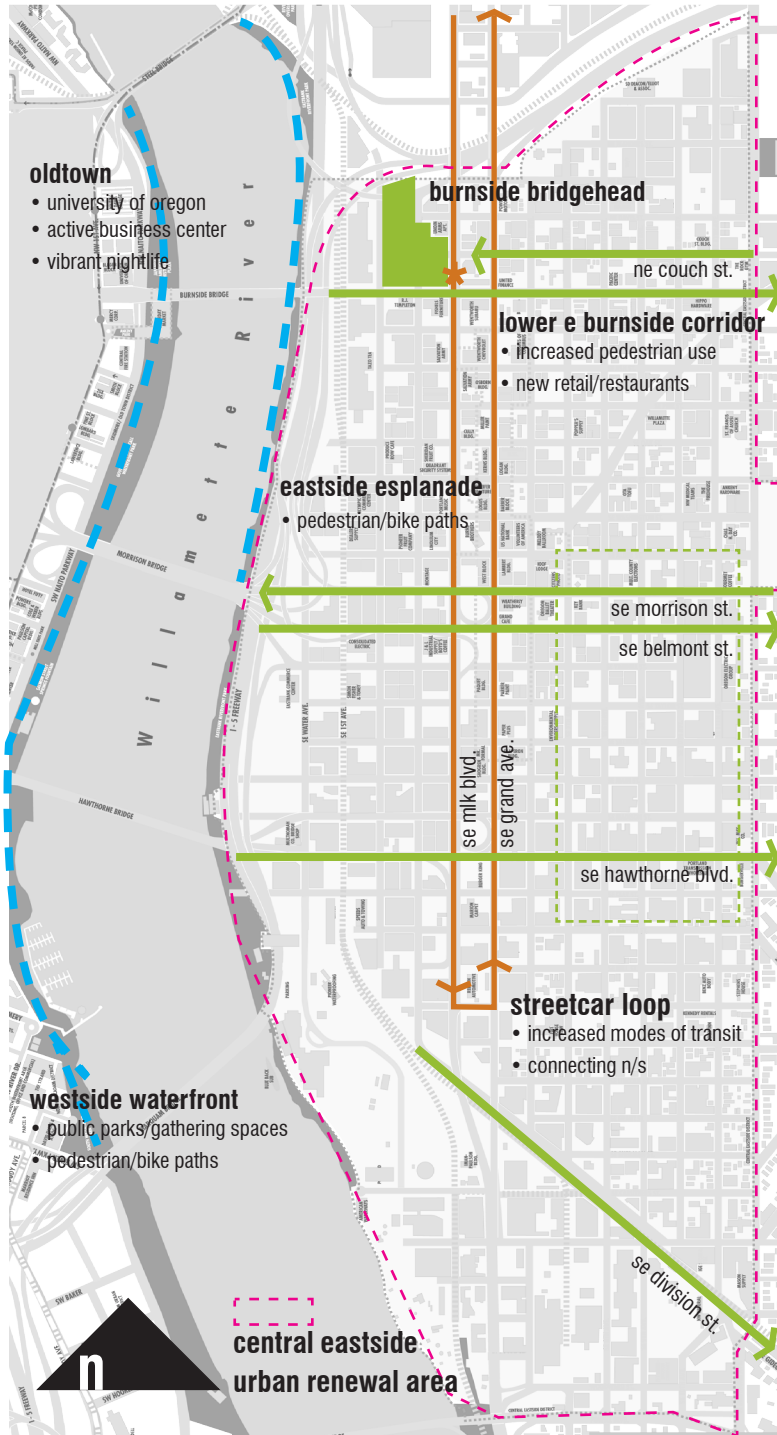
The redevelopment of the Burnside Bridgehead site offers enormous potential for developing an attainable, sustainable and productive community at a major center of urban life and commerce. The creation of highly flexible, attainable employment and living opportunities at the Burnside Bridgehead will reinforce pedestrian movement, alleviate pressure on transportation networks, and result in 18/7 vibrancy throughout the Central Eastside district. A successful realization of the vision for this site will have a catalytic impact on other urban renewal efforts in the Central Eastside district by assisting in identifying future opportunities and creating a key connecting point for the Central City.



character study of couch st. looking west from MLK blvd.



character study of 3rd ave. looking north



The intention of this framework plan is to inspire and guide a series of successful, attainable and sustainable development investments at the Burnside Bridgehead. The fundamental goals for the development of the site are to create new employment and living opportunities, stimulate neighborhood vitality, and enhance the quality of life in the Central City.

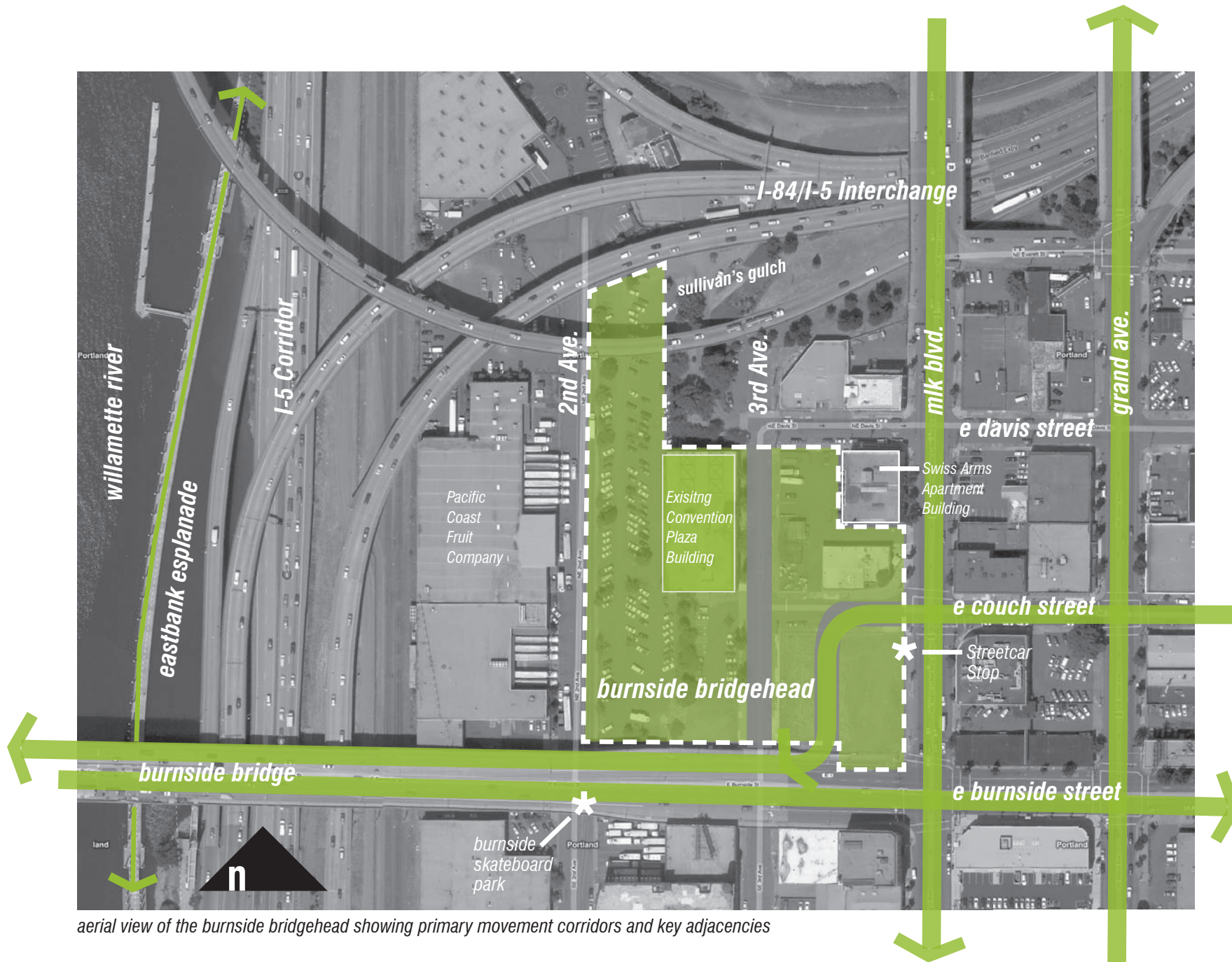
section 1: introduction

Today, in cities around the globe, there is a renewed desire to inhabit places of historic character and authenticity. Portland’s Central Eastside Industrial District is such a place—a place of density and grittiness that can offer work/live opportunities and destination retail/restaurant/entertainment sites, all dynamically interwoven with vibrant commerce, industry, and fabrication spaces.

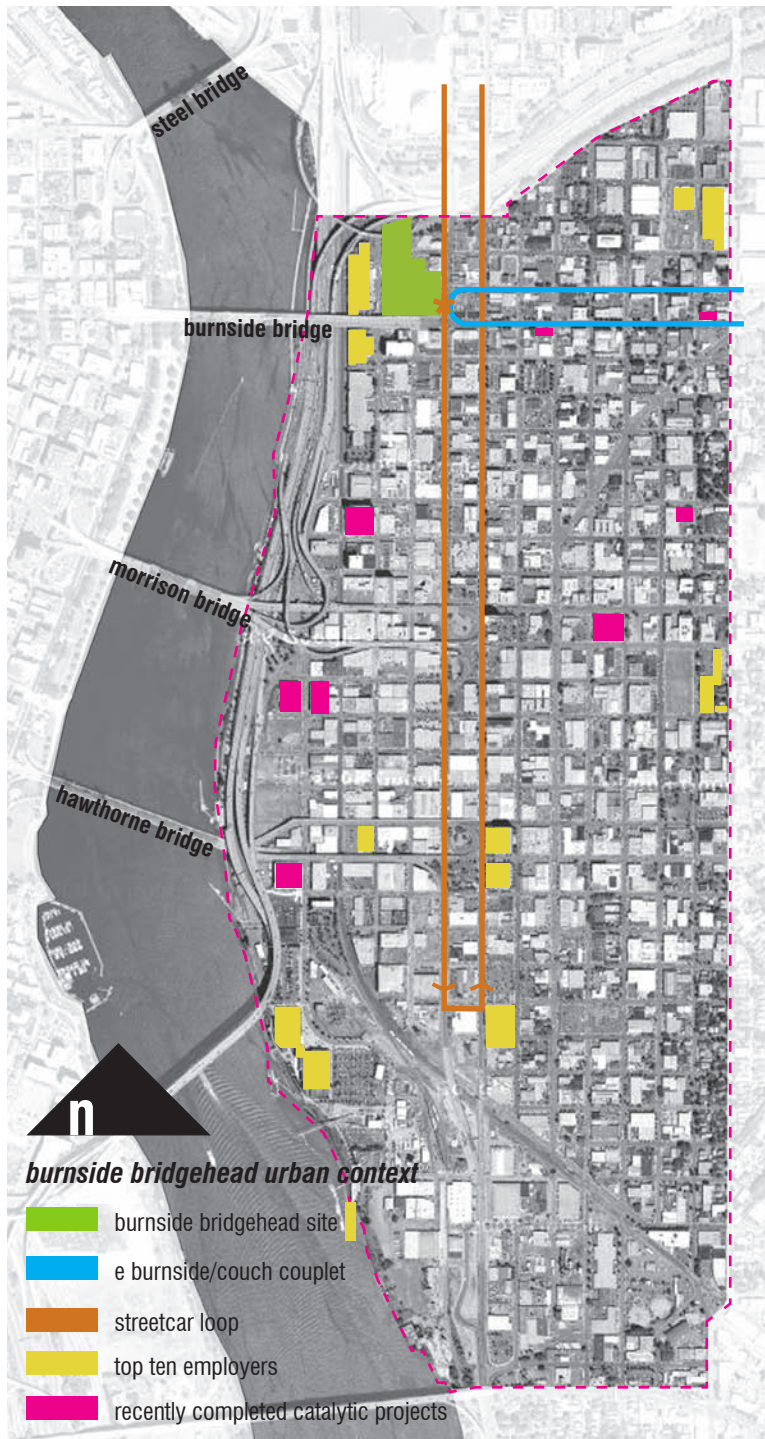
At the intersection of the Willamette River and Burnside Street, the primary north-south dividing lines for the City of Portland, the Burnside Bridgehead stands at the threshold of becoming a vibrant center of life and commerce and a critical link between the Eastside and the Westside of Portland’s Central City. Beginning on the northern edge of the Burnside Bridge, the 4.04 acre site is geographically and historically connected to the major commercial and industrial arterial for the region, the Willamette River. A recent renaissance of restaurants and start-up businesses in the immediate vicinity coupled with the new infrastructural investments of the Streetcar Loop and the East Burnside/Couch couplet puts the site at a critical juncture with the potential to catalyze Central Eastside redevelopment and foster important connections between the four quadrants of the City. In conjunction with Portland’s reputation as a destination for ‘creatives,’ offering attainable/sustainable lifestyle opportunities, the Burnside Bridgehead site is in a position to serve as an innovative and organic model of incremental urbanism on a national level.

As a guide towards successful redevelopment, the Burnside Bridgehead Framework Plan is a compilation and refinement of the key goals for the Burnside Bridgehead; to realize the full potential of the site, as a highly attainable, sustainable, productive and vibrant urban center. Towards the realization of these objectives, the plan supports development that will honor the district’s industrial grittiness by weaving old with new, and encourages employment and business opportunities through the integration of adaptive solutions for work environments, attainable work/live and workforce housing, retail and restaurant destinations, and a network of inspired street-scapes and public open space.

(left) map of central eastside urban renewal area highlighting areas of major activity and movement



aerial view of the burnside bridgehead showing primary movement corridors and key adjacencies



section2: background

The Burnside Bridgehead site is located in Portland, Oregon, along the north flank of the Burnside Bridgehead on the east bank of the Willamette River. Portland began and developed around the Willamette River, which continues to be the City's major geographical organizing element. The bridges over the Willamette River, each with its own character, are essential to the economic vitality of Portland and for many represent the image of the City. At the geographic center in Portland's city grid, the Burnside Bridge is a key connector between the east and west sides of the Central City.

The Burnside Bridgehead site is 176,215 sf in size and is situated across four-plus city blocks in the Central Eastside Urban Renewal Area (CES). The Central Eastside Urban Renewal Area includes 692 acres of Central City development along the east bank of the Willamette River. The district is considered a key employment center for the Central City, and urban renewal efforts are focused on creating and maintaining jobs in the area through business development assistance and redevelopment financing. The top ten employers in the Central Eastside include Oregon Electric Group, Pacific Coast Fruit Company, American Medical Response, Goodwill Industries, Oregon Museum of Science and Industries, Multnomah County, Franz Bakery, Portland Spirit, Dennis Uniform Manufacturing Company and Group Mackenzie.

Strategies for future redevelopment in the district focus on the commercial corridors along the Streetcar Loop, Martin Luther King Blvd./Grand Ave., E. Burnside St., and partnering with private property owners with significant land holdings. Goals and objectives for the Central Eastside Urban Renewal Area include the following:

- 1. Encourage expanded opportunities for housing and jobs while retaining the character of established residential, neighborhood, and business centers.*
- 2. Improve the level, distribution and stability of jobs and income for resident industry, businesses and people.*
- 3. Enhance the Central Eastside as a near-in job center featuring a diverse industrial base with compatible, supportive and appropriately located commercial and residential activities.*
- 4. Encourage the vitality of existing firms, provide an attractive climate for complimentary ventures, and offer a positive environment for adjacent neighborhoods.*
- 5. Implement the Willamette River Greenway Plan to preserve a strong working river while promoting recreation, commercial and residential waterfront development south of the Broadway Bridge. Increase accessibility to the river, enhance greenway areas as a public resource, and improve the environmental quality of life for adjacent and nearby neighborhoods.*



birdseye view of the burnside bridgehead looking west



birdseye view of the burnside bridgehead looking east

site context

Located at the geographic center of Portland, the Burnside Bridgehead is bound by NE Martin Luther King Blvd. to the east, the Burnside Bridge to the south, NE 2nd Ave. to the west, and NE Davis St. and the I-5/I-84 interchange to the north. The project site is 4.04 acres in size and includes four city-size blocks of development area. The majority of the project site is zoned EXd (Central Employment), which permits a variety of commercial, employment, industrial and residential uses.

The Burnside Bridgehead has historically been underdeveloped due to its topography and a challenging relationship with the surrounding street infrastructure. The elevation differential from the flank of the Burnside Bridge, adjacency of the I-84/I-5 interchange, and disconnect from the urban grid have all contributed to the site's perceived isolation from the City. The Burnside Bridgehead Framework Plan has considered these physical challenges and proposed important linkages to the surrounding neighborhood. With these connections in place, the centrality of the site within the larger urban context puts it in the unique position of acting as a portal and potential hub between east and west, north and south. The Burnside Bridgehead site also represents the opportunity to solidify the vitality of the Central Eastside Industrial District through a largely ground-up development that reinforces its character, scale, and economy.



section3: vision and principles

The success of the Burnside Bridgehead Framework Plan depends on a clear and achievable Vision, defined through Principles, which will guide the redevelopment of the Burnside Bridgehead to be a catalyst for the vitality and economic development of the Central Eastside Industrial District. The Vision and Principles are meant to be neither prescriptive nor proscriptive, rather they are tools to evaluate potential opportunities for an economically, environmentally, and socially sustainable community in the Central Eastside Industrial District, contributing to the quality of life in Portland as a whole.

vision

Create a strategic design approach for the redevelopment of the Burnside Bridgehead that will catalyze and identify the Central Eastside as an attainable, productive and sustainable district.

principles

Principles are general statements that implement the Vision. These Principles describe a preferred course of action and are utilized to direct planning, development, and investment decisions on future redevelopment opportunities for the project.

Site as Potential: Balance land uses, development densities, phasing and market reality

Site as Attainable: Develop new approaches to maintain affordability in construction and accessibility for a broad spectrum of users

Site as Productive: Create a business supportive redevelopment program that incorporates innovative workspace to serve as an incubator for employment and attract established companies

Site as Sustainable: Integrate innovative, attainable, sustainable design practices

Site as Vibrant: Provide opportunities for a mix of uses – commercial, employment, and residential – that build on the uniqueness and character of the community, activate the site and provide places for community to gather



site as potential:
an idea about incremental growth



objectives

- Utilize the site to catalyze the Central Eastside with an initial development phase that stimulates adjacent parcels, provides employment opportunities and generates tax revenue
- Creatively and adaptively re-use the existing Convention Plaza building in Phase I of the development
- Create a sequenced strategy that is phased and organic, with options that can respond and adapt to marketplace needs, opportunities, and demands
- Develop a parking model at the site that provides no net loss of parking and is adaptable to alternative future uses

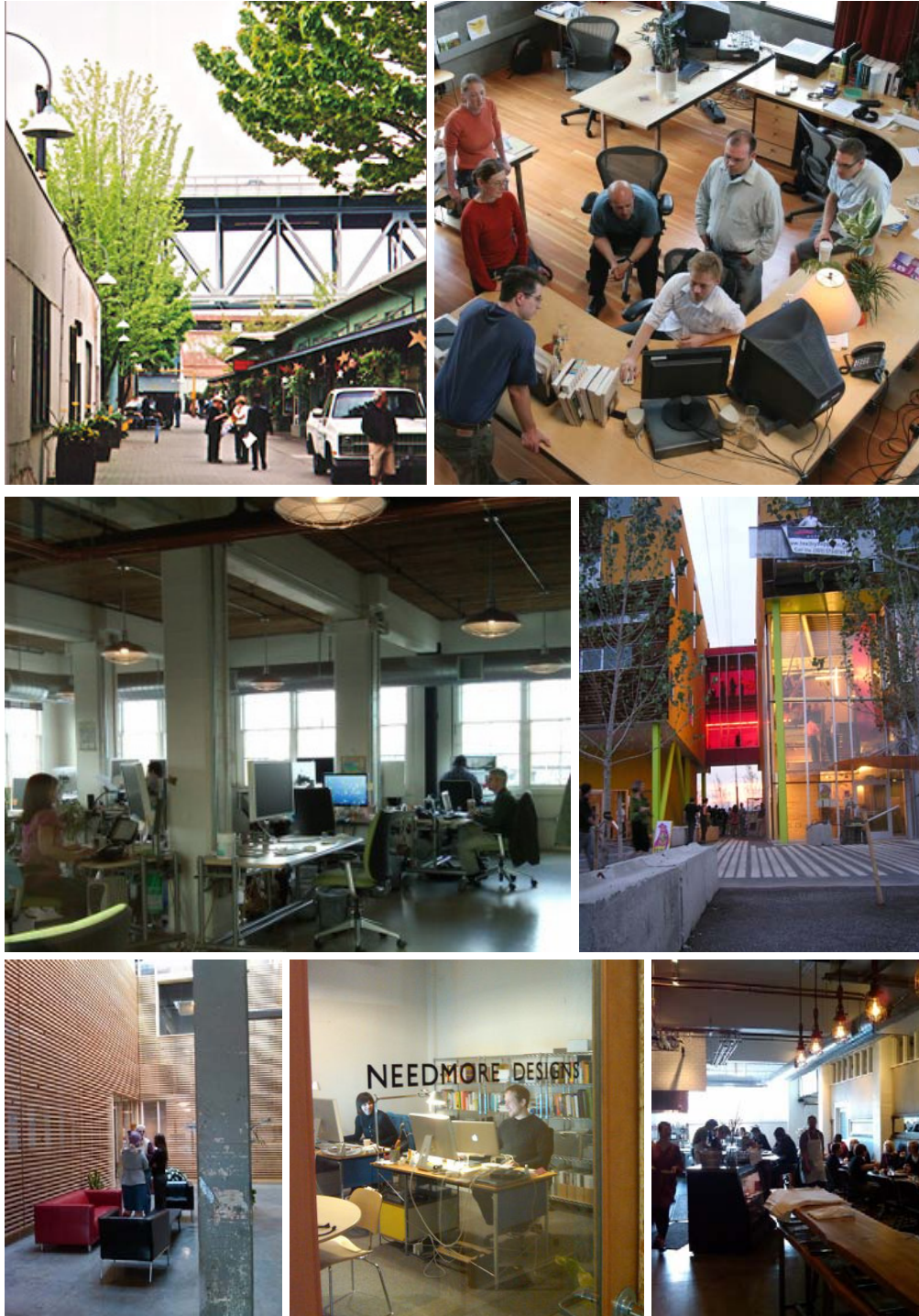


site as attainable:
an idea about affordability

objectives

- Create an affordable price point for new construction on the site
- Generate innovative investment strategies for development, site infrastructure, and buildings
- Facilitate inexpensive and adaptive spaces for lease or purchase
- Provide for work/live and workforce housing opportunities
- Provide for attainable sustainability by focusing on construction elements that reduce operating and life-cycle costs





