

# IDAHO ULI 2014

## A Discussion on Urban Housing in Portland

~ *“It’s all about  
Place, not the  
Project”*



A

ECONOMIC  
UPDATE

B

THREE CASE  
STUDIES

C

SUMMARY –  
BRAND,  
NEIGHBORHOOD  
& PLACE



A

A FEW  
INTERESTING  
ECONOMIC  
TIDBITS ~ *Compiled  
from a number of  
sources including a  
2014 Q2-2014  
report from Johnson  
Economics, Portland*

**AGE** *Portland is getting **younger**. 18-34 year old sector grew 4% in 5 years....and 2/3rds are Renters who emphasis Urban Living. This trend is expected to last beyond the decade with Portland becoming similar to San Francisco in it's age demographic*

**OWN VS. RENT** *Although we see Condominium projects slowly returning....there has been a strong and definite **shift from Ownership to Renter** Households – due to a number of economic, regulatory and sociological factors. Renters have remained renters despite the relative affordability of ownership. This will continue....except in the retiring Baby Boomers sector~ who will likely demand ownership units.*

**SUPPLY & DEMAND** *70% of Portland's Apartments were built in the 1970's. Tenants are leaving old, dated projects choosing newer projects.*  
*5,000-7,000 units planned for each of the next 3 years exceeds the average absorption pace of 2,900 units per year. Actually built?~ We will see.*

# OCCUPANCY, RENTAL & SALES

*Occupancy is very high at 95-96.5%....depending on unit types.*

*Rents are 5% higher than a year ago....and 32% higher than 10 years ago.*

*Downtown rental rates have grown much faster than suburban rates. 0-3% expected rent escalation expected in the next few years.*

*Renters have gone from spending 32% of their income to 42% on rent in the last 5 years.*

*Average Downtown rent in 2010 was \$1.15/SF...and \$1.65/SF in 2014. Prime districts of Downtown are achieving \$2.50-\$3.00 / SF rents.*

*Downtown renters tolerate rent increase better than suburban renters....but Lease-up Concessions are not uncommon now after many years of absence.*

*Condo Sales are slowly coming back (05%) of today's market with prices at \$300-400/ SF in the downtown area. Newer, smaller units will achieve \$450 / SF.*



## ECONOMIC UPDATE SUMMARY

**1** *Urban Multi-Family Housing in Portland is **Red Hot**....with Developers trying to hit this Window of Opportunity. Expected to continue, but **Cool off**.*

**2** *Huge Majority of the new Projects are **Apartments** with select discussions starting on Condominiums*

**3** *In the Back of their minds.....Developers have “**Apartment to Condominium Conversion**” as a goal.... which opens Pandora’s Box from an initial construction point.*

