

# Good as Gold

## Golden opportunity leads way to greener pastures for developer

The year was 2001, a bad time for developers in the Portland area who had built reputations – and profitable businesses – on commercial projects of the office space and retail variety.

All along the West Coast, the dot-com boom had gone bust. Oregon's economy, like its neighbors to the north and south, was headed downward. And in the Sunset Corridor in the Portland metro area, a glut of office and retail space, which had been built during the fat years of the late 1990s, was sitting vacant.

Into this bleak scene, however, a ray of promise appeared: A call for proposals to develop a large-scale, multi-use project for the city of Hillsboro.

While the project would feature a public component that would meet the city's need for office space for its growing government agencies, Hillsboro officials also wanted the project to contain affordable housing and retail components, enough to help create a balance to continue to enliven the downtown area without competing with businesses and stores already established in the area.

Among the firms that submitted ideas for the project, one proposal emerged as a standout: a vision created by the combined effort of GSL Properties and



Photo by David Brunn

### HILLSBORO CIVIC CENTER TEAM

**CONSTRUCTION COST:** \$23.5 million  
**SITework STARTED:** May 2003  
**GRAND OPENING:** July 2005  
**PEAK CONSTRUCTION EMPLOYMENT:** 150-175  
**OWNER:** City of Hillsboro  
**DEVELOPER:** Specht Development Inc.  
**ARCHITECT:** LRS Architects  
**GENERAL CONTRACTOR:** Skanska

**PROJECT EXECUTIVE:** Ross Vroman  
**SENIOR PROJECT MANAGER:** Gordon Childress  
**PROJECT MANAGERS:** Chris Hartson  
**SUPERINTENDENT:** Jack Johnson  
**CONCRETE SPECIALIST:** Jack Schulfer  
**PROJECT ENGINEER:** Dan Patarozzi  
**ENGINEERS:** KPFF Consulting Engineers, WRG Design Inc.

**OTHER ASSOCIATES:** The Facade Group, Interface Engineering, Perron Collaborative  
**SUBCONTRACTORS:** Coffman Excavation, Culver Glass, Davidson's Masonry, Delta Fire, Fought & Co. Inc., Olympian Precast Inc., Otis Elevator, Performance Contracting Inc. R2M2 Rebar & Stressing Inc., Refa Erection Inc., Ross Island Sand & Gravel, Stoner Electric, Streimer Sheet Metal Works, Temp Control Mechanical, Teufel Nursery

– Information from The DJC Magazine Top Projects 2004 issue





Photo by David Brunn

Specht Development Inc. For the latter firm, the city of Hillsboro's timing was right on target

GSL had experience in multi-housing projects, so it would handle the resi-

public work – for a very solid strategic reason.

“The timing happened to be when there was a real downturn in the (local) commercial real estate market,” said

building owners were so desperate to rent that they dropped their rates from \$1.25 per square foot to 55 cents, and some even threw in a few months of free rent to further sweeten the pot – there

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**- TODD SHEAFFER**

dential arm of the city's development plans. Specht, on the other hand, had built a reputation on commercial development but was interested in expanding its portfolio to include more

Todd Sheaffer, Specht's chief operating officer.

With commercial space vacancy rates in the Sunset Corridor running between 40 percent and 50 percent at the time –

wasn't enough “demand to justify the additional construction of office space,” Sheaffer said, “so we pursued to build the city hall project and public amenities.”