site as productive:
an idea about employment

objectives

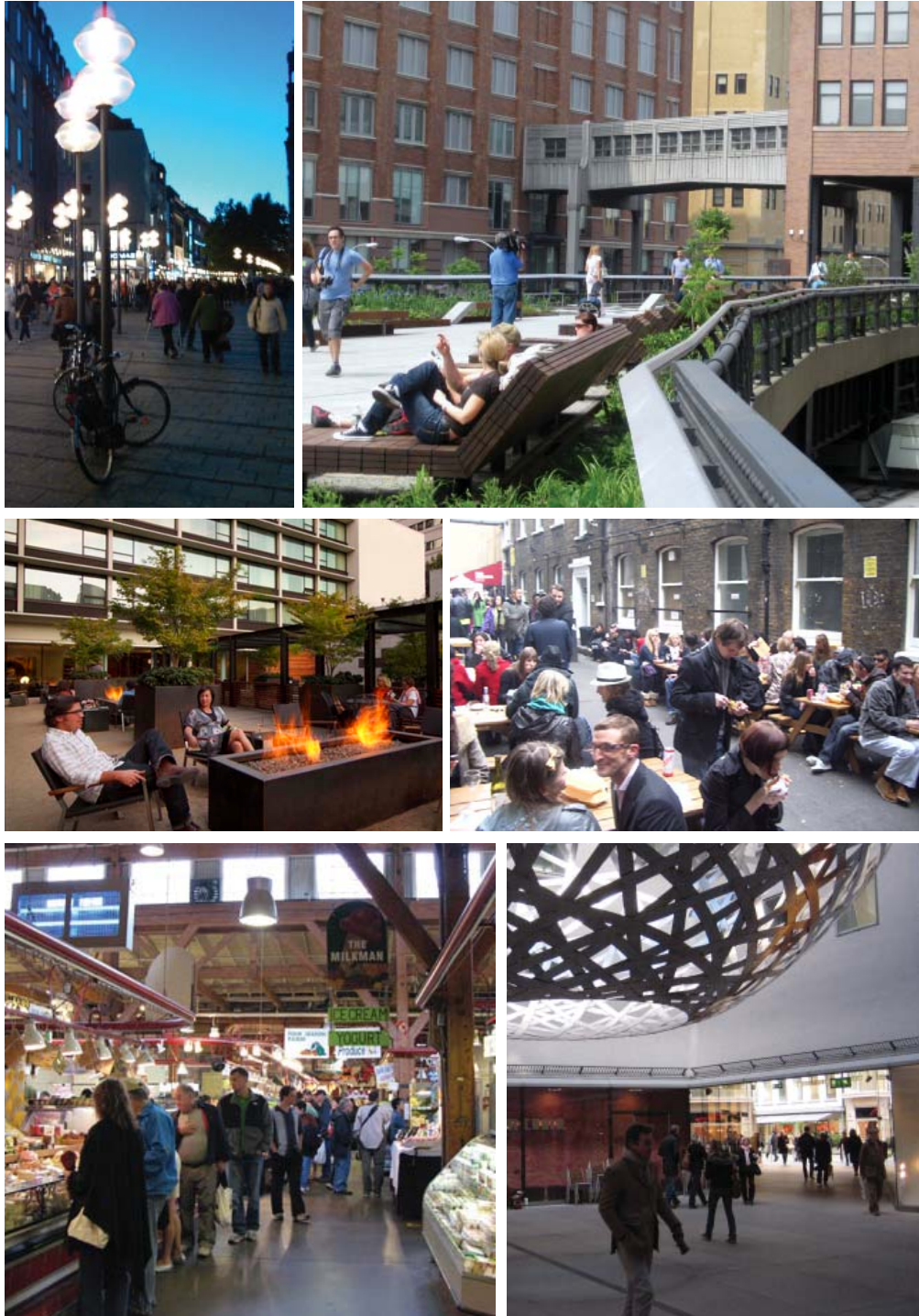
- Attract and deliver projects that provide a variety of spaces for employment opportunities
- Develop flexible building space that allows incubator businesses to evolve over time
- Brand the site and district to convey the employment opportunities and benefits of the Central Eastside
- Market the development to target cluster companies to provide a context for business synergies
- Provide common service sector amenities for businesses to network and cross-pollinate
- Implement temporary site-use strategies to inspire tenants, community and potential users
- Devise programming to ensure year-round activities and encourage 18/7 use of the site

site as sustainable:
an idea about cost-effective integration

objectives

- Incorporate sustainable building systems that maximize operational efficiencies, benefiting tenants
- Minimize construction and demolition waste and maximize salvage and reuse
- Establish a palette of low-cost, low-impact sustainable construction materials
- Maximize solar access and passive solar design to reduce reliance on mechanical systems
- Incorporate on-site power generation
- Significantly reduce interior water demand through efficient fixtures, and rainwater and greywater harvesting and re-use
- Integrate multi-purpose public open and green-space into the site development





site as vibrant:
an idea about atmosphere

objectives

- Encourage multi-modal movement to and through the site by reestablishing connections to downtown, the Lloyd District, the Willamette River, and adjacent neighborhoods
- Integrate the new streetcar stop and the East Burnside / Couch Couplet into the project through architecture, open space and surface treatments
- Provide an integrated network of common spaces and encourage retail and restaurants to locate at the site to promote social connections
- Promote the Eastside as unique in history, scale, texture, and authentic grittiness through design
- Integrate public art into the urban fabric of the site
- Preserve the Burnside Skate Park and integrate it into the project
- Provide public access to upper levels to take advantage of panoramic views of the City and landscape beyond
- Use open space and the site topography to encourage horizontal and vertical movement through the site, linked with places for stopping and gathering
- Promote site as a demonstration of true mixed-use community development

section4: critical components

These isometric diagrams graphically represent the critical components of the Burnside Bridgehead Framework Plan. From this perspective, the plan's context, opportunities, and fundamental concepts are integrated and highlighted for an easy understanding of the plan's intentions:

connect the burnside bridgehead

- 1** Take advantage of the high visibility of the site as well as panoramic views from the site (downtown Portland, the West Hills, the Convention Center and surrounding mountains)
- 2** Facilitate strong connections to surrounding pedestrian, bicycle, transit and vehicular linkages on all sides (NSEW)
- 3** Create access to site from the north edge of the Burnside Bridge between NE 2nd Ave. and NE 3rd Ave. to connect the pedestrian walkway along the bridge with development on the site
- 4** Design an inviting arrival/exit point for the site at the new Streetcar stop on MLK Blvd.
- 5** Restore Portland's street grid on the NE Couch and NE Davis Streets alignments between 2nd & 3rd Avenues for pedestrian/bicycle/vehicular connectivity
- 6** Transform NE Davis St. into two-way vehicular flow from NE 2nd Ave. to MLK Blvd. to enhance service and access to the Central Eastside Industrial District south of the project site

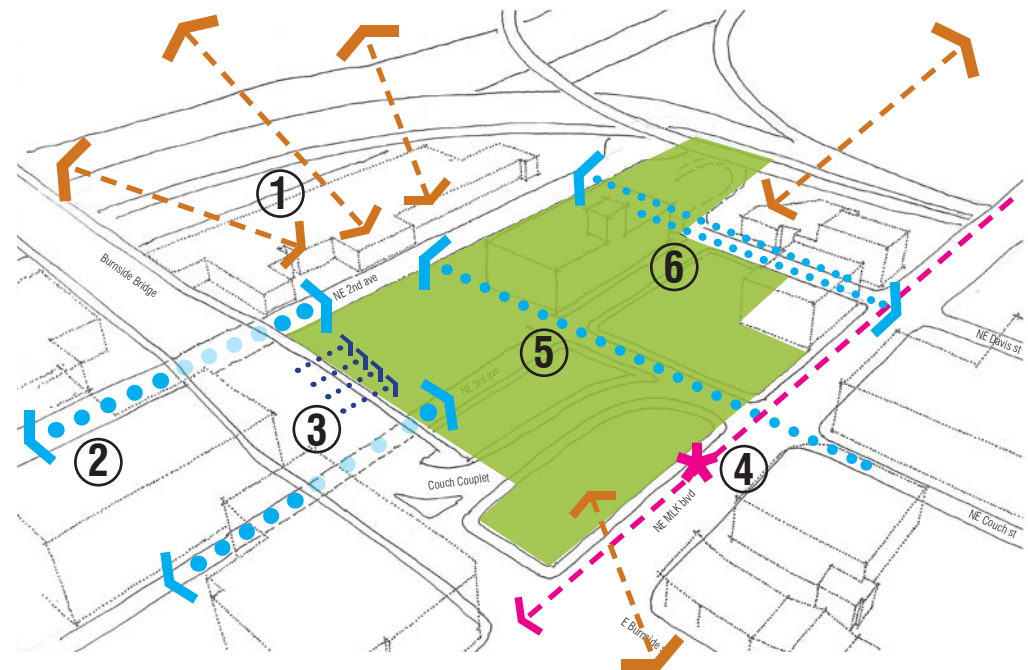


diagram1: opportunities for connecting the burnside bridgehead to the surrounding urban context

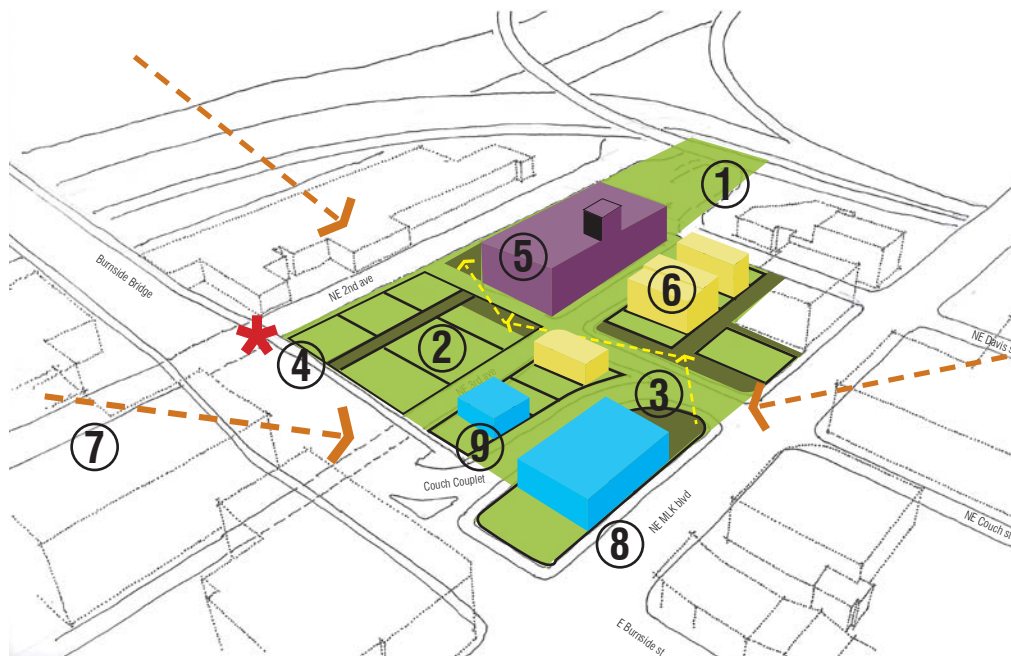


diagram2: critical considerations for catalyzing development and activity at the burnside bridgehead

catalyze the burnside bridgehead

- 1** Implement comprehensive stormwater control strategies, including catchment and re-use
- 2** Plat a new fine-grained lot system across all vacant parcels on the Burnside Bridgehead site to facilitate attainable and incremental development. This establishes a unique texture and scale to the urban fabric of the development while meeting current economic realities
- 3** Create a network of public open-space for gathering and events - both planned and spontaneous - that enhances the quality of urban living and promotes biodiversity in the City
- 4** Preserve the Burnside Skate Park beneath the Burnside Bridge at 2nd Ave. and integrate it with open public space on the site
- 5** Renovate/rename/re-brand existing 1923 Convention Plaza Building. Future new development should acknowledge and respond to this building as an integral part of the site context
- 6** Add new buildings to the site incrementally while upgrading horizontal infrastructure to support new businesses, light manufacturing, retail, restaurants, work/live and workforce housing
- 7** Maximize solar access to allow for daylighting, photovoltaics, and passive heating, thus reducing energy demands
- 8** Develop building frontages along Burnside St. and MLK Blvd. to relate to and encourage pedestrian movement
- 9** Use development on the parcels to the east and west of the new Couch St. transition to create a 'gateway' to the Burnside Bridgehead

Make the entire project attainable, sustainable, and productive!

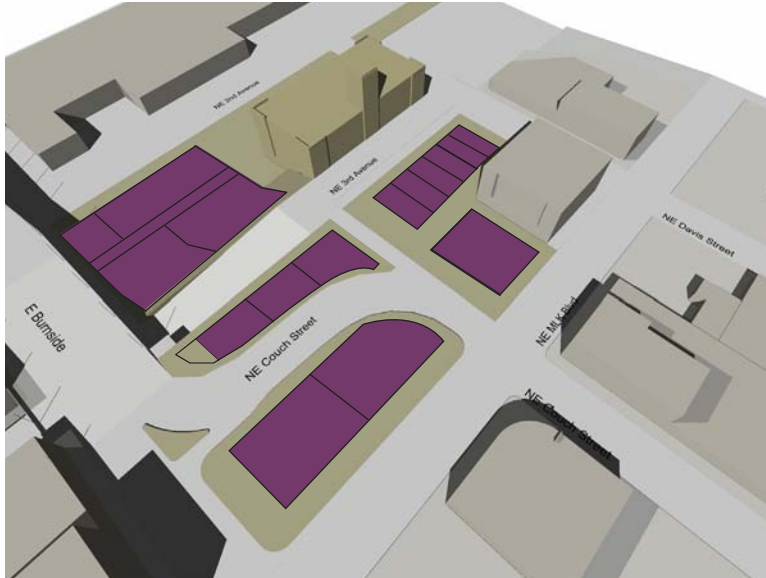


diagram1: creation of a new lot increment similar to the original 'tax map'

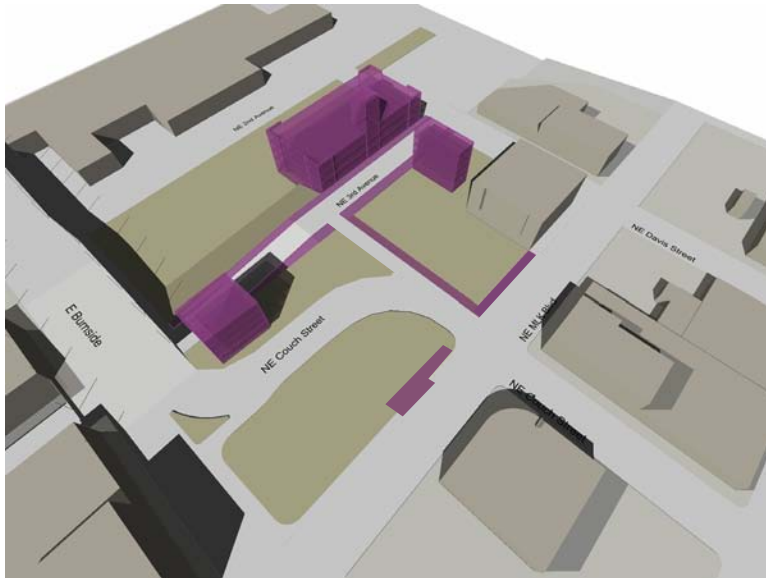


diagram2: renovation of the existing convention plaza building and initial infrastructural interventions of utilities, streetscape, green-space, etc.

section5: the catalytic plan

Catalyst:

1) a substance that enables a chemical reaction to proceed at a faster rate or under different conditions than otherwise possible.

2) an agent that provokes speed or significant change or action

The Burnside Bridgehead Framework Plan as a Catalyst...

The goal of the Burnside Bridgehead Framework Plan is to catalyze development at the Burnside Bridgehead, thereby igniting further development throughout the Central Eastside. Through the implementation of a phased approach, coupled with early infrastructural investments, the plan will encourage immediate incremental growth at a fine grain and manageable financial investment scale that will lay a foundation for continued development on the site and within the broader district.

Phase I

The implementation of Phase I of the Burnside Bridgehead Framework Plan is intended to bring about immediate development opportunities at the Burnside Bridgehead. The primary focus is the activation of 3rd Ave., to create a nucleus and district branding for the site.

The goals for Phase I redevelopment opportunities include:

1. Create the Increment...

Provide the opportunity to plat a series of new lots across the Burnside Bridgehead similar to the 30 foot wide property increments of the original city of Portland 'tax maps.' This will allow the possibility of smaller building projects and clustered developments but not preclude larger-scale development by combining lots. The 30 foot modules are set to allow for three (3) side-by-side parking spaces within or under the structure.

2. Provide development opportunities that encourage...

A. The adaptive re-use of the existing Convention Plaza building with a focus on creating flexible work environments to cultivate start-up and incubator industries and services, along with established companies, that support and complement the activities of the Central Eastside Industrial District.

B. The development of the first new buildings along 3rd Ave (4+ stories, Type V construction) that provide space for working, living and other programming. These buildings will provide an attainable construction model for future development along the west side of the Couch Couplet and the east side of NE 3rd Ave.

3. In conjunction with development opportunities...

A. Provide horizontal infrastructure along 3rd Ave. between the Burnside Bridge overpass and Davis St. to include underground electrical, telecom/IT infrastructure, and other utilities.

B. Provide vehicular / bicycle / pedestrian connection to west, such as transitions between Couch St./Davis St. and NE 3rd Ave/NE 2nd Ave.

C. Create safe and comfortable pedestrian connections into the site from the Streetcar stop at MLK Blvd. (south of Couch)

D. Create new paving/landscaping with street trees at the intersection of NE Couch St. and NE 3rd Ave.

This First Phase will be initiated with the public offering of targeted pieces of the Burnside Bridgehead for sale and development. This includes the Convention Plaza building, it's affiliated parking area, and the vacant parcels along 3rd Ave. The Portland Development Commission will issue a Request for Interest for these parcels and evaluate all submittals against the Vision and Principles of this Framework Plan. In addition, the PDC welcomes all Letters of Interest related to specific development proposals on other portions of the site. Interested parties should go to www.burnsidebridgehead.com for contact information.

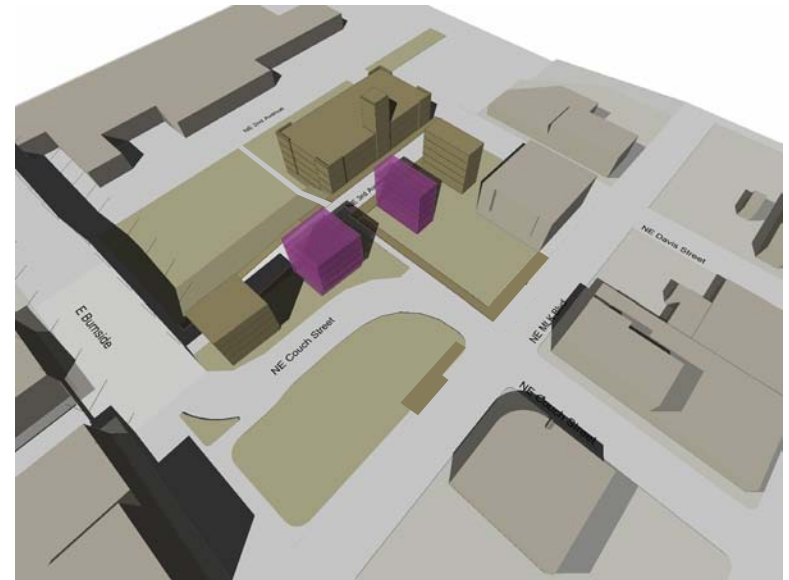


diagram3: development of first low-mid-rise buildings along 3rd ave.