# B

THREE CASE  
STUDIES ~ *Each  
with a Different  
Brand...a Different  
Story*

# CASE STUDY 1

*Infill Apartment Projects on Small Urban Sites*

*Understand the Market and Brand*

*Compact Efficient Units*

*Automated Parking*

*LEED Platinum / Gold*



The Janey



20<sup>th</sup> & Hawthorne

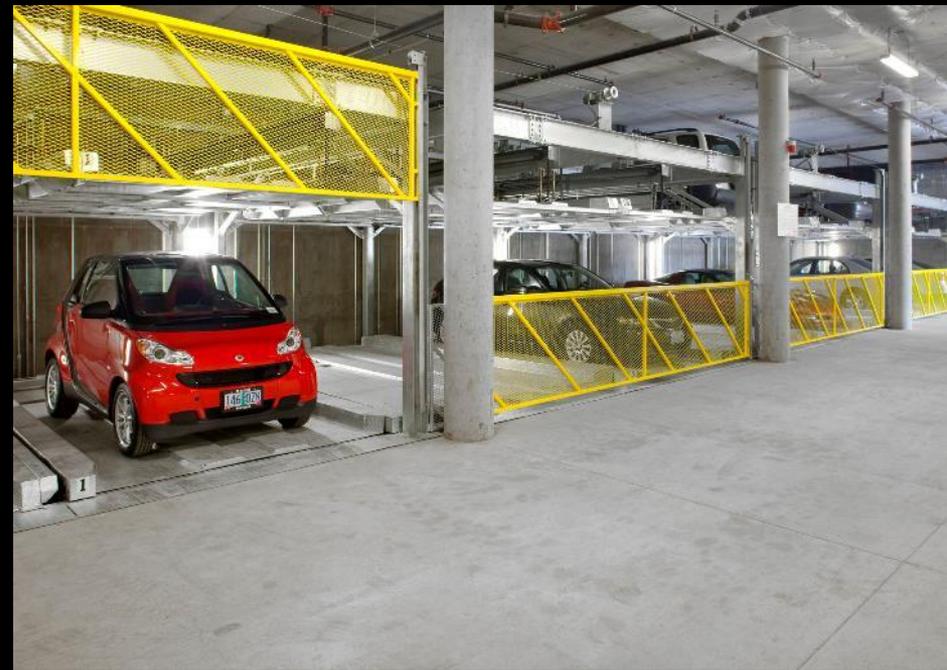
# CASE STUDY 1

*Compact Efficient Units ...Studios @ 435 SF and 1BRs @ 575 SF*



# CASE STUDY 1

## *Automated Parking*



# CASE STUDY 1

## *Sustainable with a Sense of Place*



# CASE STUDY 2

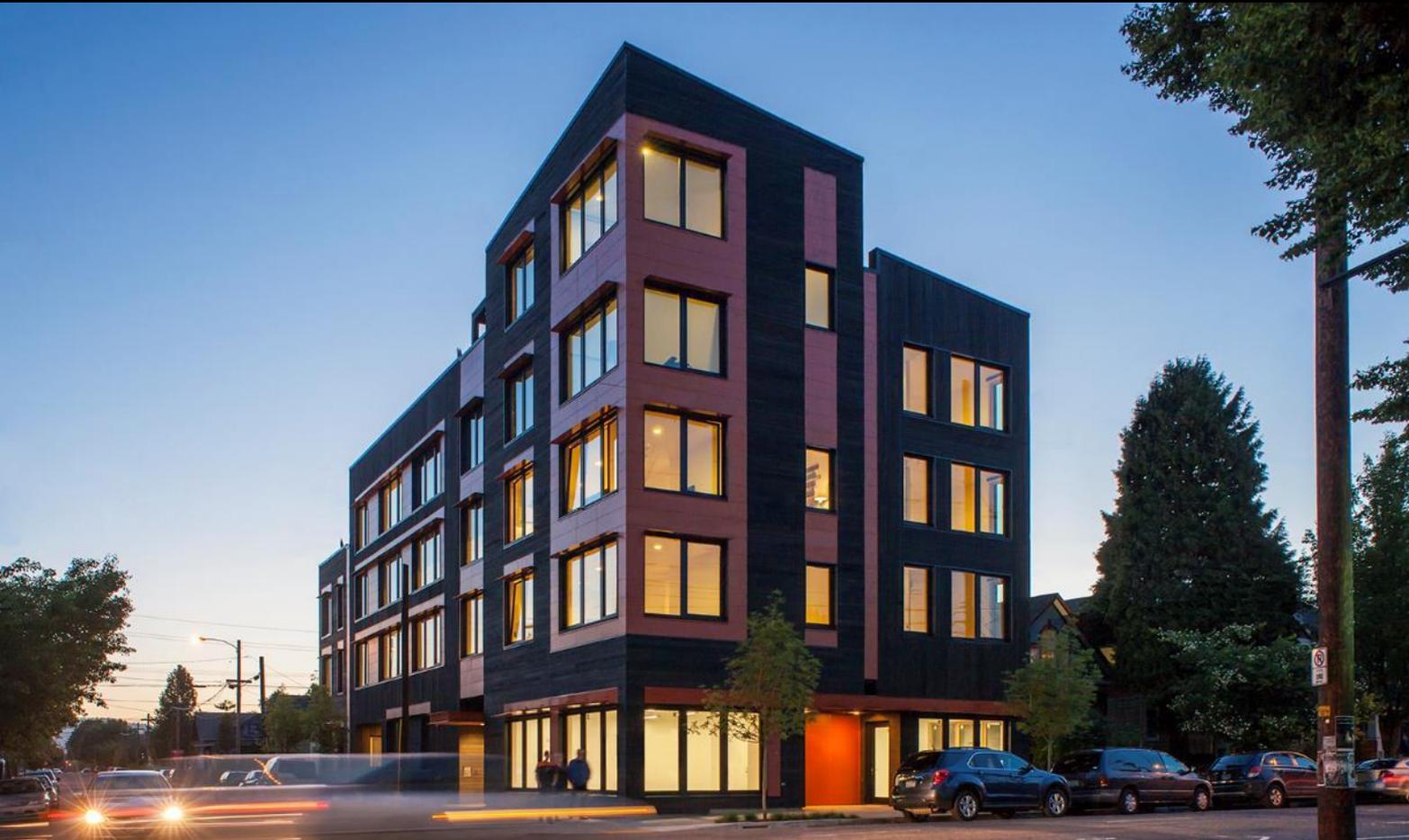
*Infill Apartment Project on Small Urban Site*

