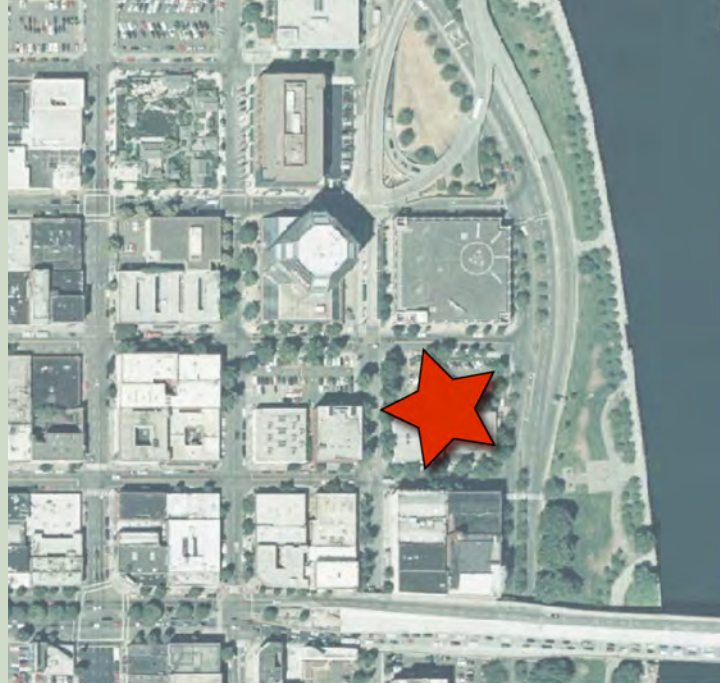


Fire Station #1 Relocation **Real Estate / Economic Impact Report**



prepared for:

Portland Development Commission
1900 SW Fourth Avenue, Suite 7000
Portland, OR 97201

by:

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13 April 2004

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Executive Summary

Executive Summary

FIRE STATION No. 1 RELOCATION TO BLOCK 8 OCCURS

Based upon the findings presented in this report, if the relocation of Fire Station No. 1 occurs, the introduction of a new state-of-the-art fire station and headquarters, learning center and fire museum should benefit not only those businesses and properties immediately adjacent to the station, but also those in the surrounding neighborhood. The addition of such a facility along with the redevelopment and renovation of the historic Globe Hotel Building, with street-level retail and either upper floor office or residential space, should stimulate improvement of the tenant profile, quality of surrounding land uses, and building conditions in the study area.

The benefit of real life experiences and real estate trends evidenced in similar situations is often the best basis for comparison. To assist in these analyses, interviews were conducted with, and market data gathered from, various market participants knowledgeable about residential developments in entertainment-related districts in cities throughout the United States. Copies of the individual case studies are presented in the Appendix of this report.

As indicated in the residential case studies, renovated residential units in the Globe Hotel Building should have a positive and stabilizing effect on neighborhood restaurants and entertainment venues. Alternatively, if upper floors are utilized for office space, new workers could provide an increased customer base for area businesses. Further, the overall stability and safety of the study area should be enhanced by the addition of a fire station operated 24 hours a day, 7 days a week.

The infusion of capital into the area should attract additional investor interest and serve as a catalyst for further new and redevelopment within the neighborhood. As stabilization occurs and the perception of risk diminishes, investor interest, as evidenced in the case studies presented in this report, should increase substantially. With improved physical and economic conditions in the area, rent levels and property values should increase.

As in every urban core, parking is at a premium. In order to accomplish this initiative, the availability of adequate parking supply had to be determined. As discussed in a parking study completed by The Bookin Group, which appears in full in the Addenda of this report, the parking situation in downtown Portland, specifically in the study area, is challenging. Nevertheless, the issues can be overcome. Providing a series of alternatives, the study offers a viable solution to the parking issues in the area. Based on study findings, the parking supply in the study area can be improved and expanded, rather than diminished.

Traffic, noise and public safety impacts will need to be adequately addressed for the station to successfully co-exist with the surrounding neighborhood. During the preparation of this report, research was conducted to study the ways in which urban fire stations interact with their surrounding communities. Case study cities included Seattle, San Diego, Austin, Texas and Charlotte, North Carolina. Based on these case

Executive Summary

studies, these issues are typically addressed, with fire stations becoming integral and popular components of their surrounding “neighborhoods.”

Both local and national data suggest strong positives relative to the synergies created by mixed-use development, more specifically the mix of commercial, retail, entertainment, and restaurant uses with residential. The stability provided by the presence of twenty-four hour, seven day a week residency, particularly in transitional areas, has consistently proven to be advantageous for area rents and property values. Likewise, the presence of a municipal authority, such as a fire station, on a round the clock basis, has also proved stabilizing and beneficial overall to the neighborhoods in which they are located. We believe this would also be the case for the study area if a residential component were completed as part of the Fire Station No. 1 relocation to Block 8.

FIRE STATION NO. 1 RELOCATION TO BLOCK 8 DOES NOT OCCUR

Obviously, if Fire Station No. 1 does not re-locate to Block 8, there will be no direct impact on the surrounding uses. The character of the neighborhood will remain effectively the same.

Without an investment in the area to serve as a catalyst for other development and redevelopment, it is likely building conditions in the study area will remain unchanged.

Without the stabilizing presence of the fire station on Block 8, the perception that the area is unsafe will persist, and more than likely increase as tenant leases expire and vacancies increase.

There would be no change in parking conditions if the fire station is not relocated to Block 8.

Finally, without additional financial commitment by existing owners or the addition of some new impetus for investment into the area, such as the new development and redevelopment associated with the proposed relocation of Fire Station No. 1, investment characteristics within the study area will continue to stagnate, along with property values.

Introduction

Introduction

Integra Realty Resources Portland (IRR Portland) and SERA Architects (SERA) have been engaged by the Portland Development Commission (PDC) to provide an analysis of the potential impacts of relocating Portland's Fire Station 1 from its existing location on Block 34 in downtown Portland to Block 8, three blocks north in the Old Town neighborhood. The scope of work for this assignment includes the following components:

IDENTIFICATION AND DESCRIPTION OF POTENTIAL SITE

Integra will assess and describe the proposed location of the new fire station.

INVENTORY OF SURROUNDING USES

SERA will provide a photo inventory of the uses surrounding the proposed fire station site. SERA will also review and supplement as needed a map of the proposed site's surrounding uses, utilizing base materials provided by the PDC.

NEIGHBORHOOD ANALYSIS

Integra will analyze the neighborhood surrounding the proposed site, including existing conditions and tenants, trends in occupancy and tenant type, real estate values, the character of existing development, and planned additions and changes to current development.

IMPACT ANALYSIS

Integra will analyze the potential impacts of moving the fire station to the proposed site. This analysis will include the economic impacts of the planned development on surrounding uses, parking, rent levels/values, character of tenancies, neighborhood character, and safety, as well as an assessment of these factors if the relocation does not occur.

RESIDENTIAL DEVELOPMENT ANALYSIS

Integra will assess the pros and cons of residential development within an entertainment district.

FIRE STATION CASE STUDIES

SERA and Integra will prepare a series of case studies from around the United States that examine urban fire stations and their impacts on the neighborhoods that surround them.

To complete the foregoing investigations and analyses, IRR Portland completed a series of interviews with real estate professionals throughout the United States who are knowledgeable about the various issues associated with locating residential development in transitional, and/or entertainment-related areas comprising a variety of uses, as well as the impacts of having a fire station in, or within close proximity to, such an area. SERA Architects

Introduction

conducted additional research and interviews with fire fighting professionals, planners, residents, business owners, and community organizations in urban locations across the nation regarding the issues associated with fire stations and their presence in various types of urban neighborhoods.

The team also gathered additional data relative to the nine block study area including information from the Portland Business Alliance and conducted interviews with study area tenants, operators, and visitors.

Finally, SERA and Integra completed an inspection of the current fire station in its existing location, and interviewed Deputy Chief Michael McGuire in an attempt to identify any additional factors relative to the station's operational characteristics and site location that might prove relevant to this assignment.

The data gathered and analyzed, as well as the conclusions drawn, are summarized in the sections that follow.

The Bookin Group (TBG) has been retained by the PDC to undertake a parking demand/supply study related to the proposed Fire Station No. 1 relocation. TBG was also instructed to analyze the utilization of the Old Town Parking Garage (NW 1st and Davis) during key use periods. Both of these studies are part of the third phase of parking studies related to implementation of the PDC Downtown Waterfront Development Opportunities Project and are included in the Appendix of this document.

Site / Location Analysis

Site / Location Analysis



Site / Location Analysis



Block 8: Existing Conditions

SITE/LOCATION ANALYSIS

The proposed location for the relocation of Fire Station No. 1 is known as Block 8, which is bounded to the north by Davis, the east by NW Naito Parkway, the south by Couch and the west by First Avenue. It is situated in the southeast quadrant of the area referred to by the City of Portland as the River District, and in the heart of the Old Town neighborhood.

It enjoys an average location on the edge of downtown, in the NW District. In most cases, locations along Naito Parkway across from the waterfront park strip and the river have seen minimal development, primarily due to the lack of street parking and the position away from retail and office activity that takes place closer to the downtown core.

Block 8 is currently improved with a four-story, 35,070 square foot historic building, known as the Globe Hotel Building. Constructed of non-reinforced masonry, the property's ground level space is currently vacant, with the three upper levels being used for storage. Other improvements on Block 8 include a 20,012 square foot, two-story, reinforced concrete warehouse / retail building



Globe Hotel Building

Site / Location Analysis



Block 8, as seen from Naito Parkway

currently occupied by the Oregon Mountain Community (OMC), who will vacate the space in May of this year, and a surface parking lot with 75 striped spaces, including handicapped parking.

The block enjoys good visibility and exposure from Front Street/ Naito Parkway, though that portion of the improvements fronting Naito is nondescript and exhibits obvious signs of deferred

maintenance.

Overall, access to the property is considered good. There is a MAX station adjacent to the property, with light rail traveling along First Avenue, which also permits one-way vehicular access south. Both Couch and Davis allow two-way, east/west traffic past the block, though egress onto the divided Naito Parkway is southerly only.

Both the Burnside Bridge, adjoining the study area to the south, and the Steel Bridge, just four+ blocks to the northeast, offer direct access to Portland's east side. The Steel Bridge provides vehicular, pedestrian, light rail, and bicycle access, while the Burnside Bridge serves as a major east/west connector for both vehicular and bicycle use.

Pedestrian access is currently less convenient, particularly to Waterfront Park and other locations across Naito Parkway. However, the relocation of the fire station to Block 8, as well as the rebuilding of Naito Parkway proposed by the Portland Office of Transportation, would potentially facilitate improved pedestrian access across Naito at the Couch Street intersection.

Though the configuration of existing site improvements somewhat limits ingress and egress



Block 8, as viewed from the northwest

Site / Location Analysis

from/to the surrounding roadways, there is ample potential to improve this factor should redevelopment occur. Overall the site affords a promising location for a variety of potential uses.

The physical characteristics of the subject site are suitable for a commercial, residential or mixed-use development. Most factors, including its topography, location, and accessibility are positive attributes. The site is more than adequate for uses such as those permitted by zoning, and the available utilities adequately service the site.



Block 8, as viewed from the north

Neighborhood Analysis

Neighborhood Analysis

BOUNDARIES

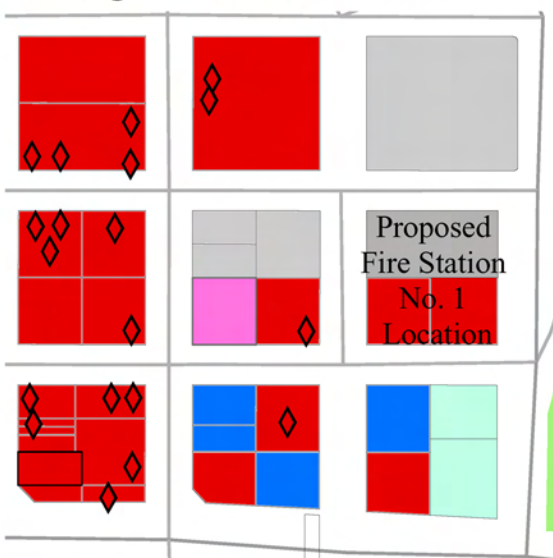
For purposes of this analysis, we will be assessing the impacts of the potential fire station relocation on Block 8, as well as the eight blocks surrounding that block. The total study area is defined by Everett Street to the north, NW Naito Parkway to the east, Burnside to the south and Third Street to the west.

SURROUNDING LAND USES

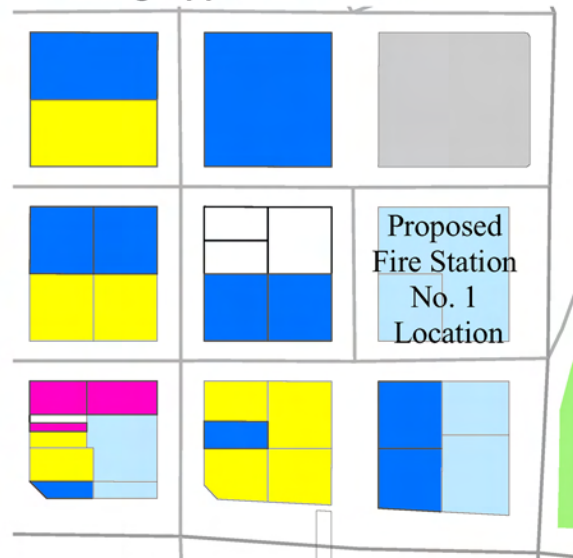
Land uses in the study area include a mix of service commercial, retail, office, light industrial and some residential, predominantly low income. Uses also include a number of restaurants and bars offering a variety of entertainment venues. The uses immediately surrounding the block are summarized below:

North	Directly north and across Davis Street is the full block, four-story City-owned parking structure with ground level retail and office space, and a heliport on the top level. It also serves as a Max station location for that portion of the line running along First Avenue.
South	Across Couch Street are two, turn of the century buildings. The Blagen Block has been renovated for office use and is about 66% occupied, or 34% vacant. The other is owned by the Naito family and used in their retail/wholesale businesses.
East	The Japanese American Historical Plaza Bill of Rights Memorial, Waterfront Park and the river are located across Naito Parkway.
West	Across First is the Fleichner Building, a five-story structure remodeled for office use, which appears to be less than 75% occupied, and McFadden's Restaurant and Bar, an Irish pub.

Existing Ground Floor Uses



Existing Upper Floor Uses



April 12, 2004

Neighborhood Analysis

CHARACTER OF NEIGHBORHOOD AND TENANCIES



Merchant Hotel, NW Davis & 2nd

The study area is characterized by transition in building use and tenant profile. Many older buildings formerly utilized as offices, retail and office, or even light industrial space are changing to commercial uses on the first floor, with upper-floors being utilized for residential and/or office uses, and in a

number of instances, as storage. First-floor uses include a variety of retailers and eating establishments, interspersed with light industrial manufacturing, production, and service businesses. There are several surface parking lots and the multi-floor City garage that provide parking for area workers and visitors.

The overall appearance of the area has suffered from a lack of re-investment by existing owners, which in turn has led to stagnation of re-development in the area. There has been limited re-development or improvement of existing buildings. Without evidenced commitment to long-term improvement by existing owners, there is little incentive for developers or other market participants to invest in the study area.

Portland Business Alliance (PBA) began an annual business census in 2001, surveying downtown business owners to determine the number of owners, employees, types of businesses, business trends and owner and tenant concerns. The results track a number of categories, including health of business over the last two years, lease expirations, cleanliness, and safety, among others. The area surveyed comprises the downtown core within the I-405 loop. We were able to enlist the aid of Ms. Wendi Valenti of PBA to assemble data for the nine-block study area alone in order to compare it to the results for the overall downtown core. The following comments summarize our findings relative to this data.

Based on the PBA survey, there was a substantial increase in the number of owners who experienced a decline in the health of their businesses within the study area between 2001 and 2002. Approximately 30% of the owners in the study area stated the health of their business had declined in 2002, reflecting an 18% increase over 2001 numbers. This compares to 26% of owners in the overall downtown core reporting a decline in the health of their businesses. There was also a 4%



One Pacific Square, NW Davis & 1st

Neighborhood Analysis

decline in the number of study area owners stating their business actually improved in 2002, down from 44% in 2001. This compares to 45% for the downtown core in 2002 and 54% in 2001.

With regard to lease expirations within the study area, between 2001 and 2002 there was a 6% decline in the number of leases within the study area that were due to expire in more than 4 years. This was followed by a 5% increase in the number of leases (between 2001 and 2002) that had durations of 2 to 4 years at that time. While the number of leases set to expire within the next six months remained relatively constant between 2001 and 2002, there was a 7% increase in the number of tenants citing lease terms of 6 to 12 months.