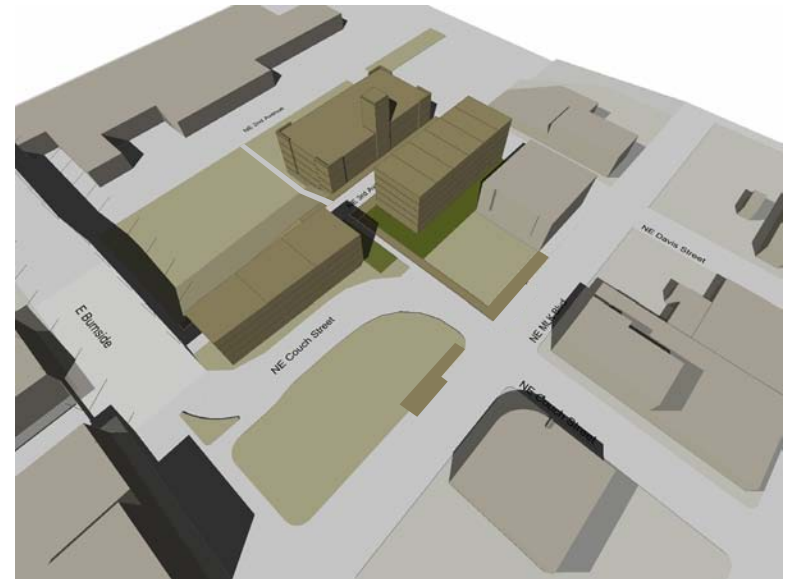
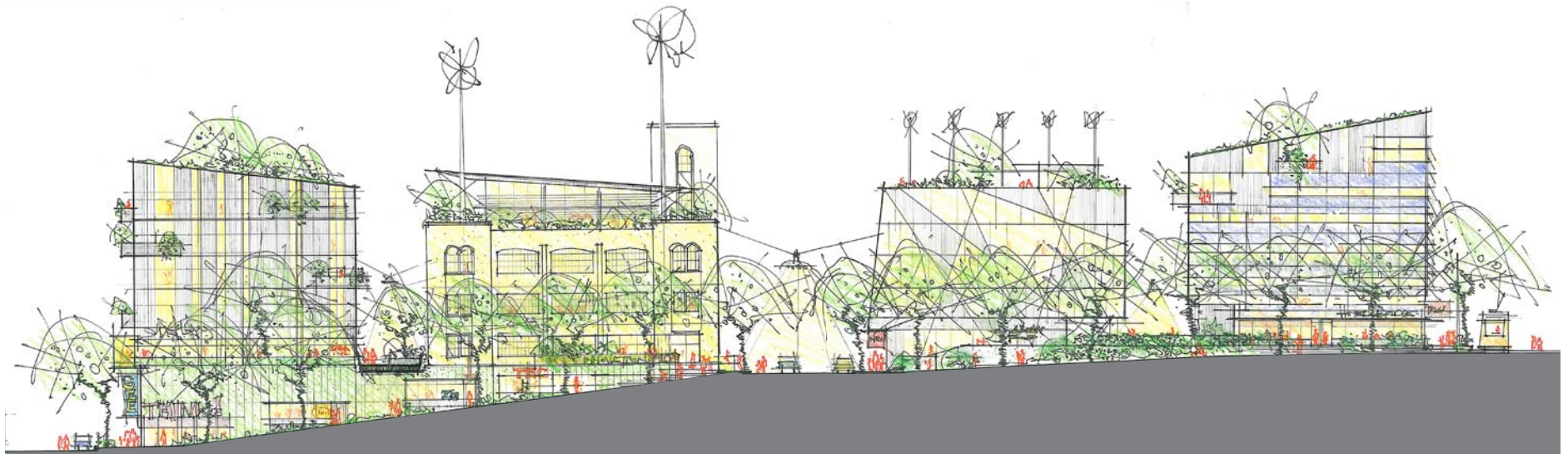


diagram4: continued build-out of 3rd ave. with development of integrated green-space/public gathering space



section through couch street looking north between 2nd avenue and mlk boulevard

section 6: potential outcomes

The economic success of Phase I of the development will serve as a significant foundation for future development of the site. Strategies towards future phases become important regarding the evolution of parking needs, approaches to density and continued incremental growth.

Following are three potential outcomes which could follow Phase I. These outcomes represent three paths to the build-out of the site, each following a different model of density, construction type, and development pattern. These outcomes vary in scale and scope and it is important to note that while Outcome C acknowledges the maximum zoning allowances on the site, full build-out of Outcome C is unlikely to represent the vision and principles of this Framework Plan. Given changes to market conditions and surrounding development over time, the realized outcome is likely to be a hybrid of the three outcomes.



couch way looking east from 2nd avenue



photograph of a site model representing the building massing for 'outcome A' made for the public meeting on January 27th



site plan showing a potential division of parcels at the burnside bridgehead



building massing study for the full build-out of **outcome A**

catalytic method **outcome A**

maintain steady growth

total approx. FAR: 4:1

total built area: 610,000 sf

catalytic outcome 'A' would maintain steady growth of the site based on a pattern similar to Phase I as defined above. It suggests developing similar densities and attainable/sustainable construction types such as Type V wood frame construction on a concrete plinth (\$115/sq. ft.). Alternatively, Type III wood frame construction (\$120/sq.ft.) over post tensioned concrete parking decks with podium level retail (\$90/sq.ft.) could be used to create low to mid-rise work/live and incubator commercial and fabrication spaces.

assumed uses: ground floor retail, and a mix of commercial work space and work/live – likely an 80/20 split of work and living. Parking will provide 3 stalls at grade or under the buildings on each small lot. The SW block will have 3 levels of structured parking – developed such that it could be converted to work space or retail space if the density continues to evolve at this low scale.

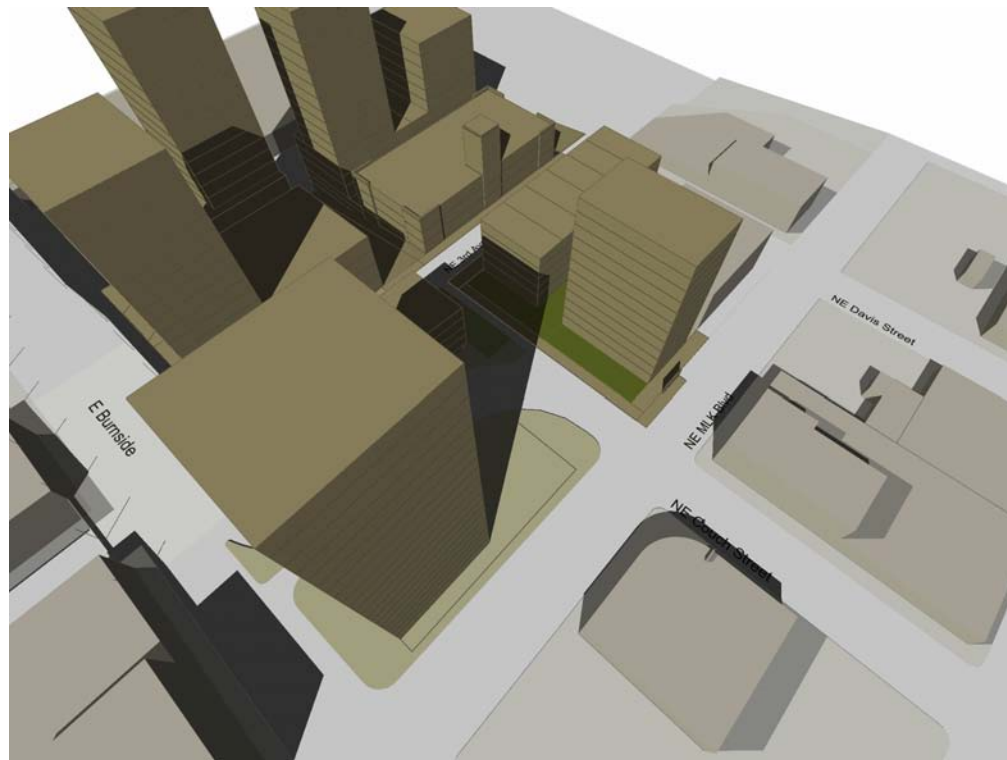
catalytic method **outcome B**
attract target clusters
total approx. FAR:4.5:1
total built area: 650,000 sf

catalytic outcome 'B' developments employ a strategy to attract target clusters which would require potentially wider, incremental modules of 50–60 foot width. Infill construction would call out Type II light gauge metal construction on a concrete podium (\$135/sq. ft.) or mixed use buildings of Type I post tension concrete construction on a concrete podium (\$145/sq. ft.).

assumed uses: ground floor retail, a mix of commercial, industrial, and work/live and some true living spaces. This outcome assumes a higher percentage of commercial area due to attracting target businesses – clean tech and creative industries – larger formats for mid-size companies. Likely 70/30 split of work and living. Parking counts stay the same as planned for in outcome A, but will be changed as needed to support the density on the site.



building massing study for the full build-out of **outcome B**



building massing study for the full build-out of **outcome C**

catalytic method **outcome C**

develop into high density center

total approx. FAR: 6:1

total built area: 880,000 sf

catalytic outcome 'C' developments take the site into a high density center that would require the incorporation of high-rise construction systems at a considerable increase in square foot cost, most likely outside the realm of the attainable goals of the project.

assumed uses: ground floor retail, and mix of commercial with higher levels of true residential uses will occur as the densities increase. This outcome assumes a higher percentage of residential on the site to support the greater development costs. Likely split of 40/60 of work and living. Parking may need to be increased beyond the base scheme.

The convergence of attainability, sustainability, and productivity

The vision is to deliver development projects on the Burnside Bridgehead site that exemplify the convergence of attainability, sustainability and productivity. Traditionally, attainability and sustainability have been seen as conflicting interests; while attainability manifested in affordable space for a broad spectrum of users, sustainable space focused on the incorporation of green technologies into construction, generally driving up the cost of such space for the end user. Our approach is to view sustainability through the lens of attainability, to specifically incorporate green building technologies that maximize operational efficiency of the project. This, in turn, makes the space more affordable to users/tenants through reduced pass-through utility and maintenance expenses. Focusing sustainability efforts on operational efficiency and the resulting reduction in pass-through costs to tenants achieves our goal of providing sustainable space that is attainable.

This concept of attainable sustainability is an integral component of our notion of productivity in the development of the Burnside Bridgehead site. First and foremost, productive projects must provide cost effective space that allows emerging and established companies of all sizes to invest more of their resources on developing their businesses, instead of on paying rent. For example, these goals can be achieved through the incorporation of shared infrastructure into the development. Shared infrastructure, whether as a central computing facility or a central heating/cooling plant, is inherently sustainable by its increased energy efficiencies and the elimination of duplication of construction components. This, in turn, will make the space more attainable by lowering tenant expenses, allowing them to be more productive with a more effective allocation of their limited resources.

Furthermore, productive space is flexible in that it provides businesses the opportunity to take more space as they grow. This can be achieved by allowing tenants to move between buildings on the site. Lastly, productive projects build community and foster cross-pollination through the provision of common spaces for tenants to network. Targeted marketing efforts that cluster businesses provide the context for synergies between tenants that will undoubtedly lead to additional business, greater productivity, and economic vitality in the District.

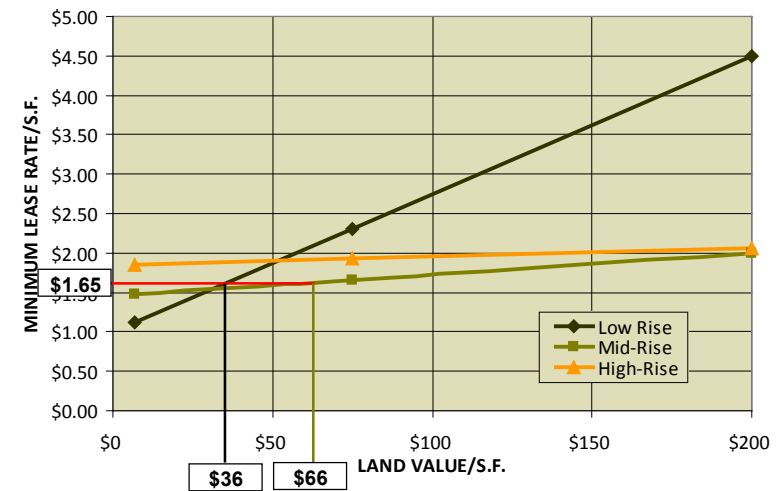


character study of couch st. looking west from MLK blvd.

Attainability

To maximize attainability on the site - initially to encourage development and secondarily to attract tenants to support completed development - the framework plan asserts that in general, providing attainable space is related to delivering space to the market at a cost that allows for rent levels affordable to the target markets. Highlighting attainability in the framework plan differentiates the Burnside Bridgehead from other developments in the City by making affordability in all project types (workspace, retail and residential) a defining characteristic. In today's environment, affordable space is perceived as practical space, which will be highly desirable to the creative class migrating into Portland that values practicality over opulence.

The framework plan has identified general cost containment categories to allow for the evaluation of development proposals that ensure an attainable product. On a site level, projects should investigate opportunities for combining infrastructural and support needs such as street improvements, utilities, and garbage/recycling centers with adjacent projects that are being developed concurrently. In the design phase, the overall size of the project, the construction type and opportunities for structural and material efficiencies should be carefully considered. In pursuit of LEED certification, projects should be aware of the advantages of self-commissioning (for buildings under 50,000 square feet) and grouping buildings through LEED for multiple buildings and/or LEED for neighborhoods. Cost savings can also be achieved by taking a phased approach to providing parking that is appropriate to the scale of the building.



graph showing the relationship between construction costs and rent levels
(source: johnson reid)

Sustainability: Cost-effective Green Strategies

With adjacencies to the Lloyd Ecodistrict, the Willamette River riparian corridor and Sullivan's Gulch, the Burnside Bridgehead has a tremendous opportunity and a serious responsibility to contribute to the ecological stability of the Central City and the region. Attainable, cost-effective sustainable design and construction practices are to be demonstrated in the projects undertaken at the Burnside Bridgehead. Over the past several years, green practices once considered cutting-edge and out of reach are now becoming commonplace and preferred over conventional practices, especially in Portland. Many of the efforts associated with green building are simply employing best practices in design and construction. These approaches, coupled with robust local, state and federal financial incentives can be combined to bring about significant reductions in environmental impacts and benefit the economic bottom line for developers and tenants. Projects that meet water demands, daylighting and thermal comfort efficiently, will inevitably produce a more affordable, and therefore more attainable, tenant space.

Many opportunities for achieving attainable sustainability occur in the initial planning stages of a project. Awareness and acquisition of financial and development incentives offered locally and through the city and state can result in development bonuses, reduced system development charges, grants and tax credits. The LEED certification process can be streamlined by pursuing simplified commissioning processes and compliance paths. Projects also gain upfront savings on construction costs by minimizing construction and demolition waste, maximizing salvage and reuse, and establishing a palette of low-cost, low-impact green materials. The opportunity for salvage and reuse is especially relevant for the anticipated renovation of the Convention Plaza building. Energy savings can be optimized by utilizing prescriptive energy standards, reducing infiltration through the building envelope, maximizing solar access for daylighting and implementing passive design to reduce reliance on mechanical systems. The reduction of interior water demands through efficient fixtures and rainwater harvesting and reuse can dramatically lower water costs. Investing in native landscaping and integrating gathering spaces into development plans, promote urban biodiversity and become community assets that attract people to the site. Finally, the potential for on-site renewable energy sources, including photovoltaics and wind, would reduce dependence on grid-source energy.

The Burnside Bridgehead offers multiple opportunities for the implementation and resulting benefits of attainable, cost-effective sustainable design. Further resources for sustainable design strategies, including Green Building Rating Systems, Metrics, LEED Checklists, and relevant websites can be found in the appendix of this document. Realization of an integrated approach of attainable sustainability is critical in making the Burnside Bridgehead site a productive and vibrant urban community.



character study of 3rd ave. looking north

Productivity: A Market Strategy for Employment

Despite a near-term development environment that can charitably be referred to as ‘challenging,’ the Burnside Bridgehead is potentially part of a pocket of a close-in Eastside properties that have performed better in the recent economic downturn than the regional average in both commercial and retail markets. The success of neighboring projects such as Olympic Mills and the Eastbank Commerce Center can be attributed to providing highly flexible and price sensitive commercial space that has attracted a niche market heavily weighted towards creative service firms. The framework plan has identified this tenant group as the target market for commercial development on the Burnside Bridgehead. In support of this tenant mix and other proximate residential concentrations, the visibility and potentially strong access to the site make a case for viable retail spaces.

Although Portland is currently suffering from significant overbuilding of the urban condominium market and a resultant glut in the rental apartment market, the framework plan sees a potential demand for true live/work space and/or workforce housing within the close-in Eastside residential market. By identifying and concentrating development within the Burnside Bridgehead site on these specific and integrated demands within the commercial, retail and residential sectors, and by doing so at reduced scales and in incremental steps, the overall approach will meet the desired goals for a diverse range of buildings that meet the needs of the community and meld with current economic realities.



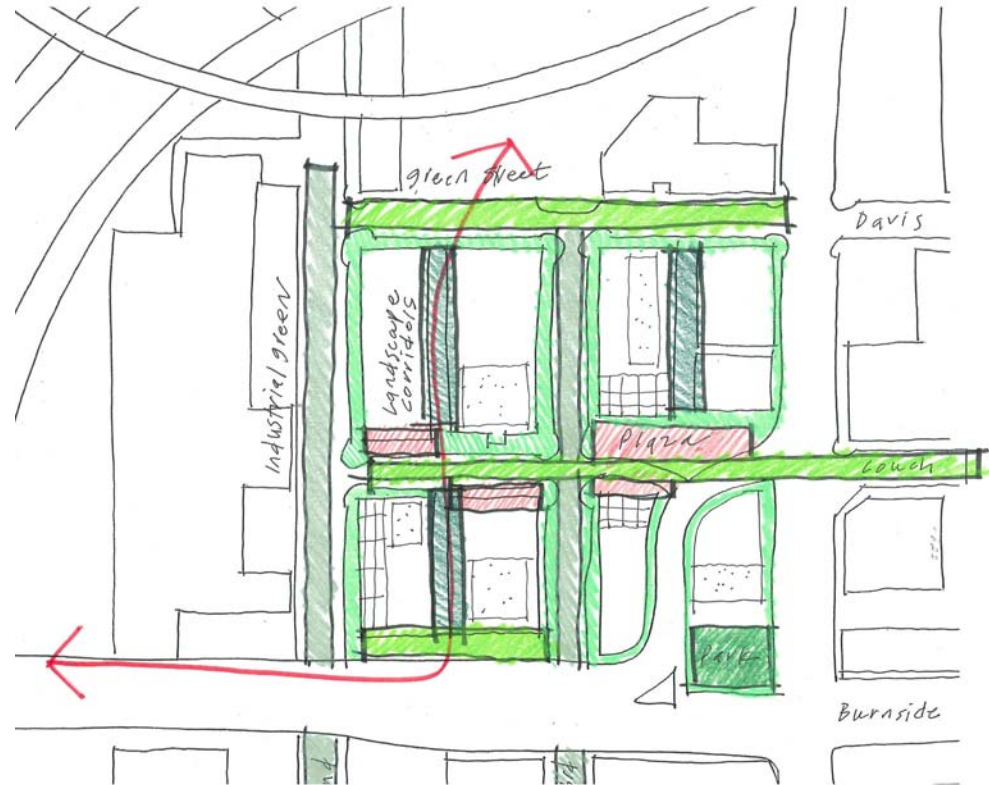
character study of couch st. looking east from 2nd ave.



character study of couch st. as a pedestrian way

A network of open space

An interconnected network of open space, both greenspace and hardscape, is integral to creating an active and vibrant community at the Burnside Bridgehead. Landscaping and greenery incorporated into horizontal and vertical movement corridors early on in the site's development will encourage pedestrian and bicycle traffic into and through the site from adjacent sidewalks and the Streetcar Loop. Pockets of open hardscape and greenery will support retail and restaurants while serving as gathering space for planned and impromptu gatherings. Finally, the incorporation of the Burnside Skate park into the network of public spaces on the site will infuse new development with the authentic character of Burnside Bridgehead.



study for a network of greenspaces and streetscapes at the burnside bridgehead

appendix

A.03 public/stakeholder input

A.17 case studies

A.23 opportunitites & constraints

A.25 traffic analysis

A.28 attainability: cost containment plan

A.29 sustainability plan

A.44 market analysis



As part of the Burnside Bridgehead Framework Plan development process, numerous stakeholder groups were solicited to provide input, ideas, and thoughts on a variety of topics pertinent to the project. These groups were comprised of a variety of businesses, property owners, residents, and citizens, including the **Burnside Bridgehead Citizen Advisory Committee (CAC)**, the 18 November **Burnside Bridgehead Public Workshop Participants**, the **Central Eastside Urban Renewal Advisory Committee (CES URAC)**, the **Central Eastside Industrial Council Land Use Committee**, the **Technical Advisory Committee (TAC)**, **two Focus Groups**, and the attendees of an **Open Public Meeting**.

The meetings were organized around a series of questions in the format of moderated public forums. As an open dialogue, everyone was encouraged to speak. Knowing that some speak more than others (and many not at all), each participant was equipped with a pad and pencil to be able to write down their comments. Following is the syntheses of these comments, organized into identical (or similar) responses and ordered within each forum from top to bottom by the number of responses (in parentheses). Those without numbers are a single response

What makes this site such an important opportunity for Portland and the eastside?

CAC

Site and location - It's a pivotal location being at the heart of the city - adjacent to Burnside Bridge and river, and its proximity to downtown/CBD/NW/Pearl/Chinatown/Rose Quarter. It is accessible, approachable and highly visible. It has prominent views, with potential of being a hub and landmark site. It is a great opportunity since it is mostly vacant

Gateway/connectivity to several districts - Bringing the city together, bridging East and West divide as well as North and South. Site can knit together existing fabric. Great proximity for creation of transit systems and pedestrian ecodistricts

Opportunity to create a standard of building/catalyst for redevelopment

Creation/support of an economy - jobs, businesses, markets

Publicly owned

CES URAC

Site and location - It's a pivotal location being at the heart of the city - adjacent to Burnside Bridge and river, and its proximity to downtown/CBD/NW/Pearl/Chinatown/Rose Quarter. It is accessible, approachable and highly visible. It has prominent views, with potential of being a hub and landmark site. It is a great opportunity since it is mostly vacant (10)

Gateway/connectivity to several districts - Bringing the city together, bridging East and West divide as well as North and South. Site can knit together existing fabric. Great proximity for creation of transit systems and pedestrian ecodistricts

A vision - can be the epicenter of city's future

Creation/support of an economy - jobs, businesses, markets

Money - Tax increment -major source of TIF for the Central Eastside URA

focus group 1

Site and location - It's a pivotal location being at the heart of the city - adjacent to Burnside Bridge and river, and its proximity to downtown/CBD/NW/Pearl/Chinatown/Rose Quarter. It is accessible, approachable and highly visible. It has prominent views, with potential of being a hub and landmark site. It is a great opportunity since it is mostly vacant

Gateway/connectivity to several districts - Bringing the city together, bridging East and West divide as well as North and South. Site can knit together existing fabric. Great proximity for creation of transit systems and pedestrian ecodistricts

An opportunity/vision - revitalizing and creating community, economy, work/live environments

Gateway/connectivity to several districts - Bringing the city together, bridging East and West divide as well as North and South. Site can knit together existing fabric. Great proximity for creation of transit systems and pedestrian ecodistricts

focus group 2

Site and location - It's a pivotal location being at the heart of the city - adjacent to Burnside Bridge and river, and its proximity to downtown/CBD/NW/Pearl/Chinatown/Rose Quarter. It is accessible, approachable and highly visible. It has prominent views, with potential of being a hub and landmark site. It is a great opportunity since it is mostly vacant

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public

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Continued development of Portland ideals of design - leader of future growth

Publicly owned

TAC Site and location - It's a pivotal location being at the heart of the city - adjacent to Burnside Bridge and river, and its proximity to downtown/CBD/NW/Pearl/Chinatown/Rose Quarter. It is accessible, approachable and highly visible. It has prominent views, with potential of being a hub and landmark site. It is a great opportunity since it is mostly vacant

An opportunity/vision - revitalizing and creating community, economy, work/live environments

Gateway/connectivity to several districts - Bringing the city together, bridging East and West divide as well as North and South. Site can knit together existing fabric. Great proximity for creation of transit systems and pedestrian ecodistricts

What two program elements would you like to see incorporated at the site?