Photo by David Brunn

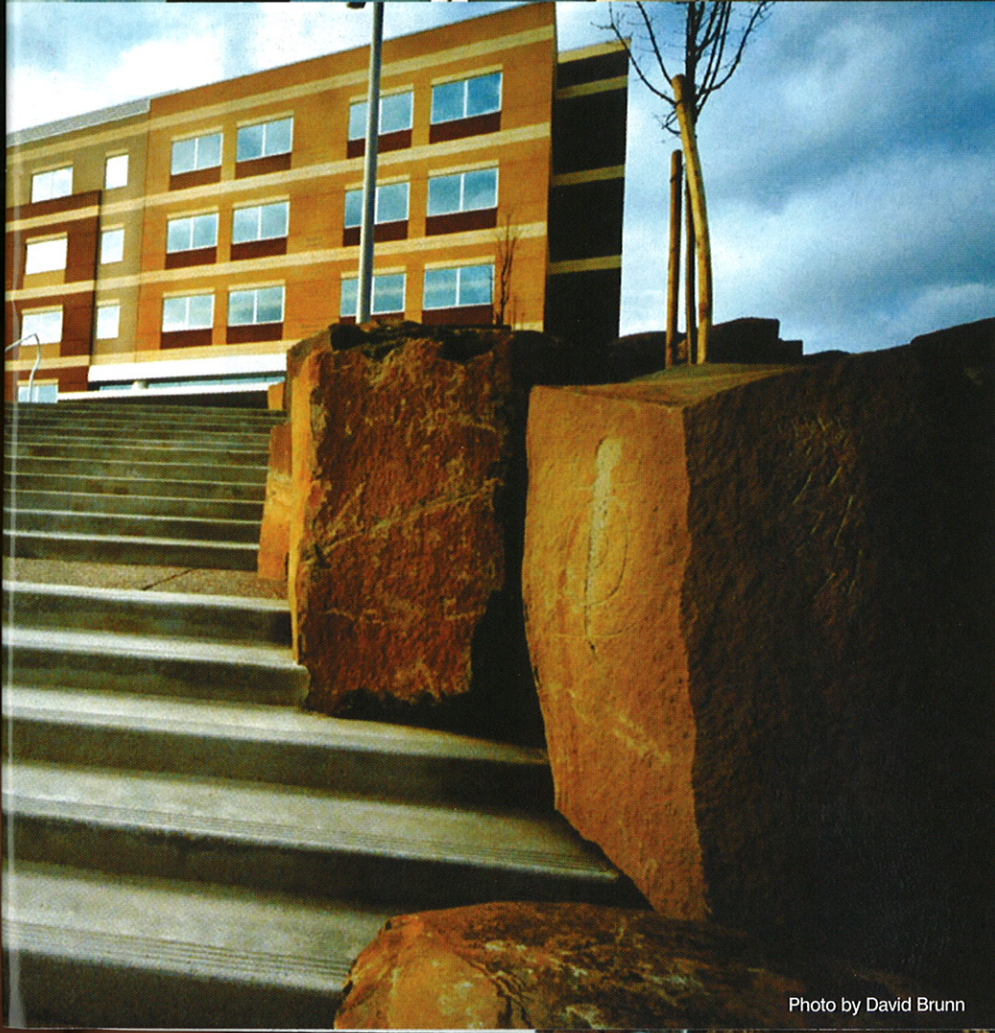


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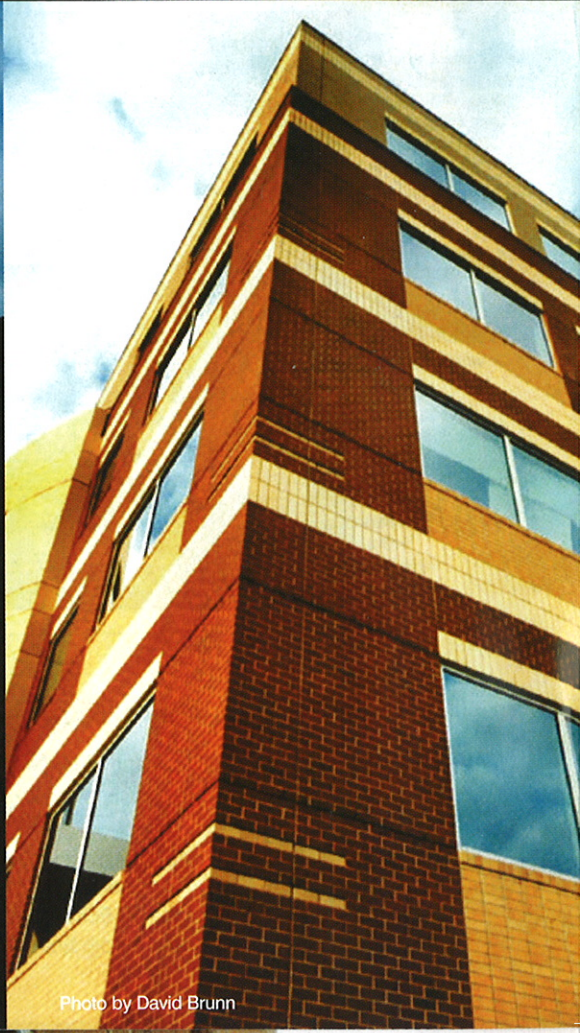