NW Couch & 3rd

The statistics for the downtown core for 2002 are basically comparable to those of the study area, with two exceptions. While the study area is reflecting 17% of leases expiring within the next 6 to 12 months, the downtown core is showing only 14%. Figures for the leases set to expire within the next 6 months are even more disparate, with the study area showing 17% and the downtown core only 9%.



City Garage, as seen from NW Everett & 1st

From a real estate and investment perspective, these data, growing business dissatisfaction, and reduction in long-term leases reflect a disturbing trend for the study area in that the number of shorter term leases is increasing – which, in turn, indicates a lack of longer term renewals and the potential for greater turnover in a shorter time frame. This trend is an indication of the overall, and increasing, lack of stability in the area and does not bode well for business owners in the study area.

EXISTING IMPROVEMENT CONDITIONS AND TENANCY CHARACTERISTICS

The condition of improvements in the study area varies widely from poor to very good. The buildings themselves range in age from new construction to over 100 years old. A

Neighborhood Analysis

number have been renovated and updated for mixed-use developments that include retail, service commercial and/or office components on the ground floor, with residential units (a number of SROs) on the upper level(s). Others remain in poor condition with obvious signs of deferred maintenance. There are a number of vacant spaces, predominantly in buildings that have been poorly maintained.

The tenant profile in the study area varies as widely as building conditions. Restaurant and pub offerings such as McFaddens Restaurant and Bar and Old Town Pizza, co-exist along with kitschy bars and entertainment venues such as Darcelle's. More traditional, newer entries into the Old Town community include the Northwest Natural Gas, the Oregon Department of Transportation (ODOT), and the Port of Portland on Everett, whose offices are adjacent to the study area, along with retailers such as Made in Oregon and Oregon Leather, established long-term occupants. The disparate combination of the foregoing businesses contributes not only to the uniqueness of the neighborhood, but also to its stability and character as well. Conversely, there are also bars and late night venues featuring exotic dancers that detract from the historic character of the area, and enhance the perception that it is unsafe.

This perception is reinforced by the presence of several social service organizations within the study area that serve the less fortunate of Portland. These organizations have no day programs or waiting rooms for their clients; therefore, the individuals they serve congregate on street corners and sidewalks, making these areas difficult to navigate and creating a level of discomfort and insecurity for new visitors, or perhaps more important, potential customers and lessees.

PARKING

Parking capabilities in the study area are discussed in depth in a separate report prepared by The Bookin Group; this report is included in the Addenda section of this report. In general the report supports what visual observations and interviews with various tenants and owners in the study area purport: that parking demand relative to existing supply in the study area is similar to that evidenced in other areas of downtown Portland: people always want more.

While there are times during the day when it is quite easy to find a parking place on the street, in the several surface lots available to the public, or in the City garage, evenings and weekends can pose a challenge for potential restaurant, bar, and retail customers, which is confirmed by The Bookin Group (TBG) Parking Study. This situation is not uncommon in other areas with established night life, such as 21st Avenue where parking availability is substantially less than is available in the study area. Additionally, the study area is well served by mass transit, which brings numbers of patrons to the area with no parking needs whatsoever.

As repeatedly evidenced in the case studies presented in a later section of this report: though parking may be tight and people may have to walk several blocks to get where

Neighborhood Analysis

they are going, both visitors and locals alike travel the distance for their favorite venues. Whether it is Saturday Market, a late night club, a favorite restaurant or waterfront attraction, a shortage of adequate parking, within reason, does not discourage patrons from traveling to the area.

From an investment perspective, land utilized for parking in downtown areas, specifically surface lots, is often viewed as a temporary or interim use. With the level of demand typically generated for well-located downtown parcels, surface parking lots often serve as land banks for future development. When they are developed, there is obviously less parking, but the additional employment and revenue generation resulting from the new development more than offsets the inconvenience. Further, parking is generally a part of any new or re-development, so in many instances there is little, or no net loss of parking, despite the increase in demand typically generated by such development.

SAFETY

While potential customers may be familiar with downtown parking inconveniences and tend to work around these to get to their destination, they are likely to avoid an area altogether if it is perceived to be unsafe. If market participants (investors, potential lessees or owners) perceive an area as unsafe, or if it has a questionable reputation, this in turn, decreases its appeal as a potential location to both tenants and investors.

Crime statistics published by the City of Portland indicate that the study area has a higher incidence of crime than many other areas in downtown Portland. For example, in comparison to other downtown locations east of the river and west of Broadway, south of Everett and north of College, the area delineated as the study area has the highest percentage of vehicle theft and robbery. Conversely, it has the lowest percentage of larceny in that area of downtown Portland. Overall, the study area has higher than average crime statistics and the run down appearance of many of the businesses there adds to the area’s unfavorable image. (See below)

Safety statistics for the study area presented in the data provided by PBA appear somewhat contradictory between 2001 and 2002. While there was a decline in the overall percentage of businesses rating the area as “safe” or “very safe” – from 62% in 2001 down to 57% in 2002, there was an increase of 15% between 2001 and 2002 in the number of businesses who felt the area was “very safe”. This was offset, however, by an increase from 0% in 2001 categorizing the area as “not safe” to 5% in 2002 categorizing it in this manner. During the same time frame, the percentage of businesses categorizing the study area as “relatively safe” declined from 52% to 38% and those listing it as “safe” declined from 45% to 39%.

In comparison to the rest of the downtown core, there was also a decline in the perception of safety overall between 2001 and 2002. While 62% still considered the downtown “safe” or “very safe” in 2002, the figure for 2001 was 67%. The respective percentages of those businesses categorizing the downtown core as “not safe” rose from 2%

Neighborhood Analysis

between 2001 and 2002, and those categorizing it as “very safe” declined from 18% in 2001 to 13% in 2002. Thus, while business owners in both the study area and the overall downtown core felt the level of safety had diminished between 2001 and 2002, it is clear that business owners in the study area have greater concerns about the level of safety.

Contributing to this concern is criminal activity at one of the two neighborhood MAX light rail stations immediately south of the study area. The Portland Police Bureau has identified the Skidmore Fountain MAX station (defined as the area within a one-block radius of the intersection of SW 1st and Ankeny) as a high crime-rate area, one with a particularly high incidence of assaults, larcenies, and drug abuse cases. While the area has experienced significant improvement due in large part to the concentration of enforcement efforts between 1996 and 1998, crime rates do remain high in the blocks surrounding the Fountain.

When compared with other MAX stations in the Downtown area, the number of criminal cases recorded for the SW 1st / Ankeny stop does seem quite high. For example, the number of larcenies at the SW 5th / Morrison stop (which the Police Bureau terms ‘average’) was 33 for calendar year 2003. In that same year, there were 46 larcenies reported at the SW 2nd / Yamhill stop (which the Bureau considers to be a “medium-to-high” crime rate area). [It should be noted that each stop is defined as being within a one-block radius of the named intersection.] At SW 1st / Ankeny in 2003, there were 68 larcenies reported. Assaults (both simple and aggravated) show an even larger difference. SW 5th / Morrison and SW 2nd / Yamhill each experienced a combined total of six assaults during 2003; SW 1st / Ankeny had 58 reported incidents during that same period. The widest margin, however, is in drug abuse cases. In 2003, there were four such cases recorded at SW 5th / Morrison and another four recorded at SW 2nd / Yamhill, while the Skidmore Fountain station area had 395 cases. Charts containing 2002 and 2003 crime statistics for each of these three station areas are included in the Appendix to this report.

Regarding tenants who actually work in the study area, none indicated they had concerns for their personal safety. However, our investigation of the tenant population in the area was limited and therefore could pose the opportunity for further investigation of this issue.

For individuals not familiar with the area and not used to dealing with vagrants or individuals who look like, or are, drug dealers congregating on street corners, the area can be uncomfortable and potentially frightening. Though the situation may be harmless, it nonetheless presents the perception of risk, and it is human nature to avoid risk on both personal and professional levels.

PROPERTY VALUES AND RENT LEVELS

The concept of “*Value*” in real estate can have many meanings and a number of definitions. The type of real estate value most commonly referenced is “*Market Value*”,

Neighborhood Analysis

which basically equates to the monetary worth of a property at a given point in time. The economic concept of value is not inherent in the particular property to which it is given, but rather created by a variety of factors in the minds of market participants. These factors include utility, scarcity, desire and effective purchasing power, and all four must be present for a property to have value.

In each and every valuation analysis, the perception that the market holds of a particular property, the area it is located in, tenant profile, property condition – of the property and those surrounding it, property expenses – both operating costs and fixed costs such as taxes and insurance, neighborhood demographics and trends, access and exposure, all directly impact the level of achievable rents, and hence, value.

Market participants assessing the potential of investing in a particular location or property consider all of these factors when making their decision whether or not to purchase, and if so, at what level, given the anticipated level of return. One of the principle considerations in making this type of decision is the assessment of risk associated with the investment versus the level of relative return.

In no other investment sector is the adage “Perception is reality” more applicable.

Impact Analysis

Impact Analysis: *With Fire Station Relocation*

ANTICIPATED IMPACT ON SURROUNDING USES

Introduction of a new, full-block development incorporating a fire station that is operated twenty-four hours, seven days per week, Fire Department administrative offices, a museum, and a learning center, as well as offices or housing, and street-level retail can only serve as a stabilizing factor for the study area overall, and the immediately surrounding buildings and businesses in particular. The Blagen Block to the south of the site has been redeveloped for some years and is not close to full occupancy. The Fleischner Building to the west is in much the same situation. Attracting tenants to the area is not considered an easy sell, due to the character of the neighborhood discussed previously; therefore, the addition of a fire station that can serve as a catalyst for neighborhood improvement is seen as particularly positive for existing businesses.

As noted in the case studies for Charlotte, North Carolina and Austin Texas, fire stations in mixed-use areas can prove beneficial for commercial and residential uses alike. Their impact can be particularly positive where the design of the fire station is open and encourages interaction with the surrounding community. The presence of a fire station diminishes concerns about safety and increases the perception of overall protection, thus reducing concerns about risk within the area. As noted earlier, the perception of risk directly impacts both personal and professional investment in a property or area, and hence directly impacts rental levels and property values.

In each and every case we investigated, a fire station is viewed as a valuable member of its community; property values have continued to increase even with the infrequent inconvenience of sirens or large trucks – the benefit of having the facility close by outweighing any of the acknowledged negatives. Further, in each instance we found fire fighters are integral participants in community activities and considered “welcome neighbors”.

Naito Parkway, which borders the site to the east, will require some modifications with the relocation of the fire station. In order to provide optimum ingress and egress for the station, the median that divides the parkway will have to be cut at the location of the station. In addition, some further street work (signal modifications and signage) might be required. These impacts are viewed as having a neutral impact on the surrounding area businesses.

However, there are several changes planned that should have positive impacts on the accessibility to Block 8, and the surrounding area overall. Anticipated road alterations include improved accessibility into the area at Davis, via a direct connection to the Steel Bridge, and a northbound turn lane from Naito into Couch. Improved pedestrian crosswalks across Naito Parkway and to Waterfront Park will increase pedestrian connectivity in and around the area, which is considered a positive impact.

Finally, the City garage is located to the north of the site. Whereas the garage currently operates substantially below capacity during weekday daytime hours, it stands to gain the patronage of the drivers formerly accommodated by the surface lot at OMC, and on-

Impact Analysis: *With Fire Station Relocation*

street parking. Further, if the area continues to attract late night traffic, this garage will reach maximum capacity more frequently than it does currently.

Based upon the addition of one hundred twenty five new (new to the study area) jobs associated with fire station operations (that will be served by a new, underground parking structure) and new retail and residential uses, as well as the loss of approximately 75 to 80 parking spaces, this garage will benefit from the relocation of Fire Station No. 1, and the increased utilization will help the already financially strapped Parking Fund.

CHARACTER OF NEIGHBORHOOD AND TENANCIES

The introduction of new development into the study area should serve as a catalyst for additional investment in the neighborhood. An investment by the City/PDC of \$23 million into a new state-of-the-art fire station in the neighborhood reflects a level of commitment that the majority property owners in the study area have not been willing to make on their own.

New development typically attracts other new or re-development. A new high quality, development including a state-of-the-art fire station, a fire museum and learning center, and the renovation of the Globe Hotel as street level retail and upper levels of either residential or office use, will not only generate jobs for the area, but also create more interest in a part of downtown generally viewed as stagnant from an investment perspective. In addition, existing building owners should benefit from the increased stability and sense of safety provided by the presence of round the clock safety and emergency professionals. The ever-present eyes of authority should prove attractive to existing business owners as well as both existing and potential tenants, and/or future residents.

As reflected in the case studies provided later in this report, in other cities and areas where a stabilizing element such as a fire station has been introduced into transitional neighborhoods, the long-term impacts have been very positive. Property values and rents have recovered from depressed levels; stabilized, and then increased steadily as respective economies have allowed.

There are also some less positive aspects of relocating Fire Station No. 1 into the study area. Steps will have to be taken to provide safe ingress and egress into neighborhood streets by the fire trucks. Extra safety precautions will have to be taken and signage strategically placed. Obviously, noise levels will increase when sirens go off. If residential units are placed proximate to the station, sound mitigation will have to be undertaken. A certain number of area parking spots will be lost, and the demand for parking on peak weekend nights, per the Bookin Group, already exceeds the supply of existing spaces.

However, alternatives set forth in the Bookin report indicate that the impact on neighborhood parking can be mitigated, and the parking situation potentially improved. If, in fact, the relocation of Fire Station No. 1 results in little, or no, net parking loss versus estimated demand, then the positive aspects of the relocation far outweigh any negatives.

Impact Analysis: *With Fire Station Relocation*

If parking conditions can actually be improved, then the results will be even more positive. The increased investment potential and opportunity for higher occupancies, rent levels, and property values outweigh the possible inconvenience that visitors to the area might experience if they have to walk a bit further as a result of any parking loss.

PARKING

As previously noted, a complete and thorough parking supply and demand analysis was prepared by The Bookin Group; this analysis appears in the Addenda of this report. We highly recommend anyone reading this report review the Bookin analysis in its entirety. Per The Bookin Group's parking study, the relocation of Fire Station No. 1 and the renovation and restoration of the Globe Hotel Building would result in a net loss of parking to the study area. At the same time, the report provides several mitigation scenarios, at least one of which results in a net increase in the supply. The extent to which parking is lost or gained is fully explained in the report; however, the following excerpts summarize some of the more salient points in the analysis relative to real estate issues. Relative to the supply demand analysis:

*... **Weekday Peak Demand/Supply**... Even without mitigation, these shortfalls are manageable for Scenarios 2 and 3, since those who are not accommodated can find parking a little further afield. The 52-space shortfall in Scenario 1 is somewhat more problematic since it could inhibit full leasing of the Globe Building's office space. This might be offset in part by offering more incentives for use of alternative modes, although the maximum parking ratios already assume a relatively high modal split.*

*..... **Weekend Day Peak**... Because there will be no parking demand from office workers, the projected shortfall in Scenario 1 is negligible. However, the shortfalls for Scenarios 2 and 3 are about the same as weekdays, so even without mitigation these shortfalls are manageable.*

*... **Saturday Night Peak**... on Saturday nights there would be substantial shortfalls, of 108, 135 and 129 for Scenarios 1, 2 and 3, respectively, which could not be addressed without mitigation.*

Relative to proposed mitigation scenarios:

Mitigation. *In summary, it is projected that there will be modest shortfalls, between 10 – 50, weekdays and weekend days, primarily because of a significant surplus (@125) in the nearby Old Town SmartPark Garage (Tables 2B and 3B). This shortfall would be greatly reduced or eliminated altogether if either parking were built in the basement of the Globe Building, which is not economically feasible, or, in Scenarios 2 and 3, a decision was made not to provide accessory parking for the proposed affordable condos or rentals, respectively, which may damage marketability significantly.*

..... There are three mitigation options: 1) expansion of the Old Town SmartPark Garage; 2) weekend use of the basement garage in One Pacific Square owned by Equity Office Property Trust, or 3) redevelopment of the "Dirty Duck" surface parking lot on southeast corner of the block bound by NW Flanders and Glisan between NW 2nd and 3rd Avenues.....

After a thorough discussion of the alternatives outlined, the following comments are offered in The Bookin Group's **Conclusions**:

Impact Analysis: *With Fire Station Relocation*

4. The least costly option is the opportunity to use the 256-space public garage under One Pacific Square, owned by Equity Office Property Trust and operated by Ampco System Parking. Currently, this garage is not open on evenings or weekends except by special arrangement. Ampco representatives have indicated an interest in operating the garage in off-peak hours if the demand warrants, which would be the case completion of the Block 8 redevelopment. However, the garage is fully subscribed during the week with NWN employees and visitors, so its use could only address parking shortfalls on weekend days and Saturday nights.....