CAC Live/work/play environment that is affordable - Business, industrial, office, manufacturing, housing, high density, dynamic 24/7 use

Public and civic spaces - Area for gathering, open space, restaurants, farmer's markets, libraries, museums, event space etc. Integrate skate park

Ease of transit throughout site - for multiple modes of transportation. Easy access to parking

An integrated sustainable community

Take advantage of site - views and grade changes

Tax generating uses

CES URAC Public and civic spaces - Area for gathering, open space, restaurants, farmer's markets, libraries, museums, event space etc. Integrate skate park

Provide creative incubator space for all - businesses, residents

An integrated sustainable community

Take advantage of site - views and grade changes

Tax generating uses

focus group 1 **Public and civic spaces** - Area for gathering, open space, restaurants, farmer's markets, libraries, museums, event space etc. Integrate skate park

Live/work/play environment that is affordable - Business, industrial, office, manufacturing, housing, high density, dynamic 24/7 use

Ease of transit throughout site - for multiple modes of transportation. Easy access to parking

An integrated sustainable community

Take advantage of site - views and grade changes, sense of place

focus group 2 **Public and civic spaces** - Area for gathering, open space, restaurants, farmer's markets, libraries, museums, event space etc. Integrate skate park

A destination site - iconic

Live/work/play environment that is affordable - Business, industrial, office, housing, manufacturing, high density, dynamic 24/7 use

Flexible urban space and design - able to change

public **Public and civic spaces** - Area for gathering, open space, restaurants, farmer's markets, libraries, museums, event space, urban farm, indoor track, public viewing at highest point, an education/learning center, recreation etc. Integrate skate park

Live/work/play environment that is affordable - Business, industrial, office, manufacturing, housing. High density. Dynamic 24/7 use

Continued development of Portland ideals of design - leader of future growth, innovative architecture

Ease of transit throughout site - for multiple modes of transportation. Easy access to parking

Take advantage of site - views and grade changes, sense of place

TAC Public and civic spaces - Area for gathering, open space, restaurants, farmer's markets, libraries, museums, event space etc. Integrate skate park

Continued development of Portland ideals of design - leader of future growth, innovative architecture

What would be inappropriate use at the Bridgehead?

CAC Mono/bad development - An excess of one particular program. No public space, inhibitor of movement, monolithic buildings

Big box retail - shopping centers, headquarter dominance, regional retail

Low density/high market rate development - condos or office complexes

Programs requiring high volumes of auto traffic - Inaccessible parking

Non tax generating use

Vices - doing harm to the area businesses and its people. Adult industry related programs

CES URAC Mono/bad development - An excess of one particular program. No public space, inhibitor of movement, monolithic buildings

No public/civic space

Big box retail - shopping centers, headquarter dominance, chain stores

Programs requiring high volumes of auto traffic - Inaccessible parking

Low density/high market rate development - condos or office complexes

Non tax generating use

focus group 1 **Big box retail** - shopping centers, headquarter dominance, chain stores
Low density/high market rate development - condos or office complexes
Programs requiring high volumes of auto traffic - Inaccessible parking

focus group 2 **Big box retail** - shopping centers, headquarter dominance, chain stores
Mono/bad development - An excess of one particular program. No public space, inhibitor of movement, monolithic buildings
Programs requiring high volumes of auto traffic - Inaccessible parking

public **Big box retail** - shopping centers, headquarter dominance, chain stores
Mono/bad development - An excess of one particular program. No public space, inhibitor of movement, monolithic buildings
Programs requiring high volumes of auto traffic - Inaccessible parking
Low density/high market rate development - condos or office complexes
Large entertainment programs - sports arenas, casinos, theme parks
Vices - doing harm to the area businesses and its people. Adult industry related programs

TAC **Mono/bad development** - An excess of one particular program. No public space, inhibitor of movement, monolithic buildings
Light industrial, Warehouse
Programs requiring high volumes of auto traffic - Inaccessible parking

What question would you like asked at the public conversation?

What do you most want to see that will identify the BBHD and Eastside community? – Prototypical development.

How can uses/structures evolve over time to respect the changing nature of CES/ LoBo?

What size public subsidy?

If you could participate in the development or ownership, of a piece of the site – What would it be?

Is this the right site – Too big? Too small.

What does sustainable development mean to you?

How do we develop this site, please the most people, and make it financially viable and end up with a project that works?

How do we best engage young people?

How has site changed from 5 years ago?

How the views of the C/E community, businesses and PDC/Government be combined/merged to produce an outstanding project that is the envy of other projects?

What is the appropriate level of public involvement given the sites development goals and objectives?

If money were not an issue what is your dream?

What unique aspect or feature would be both a great fit for the site and a draw for the public?

What appropriate activities would motivate you to go to the site?

What type of renewable energy systems will be used?

What do we need to do to make this project financially viable?

How do you mix new/ affordable/ creative and stay in a budget?

What should the project be oriented toward? Retail, entertainment & housing?

focus group 1 **What's missing from the west end of Burnside neighborhood that would be better served at this site?**

What is the essence of the project?

What can you do to help make the project happen – ownership, financial, lease partnership etc?

What is City's primary objective other than tif?

What are the public benefits, tangible and precise, **that will warrant the public investment?**

focus group 2 **How can you be a part of it?**

How much will this cost the public?

Is this the right thing to do for Portland - the site, this time, sustainable etc?

TAC **On a scale of 1-5 how important is this area to you?**

Will traffic dominate the space regardless of what we do here?

How will site's future fit with CES industrial uses/ heritage?

***What do you hope development
on this site catalyzes?***

CES URAC **Positive design development** - Complimentary growth to Central Eastside, public transportation, a high standard of design with flexible space

A sense of place and connectivity - creates promise, encourages evaluation and change

Economic growth/improvement

Mixed use - links jobs, housing, play, businesses, offices, etc.

public **A sense of place** - vibrant, creative, bold, energy - a place one wants to be, engaged, A sense of community/community interaction, the Portland ethos

Positive design development - unification of east and west side, innovative design, pedestrian activity, public transportation, creative nodes, spaces that enhance community fabric

Mixed uses - live/work/play environment, all phases of life and demographics engaging within the city, public/urban/pedestrian interface, twenty four hour use, livability

Economic growth/improvement - job creation/business creation, supports local business, responsible companies

Positive and/or sustainable green development - a demonstrative dynamic example of future in urban sustainable development

A destination - a hub, tangible to masses

What is your vision for this site?

CAC **A sense of place** - vibrant, creative, bold, energy - a place one wants to be, engaged, A sense of community/community interaction, the Portland ethos

Positive and/or sustainable green development - a demonstrative dynamic example of future in urban sustainable development

Mixed uses - live/work/play environment, all phases of life and demographics engaging within the city, public/urban/pedestrian interface, twenty four hour use, livability

A destination - a hub, tangible to masses

What makes this site catalytic?

focus group 1 **Concentrated and potential for growth** - visible, walkable, iconic

A sense of place - vibrant, creative, bold, energy - a place one wants to be, a sense of community/community interaction, engaged, twenty four hour site, the Portland ethos

Engage adjacent properties - not be closed off to them, a model for reuse, maximize all forms of access to city

Positive and/or sustainable green development - a demonstrative example of future in urban sustainable development

New job/business creation

focus group 2 **A destination** - a hub, tangible to masses

A sense of place - vibrant, creative, bold, energy - a place one wants to be, a sense of community/community interaction, engaged, twenty four hour site, the Portland ethos

Unique and innovative design

public **A sense of place - Vibrant, creative, bold, energy** - a place one wants to be, a sense of community/community interaction, engaged, twenty four hour site, the Portland ethos

Mixed uses - live/work/play environment, all phases of life and demographics engaging within the city, public/urban/pedestrian interface, twenty four hour use, livability

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TAC **Positive and/or sustainable green development** - a demonstrative example of future in urban sustainable development

A destination - a hub, tangible to masses

Energizing public space - creates new development/design

A sense of place - vibrant, creative, bold, energy - a place one wants to be, engaged, twenty four hour site, a sense of community/community interaction, the Portland ethos

Which of these parking options should be the goal for the site:?

- A) Provide the minimum parking requirement for the development*
- B) Provide parking for the development with no net loss of on-street parking*
- C) Provide parking for the site development and for the neighborhood*

public **C** - Vertically stacked mechanical parking. Parking with additional included use. Accessible parking. Provide free parking for the site development and for the neighborhood.
B - No net loss. Ahead of the curve, but consider planning incentives for car storage for people who commute to the site and create very strong connections to mass transit and substantial support for the disabled and families. Design structure that can be converted into occupiable space in the future. Put minimum necessary for development (need to attract and retain businesses).
A - Create only minimum parking. Parking should not be the driver of this project. Adaptable to greater use later. Plan for alternative transportation.
B or C - Need to make this site more accessible. Whichever is most cost effective. Reconfigure parking for another purpose later.
A or B

What would warrant public investment in this project?

public **Public/civic space** - community resources/services, healthcare, library, educational spaces, arts/recreation, tourist attraction, public landmark, bringing a vibrant community
Accessibility to/within city - subsidized workforce housing, Structured parking, Access to city services where the city gets taxes based on value of improvements, Affordable retail, a connection to the river - pedestrian, bikes etc, Transportation improvements - connections to mass transit/walking/cycling
Positive and/or sustainable green development - efficiency in design, first of its kind in green development, something that improves the urban ecology
Economic growth/improvement - job creation, business creation, business incubation, supports locally owned business, responsible companies

Return on investment - public benefit equal to the amount of investment

No new taxes - no urban renewal taxes, a decrease in taxes if successful, nothing (too much public money has already been spent on this project), gap financing to ensure that a socially beneficial TIF development is created

Provide incentives - grants/housing/workspace for artists/designers who are producing locally

***What sustainable ideas and features
would be appropriate for the project?***

public **Use of natural energy** - nearby river as a source of energy, solar orientation, photovoltaic panels, daylighting, solar water heating, geothermal use, natural ventilation, micro turbines

LEED - Portland sets the standard for 'green.' Can do without 'label', but ideals should be inherent in design. Incorporate sustainable ideas and features

Water - rain water collection, Grey water

Material reuse/green materials - recycling and waste programs, recycled materials, regional materials, Re-use and re-purpose of existing buildings on site

Green landscaping - bioswales, permeable surfaces, indigenous vegetation

Green roofs and/or accessible rooftop gardens

Solar/wind energy production and collection

Public transportation - decrease auto dependency, easy connections between different types of transportation ie: bike, pedestrian, train, car, public transport

Net Zero energy

Business that focus on practical and creative reuse - Sustainable jobs, local food production

Adaptable/flexible buildings - self sufficient design and buildings

Management systems - controlled heating and cooling systems, stormwater management - direct to river, local water treatment

Use of local laborers/designers/architects

Provides long term financial security

What will make this site 'a live, work and play destination' for residents and visitors?

public **Mixed use** - live/work/play, businesses, offices, housing, manufacturing, industrial, a twenty four hour city, affordable housing, work force housing, programmatic buildings intermixed among each other

Accessibility and connectivity to/within site - easy/plentiful access for pedestrians, bikes and public transportation, upper floors of building accessible to the public, easy street access, accessible parking

Sense of place - vibrant, lively, hip city/node, human scale, strong sense of community/place, a continued link to the urban fabric and Portland's culture, regionally unique, innovative design/architecture

Public/civic space - public attractions/entertainment for residents and visitors, exhibits, museums, libraries, open space, green spaces, small scale concert venues, theater space, art and entertainment

Retail/restaurants - book stores, coffee shops, art stores, farmer's markets, food carts, local production/manufacturing, street level consists of business and retail

A place for all demographics and ages - cross culture, place for younger people to engage

CAC **Accessibility and connectivity to/within site** - easy/plentiful access for pedestrians, bikes and public transportation, upper floors of building accessible to the public, easy street access, accessible parking

Mixed use - live/work/play, businesses, offices, housing, manufacturing, industrial, a twenty four hour city, affordable housing, work force housing, programmatic buildings intermixed among each other

Retail/restaurants - book stores, coffee shops, art stores, farmer's markets, food carts, local production/manufacturing-

street level consists of business and retail

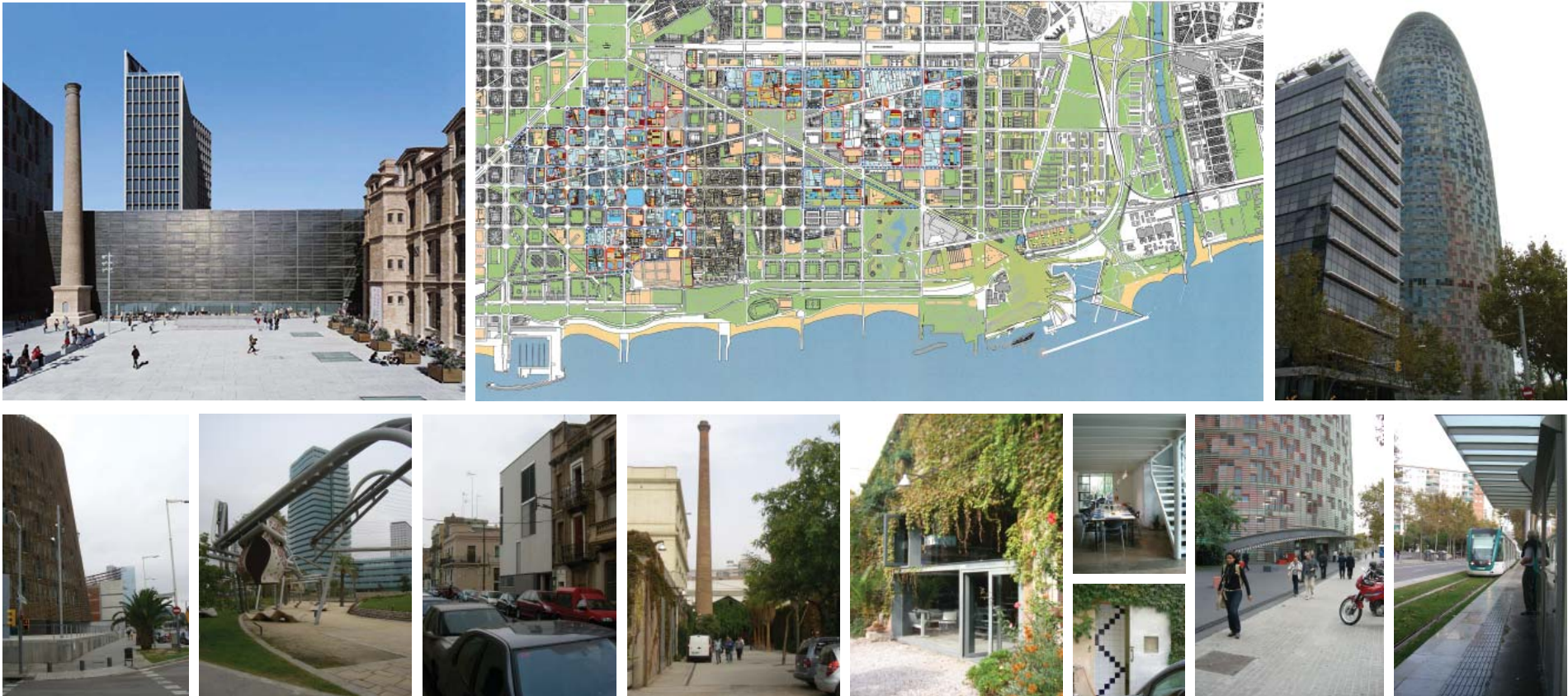
Innovative architecture and design - an inspirational city

Public/civic space - public attractions/entertainment for residents and visitors, exhibits, museums, libraries, open space, green spaces, small scale concert venues, theater space, art and entertainment

A place for all demographics and ages - cross culture, place for younger people to engage



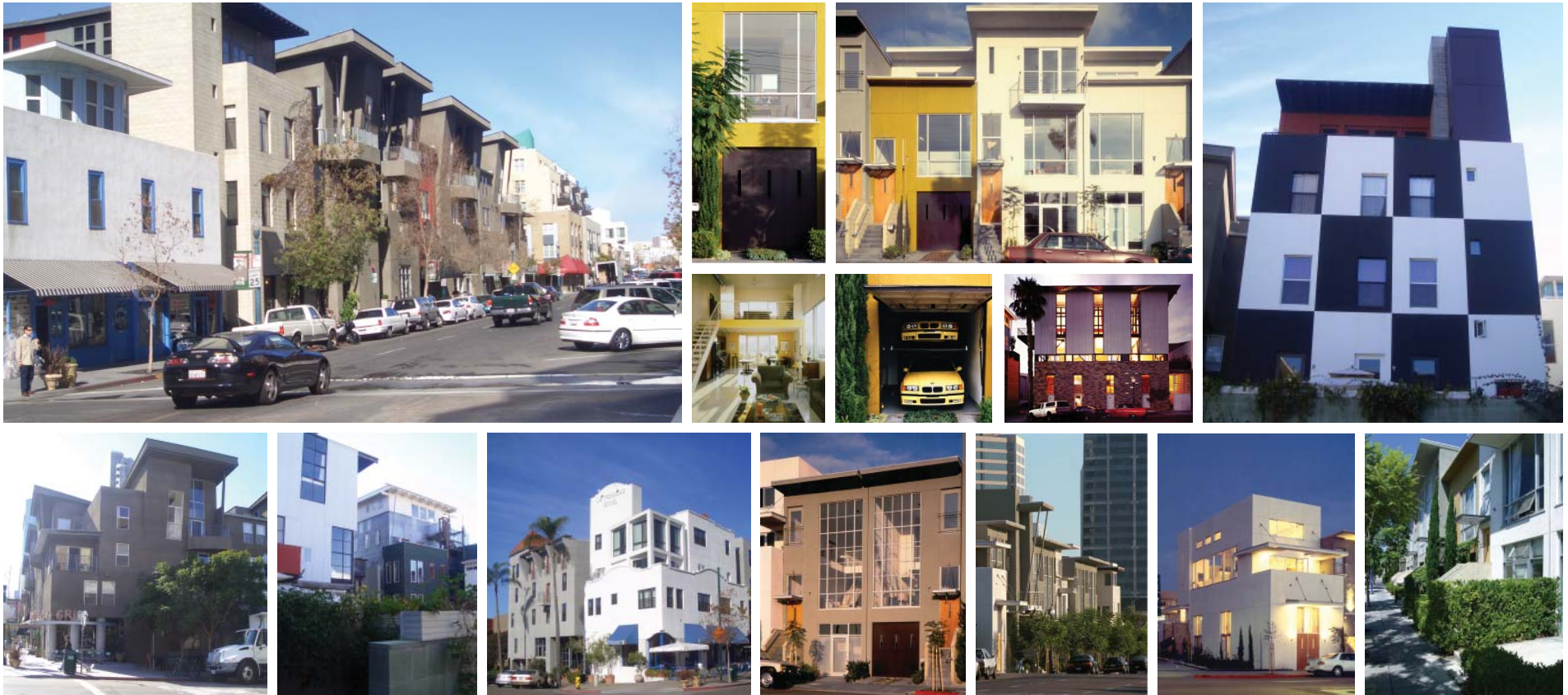
Burnside Bridgehead framework plan/ case study 1: 22@ barcelona/barcelona spain



relevance to burnside bridgehead

22@barcelona is a forward looking urban redevelopment project in a run down and overlooked industrial district. Urban design strategies include targeted and incremental renewal, respecting the district's industrial heritage and allowing it to mature naturally without a predetermined final image. As such, 22@barcelona could serve as a model of how BBH could phase out to different outcomes and catalyze urban redevelopment across the Central Eastside.

Burnside Bridgehead framework plan/case study 2: little italy neighborhood/san diego,ca



relevance to burnside bridgehead

The Little Italy Neighborhood Development (LIND) project is an early example of a **collaborative masterplanning and architectural design in an urban infill environment**. Similar to Sporenburg/Borneo-Eiland, LIND's use of architectural variety, within a limited palette of building types, breaks down the scale of the whole block development for a more seamless integration into the Little Italy neighborhood. As such, **LIND offers directly relevant lessons in how to integrate the Burnside Bridgehead into the Central Eastside and the City at large**. Also, **LIND's innovation in parking solutions** is a valuable model for this critical challenge for the success of the Burnside Bridgehead.

Burnside Bridgehead framework plan/case study 3: east islands/amsterdam, nl



relevance to burnside bridgehead

Taking clues on building variety from Sporenburg/Borneo, Sluseholmen tunes the idea within the block structure and urban fabric of Copenhagen, yielding a broader assortment of building, street, and block types. Sluseholmen's block and building scale approximate the Portland block and the BBH density and serve as **a valuable model for achieving a rich and diverse multi-block urban infill development.**

Burnside Bridgehead framework plan/case study 4: malmo Bo01/malmo, sweden



relevance to burnside bridgehead

Malmo Bo01 is the world's leading example of sustainable design as applied across an entire urban district and contains many valuable lessons that could be applied at the Burnside Bridgehead, both for sustainable strategies and implementation.