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And pursue the project Specht did, ponying up about \$500,000 of its own money and working with a team comprised of GSL, general contractor Skanska and LRS Architects to win a competition to develop, design and build the main civic center building, an associated retail building and an affordable housing feature. The civic center's grand opening is scheduled for July, although the city's offices are already located in, and operating out of, the building, and Hillsboro residents are strolling along a plaza and watching their kids cavort in the spray of a fountain outside the structure.

The retail space associated with the civic center is already attracting attention, too. The civic center contains about 5,500 square feet of office space. Starbucks has signed a lease with the city, which owns the civic center, for about 1,500 square feet of the about 5,500 square feet of retail space available, Sheaffer said.

Hillsboro officials have said they would like to fill the remaining vacant area with a restaurant.

Although nothing has been finalized, the city is "speaking with numerous parties," Sheaffer said.

While Hillsboro settles into its civic center, Specht Development is already tapping into the experience it built up while working on the project, enough of a background to help the development company win another public project – a new city hall for Wilsonville, which received public approval during an election this past May.

Like the Hillsboro Civic Center, the 30,000-square-foot city hall development in Wilsonville will boast sustainable features, although unlike the Hillsboro project – which is pursuing a gold rating in a national green-building certification program – the Wilsonville project won't pursue formal recognition.

Specht hasn't abandoned its commercial, private development roots, however. The firm has several private office and industrial projects on the boards, including a 50,000-square-foot, two-story office building for First Tech Credit Union in Beaverton and a recent purchase of 40 acres of industrially zoned land in Washington state slated to become the Ridgefield Commerce Center. ■

## Clearing the Air

*Originally designed to achieve a third-level, silver rating in the U.S. Green Building Council's Leadership in Energy and Environmental Design green-building rating program, the Hillsboro Civic Center actually has enough green features that it stands a good chance of earning a gold designation, one step higher than originally planned.*

*Michael Jones, a LEED-accredited architect who worked on the center for LRS Architects, knows each of those green features by heart. And yes, he's got a favorite – the dynamic filtration system used in the building.*

*Winning the right to score a point for the filtration system – LEED awards points for features that have been identified as sustainable in the program, and reaching each of four levels requires a certain number of points – was a hard-fought battle, Jones says.*

*The system takes dust particles and charges them, passes them through filters and then zaps them with ultraviolet rays. Tests from independent labs showed the filtration system was more efficient than static filters, Jones said. The city of Hillsboro liked the idea of using dynamic filtration; city employees had said one of their main priorities was being able to work in an environment with the best air quality possible.*

*The green building council, which operates the LEED program, wasn't as convinced. The group kept turning down the system as a way to score a point for air quality.*

*"We fought with (the council) through several appeals," Jones said. "We had to make a decision ... to its credit, (the city) took the high road, went with the (dynamic filtration) system even though it meant they would lose a (LEED) point."*

*In the end, however, the green-building council relented – to a point, saying the civic center team could do their own testing and then submit the results, which would then be evaluated once the entire documentation for the project was turned in to the council.*

*Jones is still waiting to find out the results, but he's glad the city of Hillsboro made the decision to stick with dynamic filtration.*

*"(The system) was where we had the most trouble, and where we had the best results," Jones said.*



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