6. The third mitigation option is the expansion of the Old Town Garage if the lease for the rooftop helipad is not renewed in 2008, about the time that the Block 8 redevelopment is scheduled for completion. In this scenario, the construction of ramps between Levels 4 and 5 (roof) plus the roof itself will generate an additional 150 spaces. With addition of these spaces, projected shortfalls would become surpluses. This includes surpluses of 100 – 120 spaces on weekdays, 120 – 140 spaces on weekend days, and 15-40 spaces on Saturday nights. The additional surplus during the week could be used to provide parking for other office/retail projects developed/redeveloped as part of PDC's Downtown Waterfront Development Opportunities Project, so that the cost of the Old Town Garage expansion could be spread beyond the Block 8 project. The justification for the extra parking spaces per the requirements of the CCTMP for each of the three scenarios is contained in the text. However, as noted above, expansion of parking to Level 5, which now accommodates only a helipad, must be analyzed further for its structural feasibility before this can be considered as an option.

Given the foregoing analysis, it is apparent that there are solutions available to satisfy the loss of parking resulting from the relocation of Fire Station No. 1 to Block 8, and the renovation and restoration of the historic Globe Hotel Building. This, in turn, would clear the way for the area to benefit from the positive aspects that this redevelopment could generate.

The positive synergies created by location of a fire station in an urban environment are further discussed in the case studies presented in this report. In every case study presented, downtown parking is tight and at peak times perceived as undersupplied, but in none did it preclude diners or entertainment seekers from patronizing the establishments they want to, or did the residential components do anything but help stabilize the area and add value. However, the relationship between parking supply and demand in these instances appears to be in balance; if there was a significant decrease in supply with no corresponding consideration of demand, then there would be a negative impact on the financial viability of surrounding uses.

Over time, both types of additions (municipal facility/fire station and office space or residential units) proved positive influences on rent level and ultimately, property values. In none of the neighborhoods reviewed or the case studies presented were either challenging parking environments or the introduction of residential units into an entertainment district credited with a net loss of business. As noted before, though patrons and tenants may have been inconvenienced, it did not preclude their presence at the venues they wanted to go to, within reason.

Impact Analysis: *With Fire Station Relocation*

SAFETY

An interview with Deputy Fire Chief Michael McGuire indicated fire personnel at Station No 1 are quite interactive with their proximate neighbors and the community overall. The fire station gets frequent visitors, particularly during the summer months and major attractions where the station offers first aid to marathon or other event participants.

Firefighters on duty twenty-four hours a day, seven days a week regularly observe Front Street/Naito Parkway, the areas of Waterfront Park across the Parkway from the station, and the side streets bordering the station and report any suspicious activities to local police. Their fitness routines often include runs through the park and on surrounding streets, providing a visible presence of authority in the neighborhood.

Despite this presence, the design of the current Fire Station No. 1 (completed in the 1950s) limits visual access from the facility to the East. Also, the station is set back from SW 1st Avenue behind a masonry wall and a surface parking lot, making routine observation by fire personnel to the north and west difficult.

Apart from the positive aspects that new development in the study area would generate, the introduction of this type of fire facility – modern, cutting-edge, with a design that is open and inviting to community interaction and which provides visual access to all surrounding streets - can only be seen as beneficial. Safety concerns for potential visitors, retail customers, restaurant patrons, businesses and lessees would be significantly diminished given the proximity of a safe haven such as the fire department. As noted in the Charlotte, North Carolina case study, their fire station actually serves as a safe house for area residents, in addition to providing other emergency services to the community.

The presence of a municipal authority in an area of higher crime and late night bar activity should logically deter suspicious and/or inappropriate activities and increase attention to applicable compliance codes. In one case study, it is noted that though the data is anecdotal, code compliance in area bars and restaurants proximate to their fire station appears to be higher than in other areas farther away. It is reasonable to assume the same phenomenon would occur around Fire Station No 1.

In following, a decreased perception of risk would again increase the attractiveness of the area to investors and potential business owners and lessees. Over time, the stability gained would result in better occupancy, more predictable market conditions, and ultimately higher rents and property values.

On the negative side, there are additional public safety issues related to fast moving, large vehicles coming in and out of a fire station. Great care has to be taken relative to civilian vehicles and pedestrians, as well as traffic issues created by the need for rapid response time from firefighters and emergency personnel. Not unlike its present location, the combination of one-way streets and traffic congestion at times of peak demand will necessitate mitigating these impacts. (Some of these impacts may, in fact, be alleviated by direct access from the fire station to Naito Parkway.)

Impact Analysis: *With Fire Station Relocation*

PROPERTY VALUES AND RENT LEVELS

As noted previously, the perception that the market holds of a particular property, the area it is located in, tenant profile, property condition – of a property and those surrounding it, property expenses – both operating costs and fixed costs such as taxes and insurance, neighborhood demographics and trends, access and exposure, all directly impact the level of achievable rents, and hence, value.

The redevelopment of Block 8 with a new, mixed-use development would improve the area's tenant profile (particularly given that the historic Globe Hotel Building is currently underutilized, with its ground floor 100% vacant,* and the upper floors apparently used only for storage by tenants in other buildings). In addition, the condition of the Globe Hotel itself would be significantly improved through renovation and seismic enhancement.

The introduction of 125 new jobs associated with the redevelopment would bring increased disposable income into the district, enhancing study area economics. The provision of added safety and security offered by the presence of a fire station manned twenty-four hours, seven days a week would logically add to the stability of the neighborhood. Based on the case studies reviewed, these positive influences typically serve as catalysts for additional new development or redevelopment, better occupancy, more interest and investment in the area, and ultimately higher rent levels and property values.

In fact, all of the data gathered suggest that long term rent levels and property values should be favorably impacted by the relocation of Fire Station No. 1 to Block 8. The overall character of the neighborhood will benefit from the introduction of a major new development in the study area and as noted previously, new or redevelopment generally attracts additional investment in an area.

* It should be noted that we have been provided information that the northern half of the street level portion of the Globe Hotel is to be leased out as "The Old Town Arcade". This Arcade will purportedly operate between 8:00 p.m. and 3:00 a.m. on Fridays and Saturdays, offering pool and video games and serving pizza, hot dogs, sodas, wine and beer. We do not have information on the proposed opening date, potential lessee or any lease particulars.

Impact Analysis: *Without Fire Station Relocation*

ANTICIPATED IMPACT ON SURROUNDING USES

There would be no associated impacts to surrounding uses if the fire station relocation does not occur. The apparent lack of incentive for long-time property owners to redevelop at a pace commensurate with other areas of the west side urbanized core, as evidenced by the historic slow pace of redevelopment in the study area, would not improve. Without the catalyst of new development, there would be no motivation for investors or other market participants to show any increased interest in the area.

There would be no loss of parking in the area, nor any negative impacts from increased noise levels or additional public safety issues, nor the need for street modifications or improvements.

CHARACTER OF NEIGHBORHOOD AND TENANCIES

If the fire station does not relocate to Block 8, the character of the neighborhood will more than likely continue to stagnate and/or decline. There would be no impetus to spur additional, complementary development, nor the presence of a twenty-four hour, seven day a week municipal authority to provide an added element of safety and protection for the neighborhood.

Without improvement in existing building and business conditions, more tenants – like Oregon Mountain Community - will relocate. While Northwest Natural Gas and the Port of Portland have made long-term commitments to the area, other retailers or commercial users are unlikely to seek out locations in the study area unless there is some perceived business or financial advantage in doing so.

There is not a critical mass of retail or office use to generate increased pedestrian traffic, with the only real traffic generators currently being the late night bars and entertainment venues. While the Chinese Gardens are proximate to the nine-block study area, there are no such comparable attractions located directly within study area borders. Though a few neighborhood owners might benefit from the existing dearth of entertainment or cultural alternatives, the majority suffer from the existing perception of the area as a “rough” section of town. The continued addition of alternative late night venues without daytime uses and increased safety precautions will serve only to further destabilize the neighborhood and increase the perception of risk involved in visiting (or investing in) the area; a potential result being continuing office vacancies.

Without the benefits of the relocation and new development, the neighborhood would remain stagnant and the potential stability that the presence of Fire Station No. 1 could bring to the area would not occur. It will become more and more difficult to attract quality tenants to the area and retain the ones already there. Over time, rental levels, property values and economic conditions will only worsen without improvement to existing buildings, or the infusion of new capital investment into the area.

Impact Analysis: *Without Fire Station Relocation*

PARKING

Without the relocation, no existing parking spaces will be lost, but parking will continue to be a problem at times of peak demand – as it is in almost every other urban core in the United States.

However, difficulty in finding a parking space is only a problem if there is activity in the area, and activity signifies business being done. Without a critical mass of businesses to draw potential customers or clients to the area, parking becomes less of an issue, as evidenced by the relative ease with which one can find a parking space on most weekdays in the study area.

Conversely, though parking conditions may be inconvenient late nights or on weekends, this situation does not preclude business development and expansion. Potential customers for Saturday Market (adjacent to the study area) travel by all modes of transportation and there is no indication they are deterred by a lack of parking. They patronize the retailers there and attend numerous activities and festivals at nearby Waterfront Park, regardless.

SAFETY

A perception that the study area is a magnet for unsavory behavior will do much more to inhibit business development. If the relocation of Fire Station No. 1 to Block 8 does not occur, none of the potentially positive benefits cited previously will occur. An excellent opportunity to improve both the actual and perceived level of safety in the area will be lost, and with it the possibility of immediate improvement in the overall image of the study area. The character of the neighborhood will likely diminish, and its already checkered reputation will continue to decline.

PROPERTY VALUES AND RENT LEVELS

Without the introduction of a significant amount of capital into the study area, the stagnant nature of its current investment profile will remain unchanged. The buildings located on Block 8 show obvious signs of deferred maintenance and obsolescence, and there is no indication this will change in the foreseeable future. Without the associated new jobs, additional retail facilities, and either residential units or additional new (redeveloped) office space, the opportunity to improve the study area's tenant profile and economic characteristics will be lost.

The level of risk associated with investment in the area will continue to increase, and simply put, higher levels of perceived risk, both personal and professional, translate into less investment and less investment translates into declining property conditions, lower rent levels and diminished property values. Without the relocation of the fire station to Block 8 and the commensurate investment in facilities and the community, opportunities in the area will continue to decline due to ongoing stagnation and lack of re-investment.

Residential Development Analysis

Residential Development Analysis

The proposed fire station relocation includes redevelopment of the Globe Hotel Building, the exact character of which redevelopment has not been decided at this point. Three options have been put forth to date: (1) street level retail with office space on upper floors; (2) street level retail with affordable condominiums on upper floors; or (3) street level retail with affordable rental housing on upper floors. The issue we address in this analysis is not what type of residential development, if any, should occur, but rather the appropriateness of residential development in an area some consider an entertainment district.

The benefit of real life experiences and real estate trends evidenced in similar situations is often the best basis for comparison. To assist in this analysis, we conducted interviews with, and gathered market data from, various market participants knowledgeable about residential developments in entertainment related districts in cities throughout the United States. The following paragraphs present our findings relative to this investigation. Copies of the individual case studies are presented in the Appendix of this report.

Our first discussion focuses on residential development in and around the Gaslamp Quarter of San Diego, which area is also presented as an example in the fire station case studies section of this report (which follows). Second, we discuss two case studies that deal specifically with the presence of residential development in transitional, entertainment oriented, mixed-use neighborhoods: Richmond, Virginia and Scottsdale, Arizona. Finally, we review a residential case study of Charlotte, North Carolina that also includes the introduction of a fire station into the area. All three of these residential studies follow this analysis. Finally, we also include a discussion of the impacts of mixed residential, entertainment and restaurant uses in the 21st Street area of Portland.

In each instance, the introduction of residential development into an entertainment district, in particular one in transition, has proven positive – positive for owners, renters, businesses, crime statistics and overall stability within the neighborhood. The addition and ongoing presence of the fire station in the Charlotte area of South End/Dilworth has not only added a strong element of stability, but also an increased level of community involvement and participation.

THE GASLAMP QUARTER, SAN DIEGO, CA

San Diego's Gaslamp Quarter is an excellent example of a transitional area that has, and continues to benefit from the synergy created by entertainment, retail, office and residential uses existing in the same "neighborhood". A former red light district, it is now considered one of the premier shopping, dining and residential locations in Southern California. As residential development intermingled with the other uses and people became present on a twenty-four hour, seven day a week basis, the seedy character of the area changed and crime statistics improved. Today, development and redevelopment continue, with numerous residential projects underway, as shown in the exhibits accompanying the case study.

Residential Development Analysis

SHOCKOE BOTTOM/TOBACCO ROW, RICHMOND, VA

The same positive influences have also occurred in Richmond, Virginia, where an old warehouse district has become one of the most popular entertainment areas in the city. Proximate to the downtown financial district, the Shockoe Bottom/Tobacco Row area is home to a variety of uses including nightclubs and other entertainment venues, restaurants, retail, office, commercial, and residential. As the data presented in this case study shows, new development, particularly residential, has served as a continuing catalyst for additional development and redevelopment. Newer projects are garnering higher rents and sales prices than ever before, and the newest redevelopment currently underway is the most exclusive and expensive to date. Photos of various residential developments in the area accompany information sheets on the projects and are presented at the end of the case study.

URBAN CORE, SCOTTSDALE, AZ

The character of downtown area of Scottsdale is more established than most of the other examples presented, but the trends evidenced there are similar. Similar to the Gaslamp Quarter in San Diego, downtown Scottsdale is home to some of the best shopping and dining in Arizona. The downtown is an excellent example of revitalization, restoration, development and redevelopment of an urban downtown core. Scottsdale Fashion Square is nationally acclaimed in retail circles and the city is known for its excellent provision of quality art galleries throughout the downtown.

Both new construction and redevelopment remains strong, as evidenced by the numerous examples provided in the case study that follows. The range of residential properties offered is significant, and increasing. The success of the residential sector in the downtown core is evidenced by projects such as the new, high-end condominium development across from Biltmore Shopping Mall. Developed by the Pivotal Group, units sold out months ahead of completion – with some selling for up to \$2.7 million a unit.

SOUTH END, CHARLOTTE, NC

Finally, we have one specific case study that provides an excellent example of the benefits to both the area residents and fire fighters themselves when a fire station is successfully incorporated into a community. Though all the same concerns relative to public safety, noise, traffic and on street parking scarcity exist in this example, the case study for Charlotte, North Carolina, which follows this discussion, clearly reflects the positive benefits that can occur from placement of a municipal facility in a transitional, mixed-use neighborhood.

Not only was the fire station given credit for improved safety, increased stability, more neighborhood involvement, and lower crime statistics, the investment in the area and development of the station itself served as a catalyst for additional other new and redevelopment that is still ongoing. Similar to the situation with Block 8 in Portland,

Residential Development Analysis

this area of Charlotte had not seen re-investment by area owners and development and redevelopment had stagnated. With the introduction of this new facet of the community, other investors followed suit and both the public and private sectors have benefited.

Probably the most telling quote regarding the Charlotte case study comes from a real estate professional who lives and works in the area reviewed. Experienced in both valuation and consulting, this resident provides the following comment:

Although we experience moments of inconvenience, the fire station has had no adverse effect on property values or development in the area. As a resident of Dilworth and property owner in South End, I am pleased to have them as my neighbor.

NW 21ST AVENUE, PORTLAND, OR

Though there will always be some conflicts between residential users and restaurants and bars, the positive synergies created for property owners and lessees in such an area outweigh the negatives. Portland's own 21st Avenue is a successful marriage of restaurants, bars, and residential development.

Numerous retailers are located in the area, with residential uses between, above and alongside commercial uses. Rent levels and property values have continued to increase over time, and this trend is expected to continue.

CONCLUSIONS

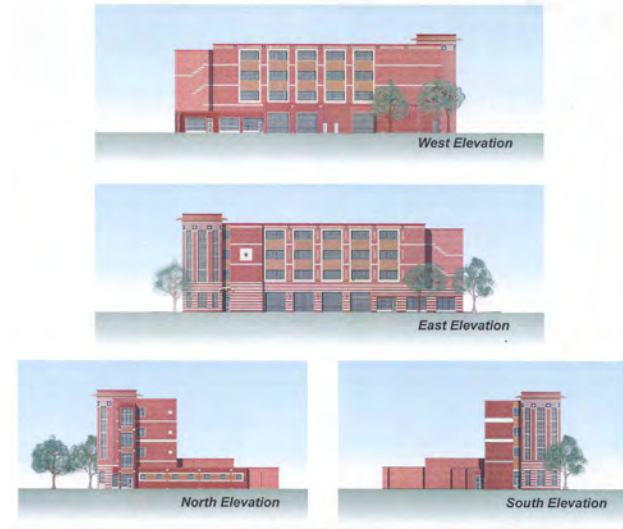
Both local and national data suggest strong positives relative to the synergies created by mixed-use development, more specifically the mix of commercial, retail, entertainment, and restaurant uses with residential. The stability provided by the presence of twenty-four hour, seven day a week residency, particularly in transitional areas, has consistently proven to be advantageous for area rents and property values. Likewise, the presence of a municipal authority, such as a fire station, on a round the clock basis, has also proved stabilizing and beneficial overall to the neighborhoods in which they are located. We believe this would also be the case for the study area if a residential component were completed as part of the Fire Station No. 1 relocation to Block 8.