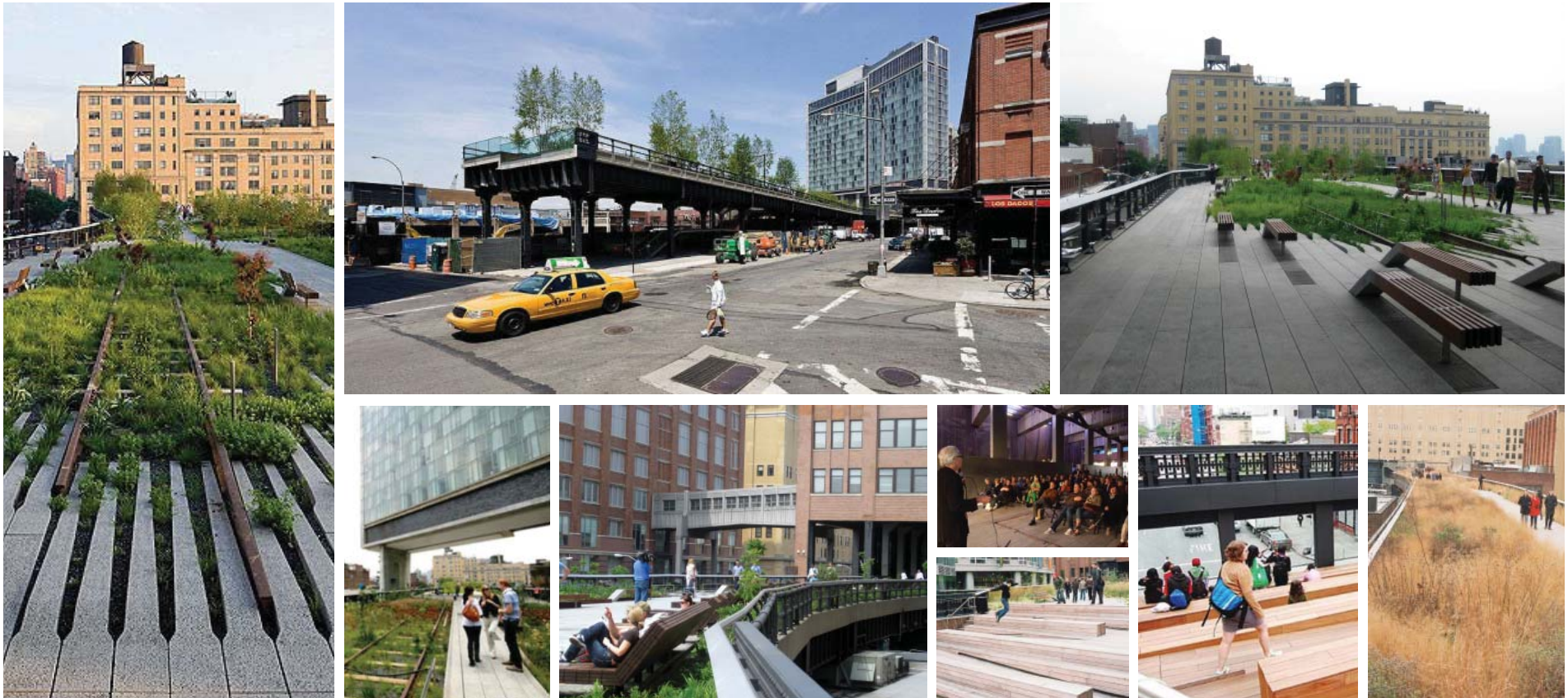
Burnside Bridgehead framework plan/case study 5: olympic mills/portland, oregon



relevance to burnside bridgehead

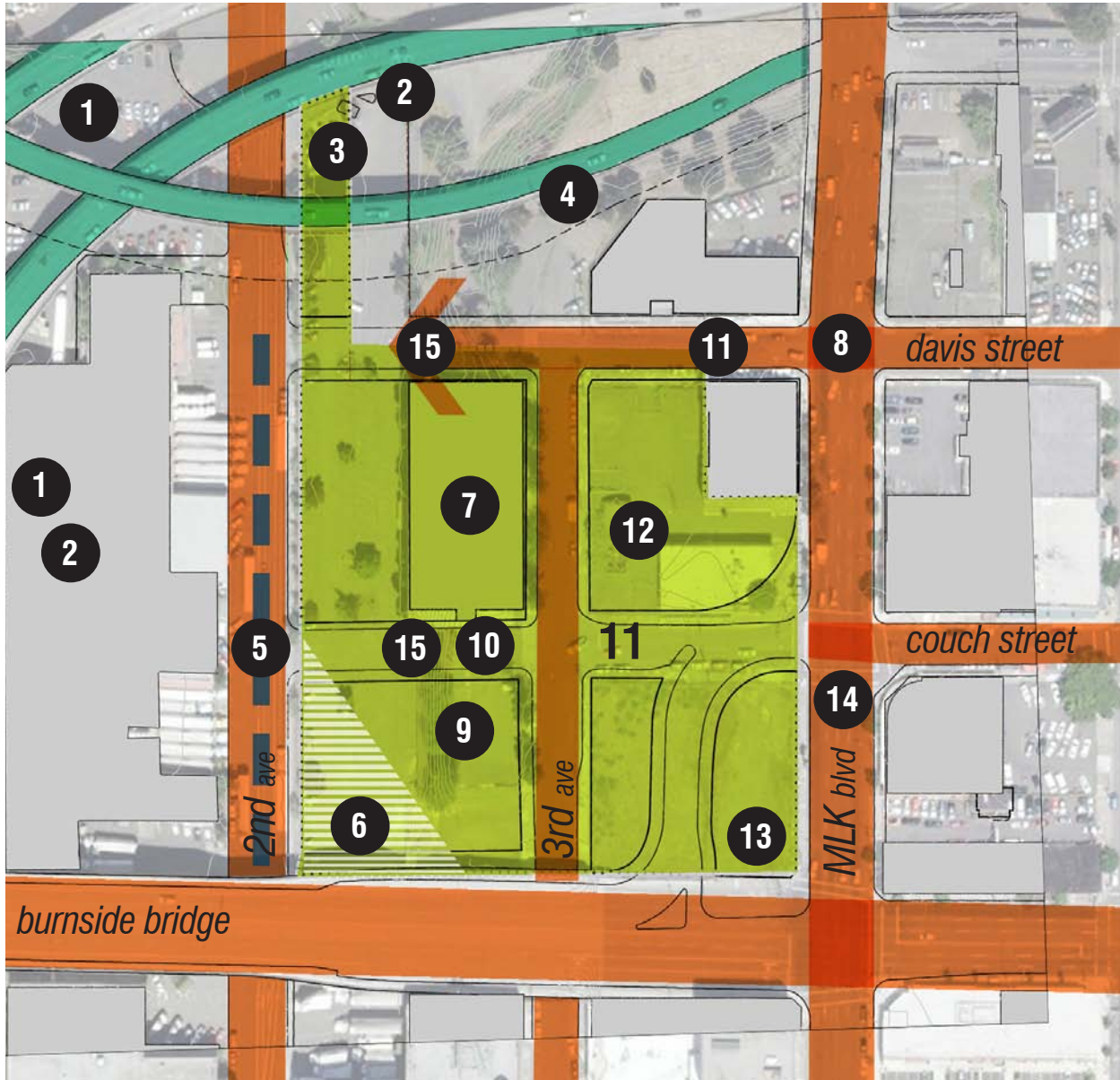
Similar in scale to the Convention Plaza Building, Olympic Mills is a successful example of adaptive reuse within the Central Eastside Industrial District. **Its small and incremental projects within the building could serve as the development model for Convention Plaza as well as a model for new construction across the Burnside Bridgehead site.**

Burnside Bridgehead framework plan/case study 6: high line/new york, new york



relevance to burnside bridgehead

As an elevated park, not only does the High Line make use of abandoned urban infrastructure, it rethinks the way one moves through, sees, and enjoys the city. **With the Burnside Bridgehead's challenging topographical and elevation differentials, the High Line is a great example of a new and innovative way to move three-dimensionally through the site and provide connections outward to the City.**



site constraints

location

- 1 noise from freeway and traffic
- 2 noise from train

existing conditions

- 3 area under freeway is compromised by the inability to build under raised highway elements/ramps
- 4 management of storm water runoff
- 5 truck waiting/holding along 2nd Avenue waiting to load/unload at Pacific Fruit. (Noise/pollution)
- 6 major underground storm pipes at SW corner compromise excavation and foundations
- 7 Convention Plaza Building needs seismic upgrade
- 8 lack of traffic control at Davis/MLK intersection
- 9 challenging grade change with 36' differential across site
- 10 raised plinth at 2nd Avenue without steps to 3rd Avenue

connectivity

- 11 site ingress/egress: Davis is one way traffic moving east & Couch couplet eliminates site access for MLK on Couch
- 12 no clear pedestrian flow through site—E/W or N/S
- 13 Couch Couplet Island has challenged service/auto/truck/construction access
- 14 MLK Blvd. one way traffic
- 15 no traffic connectivity E/W through site on Couch St. and Davis St.

site map highlighting the constraints at the burnside bridgehead

site opportunities

location

- 1 highly visible from city, streets, and freeway
- 2 gateway to Eastside and Westside

existing conditions

- 3 large urban void (4.2 acres)
- 4 inexpensive reuse potential in the 90,000 sf historic 1923 Convention Plaza Building
- 5 site topography to create 3D space planning
- 6 240 existing on site surface parking spaces
- 7 bus routes on Burnside, Couch, and MLK
- 8 great potential to creatively use storm water run off
- 9 potential to increase on-street parking
- 10 unique (to Portland) historic industrial context offering finer grain of building fabric

connectivity

- 11 new MLK street car with stop at SE corner of site
- 12 potential to return streets (ie Davis and Couch between 2nd and 3rd avenues) to original Portland street grid
- 13 easy vehicular access in north/south direction to Central Eastside Industrial District using 2nd & 3rd Avenues
- 14 easy bike and pedestrian connectivity on 3rd Avenue
- 15 potential bike and pedestrian connectivity to Sullivan Gulch Trail
- 16 potential to connect to north side of Burnside Bridge at bridge level for pedestrians and bikes
- 17 close proximity and easy access to convention center



site map highlighting the opportunities at the burnside bridgehead



MEMORANDUM

PROJECT NUMBER: 2090241.00
 PROJECT NAME: Burnside Bridgehead Framework Plan

DATE: May 12, 2010

TO: File
 FROM: Christopher M. Clemow, P.E., P.T.O.E.

SUBJECT: Summary of Transportation Issues

- Through a 2006 City of Portland zone change process (LU 06-103735 ZC (HO 406023)), a trip cap was placed on the property. This results in the FAR being limited to 9:1 with specific limits on land use types as further outlined in the following table.

TABLE 1 – LAND USE ALLOCATIONS AND ALLOWABLE TRADES			
Land Use	Base Allocation	Maximum Allocation after Trades	Allowable Trades
Residential	415 units	450 units	One dwelling unit for 450 SF office One dwelling unit for 450 SF retail One dwelling unit for 450 SF industrial
Retail	150 KSF	250 KSF	1 KSF retail for 1,300 SF office 1 KSF retail for 4 dwelling units 1 KSF retail for 1,400 SF industrial
Office	250 KSF	400 KSF	1 KSF office for 2.75 dwelling units 1 KSF office for 800 SF retail ¹ 1 KSF office for 950 SF industrial
Industrial	100 KSF	100 KSF	Not applicable

These land use allocations and allowable trades are intended to achieve net new trips associated with the change in zoning, as estimated in the traffic impact study conducted for the zone change application. The following trip thresholds were used to determine allowable land use allocations:

- 220 Net New Weekday AM Peak Hour, Inbound
- 335 Net New Weekday PM Peak Hour

¹ If the Office allocation is increased to more than 390,000 SF, the conversion cannot be taken entirely from Retail. The maximum retail reduction must be accompanied by at least 15,000 SF. in Industrial reduction to stay under ODOT's trip cap of 220 weekday net new AM inbound trips.

Burnside Bridgehead Framework Plan
Summary of Transportation Issues
Project Number 2090241.00
May 12, 2010
Page Number 2

2. The previous table identifies the *net new* weekday trip generation associated with the 2006 rezoning effort. It is important to note, this is not *total* trip generation – rather, it is the new trips in addition to those allowed in the original zone. For reference, total trip generation allowed by the approved zone change is 400 weekday AM peak hour trips (inbound only) and 560 weekday PM peak hour trips (total).
3. Trip generation estimates for the three Outcomes were prepared using methodologies consistent with those used in the 2006 rezoning effort. The following table presents the total weekday trip generation allowed by the approved zone change and the trip generation proposed in the Burnside Bridgehead Framework Plan Outcomes. This represents total trip allowed generation resulting from development – i.e., original zone trips + new trips.

Description/Source	AM Peak Hour (Inbound)	PM Peak Hour (Total)
Allowed/Adopted – Portland Code	400	560
Burnside Bridgehead Framework Plan Outcome A	363	466
Burnside Bridgehead Framework Plan Outcome B	380	489
Burnside Bridgehead Framework Plan Outcome C	362	554

Based on data presented in the table above, Burnside Bridgehead Framework Plan Outcome trip generation is within the zone-approved trip cap. Because the exact nature of future development is unknown, trip generation will need to be evaluated as development occurs with consideration be given to future land use actions if the trip cap needs to be modified.

Burnside Bridgehead Framework Plan
 Summary of Transportation Issues
 Project Number 2090241.00
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4. The following table presents the zone-approved land use allocations and those proposed in the Burnside Bridgehead Framework Plan Outcomes.

TABLE 3 – LAND USE ALLOCATIONS								
Description/Source	Housing		Employment					
	Residential (units)		Retail (KSF)		Office (KSF)		Industrial (KSF)	
	Base Allocation	Maximum Allocation	Base Allocation	Maximum Allocation	Base Allocation	Maximum Allocation	Base Allocation	Maximum Allocation
Allowed/Adopted – Portland Code	415	450	150	250	250	400	100	100
Burnside Bridgehead Framework Plan Outcome A	102		36.6		353.8		97.6	
Burnside Bridgehead Framework Plan Outcome B	119		39		370.5		97.5	
Burnside Bridgehead Framework Plan Outcome C	264		105.6		360.8		96.8	

Based on data presented in the table above, Burnside Bridgehead Framework Plan development scenarios are within the zone-approved land use allocations. Because the exact nature of future development is unknown, land use allocations will need to be evaluated as development occurs with consideration be given to future land use actions if maximum allocations need to be modified.

Attachments: Trip Generation Spreadsheet Data

Outcome A

Total Development Size 610,000 square feet
 Size per residential unit 1,200 square feet

Land Use	%	Size (sqft)	Units	# of Units	ITE Code	8th Ed. ITE Rate		Enter		AM		Total Trips	PM		Total Trips		
						AM	PM	%	Trips	%	Trips		%	Trips			
Residential	20%	122,000	DU	102	230	0.44	0.52	17%	8	83%	37	45	67%	36	33%	18	54
Retail	6%	36,600	ksf	37	814	0	2.71	0%	0	0%	0	0	44%	44	56%	56	100
Office	58%	353,800	ksf	354	710	1.55	1.49	88%	483	12%	66	549	17%	90	83%	438	528
Industrial	16%	97,600	ksf	98	130	0.84	0.86	82%	67	18%	15	82	21%	18	79%	66	84
Total	100%	610,000				Total Trips - All Modes			558		118	676		188		578	766
			<i>Mode Reductions</i>				<i>Transit</i>	20%	112		24	135		38		116	153
							<i>Bike/Ped</i>	12%	67		14	81		23		69	92
						Auto Trips			379		80	460		127		393	521
							<i>Internal Trips</i>	4%	16		3	19		5		16	21
						External Auto Trips			363		77	441		122		377	500
							<i>Pass-by (retail)</i>	34%	0		0	0		15		19	34
						Primary Auto Trips			363		77	441		107		358	466
						Trips Allowed by Zoning			305		110	415		170		390	560
							Additional trips approved by HO		95								
						Total Trips Allowed by Zoning			400		110	415		170		390	560
						Trip Budget (Unused Trips)			37		33	-26		63		32	94

Outcome B

Total Development Size 650,000 square feet
 Size per residential unit 1,200 square feet

Land Use	%	Size (sqft)	Units	# of Units	ITE Code	8th Ed. ITE Rate		Enter		AM		Total Trips	PM		Total Trips		
						AM	PM	%	Trips	%	Trips		%	Trips			
Residential	22%	143,000	DU	119	230	0.44	0.52	17%	9	83%	43	52	67%	41	33%	20	61
Retail	6%	39,000	ksf	39	814	0	2.71	0%	0	0%	0	0	44%	47	56%	59	106
Office	57%	370,500	ksf	371	710	1.55	1.49	88%	505	12%	69	574	17%	94	83%	458	552
Industrial	15%	97,500	ksf	98	130	0.84	0.86	82%	67	18%	15	82	21%	18	79%	66	84
Total	100%	650,000				Total Trips - All Modes			581		127	708		200		603	803
			<i>Mode Reductions</i>				<i>Transit</i>	20%	116		25	142		40		121	161
							<i>Bike/Ped</i>	12%	70		15	85		24		72	96
							Auto Trips		395		87	481		136		410	546
							<i>Internal Trips</i>	4%	15		3	19		5		16	21
							External Auto Trips		380		84	462		131		394	525
							<i>Pass-by (retail)</i>	34%	0		0	0		16		20	36
							Primary Auto Trips		380		84	462		115		374	489
							Trips Allowed by Zoning		305		110	415		170		390	560
							Additional trips approved by HO		95								
							Total Trips Allowed by Zoning		400		110	415		170		390	560
							Trip Budget (Unused Trips)		20		26	-47		55		16	71

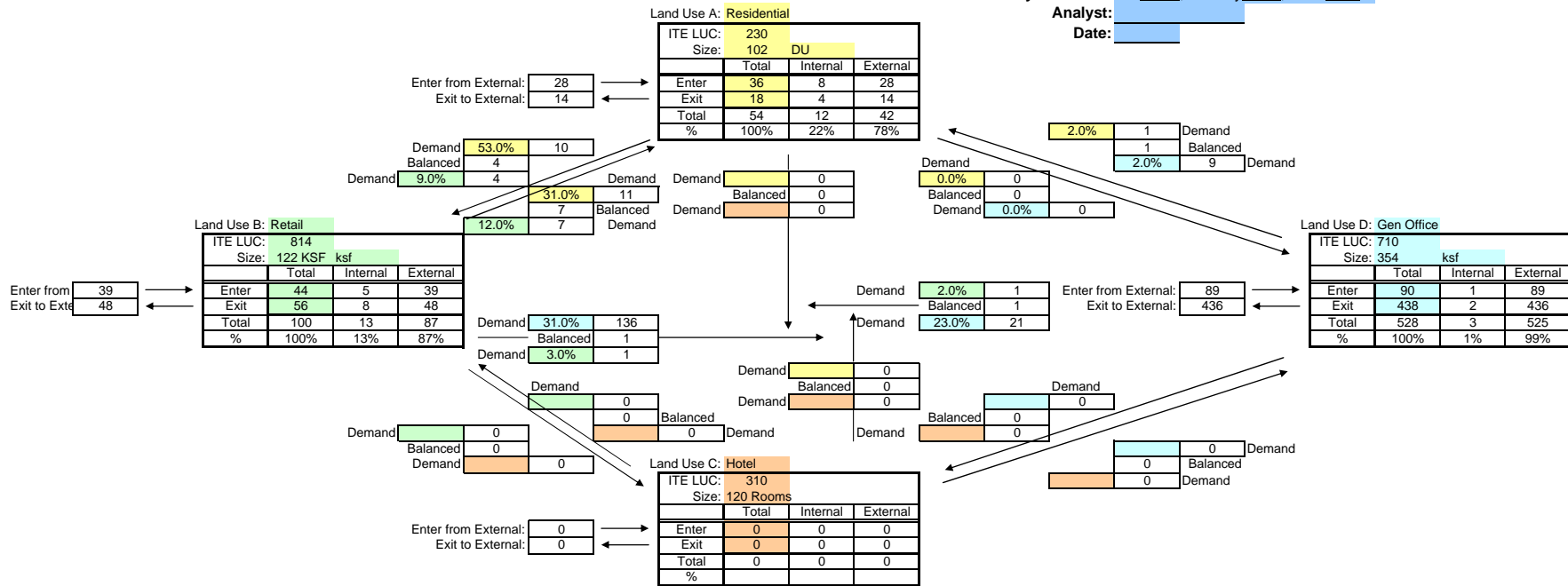
Outcome C

Total Development Size 880,000 square feet
 Size per residential unit 1,200 square feet

Land Use	%	Size (sqft)	Units	# of Units	ITE Code	8th Ed. ITE Rate		Enter		AM		Total Trips	PM		Total Trips		
						AM	PM	%	Trips	%	Trips		%	Trips			
Residential	36%	316,800	DU	264	230	0.44	0.52	17%	20	83%	96	116	67%	92	33%	45	137
Retail	12%	105,600	ksf	106	814	0	2.71	0%	0	0%	0	0	44%	126	56%	160	286
Office	41%	360,800	ksf	361	710	1.55	1.49	88%	492	12%	67	559	17%	91	83%	446	537
Industrial	11%	96,800	ksf	97	130	0.84	0.86	82%	67	18%	15	82	21%	17	79%	66	83
Total	100%	880,000				Total Trips - All Modes			579		178	757		326		717	1,043
			<i>Mode Reductions</i>				<i>Transit</i>	20%	116		36	151		65		143	209
							<i>Bike/Ped</i>	12%	69		21	91		39		86	125
							Auto Trips		394		121	515		222		488	709
							<i>Internal Trips</i>	8%	32		10	42		18		40	58
							External Auto Trips		362		111	473		204		448	651
							<i>Pass-by (retail)</i>	34%	0		0	0		43		54	97
							Primary Auto Trips		362		111	473		161		394	554
							Trips Allowed by Zoning		305		110	415		170		390	560
							<i>Additional trips approved by HO</i>		95								
							Total Trips Allowed by Zoning		400		110	415		170		390	560
							Trip Budget (Unused Trips)		38		-1	-58		9		-4	6

ITE MULTI-USE PROJECT INTERNAL CAPTURE WORKSHEET
 (ITE, Chapter 7, Trip Generation Handbook)

Project Number: _____ Project Number: _____
 Project Name: Burnside Bridgehead
 Scenario: Outcome A
 Analysis Period: PM_X, Midday____, AM____
 Analyst: _____
 Date: _____