*Understand the Market and Brand*

*Compact Efficient Units*

*No Parking Stalls*

*Built to Passive House Standards*



The Kiln Apartments

## CASE STUDY 2

*Understand the Market and Brand. Embrace the House Standards with a goal to make this the most efficient mixed-use Apartment Project in the US.*



## CASE STUDY 2

*Compact Efficient Units ...all 1BRs @ 490-650 SF*



## CASE STUDY 2

*Passive House Standards - Built to 3-4 times better  
Portland's aggressive energy requirements which are  
65-75% better than code.*



# CASE STUDY 3

*Large Multi-Block Urban Re-Development*

*Determine the Market and Brand – Design The Neighborhood*

*Incorporate Market Rate Units*

*Large Underground Parking Plates*

*Embrace Eco-District Goals*

**HASSALO on 8<sup>th</sup>**

**657**

*For-rent housing units*

**592,616**

*GSF of housing*

**50,557**

*GSF of retail*

**26,400**

*GSF of grocery anchor*

**238,000**

*GSF of office*

**1,200**

*Underground parking stalls*



# CASE STUDY 3

## *Understand the Market and Brand*

### WHO WOULD CALL THIS NEIGHBORHOOD HOME?

The level of density and diversity of uses that we are proposing have a potential to attract a wide range of potential people. This diverse mix offers opportunities to attract businesses that cater to different needs.

Below, we provide a series of hypothetical profiles that begin to discuss the needs of a potential resident in this neighborhood and how their different lifestyles and day-to-day needs affect the architecture of the neighborhood.

#### THE EMPTY NESTERS

There is an incredible residential density in the neighborhoods that surround our site. Long-time residents of these neighborhoods could see this project as an opportunity to change up their lifestyle without leaving their neighborhood. They'll be attracted to a familiar urban character, views, a front-desk concierge, good restaurants, and open space.

#### THE URBAN FAMILY

An urban family could be attracted to the proximity of this neighborhood to downtown and to nearby services such as grocery stores and shopping. They'll be looking for something that feels like a home, with a front door. Play areas and open space are critical for the urban family, as well as access to schools and parks.

#### THE YOUNG PROFESSIONALS

This type of resident is design savvy, environmentally conscious, and looking for a connection to a neighborhood. They're attracted to local businesses, exterior gathering spaces, rooftop decks, transportation and bike infrastructure.