Fire Station Case Studies

Fire Station Case Studies

To further understand the potential impacts of relocating Portland’s Fire Station No. 1 to a new location in the Old Town neighborhood, various urban fire stations around the nation were studied. The research for each case included web inquiries as well as interviews with local fire departments, planners, residents, architects, and community organizations.

The cases varied widely, from studies of the relocation or rebuilding of stations in older industrial cities (Worcester and Chelsea, MA) to those that examined stations (new or existing) in historic districts (Savannah, GA and San Jose, CA). All of the stations studied (including stations in Oakland, CA and Phoenix, AZ, as well as a proposed station in Silver Spring, MD) were sited in mixed-use areas with existing and/or proposed residential uses in close proximity. In several cases (Cincinnati, OH and Fitchburg, MA), sites for new fire station facilities were chosen specifically to aid urban rehabilitation in blighted or underutilized areas.



Proposed Fire Station 1, Silver Spring, MD Image: Montgomery County, MD



Proposed Fire Station 1 Location, Silver Spring, MD Image: Montgomery County, MD

For each fire station and surrounding neighborhood, questions were asked regarding the impacts (both real and perceived) of the fire station on surrounding commercial and residential uses, property values and rents, and public safety. While each case had its own unique circumstances, several general findings emerged that were nearly universal across all cases. First of all, while some stations do receive complaints from neighbors regarding noise, traffic, light pollution, and exhaust, these concerns have been outweighed by each community’s acceptance of, or enthusiasm for, a fire station in its midst. In none of the cases studied were negative economic impacts reported as being caused by the location (or relocation) of a fire station within a given neighborhood. Further, in several cases, positive economic impacts were cited as being related to the significant public investment within a community that a fire station represents. Lastly, all cases reported a perceived increase in public

Case Studies

safety due to the 24/7 presence of an operating fire station.

From the many cases considered, four (Seattle, WA; Austin, TX; San Diego, CA; Charlotte, NC) were chosen for detailed description within this report. These four cases were selected because they share certain key elements in common with the proposed fire station siting on Block 8. Specifically, each of these cases examines a fire station located within a growing entertainment district and within areas that have experienced significant revitalization over the last two-to-three decades.



Central Fire Headquarters, Fitchburg, MA

Photo: Donham & Sweeney Architects

Case Study: *Pioneer Square, Seattle*



Case Study: *Pioneer Square, Seattle*



Fire Station 10, Pioneer Square, Seattle, WA

Photo: City of Seattle

The greater metropolitan region of Seattle, Washington, has a population of over 3.2 million, making it the most populous in the Pacific Northwest. Located on Puget Sound, Seattle itself boasts a population of 560,000. The city is home to three major sports teams, a working monorail, a world famous public market (Pike Place), and the University of Washington. The dense downtown area is a mix of mid-rise and high-rise buildings clustered along a north-south axis between the Sound and the hills to the west. At the southern end of downtown is Pioneer Square, the historic heart of the city.

The corner of 2nd and Main in Pioneer Square has been home to a fire station since 1903; the current station (#10) was constructed there in 1928. Fire Station 10 is a three- and four-story structure of approximately 24,000 square feet; it houses an engine company, a ladder unit, an aid unit, the city's primary hazmat unit, and a reserve hazmat unit. Station 10 is also the home of the Seattle Fire Department's headquarters. As the city's busiest station, #10 deploys units 9,000 to 10,000 times per year, with just over half of these coming in response to EMT or paramedic requests. Despite the noise, light pollution, and traffic generated by the station on a daily basis, Pioneer Square has burgeoned into one of Seattle's most popular nightlife districts and one of its hottest housing markets.



Cafe in Pioneer Square

Photo: EnjoySeattle.com

The Pioneer Square historic district is Seattle's oldest neighborhood and home of the original "Skid Row," so-called from the days when timber was slid down the Yesler Way hill to a waterfront mill. While the area struggled for much of the latter twentieth century, the Square is now a thriving entertainment district, to which twenty- and thirty-somethings from around

Case Study: *Pioneer Square, Seattle*

the region flock to visit any number of art galleries, restaurants, taverns, and night clubs. The area has experienced some revitalization over the last several years, as middle and upper-middle class citizens have 'rediscovered' the Square's unique architecture and historic feel. Not surprisingly, tensions have arisen recently between residents and club owners. But, as a representative of the South Downtown Foundation points out, "Most would rather deal with the problems of success than those of blight."



Pioneer Square Trolley

Photo: City of Seattle

Immediately adjacent to Pioneer Square are two other districts currently experiencing an influx of new investment. The International District lies south and east of Pioneer Square, and is home to a variety of Asian businesses and restaurants. This neighborhood features several cultural institutions, including the Wing Luke Asian Museum, Hing Hay Park, and the Nippon Kan Theatre, a National Historic Landmark built in 1909. Several new housing developments have

been built or are in the planning stages within the district. Immediately to the South of Pioneer Square is South Downtown (a term often used to describe the neighborhood itself and a larger area which also encompasses Pioneer Square and the International District). South Downtown, or SoDo, as it is occasionally termed, is home to two new stadiums (for baseball's Mariners and football's Seahawks). Spurred in part by the new sports complexes and the rising property values in Pioneer Square, South Downtown has begun its own revival over the last five years, with a row of restaurants along Occidental Avenue and renovated commercial buildings throughout. "There is definitely a momentum building in the area," reports a local architect and planner.

The current Pioneer Square fire station serves all three of these districts, and generally has been beneficial to the area. According to the Downtown Neighborhood District Coordinator for the City of Seattle, the fire station "definitely lends a sense of safety to the neighborhood," and residents feel "very positive" about having a fire station in their midst.

The City now considers the seventy-six-year-old Fire Station 10 to be "inadequate to accommodate modern fire-fighting apparatus." Renovation of the facility has been deemed infeasible; the changes necessary also would degrade the historic character of the existing station. Thus, following the recent passing of a fire levy, a new site has been chosen for the Station 10 operations a few blocks away at 5th and Washington. Under the current plan, the existing structure at 2nd and Main would continue to house the Fire Department headquarters. The space vacated by the crew and equipment of Station 10 may be utilized for a fire museum or other city offices.



Pioneer Square

Photo: Seattle / King County Convention & Visitors Bureau

Case Study: *Pioneer Square, Seattle*

The block bounded by 5th, 4th, Yesler, and Washington has been designated as the city's preferred location for a City Command Center. As such, the new complex will contain a fire alarm center and an emergency operations center in addition to the Station 10 staff and apparatus. This entire block, located at the junction of Pioneer Square, the International District, and the Civic District (and just a few blocks from South Downtown) is currently occupied by a surface parking lot. The City has entered into condemnation proceedings to acquire the block.

According to the Downtown Neighborhood District Coordinator, the residents and businesses of Pioneer Square do not worry overly about the station's relocation, primarily because it will be moving only a few blocks away. Further, because the Fire Department headquarters will remain in the current station building, it will continue to be a stable presence in the district. Lastly, local merchants seem to relish the idea of placing a fire museum in the existing historic structure, as it likely would bring additional visitors to the area.



Hing Hay Park

Photo: City of Seattle

The International District does not oppose the siting of the station and its activities within their district. The Program Manager for the City of Seattle's Fleets & Facilities Department explains that residents and business there "welcome the services and sense of security a fire station will bring" to their neighborhood. In fact, the neighbors would like to see the 5th/Washington site developed as mixed use – with both a fire station and high-density housing, uses which they do not feel are incompatible. The City contends, however, that the security measures necessitated by the emergency operations center would make housing infeasible. Further, the City has indicated that there are economic efficiencies to be realized from locating all three emergency-related uses in a single, new structure. Lastly, because the City will be acquiring the land through condemnation (i.e., for a public purpose), developing private housing on the block would be illegal.

Because the City is not in a position to negotiate on the possibility of placing housing on the 5th/Washington site, it has chosen to be pro-active in mollifying the neighborhood. For example, the City's Office of Housing, in conjunction with the Mayor's Office and the Department of Planning and Development, is working with community members to locate other potential sites for housing within the International District. The City is also involving neighbors and community leaders in the design process for the new Command Center – including determining the ways in which the building design relates to surrounding uses and styles, the types of community spaces that are built into the station, and the ways in which public is incorporated into the design.

Case Study: Sixth Street, Austin



Case Study: *Sixth Street, Austin*



Fire Station 1, Austin, TX

Photo: Austin Fire Department

Austin is the state capital of Texas, and is located near the center of the state. The city has 650,000 residents, and is located within a metropolitan area of 1.25 million. The design of downtown Austin is focused on the State Capitol building, which sits at the city's center. Immediately north of the Capitol complex is the 50,000-student University of Texas, the nation's largest university. South of the Capitol is Austin's central business district, bordered to the south by the city's central park - Town Lake.

The central axis of downtown is Congress Avenue, which runs north and south from the Capitol building. From this axis runs Sixth Street, to the east. The seven-block section of Sixth Street between Congress and the I-35 freeway is the primary entertainment district of the city. Known simply as Sixth Street, this area is home to Austin's well known live music scene, showcased every March by the SXSW music festival and trade conference.

Fire Station 1 is located one block from the center of the Sixth Street entertainment district, at the intersection of Fifth and Trinity Streets. The station is situated in Brush Square, a city park established at the city's founding in 1839. The original building was constructed in 1938; subsequent additions have brought the station up to its approximate 13,000sf size. Station 1 houses two engine trucks, one ladder truck, one EMS vehicle, and a dive team vehicle. The station shares the block with the O. Henry Museum (which is also the former home of the Austin author), and the Suzanna Dickinson House, former home of an Alamo survivor. Both historic structures were moved to Brush Square from their original locations elsewhere in the city; the former was relocated in the 1934, the latter in 2003.

The building uses surrounding Fire Station 1 are the nightclubs, shops and restaurants of Sixth Street. These are typically two- and three-story brick buildings dating to the early 20th century. Similar buildings exist on the adjacent blocks, particularly along Red River Street. The area is well-known for its unique architectural character, and has been designated a National Historic District.

Case Study: *Sixth Street, Austin*

The area has evolved over the last ten years, from an underutilized warehouse district to its current role as a destination entertainment district. Intermixed with the historic buildings are a variety of office buildings, 10-20 stories high, as well as local and state government facilities. The Austin Convention Center site is one block south of Fire Station 1 at Fourth and Trinity. Its construction in 1992 has been a catalyst for several new hotels developments in the area. Most recently, a Hilton Hotel opened in January 2004 on the block immediately east of Brush Square, and a second hotel is under construction across the street from the Convention Center.



O. Henry Museum

Photo: Austin Explorer

The fire station itself is of a similar scale and character to the older buildings within the Sixth Street district. It is two stories tall, constructed of brick, and has elements of Art Deco styling typical of the period. The building addresses the street, with apparatus bays facing both Fifth Street and Trinity Street; it also has a minimum setback from the street edge – within 10 feet of the sidewalk. The pedestrian entrance faces the intersection; there is a roof-top terrace above that overlooks the street.

Many of the older buildings in the district recently have been converted to residential use. Across from Fire Station 1 are the Avenue Lofts, a 1999 conversion of a 1950's building into mid-priced condominiums. Also nearby are the Brazos Lofts and the Railyard Lofts, both of which have been redeveloped in the last five years. Occupants of these new developments have viewed the fire station as a stabilizing element in the neighborhood, and they accept



Avenue Lofts

Photo: Van Hueven Properties

the noise and activity level that are typical of any fire station. According to a representative of the Avenue Lofts Homeowners Association, "The fire department provides security by having a 24 hour-a-day presence." The manager of the Avenue Lofts expressed a common view that "the station increases property values." With regard to impacts caused by the fire station, he said that the owners recognized that the station has been there so long that it is simply part of the urban landscape – it is just something that one has to consider when choosing to live downtown.

Case Study: *Sixth Street, Austin*

There has been some interest, particularly by the Austin Parks Department and the Friends of Brush Square, in re-locating Fire Station 1 and the two other buildings on Brush Square. Doing so would allow the restoration of the square to its original use as a park.

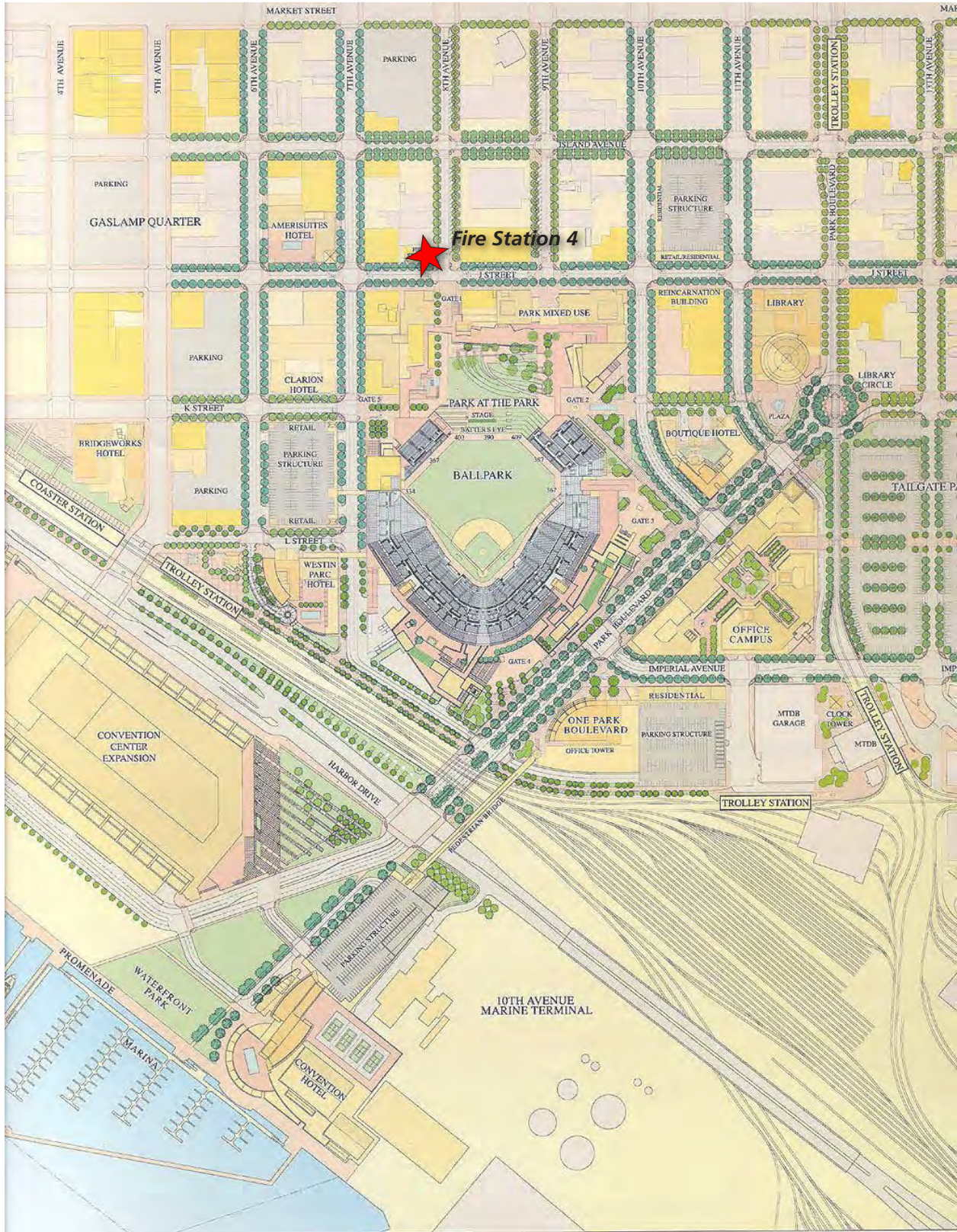
When the Dickinson House was added to the square, it subsumed the parking lot for the O. Henry Museum, thereby forcing all visitors to both museums to search for off-site parking. The fire station currently has exclusive use of its own parking lot, and this lot is considered, by some, to be oversized. The lot occupies a quarter of Brush Square and has capacity to accommodate the full overlap of parking that occurs during a shift change at the station. A member of the Friends of Brush Park, reports that "This part of downtown has not had much of a parking problem in the past, but that is changing with the two new hotels. Businesses are addressing parking by providing transit allowances to cover parking costs or public transportation. And a new public garage is being built at Fifth and Red River to provide for additional parking." She continues, "Initially we wanted to see the fire station moved, but I'd like to go on record as saying that the Fire Department has been great to work with and we are beginning to change our view."