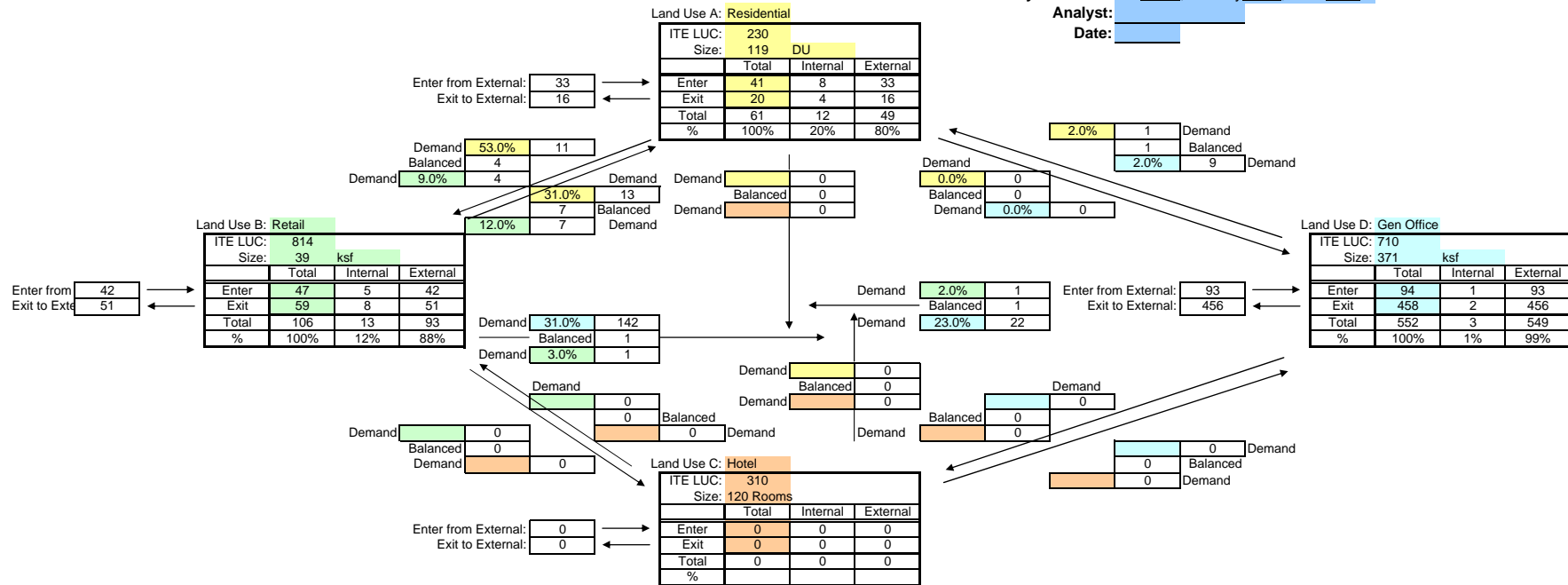


Category	Land Use				Total
	A	B	C	D	
	Residential	Retail	Hotel	Gen Office	
Enter	28	39	0	89	156
Exit	14	48	0	436	498
Total	42	87	0	525	654
Single Use Trip Gen Estimate	54	100	0	528	682

Internal Capture = 4.11%

ITE MULTI-USE PROJECT INTERNAL CAPTURE WORKSHEET
 (ITE, Chapter 7, Trip Generation Handbook)

Project Number: _____ Project Number: _____
 Project Name: Burnside Bridgehead
 Scenario: Outcome B
 Analysis Period: PM_X, Midday____, AM____
 Analyst: _____
 Date: _____

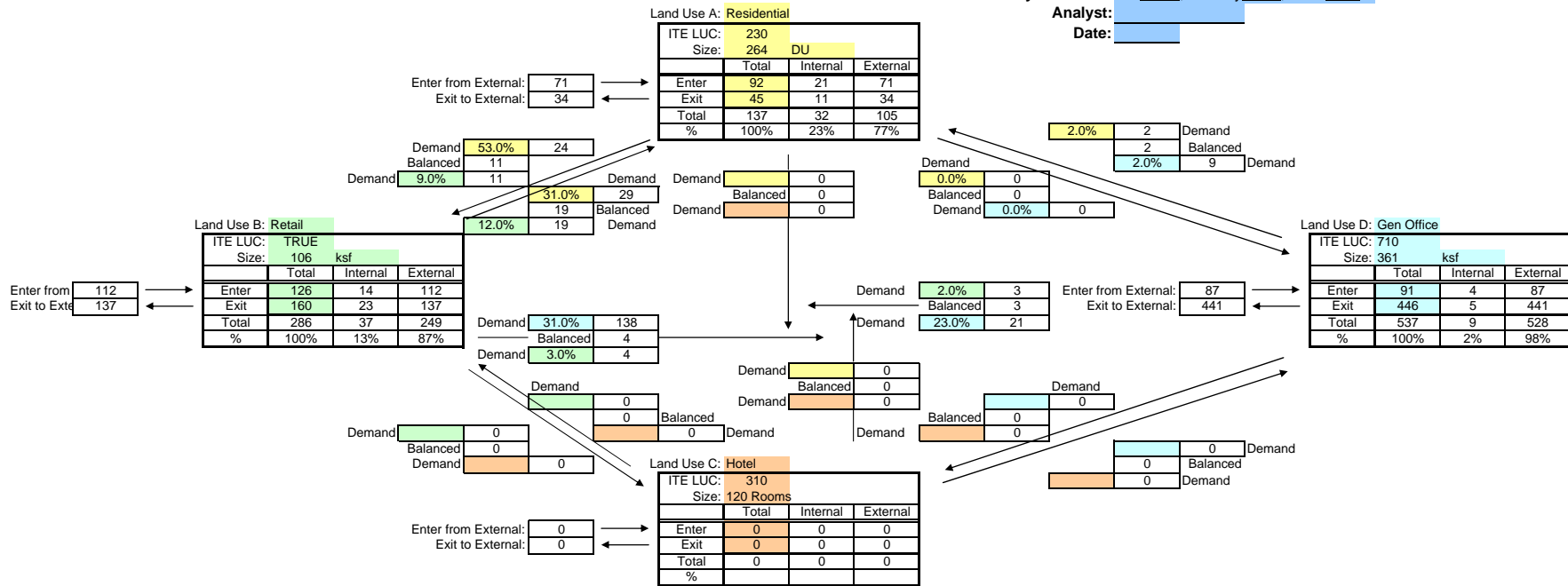


Category	Land Use				Total
	A Residential	B Retail	C Hotel	D Gen Office	
Enter	33	42	0	93	168
Exit	16	51	0	456	523
Total	49	93	0	549	691
Single Use Trip Gen Estimate	61	106	0	552	719

Internal Capture = 3.89%

ITE MULTI-USE PROJECT INTERNAL CAPTURE WORKSHEET
 (ITE, Chapter 7, Trip Generation Handbook)

Project Number: Project Number:
 Project Name: Burnside Bridgehead
 Scenario: Outcome C
 Analysis Period: PM_X, Midday , AM .
 Analyst:
 Date:



Category	Land Use				Total
	A	B	C	D	
	Residential	Retail	Hotel	Gen Office	
Enter	71	112	0	87	270
Exit	34	137	0	441	612
Total	105	249	0	528	882
Single Use Trip Gen Estimate	137	286	0	537	960

Internal Capture = 8.13%

Cost Containment Strategy

The goal is to identify major development concepts and methods that allow for evaluation of proposals and their costs to ensure an attainable product. This acknowledges the direct relationship to achievable rent or sales prices to realistic development costs.

Site:

- Combine street improvements for cost effectiveness
- Address utility needs appropriately:
 - storm water
 - electrical service
 - waste systems
- Consider combining development support items with adjacent building projects:
 - shared garbage and recycling centers
 - utility distribution
 - site access

Parking:

- Provide parking that is appropriate to scale of building and site location:
 - Build toward to the overall goal in small increments
 - Phase parking

Size of Development:

- Consider the connections between development scale and building infrastructure:
 - Employ strategic circulation to maximize usable areas
 - Evaluate egress strategies allowed for a particular project scale:
I.e. number of exits, width of paths, stair configurations
 - Scale development appropriately for scale of site
 - Consider options for accessibility

LEED Certification:

- Be aware of options for streamlining the LEED certification process:
 - Self commissioning for small projects (under 50,000 square feet)
 - LEED for multiple buildings – identify projects coming on line at the same time and combine commissioning efforts
 - LEED neighborhood certification

Structure:

- Structure should find its lightest state
- Recognize the connection between building structure/ weight and foundation costs
- Select structural system that best suites use and development scale

Construction:

- Building within the allowances for the lowest tier of construction type
- Understand limitations and thresholds tied to height, area, and use

Materials:

- Select materials for durability and cost effectiveness.
- Where possible build with materials that can function as base and finish at once
- Understand inherent efficiencies in selected building systems to achieve the most cost effective configuration

Burnside Bridgehead Framework Plan

Site as Sustainable: Integrate innovative, attainable, sustainable design

Phase 1 Buildings: Potential Green Building Strategies (all buildings)

Attainable, cost-effective sustainable design and construction practices are readily available to projects undertaken in the Burnside Bridgehead development area. The framework plan provides guidance and basic tools to assist developers to identify strategies and technologies that will help to green their project, while remaining cost conscious. Over the past several years, green practices once considered edgy and out of reach are now becoming commonplace and preferred over conventional practices. Tried and true approaches, coupled with robust local, state and federal financial incentives can be combined to bring about significant reductions in environmental impacts, while benefitting the economic bottom line for developers and tenants.

- **Cost-effective LEED Silver (no-cost/low-cost LEED):** Building green and acquiring LEED certification does not necessarily add cost to a project if the right approach is taken. Many of the efforts associated with green building are simply employing best practices in design and construction, many of which are becoming mainstream, especially in Portland. Several elements required for certification can be performed by a member of the project team on small projects such as commissioning (The LEED Rating System states that “For projects smaller than 50,000 gross square feet, the CxA may be a qualified person on the design or construction team who has the required experience.”) and there are compliance paths that are simplified, also reducing costs, such as prescriptive energy efficiency measures rather than energy modeling. The sample LEED checklists provided in the appendix suggest a low-cost path to LEED Silver for projects within the Burnside Bridgehead development area.
- **Catalog, understand and apply for all financial and development incentives available for project:** There are numerous incentives available to projects within Portland including development bonuses, reduced system development charges, grants and tax credits. While there is not one all-inclusive resource that lists available incentives, there are a couple of good places to start:
 - City of Portland Bureau of Planning and Sustainability: <http://www.portlandonline.com/bps/>
 - Database for State Incentives for Renewables and Efficiency: <http://dsireusa.org/>
- **Minimize construction and demolition waste:** construction costs can be reduced by salvaging and recycling construction waste, rather than paying for hauling debris to landfills. Metro provides comprehensive resources for waste management in the region:
 - <http://www.metro-region.org/>
- **Maximize salvage and reuse:** purchase salvaged materials from one of several purveyors of used building materials and create materials “bone yard” on-site or for BBH project area. Salvaged materials are half the cost or less compared to new materials, have a much lower environmental impact, and provide an authentic character to new and renovated building projects
- **Establish a pallet of low-cost, low-impact green materials:** Green materials don’t necessarily have to

be expensive. Materials such as low-VOC (volatile organic compound) paints and adhesives and low-emitting finishes are readily available at comparable prices to conventional products. Criteria listed in the LEED rating system provide guidelines for what to look for when specifying materials for your project.

- Maximize solar access and passive design to reduce need for mechanical systems, such as natural ventilation
- Optimize energy savings through reduced infiltration, envelope insulation, high-performance glazing: Reducing infiltration and adding insulation are two of the most cost effective energy saving measures one can employ when developing buildings. Upgrading glazing can also provide a good return on investment, especially when coupled with incentives for efficiency. Begin efficacy improvements with improving building envelope performance.
- Utilize prescriptive energy standards (CORE Performance or ASHRAE Advanced Energy Design Guides) or energy modeling for optimized energy performance.
 - <http://www.advancedbuildings.net/corePerf.htm>
 - <http://www.ashrae.org/technology/page/938>
- Significantly reduce interior water demand through efficient fixtures and potential rainwater harvesting and reuse. Many water efficient fixtures cost about the same as conventional fixtures, but a combination of better performing fixtures can reduce water use by over 30%.
 - <http://www.epa.gov/WaterSense/>
- Maximize stormwater management on-site with infiltration and reuse. The City of Portland's Bureau of Environmental Services Stormwater Management Manual provides design strategies that will help reduce runoff and increase infiltration, while helping to reduce construction and long-term operating costs for stormwater facilities.
 - <http://www.portlandonline.com/BES/index.cfm?c=35122>
- Incorporate native landscaping, community gardens, eco-roofs, and green walls. Native landscape areas help to enhance urban areas for people, while providing enhanced habitat for birds, insects and other species.
- Integrate gathering spaces on site, in building and on roof for art, food production and other community assets to provide diversity and interest in the development area.
- Incorporate on-site renewable energy including photovoltaics and wind to reduce dependence on grid-source energy.

Convention Plaza Building (along with the above strategies):

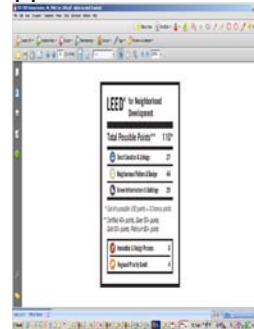
- Maximize building reuse and use of salvaged materials
- Minimize finish material use, express structure as finish
- Integrate cost-effective and efficient HVAC system that is scalable based upon building program
- Integrate two levels of parking in ground floor and second floor in order to reduce surface parking needs.



Green Building Rating Systems: Study Area

PDC Approach for Study Area: LEED ND

- A national standard for planned developments
- Provides metrics and strategies for entire study area
- Divides approach into three areas of focus



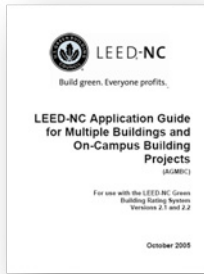
- Smart Location & Linkage
- Neighborhood Pattern & Design
- Green Infrastructure & Buildings

Provides a three-stage certification:

Stage 1. Conditional Approval of a LEED-ND Plan

Stage 2. Pre-Certified LEED-ND Plan

Stage 3. LEED-ND Certified Neighborhood Development

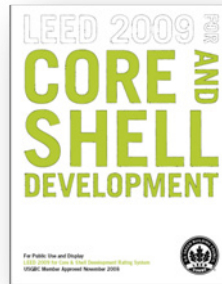


Green Building Rating Systems: Buildings

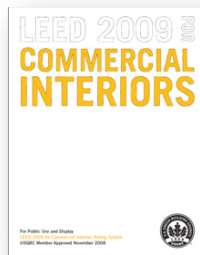
LEED for New Construction and Major Renovations

- For owner-occupied buildings (>50%)
- Use Application Guide to establish prototype credits for buildings throughout study area
- Sample “no-cost/low-cost” and blank scorecard provided

LEED for Core & Shell



- For speculative tenant-occupied buildings (>50%)
- Develop prototype credits for buildings throughout study area



- Provides opportunity for LEED Precertification of a design in early concept design stage
- Sample “no-cost/low-cost” and blank scorecard provided

LEED for Commercial Interiors

- For tenant improvements
- Sample “no-cost/low-cost” and blank scorecard provided

Project Toolkit

Owners and Developers will benefit from all of the tools available to them through this Framework Plan effort. With the initiative of the PDC, people working to develop parcels within the study area will have the following at their disposal:

- Completed Framework Plan
- Selected Green Building Rating Systems
- Sample Pre-populated LEED Scorecards, detailing the recommended approach and potential costs
- Prototype LEED Credits
(below for PDC consideration)
- Templated LEED-related Documents
- Incentive Guidance: annotated bibliography of resources available
 - Financial incentive resources
 - Development incentive resources

Burnside Bridgehead Framework Plan: Sustainability Metrics for Developer Application

Phase 1 Buildings: Potential Green Building Strategies (all buildings)

New Construction Metrics


- LEED Silver certification (min.)
- % of stormwater managed on-site
- % reduction of potable water for irrigation
- % of total roof area dedicated to eco-roofs and/or community gardens
- % of total project area available for common area/communal use
- % reduction in energy use compared to Oregon Energy Code
- % of building energy demand provided with on-site renewable energy through third-party power purchasing agreement
- % reduction in potable water use
- % of waste diverted from landfill
- % of materials from salvaged sources
- % of contract for local construction workforce in contracting
- % of contract for minority and/or woman-owned businesses in contracting

Convention Plaza Building Metrics (in addition to above)

- % reuse of the existing building structure and envelope
- Energy efficiency measures employed for daylighting and lighting efficiency
- Energy efficiency measures employed to improve building envelope thermal performance
 - Insulation of walls, roof, floors
 - Weatherization for reduced infiltration
 - Storm windows or new windows
 - Interior/exterior shading devices
- Energy efficiency measures employed for passive cooling and heating
- Energy efficiency measures employed for HVAC efficiency

Study Area Metrics

- LEED for Neighborhood Development Silver (min.)
- % energy demand met by on-site generation (kWh)
- % peak annual stormwater management capacity
- Implementation of bike and pedestrian lanes/trails/ pathways master plan components
- % of site (sf) used for landscaping, open space, &/or agriculture
- % Green Streets (including bioswales, street trees, etc.)
- % of building area devoted to individual land use type
- projected VMT/employee & VMT/resident
- District-wide resource budgets & targets (e.g., 90% peak &/or annual stormwater discharge; min. 10% on-site energy generation; min. 30% reduction in annual water use, min. 75% recycling rates)
- % of building area defined as affordable (i.e. commercial sf & DUs; owner-occupied & rental)
- % of area for parks, open space or public art
- % of area for community gardens and/or urban agriculture
- jobs/housing ratio

		LEED 2009 for Core and Shell Development		Project Name: _____	
Project Checklist				Date: _____	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Sustainable Sites	Possible Points: 28		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Y	Y	Req 1	Construction Activity Pollution Prevention		
		Cred 1	Site Selection	1	
		Cred 2	Development Density and Community Connectivity	5	
		Cred 3	Brownfield Redevelopment	1	
		Cred 4.1	Alternative Transportation—Public Transportation Access	6	
		Cred 4.2	Alternative Transportation—Bicycle Storage and Changing Rooms	2	
		Cred 4.3	Alternative Transportation—Low-Emitting and Fuel-Efficient Vehicles	3	
		Cred 4.4	Alternative Transportation—Parking Capacity	2	
		Cred 5.1	Site Development—Protect or Restore Habitat	1	
		Cred 5.2	Site Development—Maximize Open Space	1	
		Cred 6.1	Stormwater Design—Quantity Control	1	
		Cred 6.2	Stormwater Design—Quality Control	1	
		Cred 7.1	Heat Island Effect—Non-roof	1	
		Cred 7.2	Heat Island Effect—Roof	1	
		Cred 8	Light Pollution Reduction	1	
		Cred 9	Tenant Design and Construction Guidelines	1	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Water Efficiency	Possible Points: 10		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Y	Y	Req 1	Water Use Reduction—20% Reduction		
		Cred 1	Water Efficient Landscaping	2 to 4	
		Cred 2	Innovative Wastewater Technologies	2	
		Cred 3	Water Use Reduction	2 to 4	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Energy and Atmosphere	Possible Points: 37		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Y	Y	Req 1	Fundamental Commissioning of Building Energy Systems		
Y	Y	Req 2	Minimum Energy Performance		
Y	Y	Req 3	Fundamental Refrigerant Management		
		Cred 1	Optimize Energy Performance	3 to 21	
		Cred 2	On-Site Renewable Energy	4	
		Cred 3	Enhanced Commissioning	2	
		Cred 4	Enhanced Refrigerant Management	2	
		Cred 5.1	Measurement and Verification—Base Building	3	
		Cred 5.2	Measurement and Verification—Tenant Submetering	3	
		Cred 6	Green Power	2	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Materials and Resources	Possible Points: 13		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Y	Y	Req 1	Storage and Collection of Recyclables		
		Cred 1	Building Reuse—Maintain Existing Walls, Floors, and Roof	1 to 5	
		Cred 2	Construction Waste Management	1 to 2	
		Cred 3	Materials Reuse	1	
		Cred 4	Recycled Content	1 to 2	
		Cred 5	Regional Materials	1 to 2	
		Cred 6	Certified Wood	1	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Indoor Environmental Quality	Possible Points: 12		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Y	Y	Req 1	Minimum Indoor Air Quality Performance		
Y	Y	Req 2	Environmental Tobacco Smoke (ETS) Control		
		Cred 1	Outdoor Air Delivery Monitoring	1	
		Cred 2	Increased Ventilation	1	
		Cred 3	Construction IAQ Management Plan—During Construction	1	
		Cred 4.1	Low-Emitting Materials—Adhesives and Sealants	1	
		Cred 4.2	Low-Emitting Materials—Paints and Coatings	1	
		Cred 4.3	Low-Emitting Materials—Flooring Systems	1	
		Cred 4.4	Low-Emitting Materials—Composite Wood and Agrifiber Products	1	
		Cred 5	Indoor Chemical and Pollutant Source Control	1	
		Cred 6	Controllability of Systems—Thermal Comfort	1	
		Cred 7	Thermal Comfort—Design	1	
		Cred 8.1	Daylight and Views—Daylight	1	
		Cred 8.2	Daylight and Views—Views	1	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Innovation and Design Process	Possible Points: 6		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Cred 1.1	Innovation in Design: Specific Title	1	
		Cred 1.2	Innovation in Design: Specific Title	1	
		Cred 1.3	Innovation in Design: Specific Title	1	
		Cred 1.4	Innovation in Design: Specific Title	1	
		Cred 1.5	Innovation in Design: Specific Title	1	
		Cred 2	LEED Accredited Professional	1	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Regional Priority Credits	Possible Points: 4		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Cred 1.1	Regional Priority: Specific Credit	1	
		Cred 1.2	Regional Priority: Specific Credit	1	
		Cred 1.3	Regional Priority: Specific Credit	1	
		Cred 1.4	Regional Priority: Specific Credit	1	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Total	Possible Points: 110		
Certified 40 to 49 points Silver 50 to 59 points Gold 60 to 79 points Platinum 80 to 110					