THE EMPTY NESTERS



THE URBAN FAMILY



THE YOUNG PROFESSIONALS



# CASE STUDY 3

## *Design the Neighborhood- Our Initial Charter*



**1**  
MAKE MOVES FOR A REASON.



**2**  
CREATE DIVERSITY  
IN THE ARCHITECTURE.



**3**  
FOCUS ON ECO-DISTRICT SOLUTIONS.



**4**  
CREATE A SENSE OF PLACE.



**5**  
BASE OF BUILDINGS SHOULD  
BE HUMAN-SCALED.



**6**  
ENCOURAGE SUSTAINABLE CULTURE.



**7**  
BUILDING GEOMETRY SHOULD  
BE SIMPLE & WELL COMPOSED.



**8**  
CREATE ACTIVE COMMON  
AREAS & LOBBIES THAT ARE  
MULTI-FUNCTIONAL.



**9**  
DEVELOP STRONG  
INDOOR/OUTDOOR CONNECTIVITY.



**10**  
CREATE OPPORTUNITIES FOR  
SMALL, ECLECTIC, AND  
NEIGHBORHOOD-FOCUSED RETAIL.

# CASE STUDY 3

## *Variety of Market Rate Apartments*

*Studios @ 500-580 SF, 1 BRs @ 670 SF, 2 BRs @ 1050 SF, 3BRs @ 1550 SF*



# CASE STUDY 3

## *Pedestrian Level- Experience the Eco-District Moves*









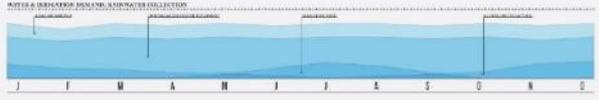
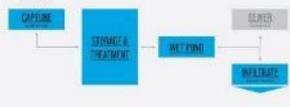
# CASE STUDY 3

## Embracing the Eco-District Goals

### WATER

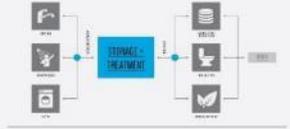
**\$2.3** SYST. DEV. CHARGES  
*million dollars saved*

Combined Sewer Overflow (CSO) is ever capacity. Filtration on-site is needed, and storage is expensive. The unit is overflow into the CUL, resulting in fines. These fees can be mitigated with several strategies, including the installation of excess water infrastructure.



**44%** GREY WATER TREATMENT  
*sewer discharge reduction*

Grey water supply is consistent year round. Storage tanks can be sized reduced, resulting in cost savings. Grey water supplies toilet use, irrigation for on-site landscaping, and cooling towers. Water demand reduction of 25% and sewer discharge by over 50%.



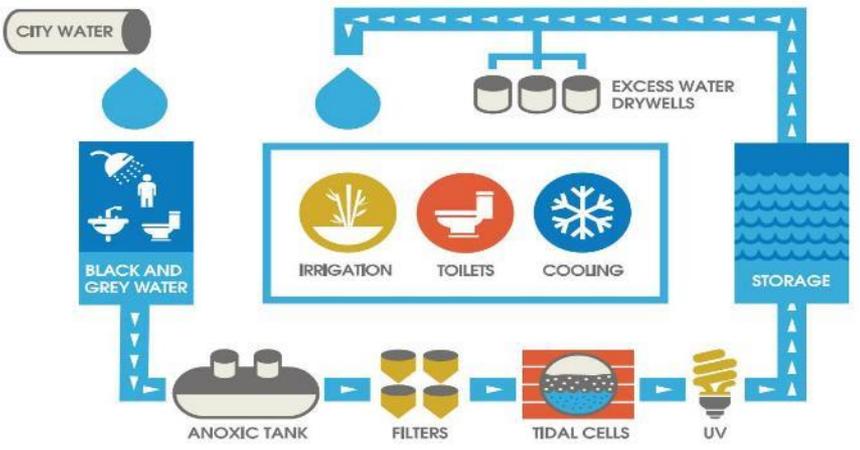
**100%** LIVING MACHINE  
*sewer discharge reduction*

Treating all wastewater on site with a Living Machine will reduce sewer discharge by almost 100%, and justify \$2.3m SDC reduction, and up to \$80,000 annual sewer bill savings.