Sixth Street at night

Photo: Austin Convention & Visitors Bureau

Case Study: Gaslamp Quarter, San Diego



Map: City Centre Development Corporation

Case Study: *Gaslamp Quarter, San Diego*



Fire Station 4,
San Diego, CA

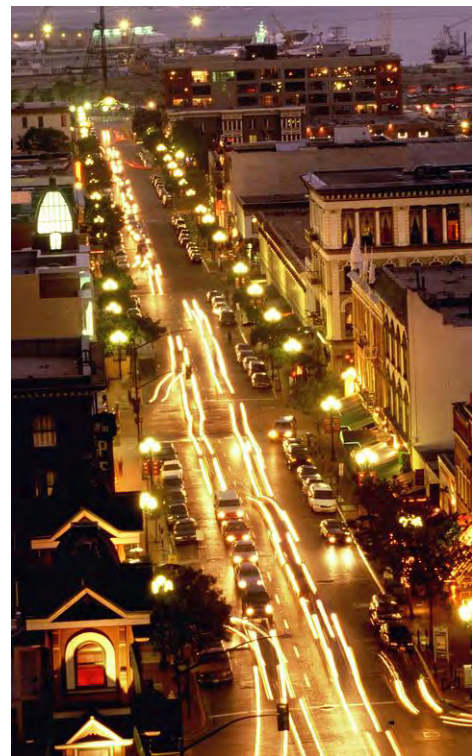
Photo: San Diego Fire-Rescue Department

San Diego, California, is located in the southwestern corner of California, positioned on the Pacific Ocean at the United States' border with Mexico. It is the seventh largest city in the US, with 1.3 million residents that, combined with the other communities of San Diego County, total 2.8 million people.

The first permanent Spanish settlement in the region was established at Presidio Hill north of San Diego Bay, at what is today Old Town State Historic Park. This location provided a strategic vantage point that was easily defensible but removed from the potential benefits of San Diego's natural harbor. In 1850, William Davis built a number of prefabricated houses on undeveloped land at the water's edge (at what is now the intersection of State and Market streets) in an attempt to establish a modern waterfront town. His attempt failed, but Alonzo Horton purchased Davis' land and was successful in luring people to the new town. This modern community prospered and grew into an area of ornate commercial structures, hotels, and residences. Over time, this area of downtown San Diego has had many names - Flea Town, New Town, Chinatown, and others – each reflecting the neighborhood's cycles of success and decline. The area is now recognized as the Gaslamp Quarter Historic District.

The Gaslamp Quarter is located along Fourth, Fifth, and Sixth Streets between Market Street to the north and L Street to the south. The San Diego Fire Department's Station 4 is situated two blocks east of the Historic District, in the East Village area, at the corner of Eighth Street and J Street. It was founded in 1918, and its current Egyptian Revival structure was built in 1938. The station has two apparatus bays that house two engine trucks; it is operated by rotations of eight resident firefighters, 24 hours-a-day, 365 days per year.

Historically, the East Village has been populated by warehouse buildings, wholesale produce markets, SRO hotels, and other uses that supported the commerce that was focused around the main streets of the Gaslamp Quarter. As San Diego grew, the Gaslamp Quarter encountered several periods of decline. The ornate, low-to-mid-rise commercial buildings suffered obsolescence as contemporary high-rise office buildings were built in other parts of the Central Business District. And where the Gaslamp Quarter has suffered – the East



Gaslamp Quarter
at Night

Photo: Las Vegas Review-Journal

Case Study: *Gaslamp Quarter, San Diego*

Village has suffered more. However, in recent decades, there has been an interest in the unique, early-twentieth century architecture of the buildings that are prevalent throughout the district. Restaurants and nightclubs have benefited from the inexpensive rents and unique character of the area, and collectively have established an entertainment district that attracts many local residents and visitors to downtown San Diego.

Today, the area surrounding the Gaslamp Quarter is experiencing tremendous progress, spurred in part by the scheduled opening of the San Diego Padres' new baseball stadium – PETCO Park. The project began in 1998, and will celebrate its opening day in April of 2004. The stadium is

the cornerstone of a 26-block development that will include the baseball facility along with the associated “Ballpark District” development with hotel, housing, retail, and commercial uses. Fire Station 4 faces onto the portion of the stadium development that reaches J Street, an area planned for commercial and retail buildings. Pedestrians along J Street will be able to enter the “Park at the Park” that is beyond the center field wall. This park



The planned Mark Condominiums

Image: City Centre Development Corporation

will overlook the stadium playing field and is designed to allow the community to picnic and to watch games at no charge. The development of the ballpark, with its increased access to the San Diego Convention Center, will also tie the Gaslamp Quarter to the Convention Center, and will provide greater access to the surrounding marina area.

In the preliminary planning stages of the Ballpark District, little attention was given to the Fire Station site as an incompatible use. It was assumed that the fire station needed to stay in its current place because there are only two stations that serve the entire downtown area. The fire department was interested in staying at the site and did not believe that any expansion was needed to serve the area. The station receives ladder truck support from the second downtown station, and the Department is looking to construct a future station to the east, where demand is growing. Station 4 experiences a high call rate and a particularly high demand for the emergency service calls common to this neighborhood. It was decided that, in addition to providing needed services, the station is a local historic landmark that is of a scale and quality that is wanted along J Street. “The fire station fits beautifully; it’s a handsome building and fits the street character,” reports San Diego’s Centre City

Case Study: *Gaslamp Quarter, San Diego*

Development Corporation Architecture and Planning Manager.

There is now an interest among developers to develop the 200 x 300 block that the fire station currently shares with a warehouse, restaurant, and antique stores. The fire station will remain on its 5,000sf site, while the remainder of the block is planned for residential use. Parking had not been an issue prior to the arrival of the ballpark and its associated development; it may be more of an issue as the park begins operations and development continues. The station currently has just two on-site parking spaces; the staff uses on-street parking as a result. Developers of the proposed new residential building will be required to provide ten dedicated spaces for use by the department, which should be adequate, through management, for two overlapping shifts of eight resident firefighters.



Model of PETCO Park

Photo: Ballpark Watch

Parking had not been an issue prior to the arrival of the ballpark and its associated development; it may be more of an issue as the park begins operations and development continues. The station currently has just two on-site parking spaces; the staff uses on-street parking as a result. Developers of the proposed new residential building will be required to provide ten dedicated spaces for use by the department, which should be adequate, through management, for two overlapping shifts of eight resident firefighters.

New parking demands generated by the surrounding developments are being provided for adequately with structured parking associated with each project. There is an increased demand, however, for on-street parking. Until recently, on-street parking was available at no charge in the blocks surrounding the station. Parking meters have now been installed on all neighboring streets, and competition for available spaces is increasing. High on-street parking demands will be an increased reality with the coming of regular baseball games this summer, as fans will converge on the area for the regularly-scheduled 81 home games that will be played at the stadium each season. With a capacity crowd of 42,000, it is assumed by planning officials that 20-30% of fans will walk or take transit, leaving 30,000 people to travel to and from the game in 10,000 -12,000 cars. These cars most likely will be parked at a combination of surface lots, structured parking, and shuttle parking sites.

Case Study: *South End, Charlotte*



Map: *Historic South End*

Case Study: *South End, Charlotte*



Fire Station 2

Photo: Charlotte Fire Department

Following rapid growth through much of the 1980s and 1990s, Charlotte, North Carolina today is a city of 540,000 people, and is at the heart of a 1.5-million person region. The city is the nation's second largest financial center, and is home to the Mint Museum, UNC-Charlotte, and the Carolina Panthers football team.

The historic South End district lies just south of Interstate 277 from Uptown, Charlotte's central business district. A former industrial area, the South End neighborhood has undergone a rather dramatic transformation over the last 10-15 years. Many of the older warehouse buildings have been converted into a variety of uses, including retail, office, condominiums, restaurants, and nightclubs. "Restaurant Row" has become the local moniker for South Boulevard, on which Fire Station 2 is located. As a testament to the area's popularity, one of the most successful dining establishments over the last decade has been the Pewter Rose – located on the 2nd floor of a building across the street from the fire station.

The historic South End district lies just south of Interstate 277 from Uptown, Charlotte's central business district. A former industrial

South End has also become a creative services district, and now boasts some 180 businesses focused on architecture, design, and marketing. The neighborhood, labeled the "South End Design District" by local developer MECA Properties, hosts a 'Gallery Crawl' on the first Friday of every month. According to Kevin Kelley, cofounder of the design firm Shook Kelley, creative types are drawn to the area for the unique spaces its buildings provide: "You spend eight to fourteen hours a day at work. It's a lot of time. Some buildings are like a heat sink – they just drain you. These buildings really give a lot back.... It's a pretty inspiring place to be."

While the South End area is known for its successfully renovated historic buildings, it also has a fair amount of new construction. While many of the older buildings are 1-2 stories, most of the newer residential and mixed-use buildings are between 3-5 stories, with some 6-8 story buildings currently in the planning phase. Over the last fifteen years, land values in the area have shot up from \$6-13/sf to \$30-42/sf. New residential construction is currently selling at up to \$200/sf.



Tompkins Alley / Design Center

Photo: Historic South End

Case Study: *South End, Charlotte*



Transit-Oriented Development, along the Charlotte Trolley Line

Photo: Historic South End

Much of the (re)development in South End has occurred due to private investment; however, the City of Charlotte has also played a key role in the district's revitalization as well. In addition to the new fire station, constructed in 1982, the City has also made, or currently is planning, significant infrastructure investments. In the mid-1990s, the City invested in streetscape improvements along South Boulevard, which runs the length of the district; improvements included street trees, sidewalk upgrades, and occasional 'neck-downs,' the local term

for curb extensions. Also running through the district is the historic Charlotte Trolley, the only original electric rail-car still functioning in Charlotte. (The Trolley is operated by a non-profit organization, but the rail corridor through which it runs was created with City funds in 1998.) Trolley operations will soon be extended to 9th Street in Uptown, thereby connecting two of the city's most successful commercial districts via rail. Further, the 11-mile South Corridor light rail, which will run from Uptown Charlotte through the South end and on to the town of Pineville, is currently in the planning stages and is scheduled to open in 2006. This new line will be accompanied by zoning changes meant to promote transit-oriented development.

Residents and local officials approved the Historic South End Municipal Services District in 2001. This special taxing district funds district-wide services that go above and beyond what would normally be provided by the City. These services include planning, development, programming, marketing, and the organization of special events. According to Charlotte Trolley, Inc. (CTI), property values along the trolley corridor have increased over 89% since the creation of the Historic South End MSD. CTI further asserts that over \$400 million in private dollars have been invested along this corridor – in some 800,000 square feet of building space.

The South End has been home to a fire station for over a century; the current Station 2 opened on South Boulevard



Factory Lofts: a mix of condominiums and businesses

Photo: Historic South End

Case Study: *South End, Charlotte*

in 1982. The station has experienced several expansions and updates over the last twenty years, and today houses both a ladder company and an engine company, as well as a First Responder / EMT unit. The station averages approximately 5,400 runs per year (combined between the two companies).

Although one of the city's busier stations, Station 2 does not receive the complaints about noise and light pollution that other stations in Charlotte do. One of the fire station's captains attributes the neighborhood's acceptance of the station to the general liveliness of the district, of which the occasional sirens, flashing lights, and engine noise are only a part. According to a manager within the City's Economic Development Division, the station actually contribute to the South End scene: "Fire stations and firefighters are seen as cool, as part of what makes the South End neighborhood a fun and interesting nightlife area in which to hang out."

Beyond whatever 'cool' factor the station may possess, the staff there generally bends over backward to be a good neighbor. For example, the firefighters perform quite a bit of outreach to the community, including giving regular tours of the station to school, church, and youth groups; they also run a "Fire Explorers" program to teach area youth about fire safety and fire operations. Further the station is a designated "Safe Place" for those in need, i.e. runaways, victims of abuse, etc. Lastly, station representatives often attend community meetings and functions. For its efforts, the Station 2 staff is rewarded with invitations to neighborhood parties and barbecues and is "flooded" with gifts of food during the winter holidays. As a show of support for the station, the community successfully defeated a proposal in the late 1990s that would have relocated the Station 2 operations elsewhere. As the City's Employment and Business Services Manager explains, residents believe that you can't have a neighborhood center without certain types of civic buildings, such as a post office or a fire station.

While loitering, vagrancy, and crime were an issue in South End as recently as ten years ago, that has faded over recent years. While many in the area seem to feel that the presence of a 24/7 fire station in the district contributes to the perceived sense of security in the district, most acknowledge that it is the sheer amount of activity in the district that makes it safe. The area benefits from both strong daytime employment and a thriving nightlife, as well as the growing number of residents who call South End home.

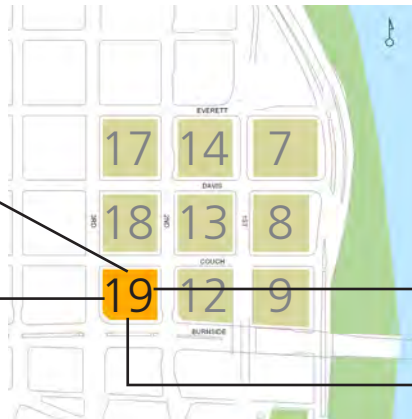


*South End Icon:
the Design Center
Water Tower*

Photo: Historic South End

Appendices

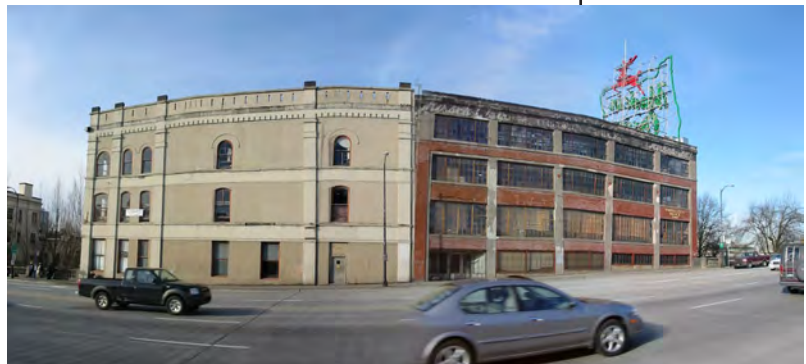
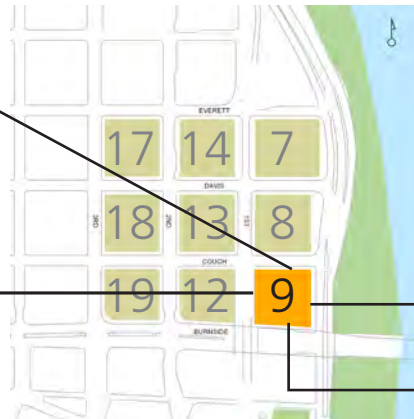
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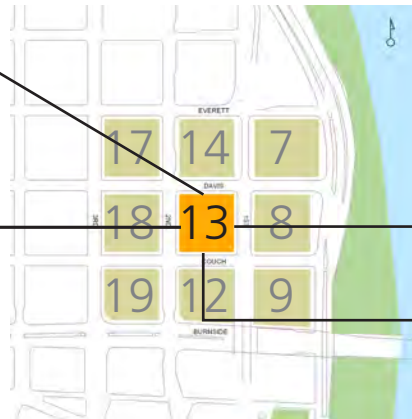
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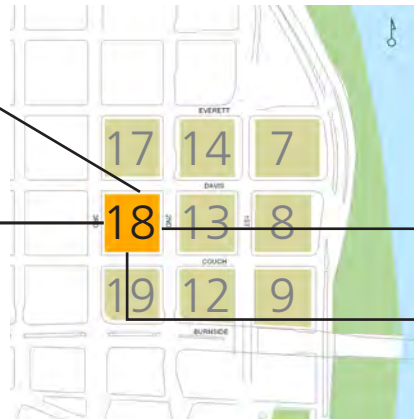
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Surrounding Uses: *Block 13*



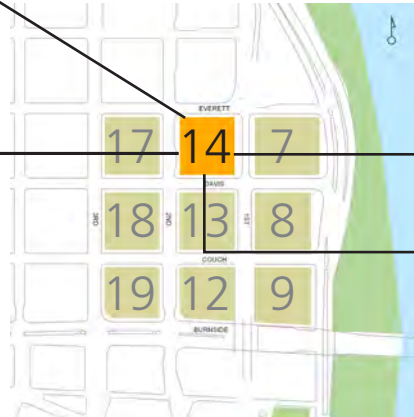
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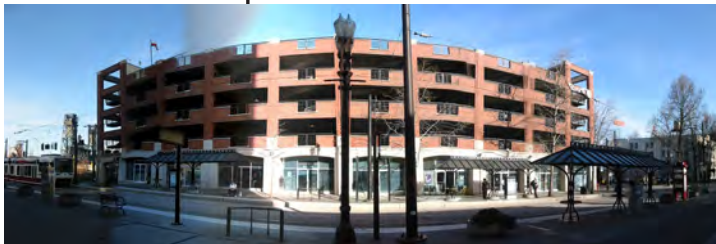
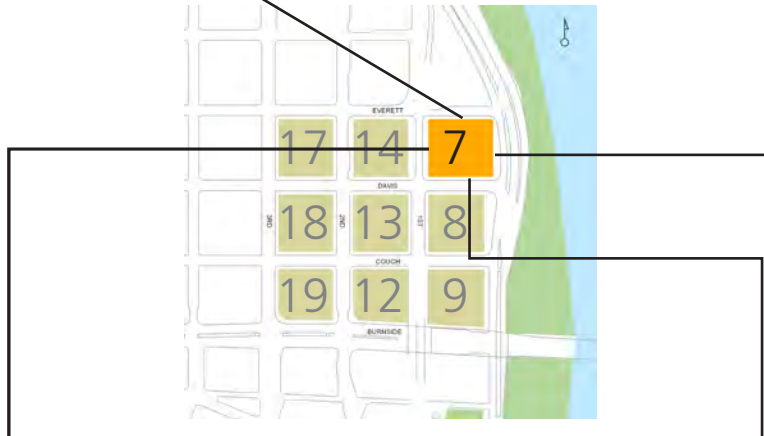
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Surrounding Uses: *Block 14*



Surrounding Uses: *Block 7*



Residential Case Study: *Charlotte, NC*

INTRODUCTION OF A FIRE STATION INTO A TRANSITIONAL RESIDENTIAL NEIGHBORHOOD

Area: The area referenced is called South End. It is an area that is experiencing significant revitalization as a result of its proximity to the central business district, and it incorporates a revitalized inner city neighborhood recognized as Dilworth, a proposed light rail system and a variety of adaptive reuses.