 LEED 2009 for Commercial Interiors Project Checklist				Project Name: _____ Date: _____	
<input type="checkbox"/>		Sustainable Sites	Possible Points: 21	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1 Site Selection	1 to 5	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 2 Development Density and Community Connectivity	6	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 3.1 Alternative Transportation—Public Transportation Access	6	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 3.2 Alternative Transportation—Bicycle Storage and Changing Rooms	2	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 3.3 Alternative Transportation—Parking Availability	2	<input type="checkbox"/>
<input type="checkbox"/>		Water Efficiency	Possible Points: 11	<input type="checkbox"/>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Prereq 1 Water Use Reduction—20% Reduction		<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1 Water Use Reduction	6 to 11	<input type="checkbox"/>
<input type="checkbox"/>		Energy and Atmosphere	Possible Points: 37	<input type="checkbox"/>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Prereq 1 Fundamental Commissioning of Building Energy Systems		<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Prereq 2 Minimum Energy Performance		<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Prereq 3 Fundamental Refrigerant Management		<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.1 Optimize Energy Performance—Lighting Power	1 to 5	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.2 Optimize Energy Performance—Lighting Controls	1 to 3	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.3 Optimize Energy Performance—HVAC	5 to 70	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.4 Optimize Energy Performance—Equipment and Appliances	1 to 4	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 2 Enhanced Commissioning	5	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 3 Measurement and Verification	2 to 5	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 4 Green Power	5	<input type="checkbox"/>
<input type="checkbox"/>		Materials and Resources	Possible Points: 14	<input type="checkbox"/>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Prereq 1 Storage and Collection of Recyclables		<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.1 Tenant Space—Long-Term Commitment	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.2 Building Reuse	1 to 2	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 2 Construction Waste Management	1 to 2	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 3.1 Materials Reuse	1 to 2	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 3.2 Materials Reuse—Furniture and Furnishings	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 4 Recycled Content	1 to 2	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 5 Regional Materials	1 to 2	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 6 Rapidly Renewable Materials	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 7 Certified Wood	1	<input type="checkbox"/>
<input type="checkbox"/>		Indoor Environmental Quality	Possible Points: 17	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Prereq 1 Minimum IAQ Performance		<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Prereq 2 Environmental Tobacco Smoke (ETS) Control		<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1 Outdoor Air Delivery Monitoring	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 2 Increased Ventilation	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 3.1 Construction IAQ Management Plan—During Construction	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 3.2 Construction IAQ Management Plan—Before Occupancy	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 4.1 Low-Emitting Materials—Adhesives and Sealants	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 4.2 Low-Emitting Materials—Paints and Coatings	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 4.3 Low-Emitting Materials—Flooring Systems	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 4.4 Low-Emitting Materials—Composite Wood and Agrifiber Products	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 4.5 Low-Emitting Materials—Systems Furniture and Seating	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 5 Indoor Chemical & Pollutant Source Control	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 6.1 Controllability of Systems—Lighting	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 6.2 Controllability of Systems—Thermal Comfort	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 7.1 Thermal Comfort—Design	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 7.2 Thermal Comfort—Verification	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 8.1 Daylight and Views—Daylight	1 to 2	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 8.2 Daylight and Views—Views for Seated Spaces	1	<input type="checkbox"/>
<input type="checkbox"/>		Innovation and Design Process	Possible Points: 6	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.1 Innovation in Design: Specific Title	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.2 Innovation in Design: Specific Title	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.3 Innovation in Design: Specific Title	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.4 Innovation in Design: Specific Title	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.5 Innovation in Design: Specific Title	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 2 LEED Accredited Professional	1	<input type="checkbox"/>
<input type="checkbox"/>		Regional Priority Credits	Possible Points: 4	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.1 Regional Priority: Specific Credit	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.2 Regional Priority: Specific Credit	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.3 Regional Priority: Specific Credit	1	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Cred 1.4 Regional Priority: Specific Credit	1	<input type="checkbox"/>
<input type="checkbox"/>		Total	Possible Points: 110	<input type="checkbox"/>	
Certified 40 to 49 points Silver 50 to 59 points Gold 60 to 79 points Platinum 80 to 110					



Market Analysis

Real estate market conditions are substantially less robust than during previous planning efforts on the site. On a national and local basis, economic decline has eroded demand for commercial uses. Economic weakness, in association with substantial overbuilding, has contributed to a related weakness in the residential markets. The trends in the area reflect a normal transition to an over-supply condition at the back side of an expansion cycle, but the current one is unusually severe.

While market weakness is a significant impediment to short-term development opportunities, the difficulties are compounded by a sharp reduction in available credit, as well as a negative shift in available credit terms. Softer market conditions have eroded income streams in buildings, while rising capitalization rates have reduced market values. Financial institutions are now reducing allowable debt levels, increasing required debt service coverage ratios. All of this presents challenges to new commercial and residential developments, as well as existing projects.

While the housing bubble represented a major underlying trend nationally as well as in Portland, the speculative bubble in the urban residential market was more pronounced. The housing boom locally was largely driven by condominium product, which yielded the greatest indicated returns near the top of the market. New supply got well ahead of sustainable demand, leading to a sharp correction in pricing and a transition of many of these projects into rentals, at least for the short-term. Urban residential projects have an inherently greater level of volatility and risk, as these projects take a long time to construct and tend to have a large number of units with little potential for phasing. When demand patterns shift, projects initiated continue to enter the market for quite some time due to the length of the development process for this type of structure.

Office Market

The Bridgehead site is located at the northern edge of the Central Eastside industrial area, and relates as well to the nearby Lloyd District and East Burnside Corridor office concentrations. The nature of these are quite different, with the Lloyd District characterized by more traditional Class A space while the East Burnside Corridor has limited office space available outside of the newly constructed B-Side 6. While the overall market for office space has been weakening significantly, the close-in Eastside markets have been doing much better than the region as a whole. The inventory of office space within the area is estimated at over 6.5 million square feet of rentable building area, with an average vacancy rate of 6.4% (inclusive of sublet space). The vacancy rate in the area has risen from a low of 3.5% in the fourth quarter of 2008, but remains quite healthy.

While the local market for office space has performed well during the recession to-date, the weakness in neighboring markets remains a concern. The substantial inventory of available low cost space in CBD will be expected to dampen rent escalation on the Eastside at a minimum, and may lead to a loss of pricing power and a decline in achievable pricing over the next few years.

The Eastside Industrial area has been successful in establishing a niche office/employment market, which is well represented by projects such as Olympic Mills and the Eastbank Commerce Center. The dissimilarity of these renovated properties from more traditional office space has attracted a tenant mix heavily weighted towards creative services firms. In a relatively weak market, which we are expected to experience locally over the next few years, occupying a niche with limited direct competition is a critical advantage. As we expect the more general market to remain relatively soft for the next few years, the target market seen as holding the most promise is consistent with the existing niche.

Retail Market

The close-in Eastside retail market has done quite well in the generally challenging current environment. The market had an estimated overall vacancy rate of 6.0% during the fourth quarter of 2009, above the 3.5% rate found during the first quarter of 2008 but well below rates that regularly exceeded 15% in 2005. The trade area has seen a substantial amount of infill development as well as gentrification, both of which have served to increase local buying power and consumption. Rents for retail space, excluding Lloyd Center, have ranged from between \$15.00 modified gross to \$23.00 triple net, averaging \$17.52 per square foot triple net.

From a retail perspective, the subject site enjoys excellent visibility and potentially strong access. Traffic counts are quite high along NE Martin Luther King Jr. Boulevard, as well as East Burnside. The site will also get exposure from ramps associated with the interchange of I-5 and I-84. The streetcar line, as well as regular bus service on Burnside, will provide for excellent transit access. Automobile access to the site will be an important consideration, the importance of which is variable based on the type and scale of retail envisioned. Daytime populations in the area associated with employment are very high, and the area has the potential to benefit from episodic event traffic from the nearby Oregon Convention Center and Rose Quarter.

While the general market is relatively weak, retail is a tenant driven sector, and sites are not as interchangeable as office and industrial space. Demand is often geographically specific, particularly for service and convenience retail uses that do not draw from a broad trade area. A retail strategy for the site can be successful despite more general weakness in the market. A baseline approach is to provide retail services needed or desired by other proximate tenants (employment or residential), which is highly geographically specific. Beyond this base approach, programming on the site may target a retailer or retail concentration with a wider draw, such as a regionally-serving restaurant, collection of food carts or concentration of craft artisans.

The need for retail in the district to appeal to a trade area outside of pedestrian walking distance implies that access and parking will be critical to support successful retail development in the area. While vertical mixed-use development forms provide some degree of support, we expect that a meaningful level of retail will need to draw from the proximate residential concentrations to be successful.

Residential Market

In the Portland metropolitan area, significant overbuilding of the urban condominium market has been seen in the Pearl District, South Waterfront and many infill sites on the Eastside. Many of these projects have subsequently shifted to rental apartments, leading to a glut in that market as well. This over build has been exacerbated by the sharp economic downturn, which has reduced buying power as well as negatively impacting the rate of household formation. In summary, we currently have too much product, not enough reliably employed consumers, and too many lenders that have recently been burned in the market.

Within the Inner and Central SE Portland market, the average vacancy rate was 6.7% for newer projects, with an average rent per square foot of approximately \$1.00. While rents for newer product averaged only \$1.00 per square foot, some of the newer projects in prime areas have been quoting lease rates at higher rates. Without lease rates in this range it is difficult to justify higher cost development forms. We estimate that the threshold lease rate necessary to support mid-rise development is closer to \$1.60 per square foot, while high-rise development would require \$2.20 per square foot. While there are a few local comparables that indicate that these may be achievable, they are in areas with a much more established core of amenities.

From the perspective of an urban site such as the Bridgehead, likely product types such as condominiums and rental apartments are both less feasible in general and also less likely to obtain financing in the current and expected short-term market. The market will recover to some extent over the next several years, with rental product expected to come back first. We expect that many of the condominiums that converted to rental product will revert to condominiums when the market returns, strengthening the rental market. In addition, demand should be more robust in the future assuming a return to positive employment growth.

A key challenge for urban residential development is the inability to phase developments, with large sites requiring substantial risk as a result. In the current financing environment, which we expect to extend for several years, smaller development modules are expected to be more able to secure financing.

We feel that a missing residential project in the close-in Eastside market is true live-work space, which is flexible space that allows for employment and residential uses. This type of space may be particularly appropriate in early phases on the site, as the market is expected to be price sensitive. Assuming a greater level of amenity is available locally by the time later phases are initiated, the range of potential viable uses will likely may be broader.

Target Market

The target market identified for development at the Bridgehead site is probably most consistent with the tenants found in existing Central Eastside such as Olympic Mills and The Eastbank Commerce Center. While the general office market has seen increasing weakness, the Eastside market has performed quite well. The Eastside has found successful niche vis-à-vis more traditional corporate space West of the Willamette and in the Lloyd District, and would be well served over the next several years to work within that distinct market niche.

The identified target niche includes firms in the following general classifications:

Creative Services

Architects

Graphic Designers

Advertising/Marketing firms, architectural/interior design, education and management consultants, light manufacturing, restaurant, & misc. retail

Artists (sculpture, jewelry)

Clothing Design

Professional Services

Attorneys

Accountants

Alternative Health Care Providers

Software Design

Retail

Restaurants

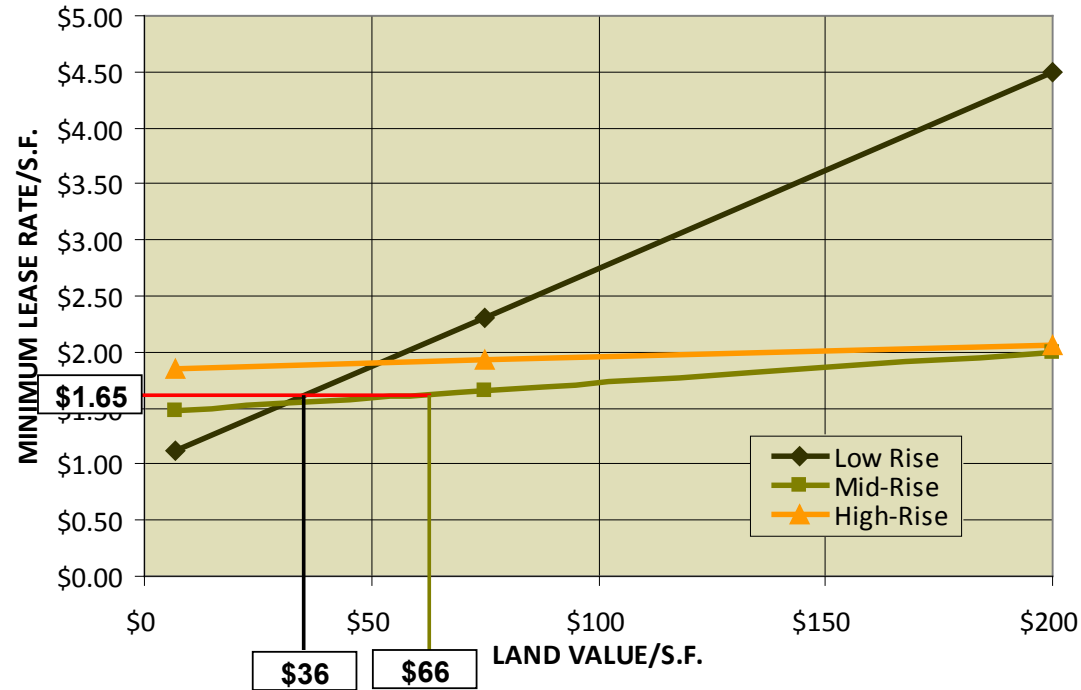
Bakeries

Coffee Shops

Bars

To a large extent, these tenant types prefer relatively open space that provides flexibility, with limited permanent tenant improvements. The combination of creative services tenants appears to provide a marketing advantage, as these types of firms prefer to cluster and require similar support services.

The targeted tenant mix is price sensitive, and willing to sacrifice amenities for tangible cost savings. Parking availability in the existing projects in the area is quite limited, but it is somewhat unclear what the actual parking need generation associated with the buildings is as there are other district options available.



Development Strategy

Portland’s close-in Eastside market has outperformed the overall market to-date during the current recession. Projects that have performed the best in this market include projects such as Olympic Mills and the Eastbank Commerce Center, which have targeted a creative industries cluster with cost effective space. Within this report, the term “attainability” is largely interchangeable with affordability, and reflects space that can be priced at a level consistent with the targeted firms’ ability to pay.

In general, providing “attainable” space is related to delivering space to the market at a cost that allows for rent levels affordable to the target markets. Higher development costs associated with more expensive development forms require higher rents to generate acceptable returns. The following chart outlines three rental apartment scenarios. Each lease rate returns an indicated residual land value under each development form. Under the example shown, a rent level of \$1.65 per square foot would yield a supportable property value of \$36 per square foot under a low rise configuration, and a \$66 per square foot value under a mid-rise scenario. The relatively low cost low-rise development can provide value to the property at any price above approximately \$0.95 per square foot per month, and remains the highest and best use up to rent levels at approximately \$1.60 per square foot. From \$1.60 to approximately \$2.20 per square foot, mid-rise construction represents the highest and best use.

In the current development climate, we expect that the scale of individual developments at the site will likely be relatively small unless a significant anchor tenant is secured. The projects will be targeting a niche market in a period of generally weak fundamentals and limited financing availability. While we believe that projects can be successful on the site, financial institutions will likely want to limit their exposure and favor limited scale projects. The market trends argue for a development approach that reduces the scale and timing of incremental development steps in the district, allowing for lower equity requirements and less risk per discrete project. In other words, large mega-projects are going to be very difficult to develop over the next several years.

The expressed desire heard in the public outreach for an “authentic” and diverse range of buildings phased over time melds well with current and expected near-term economic realities. An incremental development approach, which would likely include renovation of the existing Convention Plaza building, will provide for smaller development modules more likely to be viable in a more cautious development environment.

Some of the proposed uses are seen as potential magnets, drawing in activity and consumers as opposed to serving internal district needs. These types of uses include food cart collections, public markets, entertainment venues and specialty shopping districts. These uses can be supportive of the overall district by increasing activity levels and visibility of the district, while also supporting a greater level of services than internal district populations can support. The challenge of integrating these types of uses is to take care that the uses do not interfere substantively and negatively with the broader function of the district. Net parking needs and access requirements are higher than would be expected for uses that target primarily the existing population.

The current and expected near-term development environment can charitably be referred to as “challenging”. In the current and expected mid-term development environment, we have outlined a number of prospective strategies that can be utilized to assist in realizing the concept plan. This list is intended to introduce potential concepts as opposed to recommend actions.

- Subdivide portions of the site into smaller sites that provide viable development modules. This will allow for smaller scale developments, but will not preclude larger developments on multiple parcels.
- Phased development approach of the site – Focus on the first phase of development, which would include renovation of the Convention Plaza building and release of parcels fronting 3rd.
- Provide funding of primary infrastructure, including improved streetscape on 3rd Avenue and a two way conversion of Davis. The extension of Davis from 3rd to 2nd will also likely be necessary somewhat early in the project development to facilitate access and better tie the site into the broader Central Eastside district. Negotiations will be necessary with ODOT for right of way to facilitate this improvement. New lighting and streetscape architecture can also be completed and/or specified for the area.

- Identify a series of potential resources that the Portland Development Commission can consider using to support targeted development of the site.
- Consider the establishment of a parking district with publicly owned garage space and requirements to provide funding when developing a product that induces parking demand.
- Conduct a design competition to develop ideas for the developable modules outlined in the Concept Plan. This may lead to adoption of pre-approved designs, but shouldn't be used to limit creativity in the future.
- Solicitations for the site should be highly flexible, and stress concrete performance requirements to hold properties over time. A master developer may be desired to assure coordination of the various developments.
- Provide a flexible zoning overlay for the area, allowing for multi-purpose space that can be employment, retail or living space. Provide clarification as to what is allowable and under what terms for prospective developers in the area. This may also include pre-certification of approved development forms in the area.
- PDC can release properties to the market over time, in phases that are seen as consistent with the market's short-term ability to develop. This would also allow for early release of properties if a build-to-suit opportunity arises.
- A logical initial phase would be the Convention Plaza building (blocks 67, 68 & 69) as well as parcels on the block between the Convention Plaza and Martin Luther King Jr. Boulevard (blocks 65 & 76). This would provide affordable and contextually appropriate space.
- Institute an interim uses program to generate activity on the site. This may include elements such as temporary art/landscape installations, a market and/or food court and an outdoor theater/performance venue.
- Continue work on strengthening connections between the site and proximate activity areas:
- Begin working with key adjacent properties, particularly to the east, to connect activity on the site to the significant energy on East Burnside.
- Work on a connection to the Eastside Esplanade, as well as improving the connections to the Convention Center area to the north. Simplify and shorten the connection to the Burnside Bridge and Old Town.



JOHNSON REID
LAND USE ECONOMICS

MEMORANDUM

DATE: March 1, 2010

To: Will Bruder
WILL BRUDER+PARTNERS

FROM: Jerry Johnson
JOHNSON REID LLC

SUBJECT: Assessment of Market Viability – Burnside Bridgehead Concept Plan Outcomes

We were asked to assess at a general level the viability of the programs outlined as alternative potential outcomes on the Burnside Bridgehead site. As the project was a concept plan, and not specific to actual design and program, the analysis is limited in scope. Nonetheless, it can provide guidance as to the magnitude of investment and potential public investment required to realize the alternative outcomes.

Three basic development scenarios were modeled, each of which are developed in three phases. Under each scenario the initial phase remains consistent, and includes renovation of the Convention Plaza Building and a series of new construction facing NE Third Avenue. In the second and third scenarios, the density of development is increased beyond what can be accomplished with Type V construction techniques.

A range of land use types were assumed for the district, which included speculative office space, live/work space and ground floor retail space. Parking solutions ranged in terms of intensity and associated cost. The initial phase is expected to focus on cost effective construction techniques, and utilize the significant surface parking available in the district to reduce the parking requirements of early developments in the district.

The programs are summarized and then evaluated using a simple threshold yield analysis. Under this approach, the program elements are assumed to be leased income properties, with an investor requiring a threshold initial return on cost consistent with a 200 basis point premium over the market capitalization rate. In other words, if income properties are valued at a 7.5% capitalization rate, we assume that a threshold initial return rate a developer would expect would be 9.5%.

In general, the first phase of the development has been designed to be largely viable with limited direct intervention from the Portland Development Commission. Property write downs will likely be necessary, but a more significant public investment requirement would be provision of infrastructure and street improvements in the area. Our analysis assumes that the projects are not required to provide significant off-site improvements.

The following table summarizes the results of our preliminary analysis. In general, the more intensive development forms produce the lowest residual land values, and subsequently require the greatest level of public investment to make them viable. While we are assuming that achievable pricing rises in later phases, the higher cost development forms are not expected to be fully supportable in the district within the planning horizon.



SUMMARY OF OVERALL SCENARIO RESULTS

	Scenario One	Scenario Two	Scenario Three
Program			
Site Size (SF)	92,648	94,148	92,496
FAR	5.0	5.2	8.1
Building Square Feet	460,888	489,455	745,255
Efficiency	89%	90%	90%
Gross Leasable Area	411,590	438,100	674,400
Parking Ratio/000 SF	0.6	0.6	1.0
Parking Spaces	689	689	693
Viability/Gap Analysis			
Cost/Construct/SF	\$150	\$163	\$225
Cost/Construct w/o prtg.	\$69,021,883	\$79,865,016	\$168,054,683
Parking Costs/Unit	\$23,408	\$26,006	\$32,277
Total Parking Costs	\$16,128,000	\$18,178,000	\$22,368,000
Annual NOI	\$7,712,521	\$8,390,723	\$13,421,638
Residual Property Value	(\$2,598,689)	(\$7,772,893)	(\$8,265,892)
RPV/SF	(\$28.05)	(\$82.56)	(\$89.36)
Estimated Value	\$102,833,613	\$111,876,304	\$191,737,693
Gap as % of Value	2.5%	6.9%	4.3%

SOURCE: Johnson Reid

The net result of this is that the cost of incentivizing higher density development forms can get quite high in the district.