### NORM: NATURAL ORGANIC RECYCLING

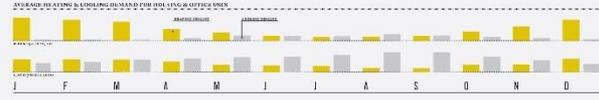
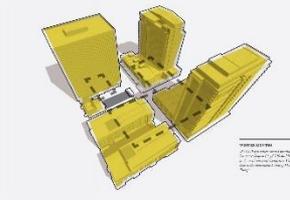
WASTEWATER TREATMENT THROUGH A CONSTRUCTED WETLAND SYSTEM



### ENERGY

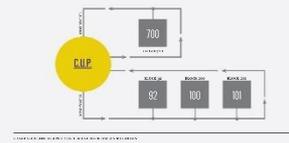
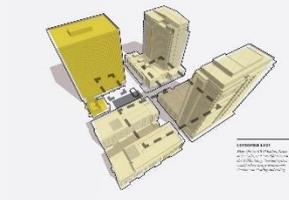
**HEAT** WINTER DEMAND  
*production is necessary*

Heating is requires substantial heating. 1000 sq building uses inefficient 80 year old electric boilers to heat up in the morning.



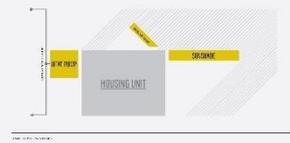
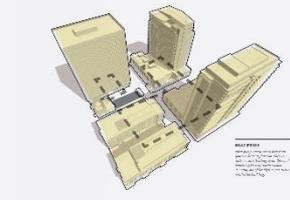
**EQUIL** SPRING / FALL  
*big demand = cooling*

Heat pumps in the apartments draw energy from the Carrier Water Loop and deliver only the amount of heating needed where it is needed. The loop water, not air to move heat.



**COOL** SUMMER DEMAND  
*need to get rid of heat*

Moderate residential cooling loads met by heat pumps in the apartments and new COP cooling towers for the 100 building.



### LIVABILITY

- 2** TRANSIT ACCESS
- 3** KIND MATERIALS
- 5** NATURAL VENTILATION
- 12** NEIGHBORHOOD RETAIL
- 13** LIVING MACHINE
- 14** COMMUNITY SPACES
- 32** SOLAR SHADING
- 33** SOLAR ENERGY
- 34** INFO FEEDBACK
- 35** BIKE STORAGE
- 36** ROOF GARDEN



# CASE STUDY 3

## 1,200 Underground Parking Stalls



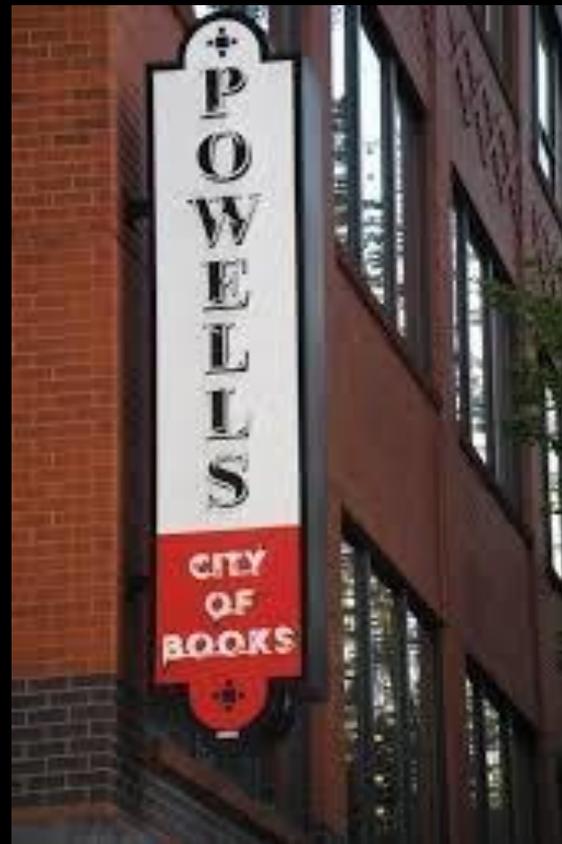
C

SUMMARY

# THE CHALLENGE

*Not to simply plan, design and develop Projects.....but rather embrace our Market, our Brand....and create **Neighborhoods**, create **Homes**...create **Place**.*