History: This former industrial corridor has experienced a gradual transition over the last 15 years from older industrial and commercial use to other forms of mixed-use development. The fire department built a new station within this time period and the facility and staff have served as an integral part of the revitalization trend overall, and specifically for the neighborhood of Dilworth.

Character of Neighborhood: Since completion of the fire station, the South End area has exploded with new development as well as continued adaptive reuse projects. Multi-family residential projects are currently underway within two to three blocks of the station.

Overall Impacts: Since their arrival, the fire department has been actively involved in the community by way of numerous neighborhood functions, including parades on July 4th and Christmas. They also provide a level of security to nearby residential neighbors through their 24-hour presence.



Fire Station 2

Photo: Historic South End

Parking: Parking conditions are similar to other urban locations where availability is limited, particularly in times of peak demand. This factor, however, has not inhibited additional development or investment in the area.

Safety: As noted above, the neighborhood has benefited from the increased level of security the presence of this facility has created. As the neighborhood has gone through its transition, stabilized and grown, crime statistics have improved. The presence of this municipal authority in the neighborhood is given at least partial credit for this improvement.

Values: Land values have escalated from approximately \$6.00 to \$13.00 per square foot to \$30.00 to \$42.00 per square foot during this time

Residential Case Study: *Charlotte, NC*

period, which represents a compound rate of increase of 11.32% per annum.

The foregoing information regarding the re-location of a fire house in a particular area of Charlotte, North Carolina, was provided by Mr. Fitzhugh Stout. Mr. Stout is both a CRE (Counselor of Real Estate) and an MAI. His credentials establish his experience and professionalism in the real estate field and his comments are particularly relevant to this project, given he is a resident of Dilworth and a property owner in South End.

Relative to having a fire station less than a quarter of a mile from his home, Mr. Stout had the following comments:

Although we experience moments of inconvenience, the fire station has had no adverse effect on property values or development in the area. As a resident of Dilworth and property owner in South End, I am pleased to have them as my neighbor.



The Kingston, a recent mixed-use development

Photo: Historic South End

Residential Case Study: *Richmond, VA*

RESIDENTIAL DEVELOPMENT IN AN ENTERTAINMENT DISTRICT

Area: The area under consideration is located in the eastern portion of the City of Richmond in the neighborhood designated by the City of Richmond as the Shockoe Valley Old and Historic District, more commonly known as Shockoe Bottom and Tobacco Row. The neighborhood generally extends from 14th to 27th Streets and from Broad Street to the James River. It is located eight blocks east of the Financial District and ten blocks east of the State Capitol.

History: This formerly industrial area was home to numerous tobacco warehouses and various related uses. The area remained fairly run down through the 1970's until a restaurant entrepreneur opened the Tobacco Company Restaurant on the edge of the district, directly adjacent to the financial district. Development occurred piece meal throughout the 1980s, then in 1991, McCormick Baron started working on the Tobacco Row development, converting and renovating old warehouses into 259 residential units. Followed by smaller building conversions and renovations such as the Gables, a 16-unit luxury apartment renovation at 25th Street and Grace Street. The River Lofts at Tobacco Row was a converted tobacco warehouse built in two phases. The first phase cost \$27 million and has 171 units and was opened in 2000. The second phase, a \$30 million investment, opened in 2003 and contains 158 units. Superior Warehouse, a \$3 million tobacco warehouse conversion and renovation also opened in 2003 with 28 large, upscale apartments.

The Lofts at Canal Walk, the first phase of the old Phillip Morris tobacco warehouse, was converted into 89 residential units at a cost of \$9 million and has recently started leasing. It also was reported that Shockoe Place Apartments, the old M. F. Neal building at 19th Street and East Franklin, near the Farmers Market and the heart of Shockoe Bottom, leased up as quickly as the 46 units came on line. The Railroad Y, the old YMCA next to the newly restored Main Street Station, was converted into 30 luxury rental apartments and is fully leased. The developers are planning on converting the apartments into a luxury suites hotel once the trains are running full schedules.

During the same time, other local development occurred, including mixed-use retail and commercial, and retail and residential. A number of entertainment venues and nightclubs located in the area, creating a synergistic blend of retail, commercial, residential and office uses.

Character of Neighborhood: Shockoe Bottom is a unique mixture of older buildings, which is

Residential Case Study: *Richmond, VA*

enjoying a rebirth as a mixed-use neighborhood encompassing retail, service, office, nightclub and residential development. From a formerly marginal transitional area, the district has grown to one of the more popular locations in metropolitan Richmond. A 34,000 square foot grocery store and a national drugstore have recently been built within the district.

Safety:

Prior to its redevelopment, Shockoe Bottom was basically “non-existent” in terms of residents or business activity. With virtually no active business or residential community, it had no (or extremely limited) real crime statistics. There was nothing there to attract crime or create a climate conducive to unsavory activities. Coming from an effective base of zero, crime statistics have increased, but are not considered above average or unsafe for an area within the urban core. It is not considered unsafe and the limited increase in crimes that occur around the night clubs in the area have not inhibited new residential development.

Overall Impacts:

The existence of residential development within this entertainment district has proved positive for developers, business owners and investors. The proximity of the nightlife has likewise proved beneficial in attracting younger residents into the area. The environment created by the mixed-use character of the neighborhood has created a synergistic environment in which absorption and property values remained strong.

Parking:

Parking is limited, as in almost every urban core, and night club and restaurant patrons entering the area often find it difficult to find a place to park. However, this factor has not precluded the investment in, or the popularity of, the area.

Values:

Values have consistently increased over time in the district. Both commercial and residential property values have benefited from the synergy created by the variety of businesses in the area and this trend is expected to continue into the foreseeable future. Renovated home prices in Churchill, a neighborhood contiguous to Shockoe Bottom and comprised of vintage 1800’s homes, have ranged from \$200,000 to \$500,000 versus non-renovated homes that sell in the \$50,000 to \$100,000 range. The apartments being developed in Tobacco Row have consistently garnered increasingly higher rents, with the units currently under construction being the most expensive to date.

Residential Case Study: *Richmond, VA*

The River Lofts @ The American Cigar Building						
2300 East Cary Street Richmond VA 23223						
Property Data:						
Number of Units	171					
Apartment Type:	Mid-rise					
Height:	Six stories					
Gross Rentable Area:	161,420 square feet					
Average Unit Size:	944 square feet					
Year Built:/Renovated	1901/2000					
Land Area:	1.2 acres					
Density:	142 units per acre					
Occupancy level:	93%					
Turnover Rate:	60%					
Rental Concessions:	None					
Lease Term/Deposit:	12 months/ \$99			Survey Date:	December 2003	
Rent Assistance/Control:	None			Confirmation:	Mia - Forest City (888) 603-9081	
Unit Information	Avg. Unit Size (SF)	Total # Of Units	Avg. Base Rent Per Month	Rent/SF	Notes	
1BR/1BA	811	104	\$915	\$1.13		
1BR/1BA/Den	1,015	13	\$1,156	\$1.14		
2BR/1BA	990	14	\$1,152	\$1.16		
2BR/2BA	1,202	36	\$1,332	\$1.11		
3BR/2BA	1,684	4	\$1,961	\$1.16		
Utilities/Services Included in Monthly Rent						
Water:	No	Sewer:	No	Trash:	Yes	
Electricity:	No	Gas:	No	Heat Type:	Gas	
Heat:	No	Hot Water:	No	Cooking:	No	
Cable/Satellite TV:	No	Internet:	No	Non-res. Services	None	
Features and Amenities						
Air Conditioning:	Yes	Refrigerator:	Yes	Clubhouse:	Community area	
Flooring:	Wood/Carpet/Tile	Range/Hood:	Yes	Mgmt. Office:	Yes	
Balcony/Patio:	Some units	Dishwasher:	Yes	Laundry Facility(s)	No	
Storage:	Yes	Disposal:	Yes	Security:	Yes	
W/D Hook-ups:	Yes	Microwave	Yes	Bus Line:	One block	
Washer/Dryer:	Yes	Fireplace	Some units	Swimming Pool:	Yes	
Cable Ready:	Yes	Ceiling Fan(s)	Yes	Playground:	No	
Window Coverings:	Yes	Elevator(s):	Yes	Athletic Courts:	Fitness center	
Other: Parking is \$45 uncovered reserved, \$55 covered reserved; amenity fee \$150 one-time fee.						
Remarks:						
Thi th Streets. The units feature exposed brick and wood beams with designer kitchens. There is controlled access and on-site parking. Dry cleaning and valet parking are also provided. The "Original Bookbinders" Restaurant is located on the ground level.						



Residential Case Study: *Richmond, VA*

Wm. Hill Building					
114-22 Virginia Street					
Richmond VA 23223					
Property Data:					
Number of Units	30				
Apartment Type:	Renovated historic building				
Height:	Three stories plus basement				
Gross Rentable Area:	17,427 square feet				
Average Unit Size:	581 square feet				
Year Built:/Renovated	1878/ 1986				
Land Area:	0.274 acres				
Density:	110 units per acre				
Occupancy level:	100% (2 units being renovated)				
Turnover Rate:	N/A				
Rental Concessions:	None				
Lease Term/Deposit:	12 months/ One month	Survey Date:		January 2004	
Rent Assistance/Control:	None	Confirmation:		Shockoe Properties (804) 780-3140	
Unit Information	Avg. Unit Size (SF)	Total # Of Units	Avg. Base Rent Per Month	Avg. Rent/SF	Notes
Efficiency	418	10	\$525	\$1.26	
1BR/1BA	605	15	\$695	\$1.15	
2BRA/BA	678	2	\$895	\$1.32	
2BR/2BA	941	3	\$1,042	\$1.11	
Utilities/Services Included in Monthly Rent					
Water:	Yes	Sewer:	Yes	Trash:	Yes
Electricity:	No	Gas:	No	Heat Type:	Electric
Heat:	No	Hot Water:	No	Cooking:	Electric
Cable/Satellite TV:	No	Internet:	No	Non-res. Services	None
Features and Amenities					
Air Conditioning:	Yes	Refrigerator:	Yes	Clubhouse:	No
Flooring:	Wood/Carpet/Tile	Range/Hood:	Yes	Mgmt. Office:	No
Balcony/Patio:	No	Dishwasher:	Yes	Laundry Facility(s)	Yes
Storage:	No	Disposal:	Yes	Security:	Yes
W/D Hook-ups:	No	Microwave	Yes	Bus Line:	No
Washer/Dryer:	No	Fireplace	No	Swimming Pool:	No
Cable Ready:	Yes	Ceiling Fan(s)	No	Playground:	No
Window Coverings:	Yes	Elevator(s):	No	Athletic Courts:	No
Other					
Remarks:					
The building is located at the southwest corner of Virginia and Canal Streets between Shockoe Bottom and the Canal Walk. Monthly parking is available in a nearby lot at resident's cost. Two units are currently being renovated, a one-bedroom unit and a two-bedroom, one bath unit. Retail space totaling 17, 784 square feet is on the ground level.					



Residential Case Study: *Richmond, VA*

Europe Building						
1407-09 East Cary Street						
Richmond VA 23223						
Property Data:						
Number of Units	19					
Apartment Type:	Renovated historic building					
Height:	Three stories plus basement					
Gross Rentable Area:	14,997 square feet					
Average Unit Size:	789 square feet					
Year Built:/Renovated	1910/ 1997					
Land Area:	0.101 acres					
Density:	188 units per acre					
Occupancy level:	95% (1 vacant unit)					
Turnover Rate:	N/A					
Rental Concessions:	None					
Lease Term/Deposit:	12 months/ One month			Survey Date:	January 2004	
Rent Assistance/Control:	None			Confirmation:	Shockoe Properties (804) 780-3140	
Unit Information	Avg. Unit Size (SF)	Total # Of Units	Avg. Base Rent Per Month	Avg. Rent/SF	Notes	
1BR/1BA	778	18	\$807	\$1.04	Rent ranges from \$625-\$920	
2BR/1BA	990	1	\$910	\$0.92		
Utilities/Services Included in Monthly Rent						
Water:	Yes	Sewer:	Yes	Trash:	Yes	
Electricity:	No	Gas:	No	Heat Type:	Electric	
Heat:	No	Hot Water:	No	Cooking:	Electric	
Cable/Satellite TV:	No	Internet:	No	Non-res. Services	None	
Features and Amenities						
Air Conditioning:	Yes	Refrigerator:	Yes	Clubhouse:	No	
Flooring:	Wood/Carpet/Tile	Range/Hood:	Yes	Mgmt. Office:	No	
Balcony/Patio:	No	Dishwasher:	Yes	Laundry Facility(s)	No	
Storage:	No	Disposal:	Yes	Security:	Yes	
W/D Hook-ups:	Yes	Microwave	No	Bus Line:	Yes	
Washer/Dryer:	Yes	Fireplace	No	Swimming Pool:	No	
Cable Ready:	Yes	Ceiling Fan(s)	No	Playground:	No	
Window Coverings:	Yes	Elevator(s):	No	Athletic Courts:	No	
Other						
Remarks:						
The building is located at the at the south line of East Cary Street between 14 th and 15 th Streets in Shockoe Bottom. There are 14 reserved parking spaces for residents. There are 2 of Richmond's most popular restaurants on the ground floor level, the Hard Shell and Europa, with the apartments above. It was reported that most of the units were pre-leased and occupancy has remained roughly 100% since. Amenities include large windows and French doors overlooking landscaped courtyard.						



Residential Case Study: *San Diego, CA*

RESIDENTIAL DEVELOPMENT IN AN ENTERTAINMENT DISTRICT

Area: The Gaslamp Quarter is located in the core of downtown San Diego. From its beginnings in the 1800's, this area has grown to an eight block district that comprises one of the most popular dining, shopping and night life destinations in Southern California.

History: Initially the central location for bars and gambling establishments, the area became known as Stingaree in the late 1800's when its reputation as a red light district gained attention. A police cleanup in 1912 eliminated this element, but the downtown continued its decline.



The planned Hotel Solomar

Image: City Centre Development Corporation

In the 1950's, 1960's and 1970's, the Quarter was home to various pornographic theaters and book shops and other dubious, secondary uses. The area was in disrepair and became a low rent district until 1974, when the Gaslamp Quarter Association was formed to protect the historic district and unite area business and property owners. The completion of Horton Plaza, a high end multi-level retail development on Fourth Street, served as a major stabilizing factor and retail anchor, and the district has seen steady growth and improvement in the ensuing years.

Character of Neighborhood: Today the area is a well-established entertainment district with more than 90 restaurants and a variety of retailers ranging from up scale boutiques, to fine art galleries, bazaars and specialty stores. Coffee houses abound and nightlife activities include live performance theaters and numerous nightclubs. It is no longer an area where safety is an issue, but rather a focal point for business and civic opportunity. The completion of a new San Diego stadium in the district was one of the more significant additions in recent years. Today, San Diego County's municipal offices are located just a couple of blocks of way and a number of residential developments are underway within and surrounding the Quarter.

Trends/Overall Impacts: While the Gaslamp Quarter has historically been known for its entertainment attractions and characterized by higher end retail, commercial and office development, the more recent introduction of a variety of residential products, including apartments, condominiums and row houses have added even more depth and economic stability to the area.

The positive economic trends in the Gaslamp have actually extended beyond its recognized boundaries, and redevelopment and improvement

Residential Case Study: *San Diego, CA*

of the adjacent East Village neighborhood is also currently underway.