The following series of spreadsheets summarizes the programs and their modeled performance based on a series of assumptions:



SCENARIO ONE

BURNSIDE BRIDGEHEAD - SCENARIO ONE

PROGRAM	Site Size (SF)	Average Stories	Average FAR	Leasable Area	Parking		Live/Work	Retail	Office	Phase
					Area	Spaces				
Block A										
Convention Plaza Building	20,000	4	3.8	76,000	15,000	49	0	20,000	66,000	1
Opportunity Site	3,750	4	4.0	25,000	11,250	42	25,000			9
Opportunity Site	3,750	4	4.0	25,000	11,250	42			15,000	9
Opportunity Site	3,750	4	4.0	25,000	11,250	42			15,000	9
Opportunity Site	3,750	4	4.0	25,000	11,250	42	25,000			9
Block B										
Ord Avenue Site	2,400	4	4.0	9,600	2,300	6	3,800	1,000		1
Ord Avenue Site	2,400	4	4.0	9,600	2,300	6	8,800	1,000		1
Ord Avenue Site	2,400	4	4.0	9,600	2,300	6	3,800			1
Ord Avenue Site	2,400	4	4.0	9,600	2,300	6		1,000	8,600	1
Ord Avenue Site	2,400	4	4.0	9,600	2,300	6		1,000	8,600	1
Ord Avenue Site	2,400	4	4.0	9,600	2,300	6	8,800	1,000		1
MILK Site	4,000	4	4.0	36,000	1,750	5		3,000	19,000	2
MILK Site	4,000	4	4.0	36,000	1,750	5		3,000	19,000	2
Block C										
Card Avenue Site	3,750	4	4.0	25,000	11,250	42	14,800	1,000		3
Card Avenue Site	3,750	4	4.0	25,000	11,250	42	25,000			3
Card Avenue Site	3,750	4	4.0	25,000	11,250	42	25,000			3
Ord Avenue Site	4,750	4	4.0	29,000	14,250	45		1,000	18,000	2
Ord Avenue Site	4,750	4	4.0	29,000	14,250	45		1,000	18,000	2
Ord Avenue Site	4,750	4	4.0	29,000	14,250	45		1,000	18,000	2
Block D										
Corner Site	6,000	30	8.0	64,300	64,000	280		1,000	63,300	2
T-Peak Site	2,666	4	4.0	26,667	0	0	3,167	1,500		1
T-Peak Site	2,666	4	4.0	26,667	0	0	8,167	1,500		1
T-Peak Site	2,666	4	4.0	26,667	0	0	3,167	1,500		1
TOTAL	86,200		4.3	429,700	212,650	898	125,800	21,500	256,300	
							32%	7%	80%	



BASIC VIABILITY ANALYSIS BY COMPONENT AND PHASE

	Phase One				Phase Two			Phase Three		
	Convention Plaza	Type V Office Structured	Type V Live/Work Structured	Type V Office/Retail Structured	Type V Office/Retail Structured	Type V Office Structured	Type V Office/Retail Structured	Type V Live/Work Structured	Type V Office Structured	Type V Live/Work Structured
Program										
Site Size (SF)	20,000	2,400	2,400	2,688	4,000	4,000	4,000	3,750	3,750	3,750
FAR	4.6	4.4	4.4	4.4	4.0	4.8	0.6	4.4	4.4	4.4
Building Square Feet	91,586	10,667	10,667	11,852	16,000	19,000	6,410	16,667	16,667	16,667
Efficiency	83%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Gross Leasable Area	76,000	9,600	9,600	10,667	16,000	17,100	57,690	15,000	15,000	15,000
Parking Ratio/1000 SF	1.8	0.8	0.8	0.0	0.3	2.5	3.1	2.8	2.8	2.8
Parking Spaces	43	6	6	0	5	42	180	42	42	42
Viability/Gap Analysis										
Achievable Pricing/MSM	\$16.00	\$18.00	\$18.00	\$18.00	\$18.80	\$18.80	\$18.80	\$21.85	\$20.70	\$21.85
Parking Charges/Space	\$741	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140
Cost/Construct/SF	\$115.60	\$152.00	\$167.20	\$152.00	\$152	\$152	\$152	\$167	\$152	\$167
Cost/Construct w/o pkg.	\$11,969,715	\$1,621,333	\$1,783,467	\$1,801,481	\$2,432,000	\$2,888,000	\$9,743,200	\$2,786,667	\$2,523,333	\$2,786,667
Parking Costs/Unit	\$6,000	\$20,000	\$20,000	\$20,000	\$15,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Total Parking Costs	\$296,000	\$120,000	\$120,000	\$0	\$75,000	\$1,090,000	\$4,900,000	\$1,090,000	\$1,090,000	\$1,090,000
Capitalization Rate	7.50%	7.50%	7.00%	7.50%	7.50%	7.50%	7.50%	7.00%	7.50%	7.00%
Risk Spread	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Threshold Yield	8.50%	8.50%	8.00%	8.50%	8.50%	8.50%	8.50%	8.00%	8.50%	8.00%
Vacancy/Collection Loss	10.00%	5.00%	5.00%	7.50%	10.00%	7.50%	7.50%	10.00%	10.00%	10.00%
Operating Expenses	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Annual NOI	\$1,049,984	\$165,598	\$174,985	\$172,272	\$281,549	\$946,751	\$1,209,010	\$927,925	\$912,866	\$927,925
Residual Property Value 10% / SF	\$239,459	\$1.75	\$34,141	\$1,908	\$456,805	(\$287,967)	(\$1,516,776)	(\$198,056)	(\$290,010)	(\$198,056)
	\$12	\$0	\$14	\$4	\$114	(\$72)	(\$378)	(\$51)	(\$77)	(\$51)
Number of Modules	1	2	4	3	2	3	1	2	2	3
Total Residual Value	\$239,459	\$2,346	\$136,363	\$39,724	\$913,211	(\$683,561)	(\$1,516,776)	(\$366,111)	(\$590,020)	(\$375,167)

SOURCE: Johnson Reid



BASIC VIABILITY ANALYSIS BY PHASE

	Phase One	Phase Two	Phase Three
Program			
Site Size (SF)	42,398	24,000	26,250
FAR	4.5	6.4	4.4
Building Square Feet	191,122	153,100	116,667
Efficiency	87%	92%	90%
Gross Leasable Area	165,600	140,990	105,000
Parking Ratio/1000 SF	2.1	0.4	0.4
Parking Spaces	79	316	294
Viability/Gap Analysis			
Cost/Construct/SF	\$139.97	\$152.00	\$162.86
Cost/Construct w/o priq.	\$26,750,683	\$23,271,200	\$19,000,000
Parking Costs/Unit	\$12,380	\$24,684	\$25,000
Total Parking Costs	\$978,000	\$7,800,000	\$7,350,000
Annual NOI	\$2,634,816	\$2,812,349	\$2,265,356
Residual Property Value	\$414,135	(\$1,467,526)	(\$1,545,298)
RPV/SF	\$10	(\$61)	(\$59)

SOURCE: Johnson Reid



SCENARIO TWO

BURNSIDE BRIDGEHEAD - SCENARIO TWO

PROGRAM	Site Size (SF)	Average Stories	Average FAR	Leasable Area	Parking		Live/Work	Retail	Office	Phase
					Area	Spaces				
Block A										
Convention Plaza Building	20,000	4	3.8	76,800	15,000	48	0	20,000	66,000	1
Opportunity Site	3,750	4	4.0	25,800	11,250	42	25,800			9
Opportunity Site	3,750	4	4.0	25,800	11,250	42			15,000	9
Opportunity Site	3,750	4	4.0	25,800	11,250	42			15,000	9
Opportunity Site	3,750	4	4.0	25,800	11,250	42	25,800			9
Block B										
3rd Avenue Site	2,400	4	4.0	9,600	2,300	6	3,800	1,000		1
3rd Avenue Site	2,400	4	4.0	9,600	2,300	6	8,800	1,000		1
3rd Avenue Site	2,400	4	4.0	9,600	2,300	6	3,800			1
3rd Avenue Site	2,400	4	4.0	9,600	2,300	6		1,000	8,600	1
3rd Avenue Site	2,400	4	4.0	9,600	2,300	6		1,000	8,600	1
3rd Avenue Site	2,400	4	4.0	9,600	2,300	6	8,800	1,000		1
MLK Site	4,000	4	5.0	48,800	3,500	30		3,000	45,000	2
Block C										
2nd Avenue Site	4,750	4	5.0	38,500	21,375	68	37,500	1,000		3
2nd Avenue Site	4,750	4	5.0	38,500	21,375	67	38,500			3
3rd Avenue Site	5,625	4	5.0	39,750	16,875	68		1,000	92,750	2
3rd Avenue Site	5,625	4	5.0	39,750	16,875	69		1,000	92,750	2
Block D										
Corner Site	4,000	30	5.0	48,000	64,000	380		1,000	98,000	2
7700 Site	2,666	4	4.0	26,667	0		3,167	1,500		1
7700 Site	2,666	4	4.0	26,667	0		8,167	1,500		1
7700 Site	2,666	4	4.0	26,667	0		3,167	1,500		1
TOTAL	84,340		4.7	438,200	212,650	888	147,800	27,500	262,700	
							346	676	806	



BASIC VIABILITY ANALYSIS BY COMPONENT AND PHASE

	Phase One				Phase Two			Phase Three	
	Convention Plaza	Type V Office Structured	Type V Live/Work Structured	Type V Office/Retail Structured	Mid-Rise Office/Retail Structured	Mid-Rise Office/Retail Structured	Mid-Rise Office/Retail Structured	Type V Live/Work Structured	Mid-Rise Live/Work Structured
Program									
Site Size (SF)	20,000	2,400	2,400	2,666	8,000	5,625	8,000	3,750	4,750
FAR	4.6	4.4	4.4	4.4	6.7	6.7	5.0	4.4	6.7
Building Square Feet	91,566	10,667	10,667	11,852	53,333	37,500	40,000	16,667	31,667
Efficiency	83%	90%	90%	90%	90%	90%	90%	90%	90%
Gross Leasable Area	76,000	9,600	9,600	10,667	48,000	33,750	40,000	15,000	28,500
Parking Ratio/1000 SF	1.8	0.6	0.6	0.0	0.2	1.9	4.5	2.8	2.4
Parking Spaces	43	6	6	0	10	63	180	42	68
Viability/Gap Analysis									
Achievable Pricing/NIM	\$16.00	\$18.00	\$19.00	\$18.00	\$20.70	\$20.70	\$20.70	\$22.80	\$22.80
Parking Charges/Space	\$741	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140
Cost/Construct/SF	\$119.80	\$152.00	\$167.20	\$152.00	\$177.00	\$177.00	\$177.00	\$167.20	\$192.20
Cost/Construct w/o price	\$10,969,705	\$1,621,333	\$1,783,467	\$1,801,481	\$9,440,000	\$6,637,500	\$7,080,000	\$2,786,667	\$6,086,333
Parking Costs/Unit	\$6,000	\$20,000	\$20,000	\$20,000	\$15,000	\$25,000	\$35,000	\$25,000	\$25,000
Total Parking Costs	\$258,000	\$120,000	\$120,000	\$0	\$150,000	\$1,575,000	\$6,300,000	\$1,050,000	\$1,700,000
Capitalization Rate	7.50%	7.50%	7.00%	7.50%	7.50%	7.50%	7.50%	7.00%	7.00%
Risk Spread	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Threshold Yield	9.50%	9.50%	9.00%	9.50%	9.50%	9.50%	9.50%	9.00%	9.00%
Vacancy/Collection Loss	10.00%	5.00%	5.00%	7.50%	10.00%	10.00%	10.00%	10.00%	10.00%
Operating Expenses	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Annual NOI	\$1,089,984	\$165,538	\$174,985	\$172,272	\$877,965	\$672,598	\$901,984	\$940,965	\$634,950
Residual Property Value NPV/SF	\$239,489	\$1,175	\$34,141	\$11,908	(\$354,579)	(\$1,132,516)	(\$3,885,436)	(\$54,831)	(\$731,329)
Number of Modules	1	2	4	2	1	2	1	4	2
Total Residual Value	\$239,489	\$2,349	\$136,583	\$35,724	(\$354,579)	(\$2,265,032)	(\$3,885,436)	(\$219,323)	(\$1,462,859)

SOURCE: Johnson Reid



BASIC VIABILITY ANALYSIS BY PHASE

	Phase One	Phase Two	Phase Three	Overall
Program				
Site Size (SF)	42,398	27,250	24,500	94,148
FAR	4.5	6.2	5.3	5.2
Building Square Feet	191,122	168,333	130,000	489,455
Efficiency	87%	92%	90%	90%
Gross Leasable Area	165,600	155,500	117,000	438,100
Parking Ratio/100 SF	2.1	0.5	0.4	0.6
Parking Spaces	79	316	304	699
Viability/Gap Analysis				
Cost/Construct/SF	\$139.97	\$177.00	\$179.36	\$163.17
Cost/Construct w/o prtg.	\$26,750,683	\$29,795,000	\$23,319,333	\$79,865,016
Parking Costs/Unit	\$12,380	\$30,380	\$25,000	\$26,006
Total Parking Costs	\$978,000	\$9,600,000	\$7,600,000	\$18,178,000
Annual NOI	\$2,634,816	\$3,124,546	\$2,631,362	\$8,390,723
Residual Property Value	\$434,135	(\$6,505,047)	(\$1,681,961)	(\$7,772,893)
RPV/SF	\$10	(\$239)	(\$69)	(\$83)

SOURCE: Johnson Field



SCENARIO THREE

AREA AND PARKING CALCULATIONS BURNSIDE BRIDGEHEAD - SCENARIO THREE

PROGRAM	Site Size (SF)	Average Stories	Average FAR	Leasable Area	Parking		Live/Work	Retail	Office	Phase
					Area	Spaces				
Block A										
Convention Plaza Building	21,000	4	3.8	76,000	15,000	43	0	20,000	60,000	1
Opportunity Site	7,500	8	8.0	60,000	22,500	34	60,000			3
Opportunity Site	7,500	8	8.0	60,000	22,500	34			60,000	3
Block B										
3rd Avenue Site	2,400	4	4.0	9,600	2,300	6	3,800	1,600		1
3rd Avenue Site	2,400	4	4.0	9,600	2,300	6	3,800	1,600		1
3rd Avenue Site	2,400	4	4.0	9,600	2,300	6	8,800			1
3rd Avenue Site	2,400	4	4.0	9,600	2,300	6		1,600	8,000	1
3rd Avenue Site	2,400	4	4.0	9,600	2,300	6		1,600	8,000	1
3rd Avenue Site	2,400	4	4.0	9,600	2,300	6	8,800	1,600		1
MLK Site	4,000	12	12.0	48,000	1,750	5		5,000	45,000	2
MLK Site	4,000	12	12.0	48,000	1,750	5		5,000	45,000	2
Block C										
3rd Avenue Site	11,250	16	30.7	336,000	33,750	136	118,000	1,600		3
3rd Avenue Site	14,250	16	8.4	118,000	42,750	136		1,600	118,000	2
Block D										
Corner Site	5,000	18	18.0	90,000	60,000	180		1,600	88,000	2
West Site	2,000	4	4.0	18,000	0		8,167	1,500		1
West Site	2,000	4	4.0	18,000	0		8,167	2,500		1
West Site	2,000	4	4.0	18,000	0		8,167	1,500		1
TOTAL	86,400		7.5	722,400	212,650	688	280,800	29,500	452,000	
							53%	4%	83%	



BASIC VIABILITY ANALYSIS BY COMPONENT AND PHASE

	Phase One				Phase Two			Phase Three		
	Convention Plaza	Type V Office Structured	Type V Live/Work Structured	Type V Office/Retail Structured	High-Rise Office/Retail Structured	High-Rise Office/Retail Structured	High-Rise Office/Retail Structured	High Rise Live/Work Structured	High Rise Office/Retail Structured	High Rise Live/Work Structured
Program										
Site Size (SF)	20,000	2,400	2,400	2,666	4,000	14,250	5,800	7,500	7,500	11,250
FAR	4.6	4.4	4.4	4.4	13.3	8.4	18.0	8.9	8.9	11.8
Building Square Feet	91,566	10,667	10,667	11,852	53,200	120,000	100,800	66,667	66,667	132,000
Efficiency	83%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Gross Leasable Area	76,000	8,600	8,600	10,667	48,000	120,000	100,800	60,000	60,000	120,000
Parking Ratio/100 SF	1.8	0.6	0.6	0.0	0.1	1.1	1.8	1.4	1.4	1.1
Parking Spaces	43	6	6	0	3	138	180	84	84	128
Viability/Gap Analysis										
Achievable Pricing/NNW	\$16.00	\$16.00	\$19.00	\$16.00	\$21.60	\$21.80	\$21.80	\$24.70	\$23.40	\$24.70
Parking Charges/Space	\$741	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140
Cost/Construct/FF	\$119.80	\$152.00	\$167.20	\$152.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00	\$255.00
Cost/Construct w/o prtg.	\$10,969,705	\$1,621,333	\$1,783,467	\$1,801,461	\$1,800,000	\$34,000,000	\$25,704,000	\$17,000,000	\$17,000,000	\$34,000,000
Parking Costs/Unit	\$6,000	\$20,000	\$20,000	\$20,000	\$15,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Total Parking Costs	\$258,000	\$120,000	\$120,000	\$0	\$75,000	\$4,725,000	\$6,300,000	\$2,940,000	\$2,940,000	\$4,410,000
Capitalization Rate	7.50%	7.50%	7.00%	7.50%	7.50%	7.50%	7.50%	7.00%	7.50%	7.00%
Risk Spread	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Threshold Yield	9.50%	9.50%	9.00%	9.50%	9.50%	9.50%	9.50%	9.00%	9.50%	9.00%
Vacancy/Collection Loss	10.00%	5.00%	5.00%	7.50%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Operating Expenses	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Annual NOI	\$1,069,384	\$165,538	\$174,385	\$172,272	\$910,108	\$2,397,171	\$2,079,905	\$1,377,384	\$1,309,290	\$2,712,970
Residual Property Value	\$295,499	\$1,179	\$34,141	\$11,508	(\$4,054,874)	(\$13,491,624)	(\$10,110,263)	(\$4,635,728)	(\$6,157,955)	(\$6,289,892)
RPV/SF	\$12	\$0	\$4	\$4	(\$1,024)	(\$947)	(\$1,805)	(\$618)	(\$821)	(\$575)
Number of Modules	1	2	4	3	1	1	1	1	1	1
Total Residual Value	\$238,499	\$1,349	\$136,563	\$35,724	(\$4,084,874)	(\$13,491,624)	(\$10,110,263)	(\$4,635,728)	(\$6,157,955)	(\$6,289,892)

SOURCE: Johnson Reid



BASIC VIABILITY ANALYSIS BY PHASE

	Phase One	Phase Two	Phase Three	Overall
Program				
Site Size (SF)	42,398	23,850	26,250	92,498
FAR	4.5	12.1	10.2	8.1
Building Square Feet	191,122	287,467	266,667	745,255
Efficiency	87%	94%	90%	90%
Gross Leasable Area	165,600	268,800	240,000	674,400
Parking Ratio/1000 SF	2.1	0.8	0.8	1.0
Parking Spaces	79	320	294	693
Viability/Gap Analysis				
Cost/Construct/SF	\$139.97	\$255.00	\$255.00	\$225.50
Cost/Construct w/o prtg.	\$26,750,683	\$73,304,000	\$68,000,000	\$168,054,683
Parking Costs/Unit	\$12,380	\$34,688	\$35,000	\$32,277
Total Parking Costs	\$978,000	\$11,100,000	\$10,290,000	\$22,368,000
Annual NOI	\$2,634,816	\$5,387,178	\$5,399,645	\$13,421,638
Residual Property Value	\$414,135	(\$27,686,861)	(\$19,059,615)	(\$8,265,892)
RPV/SF	\$10	(\$1,161)	(\$726)	(\$89)

SOURCE: Johnson Reid

photographs

- pg. 07** (from top to bottom) **bSide6**, portland, or; **the portland foodcarts**, portland, or; **the portland streetcar**, portland, or
- pg. 08** (from top to bottom) **rag flats**, philidelphia, pa; **22 @ barcelona**, barcelona,spain; **rag flats**, philidelphia, pa
- pg. 09** (from top to bottom) **malmo**, malmo, sweden; **olympic mills building**, portland, or; **laloma 5**, scottsdale, az; **malmo**, malmo, sweden; **east islands**, amsterdam, nl
- pg. 10** (from top to bottom) **granville island**, vancouver, b.c.; **an office**, portland, or; **taxi 2**, denver, co; last 3 photos, **olympic mills building**, portland, or
- pg. 11** (from top to bottom) **malmo**, malmo, sweden; **phoenix central library**, phoenix, az; **malmo**, malmo, sweden
- pg. 12** (from top to bottom) **the highline**, manhattan, ny; **outdoor space at the hotel moderna**, portland, or; **public market on granville island**, vancouver, b.c.



PDC

PORTLAND DEVELOPMENT COMMISSION

Resolution Number 6800

Title:

ADOPT THE FRAMEWORK PLAN AND ITS VISION AND PRINCIPLES AS THE GUIDING DOCUMENT FOR THE EVALUATION OF FUTURE DEVELOPMENT OF THE BURNSIDE BRIDGEHEAD PROPERTY LOCATED ON BLOCKS 67, 68, 76, AND PORTIONS OF BLOCKS 69 AND 75, AT THE NORTHEAST CORNER OF NE MARTIN LUTHER KING JR. BLVD. AND E. BURNSIDE STREET IN THE CENTRAL EASTSIDE URBAN RENEWAL AREA.


Adopted by the Portland Development Commission on May 26, 2010.

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Scott Andrews	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Bertha Ferrán	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Commissioner Steven Straus	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Commissioner Charles Wilhoite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> Regular Agenda		

Certification

The undersigned hereby certifies that:

The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Portland Development Commission and duly recorded in the official minutes of the meeting.


Reree A. Castilla, Recording Secretary

Date: June 16, 2010