Peet's Coffee & Tea

Peet's Coffee  
AND TEA

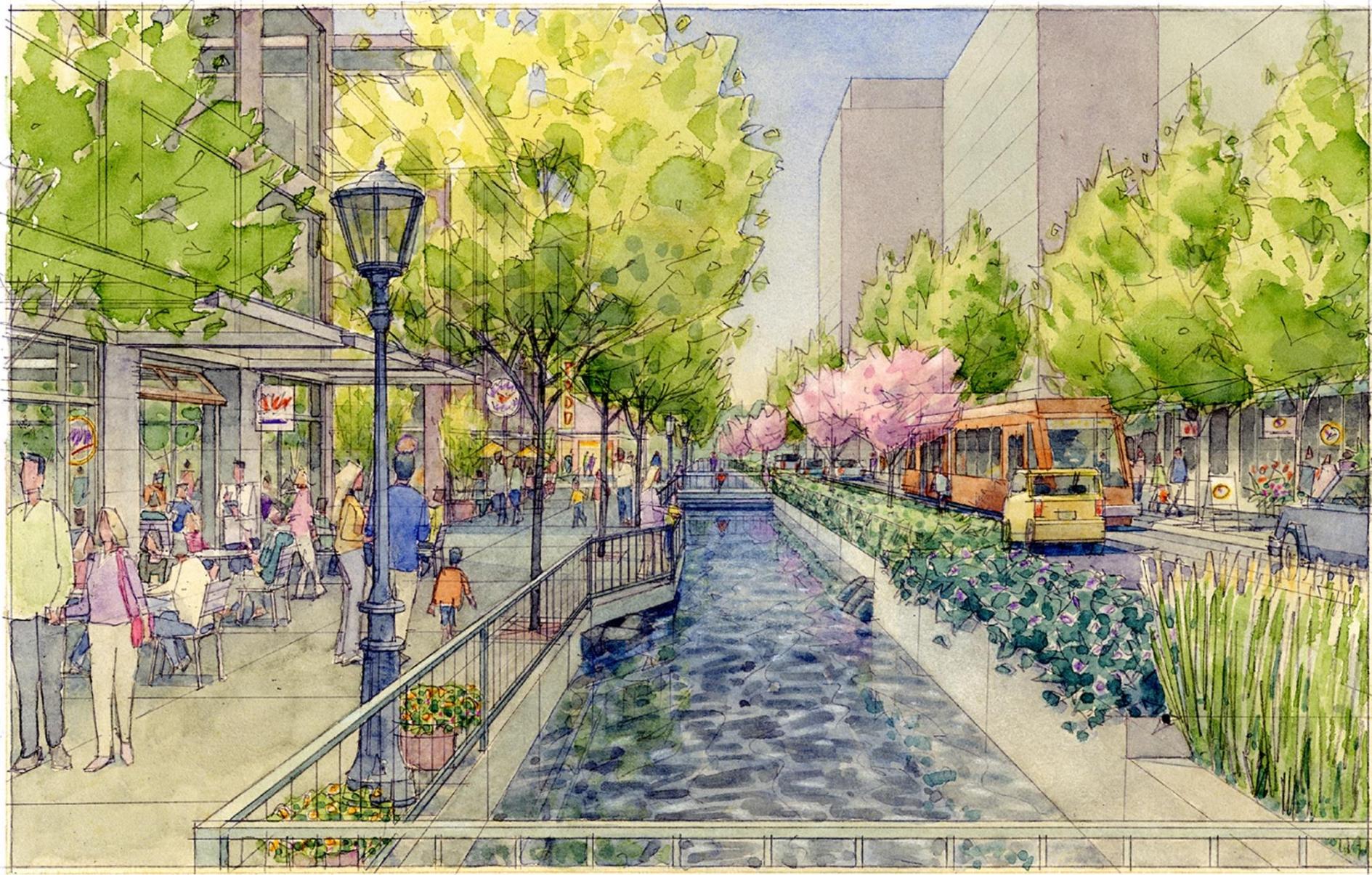
























GBD