Parking:

While promoters advertise an abundance of parking in the Quarter, like many other similar downtown entertainment districts, there never seems to be adequate availability at times of peak demand. Discussions with local sources revealed that it is not uncommon to have to park and walk several blocks to reach the Quarter. However, the successful mix of shopping, dining and entertainment apparently offsets any inconvenience, as it continues to grow in stature and popularity.

The addition of a new 500-space parking structure one block from the center of the Quarter on Market Street is expected to alleviate some of the congestion typical for weekday shopping and evening entertainment and restaurant hours.

Safety:

Safety is no longer more of an issue in this area than in any other location within the downtown core. It is now perceived as a safe and enjoyable place to be. As residential development and permanent residents increased in the area, crime statistics declined. Today the numerous residential developments are considered stabilizing factors in the neighborhood, and sources for retail, restaurant and entertainment venue patrons.

Values:

Based on discussions with real estate professionals knowledgeable about San Diego property values, and more specifically the Gaslamp Quarter, property values in the Quarter are some of the highest in the metropolitan area, and continue to increase. As noted, the introduction of a residential component into the area is seen as a stabilizing factor and these units have typically rented or sold at the top of the market.

As noted above, property values in the Gaslamp Quarter are quite high compared to other areas of San Diego, and the positive influence of the district's economics have begun to impact neighboring communities. East Village is one of these areas.

A final commentary was provided by one of the real estate professionals from whom we gathered information. This individual, whose profession is to value real estate assets, is currently in the process of purchasing a condominium directly across the street from the East Village police station. His explanation: excellent location and potential upside.

The fact that someone with this individual's knowledge and experience in real estate would invest their own funds in a downtown location proximate to municipal property is a significant endorsement not only of the specific location, but of the level of acceptance and security this type of proximity creates.

Residential Case Study: *Scottsdale, AZ*

RESIDENTIAL DEVELOPMENT IN AN ENTERTAINMENT DISTRICT

Area: The urban core of Scottsdale, Arizona is another area where restaurant, bar and entertainment uses successfully co-exist with residential development. The following comments provide positive support for well-designed downtown mixed-use development.

Character of Neighborhood: Downtown Scottsdale includes a number of distinctive business districts, which are outlined briefly below. These various downtown districts form a unique and vibrant mixed-use area that appeals not only to the residents of nearby affluent neighborhoods, but also residents of the entire metropolitan area.

The medical campus of Scottsdale Memorial Hospital/Scottsdale Stadium at the south end of the downtown area includes low-rise professional offices (predominantly medical-related) and restaurants are among the primary uses.

The Old Town specialty shopping area is situated east of Scottsdale Road, between Indian School Road and 2nd Street. This area consists of small specialty shops, restaurants and art galleries.

Scottsdale Civic Center Mall is located east of the Old Town area which includes municipal offices, the Scottsdale Center for the Arts with its auditorium and art gallery, a hotel, plus retail shops, restaurants, art galleries and the Scottsdale Museum of Modern Art.

The West Main art gallery district is situated along both sides of Main Street, extending west from Scottsdale Road, a distance of two blocks, are some of the Southwest's finest art galleries. Interspersed are specialty shops, restaurants and design studios.

The Fifth Avenue/Marshall Way district, which is bounded by Indian School Road on the south, Scottsdale Road on the east and the Arizona Canal on the north and west. This area, with attractive streetscapes, identification portals, etc., features more than 100 one and two-story commercial structures. Many are tenanted by souvenir shops and clothing boutiques. Additionally, there are numerous eateries, bars, art galleries and professional offices.

Scottsdale Fashion Square retail/entertainment district. This developing regional specialty/entertainment area is situated west of Scottsdale Road, both north and south of Camelback Road, at the north end of the downtown area. Scottsdale Fashion Square, situated at the northwest corner of Scottsdale and Camelback Roads, is a multi-level regional mall

Residential Case Study: *Scottsdale, AZ*

that contains 1.8 million square feet. The mall is anchored by Neiman Marcus, Dillard's, Robinson's-May, Macy's and Nordstrom's.

The 36.5-acre Scottsdale Portales property to the north of Scottsdale Fashion Square is targeted for approximately 300,000 square feet of retail space, 800,000 square feet of office and 300+ condominiums, plus a full service hotel. A six-story, 280,000-square-foot office project, anchored by the Finova Group, was completed in 1999.

The 12-acre Scottsdale Waterfront site is situated on the south side of Camelback Road between Goldwater Boulevard and Scottsdale Road. The northwest corner of the site was developed with the three-story, 225,000-square-foot Nordstrom department store and four-level parking garage that are connected to Fashion Square by a multi-level retail bridge over Camelback Road. The remainder of the property has been vacant for approximately 10 years and has had several false starts on potential development projects. The latest incarnation has paired Starwood Capital Group, the owners of the holding, with Golub & Co. of Chicago for a mixed use development that is to include 485 condominium units in six buildings, including two, 13-story residential towers and an outdoor amphitheatre along the north bank of the Arizona Canal. Another 99,000 square feet of retail space will be integrated within the project. Construction would not begin until 2004 with completion to follow in 2006.

Overall Impacts: In recent years, downtown Scottsdale has become an increasingly popular location for bars and restaurants. As shown by the exhibit on the following page, there are over 79 food and beverage establishments, excluding those at lodging facilities and over 115 properties with liquor licenses within the downtown core. Additionally, two new, ground-up facilities are under construction (Drink and the Pussycat Lounge) east of Scottsdale Road.

Safety: There is a wide and varied mix of entertainment venues in the downtown core, as evidenced by the two new clubs noted above. The added presence of established retailers, eating establishments and proximate high-end residential development generates more business and related pedestrian traffic, thereby enhancing the stability of a downtown characterized by synergy and high energy. Though crime statistics almost always increase with more late night activity, the area is not considered overly problematic and as a result, residents and visitors continue to patronize the downtown core in ever increasing numbers.

Parking: Parking is limited, as in the case of most urban cores. There are surface

Residential Case Study: *Scottsdale, AZ*

lots and on street parking, but supply at peak times does not satisfy demand. Despite the inconvenience of parking and walking sometimes a number of blocks, customers of area businesses, restaurants and nightclubs continue to patronize the district.

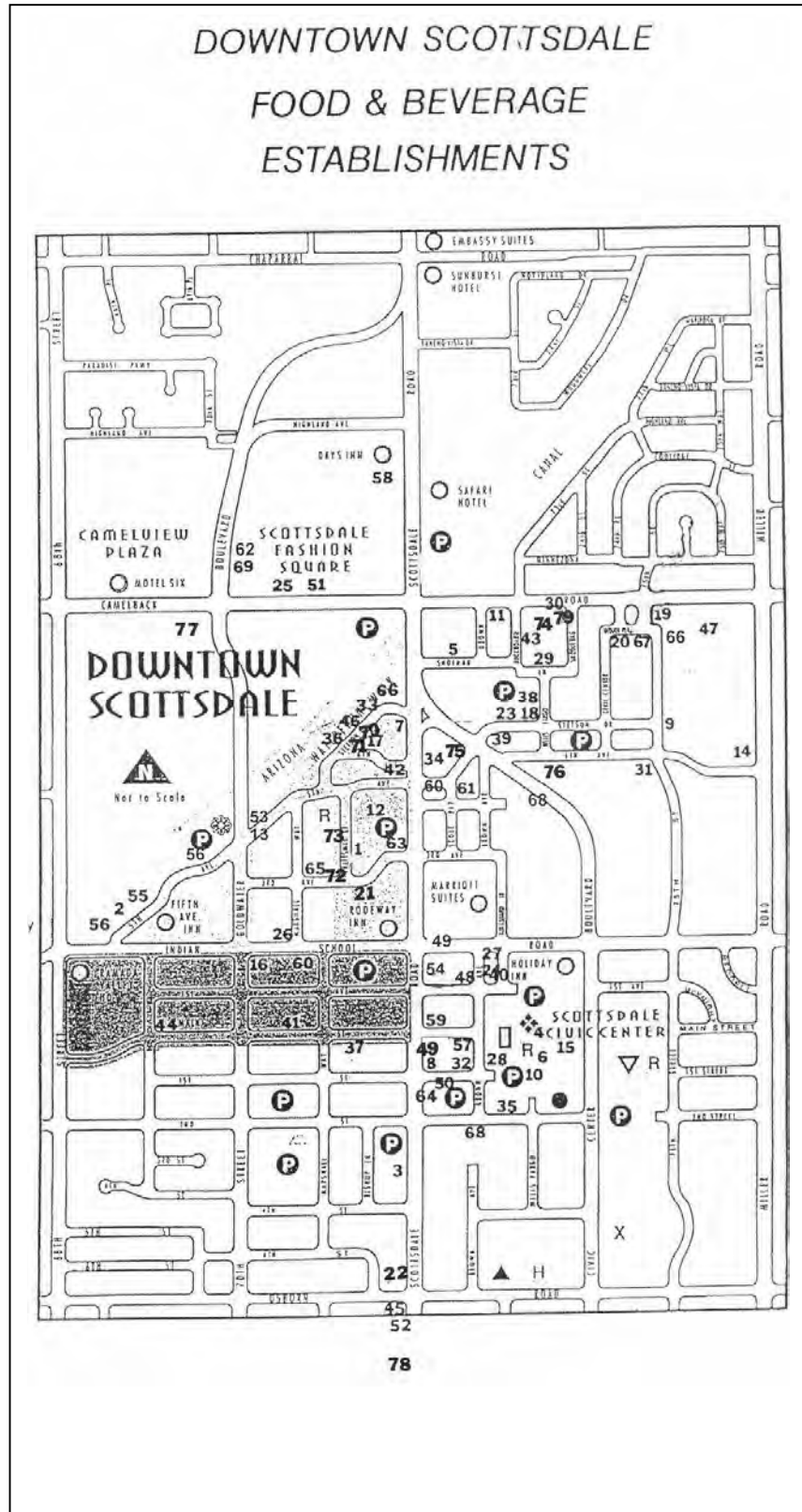
Values:

The number of establishments is expected to increase as area redevelopment continues. However, revisions to the downtown zoning ordinance could place more onerous restrictions on new supply, due to a refinement in the definitions between bars and restaurants and, by extension, related parking requirements.

Nevertheless, rather than suffering from the effects of too much competition, the density has created a synergy that draws increasing numbers of patrons to downtown Scottsdale. While turnover is not uncommon, the tenancies are typically replaced with new operators when vacancies occur. Property values have consistently increased over time, and this trend is expected to continue into the foreseeable future.

Residential Case Study: Scottsdale, AZ

1. Acme Grill
2. Anderson's Fifth Estate
3. Oregano's
4. AZ 88
5. Buckets
6. Back Stage
7. New concept
8. Bandera
9. Drift
10. Blue Moose
11. Blue Horse
12. BS West
13. Devil's Martini
14. Chances Are
15. Hotel James
16. Coach House
17. Kaz Bar
18. D.J.'s
19. Don & Charlie's
20. Downside Risk
21. Cajun House
22. Billet Bar
23. Six
24. The Grape Vine
25. Kona Grill
26. Ayako of Tokyo
27. Jacqueline's
28. J. Chew
29. Sanctuary
30. Axis/Radius
31. New concept coming
32. Karsen's
33. Kyoto
34. Landry's Seafood
35. Los Olivos
36. Madison's
37. Malee's on Main
38. Maloney's
39. Martini Ranch
40. Tapas Pepin
41. Mabel Murphy's
42. Mr. C's
43. Fusion
44. Old Towne Tortilla Factory
45. Olive Garden
46. Cat's Eye
47. Pasta Brioni
48. Patty's 1st Avenue Lounge
49. Pink Pony
50. Pischke's
51. P.F. Chang's
52. Red Lobster
53. Café Blue
54. Italian Grotto
55. Sugar Shack
56. Soho (closed)
57. Rusty Spur
58. Opium
59. Stan's Deli
60. Medizona
61. Gilligan's
62. Bar Louie
63. Tony Roma's
64. Ra Sushi
65. Dos Gringos
66. Tequila's
67. Buddha Bar
68. Blue Agave
69. Z-tejas
70. Cowboy Ciao
71. Sea Saw
72. Noyz
73. Next
74. Suede
75. Mickey's Hangover
76. Lucky Seven (closed)
77. Drinkwater's City Hall
78. Sugar Daddy's
79. Pussycat Lounge



Parking Analysis

MEMORANDUM

DATE: Revised: April 2, 2004.

TO: Amy Miller Dowell, AIA, Project Manager
Portland Development Commission

FROM: Beverly Bookin, AICP, Consulting Planner

SUBJECT: ANALYSIS OF PARKING DEMAND AND SUPPLY RELATED TO THE PROPOSED
RELOCATION OF THE MAIN FIRE STATION TO BLOCK 8

Assignment. The Portland Development Commission (PDC) has asked The Bookin Group (TBG) to undertake a parking demand/supply study related to the proposed relocation of the Central Fire Station from its current location on Block 34 to Block 8 in the Old Town/Chinatown area. This analysis takes into consideration the three redevelopment alternatives for the re-use of the Globe Building, which will be retained on the site. This study is part of the third phase of parking studies related to implementation of the PDC Downtown Waterfront Development Opportunities Project.

Background. Implementation of the entire project will result in extensive redevelopment and intensification of the Old Town/Chinatown area. The first block proposed for redevelopment is Block 8, directly south of the Old Town SmartPark Garage. This block presently houses the Globe Building, Oregon Mountain Community Building, and an 80-space surface parking lot¹. It is proposed that $\frac{3}{4}$ of the block will be redeveloped for the relocation of the Central Fire Station and related activities, including the Portland Fire Bureau administrative offices, fire museum and fire learning center. The remaining $\frac{1}{4}$ block will be occupied by the now-vacant Globe Building which will be renovated, as a mixed-use retail/office or retail/housing project. Tentatively scheduled for completion around 2008, this proposed redevelopment will both generate additional parking demand, and, as a result of the loss of the on-site surface parking lot, result in a decrease in parking supply. TBG has been asked to forecast parking demand for Block 8; analyze the impact on the parking supply; and identify possible replacement strategies.

Methodology. First, TBG has identified all of the new parking generators on the block, including the Central Fire Station and its related activities, based on the maximum parking ratio, 1.5 spaces/1,000 gross square feet (gsf) established in the River District (RD) 5 zone in the Central City Transportation Management Plan (CCTMP). This analysis also excludes the existing parking demand generated by the Oregon Mountain Community, which is slated to relocate in the near future. With regard to the Globe Building, the analysis looks at the parking demand for the three redevelopment scenarios, since each mix of uses has different parking generation characteristics (Table 1). The parking demand then has been calculated for three peak periods: 1) weekdays (Tuesday – Thursday, 10 AM – 2 PM); 2) weekend days (Saturday – Sunday, 10 AM – 2 PM) during Saturday Market; and 3) Saturday nights (11 PM

Parking Analysis

– 1 AM) during “nightlife” venue demand (Tables 2A, 3A and 4A).

Following the determination of demand, the parking supply in the immediate area has been determined for each of the three peak periods (Tables 2B, 3B and 4B). This includes the loss of parking in the publicly-accessible 80-space surface parking lot on Block 8, which will be displaced by the new fire station. This loss will be offset by construction of a non-public 79-space underground garage dedicated to the new facility. The analysis also takes into consideration the “surplus” of parking in the nearby Old Town SmartPark Garage. This is based on an analysis of garage utilization described in the companion memorandum, “Old Town SmartPark Garage Utilization Study” (TBG, Revised: 3/22/04).

Analysis

Globe Building Redevelopment Alternatives. Table 1 presents the parking demand projections for alternative development scenarios for the four-story Globe Building, based on PDC pro forma work. The three options include:

- Scenario 1: Ground-floor retail and three above-grade floors of office;
- Scenario 2: Ground-floor retail and three above-grade floors of “affordable” condominiums, for a total of 27 units (@900 gsf/unit);
- Scenario 3: Ground-floor retail and three above-grade floors of “affordable” rental units, for a total of 42 units (@600 gsf/unit).

As noted in Table 1, the ground-floor retail component (8,850 gsf) generates the need for 13 parking spaces, at the CCTMP maximum parking ratio in RD 5 of 1.5/1,000 gsf. The space is currently vacant so its parking demand is not included in counts of current demand.

In Scenario 1, the parking ratio for office is assumed to be 1.5 spaces/1,000 gsf, based on the maximum parking ratio allowed in the RD 5 zone under the CCTMP. This results in an additional demand for 40 spaces, for a total of 53 spaces when ground-floor retail demand is added. These spaces do not need to be on the same site, as office and retail workers, visitors and shoppers frequently must park off-site in central city areas. Therefore, these spaces could be placed anywhere within 2 – 3 blocks.

In Scenario 2, it is assumed that there will be an additional parking demand of 27 spaces, one space per condominium, on the experience that “for sale” product must have at least one parking space². Thus, Scenario 2 generates a total demand of 40 spaces when retail demand is included. In Scenario 3, the “affordable rental” product, the parking ratio is reduced to 0.5 space/unit, or one parking space for each two units. As it is projected that there will be 42 units in this scenario, the total projected demand is 21 spaces, for a total of 34 spaces in Scenario 3.

Parking Analysis

It is assumed that the residential spaces in Scenarios 2 and 3 would have to be “dedicated”, that is, not available for non-residential use, for two reasons, because the CCTMP:

- *Prohibits dedicated Residential/Hotel uses to be used for Visitor, Growth or Preservation parking use at any time; and*
- *Allows non-residential spaces to be used for residential uses in “off-peak”, that is, from 5 PM to 8 AM on weekdays and during weekends. However, most homeowners need/desire access to their spaces at any time, not just on evenings and weekends. Many potential tenants would also need exclusive access to their spaces during the day, especially those who use alternative modes to work or work at home. Even those who drive to work may need their spaces when they are sick or traveling. Thus, in practice the “shared use” of a space for residential and non-residential purposes is not very practical.*

Also, the location of residential spaces is not as flexible as office or retail spaces. With regard to Scenario 2, condominium owners expect that their spaces will be dedicated, i.e., available to them at all times, secure, and immediately accessible, i.e., in the same building. Per Scenario 3, renters may be more amenable to having their parking nearby if it is not feasible to have it on the same site, as long as they feel the space is “secure”. In reality, if the parking is not on site it should be immediately adjacent.

There are no plans to add additional parking to accommodate new demand from the redeveloped the Globe Building, since it is not practical to renovate the basement for this purpose. As demonstrated below, this exacerbates the future shortfall in all scenarios. Moreover, since shared parking of non-residential spaces for residential use is not practical, even the off-peak use of the Fire Bureau’s office parking which is vacant during off-peak periods, does not provide a solution to this problem. The lack of on-site parking makes Scenario 2 much less feasible and may also limit the feasibility of Scenario 3³. However, the analysis below continues to assume parking demand for these uses.

Weekday Peak Demand/Supply. With regard to Table 2A, Weekday Peak, it is assumed that the Central Fire Station will generate a demand for 86 spaces, including the 79 spaces to be placed in a below-grade garage underneath the new fire station plus seven dedicated on-street spaces on NW Davis. As the fire station and its related facilities will have a total of 57,200 gsf, the facility is entitled to 86 spaces under the CCTMP, assuming 1.5 spaces/1,000 gsf. For purposes of demand, the 11 spaces for the fire learning center (7,500 gsf) are assigned to the station and administrative offices, respectively, because most of the traffic to the center will be by non-auto modes⁴. It was necessary to split out the parking demand for the station itself, which is manned 24-hours/day, seven days/week (29 spaces), from the administrative offices, which are only occupied during the work week (54 spaces), as will be evident later in this analysis. The remaining three spaces are assigned to the fire museum, for a total of 86 spaces.

The existing demand in the immediate vicinity includes the utilization of the existing Block 8

Parking Analysis

surface lot (80 spaces) and on-street parking on the north (NW Davis) and south (NW Couch) street frontages of Block 8 (12 spaces); there is no on-street parking on the east (NW Naito Parkway) or west (NW 1st Avenue) frontages. On-site observations of utilization of these spaces were taken on Monday (3/8) through Wednesday (3/10) at noon. On average, the Block 8 surface lot was about 90% utilized, leaving eight spaces unoccupied on average⁵. Only nine (75%) of 12 on-street spaces immediately adjacent to Block 8 were occupied, leaving three vacant spaces on average. Thus, at the typical weekday peak, the total number of vacant spaces is 1. This is just short of the 13 spaces needed to accommodate the Globe Building's ground-floor retail. In other words, if the ground floor were re-occupied, it would use the existing surplus of on- and off-street parking in the immediate area.

Therefore, as noted in Table 2A, there will be a projected weekday peak demand of 137 spaces when the demand for the fire station and existing demand (less the relocated Oregon Mountain Community) are combined. To this is added the differential parking demand for each of the three scenarios for the Globe Building redevelopment, so that the total parking demand is 190, 177 and 171 spaces, respectively, for Globe Building Scenarios 1, 2 and 3.

As noted in Table 2B, it is projected that there will be a total weekday peak supply of 138 spaces; this includes the new below-grade parking garage (79 spaces) plus on-street parking immediately adjacent to Block 8 (12 spaces) less the loss of the 80-space surface lot. To this is added the 127-space surplus in the Old Town SmartPark Garage identified in the companion memorandum on garage utilization⁶. When this supply is compared to the demand, there is a projected shortfall of 52, 39 and 33 spaces, respectively, for Globe Building Scenarios 1, 2 and 3. Even without mitigation, these shortfalls are manageable for Scenarios 2 and 3, since those who are not accommodated can find parking a little further afield. The 52-space shortfall in Scenario 1 is somewhat more problematic since it could inhibit full leasing of the Globe Building's office space. This might be offset in part by offering more incentives for use of alternative modes, although the maximum parking ratios already assume a relatively high modal split.

Weekend Day Peak. As noted in Table 3A, there will be a projected weekend day peak demand of only 83 spaces when the new fire station and current demand⁷ are combined. This is based on the assumption that the Fire Bureau's administrative offices are closed on weekends, reducing demand by 54 spaces. It is assumed that the three floors of offices in the Globe Building's Scenario 1 also will be closed for the Globe Building Scenario 1, so the total weekend day demand for this scenario is only 96 spaces. However, there will still be residential demand in the other two scenarios, so the overall demand for parking will be 123 and 117 spaces, respectively, for Scenarios 2 and 3.

As noted in Table 3B, it is assumed that the weekend day peak supply will be 86 spaces, assuming a surplus of 125 spaces in the nearby Old Town SmartPark Garage, identified in the companion memorandum on garage utilization. This assumes both the loss of the existing surface lot (80 spaces) and the 54 spaces in the fire station's garage; while these are vacant because administrators are not working, the Fire Bureau will not authorize these

Parking Analysis

for public use for security reasons. Thus, the projected parking shortfall will be 10, 37 and 31 for Scenarios 1, 2, and 3, respectively. Because there will be no parking demand from office workers, the projected shortfall in Scenario 1 is negligible. However, the shortfalls for Scenarios 2 and 3 are about the same as weekdays, so even without mitigation these shortfalls are manageable.

Saturday Night Peak. The Saturday night peak demand (Table 4A) is the same as for the weekend day peak (Table 3A) using the same assumptions about the absence of office workers in the Fire Bureau's administration offices and Globe Building (Scenario 1), that is 107, 134 and 128 spaces, respectively, for Scenarios 1, 2 and 3. This demand is slightly higher than during weekend days because demand for other parking is up, as reflected in full utilization of the Block 8 surface lot and adjacent on-street parking spaces, based on on-site observations in early 2/04.

However as noted in Table 4B, the Saturday night peak supply is significantly less because the surplus in the Old Town SmartPark Garage is only 38 spaces, due to the unusually high demand for parking by patrons of nearby Old Town entertainment district. With the loss of the 80-space surface parking lot and the unavailability of the 54 administrative parking spaces in the fire station's garage, there is actually no available parking supply (-1 spaces). Thus, on Saturday nights there would be substantial shortfalls, of 108, 135 and 129 for Scenarios 1, 2 and 3, respectively, which could not be addressed without mitigation.

Mitigation. In summary, it is projected that there will be modest shortfalls, between 10 – 50, weekdays and weekend days, primarily because of a significant surplus (@125) in the nearby Old Town SmartPark Garage (Tables 2B and 3B). This shortfall would be greatly reduced or eliminated altogether if either parking were built in the basement of the Globe Building, which is not economically feasible, or, in Scenarios 2 and 3, a decision was made not to provide accessory parking for the proposed affordable condos or rentals, respectively, which may damage marketability significantly.

The shortfalls are significantly greater on Saturday nights, from 108 to 135 spaces, depending on the scenario. This is primarily because the Old Town Garage only has a surplus of 38 spaces, reflecting the growing popularity of Old Town as an entertainment district. This surplus is not enough to offset the loss of the 80-space Block 8 surface parking lot. Moreover, although there would be over 50 vacant spaces in the fire station garage because the administrative offices are closed, the Fire Bureau does want these to be made available to the public for security reasons.

There are three mitigation options: 1) expansion of the Old Town SmartPark Garage; 2) weekend use of the basement garage in One Pacific Square owned by Equity Office Property Trust, or 3) redevelopment of the "Dirty Duck" surface parking lot on southeast corner of the block bound by NW Flanders and Glisan between NW 2nd and 3rd Avenues. Each option is discussed below:

Parking Analysis

Expansion of Old Town Garage. The Old Town SmartPark Garage contains five levels, but only Levels 2 – 4, containing 412 Visitor parking spaces, are available to the public. A secure 37-space parking lot on the first floor is dedicated to the Portland Police Bureau, which operates a satellite precinct office in the building, and a public helipad occupies the roof (5th Level). However, the helipad's lease expires in 2008 and the Bureau of General Services (BGS) has not determined whether it will renew it. If it is not renewed, the garage could be renovated to add ramps from the 4th to the 5th Level, so that the roof would be available for parking. BGS Director, Ron Bergman is willing to entertain such an alternative if PDC or another party would pay for the renovations⁸.

To assess the impact on the parking supply resulting from the expansion to the 5th Level, TBG has worked with Star Park, BGS' SmartPark operator, to determine how many spaces would result from this expansion. We have concluded that there would be a gain of 151 spaces, 99 on Level 4 and 52 more on the 4/5 ramp. This would be offset by the loss of one parking space on Level 2 resulting from the conversion of three conventional parking spaces into two more disabled parking spaces to meet requirements for handicapped parking in the Unified Building Code. This would increase disabled parking from 10 to 12 spaces. Thus, the potential expansion would net 150 additional parking spaces.

As noted in Tables 2B, 3B and 4B, the availability of these spaces would result in a 100 – 140-space surplus, depending on the time of week and Globe Building scenario. Thus, there would be a substantial supply to apply to new demand generated by other new projects implemented as part of PDC's Downtown Waterfront District Opportunities Project. In this case, it may be possible to spread the cost of the new parking to other projects.

Assuming the political and financial barriers can be overcome, the garage expansion would require a Type III Central City Parking Review (CCPR) per the requirements of Chapter 33.808 of the Portland Zoning Code. In a CCPR, the applicant is required to do a parking study that justifies the parking in one or more allowed categories – Growth, Preservation, Visitor, Residential/Hotel – using an approved methodology. Based on TBG's experience developing such parking studies, a majority of the 150 spaces could be justified based on the characteristics of the proposed Block 8 redevelopment as follows:

- *Scenario 1 (Office/Retail):* 53 Growth⁹ spaces, including 13 retail and 40 office spaces (@1.5 spaces/1,0000 gsf) from the Globe Building, and 87 spaces of Visitor parking to compensate for the loss of the Block 8 surface lot and seven on-street parking spaces to be reserved for Fire Bureau use, for a total of 140 spaces. It would be necessary to find other parking sources to justify the remaining 10 spaces as Visitor spaces, which will be easy to do in the rapidly-redeveloping Old Town district.
- *Scenario 2 (Affordable Condominiums/Retail):* As noted above, it is not practical to provide accessory parking in the Old Town Garage for condominiums, as buyers will demand that they have dedicated parking on Block 8. However, there is a way in which

Parking Analysis

this can work if the Fire Bureau is willing to place some of its Growth parking that is used by administrators, in the Old Town Garage so that parking for the condos can be placed in a portion of the garage underneath the new fire station. In this option, there would be:

- *Of the 79 Block 8 spaces, 27 would be designated Residential for the condominiums, leaving 52 Growth spaces for the fire station. The two parking supplies could share a common driveway but each supply would be self-contained with separate access-card entries and separated by a solid wall. Furthermore, the residential parking would have to be located adjacent to the basement of the Globe Building so that tenants would have access to a secure dedicated elevator from the parking garage to the above-grade residential floors.*
- *The 27 fire station spaces given to condominiums and 13 retail spaces on the ground floor of the Globe Building would go over to the Old Town Garage, for a total 40 Growth spaces, plus 87 Visitor parking spaces (displaced Block 8 surface lot and on-street parking), for a total of 127. The fire station Growth parking would be that assigned to administrators who would only use them during the work week. These spaces could be dedicated, i.e., reserved solely for Fire Bureau use, in the Old Town Garage. As only 127 spaces could be justified per above, an additional 23 spaces would have to be justified as Visitor parking using other expanding or new parking generators in the immediate vicinity. Another option would be to justify Preservation parking, the latter by documenting the need for parking for existing “under-parked” buildings nearby, at a ratio of 0.7 spaces/1,000 gsf. Due to their age, there are many Old Town buildings that do not have their own parking, so it would not be difficult to justify such Preservation parking.*
- *Scenario 3 (Affordable Rental Housing/Retail). There are two options for this scenario, either placing the Residential spaces from the Globe Building in the Old Town Garage, or as in Scenario 2, placing them in the basement of the Block 8, thereby displacing some fire station spaces to the Old Town Garage. Renters may be willing to have their parking on another site, but it is still preferable to have it on-site, due to safety and security concerns especially at night. Both alternatives are described below:*
 - *Option 1: 79 Growth spaces for the fire station in the garage beneath Block 8. In the Old Town Garage: 13 Growth spaces (Globe Building retail); 21 Residential (Globe rental units); and 87 Visitor (displaced Block 80 surface lot and on-street parking), for a total of 121 spaces, leaving 30 spaces to be justified as Visitor and/or Preservation via a parking study. The residential parking in the Old Town Garage could be identified but, given the design of the garage, it would be difficult to physically separate these spaces from the pool of public parking.*
 - *Option 2: 58 Growth (fire station) and 21 Residential (Globe Building), for a total of 79 spaces in the Block 8 garage. In the Old Town Garage: 21 (fire station) and 13 (Globe*

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Building retail) for a total of 34 Growth spaces, and 87 Visitor spaces (displaced Block 80 surface lot and on-street parking), for a total of 121 spaces, leaving 30 spaces to be justified as Preservation and/or Visitor via a parking study.

One Pacific Square Garage. Operated by Ampco System Parking on behalf of Equity Office Property Trust, this 256-space garage is located beneath One Pacific Square, which is directly west of the Old Town Garage. This garage currently is not open evenings or weekends, except when there is a special event. Operational Manager Russ Allen (503.227.2267) is willing to discuss with PDC the opening of the garage on weekend days and/or evenings on a regular basis once there is sufficient demand, i.e., when redevelopment of Block 8 commences and the surface lot is closed. Located on NW Everett Street between NW 1st and 2nd Avenues, the garage entrance is not immediately visible from NW Davis/NW 1st Avenue, but this can be ameliorated by placing A-frame signs with “more parking” at strategic locations to direct motorists west on NW Davis, north on NW 2nd Avenue and then east on NW Everett. However, there is no space in the garage on weekdays because of the parking demand associated with Northwest Natural Gas (NWN), the major tenant in the building, so this alternative only deals with shortfalls on weekends. Even with this option, there would still be a weekday shortfall of 30-50 spaces; as noted above, the @30-space shortfall for Scenarios 2 and 3 are manageable without mitigation but the 52-space shortfall for Scenario 1 is more problematic. On the other hand, this option is not necessary if the Old Town Garage is expanded.

Dirty Duck Surface Lot. As noted above, this lot occupies the southeast corner of the block bound by NW Flanders and Glisan west of NW 2nd Avenue, about five blocks northwest of Block 8. BGS has long considered the option of putting an automated, City-owned garage¹⁰ at this location. The site is too far away to accommodate demand from Block 8. However, visitor demand from NWN employees, Chinese Garden and other sources could shift to this new garage, opening up more space in the Old Town Garage for Block 8 demand. On the other hand, it would be more expensive to build a new garage on the Dirty Duck site, especially using untried automated technology, than it would be to expand the Old Town Garage.

Conclusions

- 1. The redevelopment of Block 8 will result in new parking demand, due to two new generators, Central Fire Station and Globe Building redevelopment, and the loss of existing parking, primarily on the Block 8 surface lot, which accommodates demand from existing nearby uses. Existing surpluses in the nearby Old Town Smart Park Garage helps to ameliorate but not eliminate the resulting shortfalls.*
- 2. There are three Globe Building scenarios: Retail/Office (Scenario 1); Retail/Affordable Condominiums (Scenario 2); and Retail/Affordable Rental Housing (Scenario 3). Parking demand generated by the redevelopment of the Globe is problematic as it is impractical to place additional parking in the basement of the building and the remainder of the*

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below-grade garage is needed to accommodate the fire station. In Scenario 1, the demand from the combination of ground-floor retail and above-grade office could be accommodated off-site as office and retail employees, visitors and shoppers often must park off-site in central city areas. However, there is not sufficient surplus in the Old Town Garage so accommodating these uses would be at the expense of existing short-term parking demand. The parking demand for housing is more problematic. Typically, condo owners want at least one parking space that is exclusive, secure and in the same building. Even if there were sufficient surplus parking in the Old Town Garage, it is unlikely that condo owners would find this acceptable. However, recently there have been some condo projects built without parking and this may be an option for the Globe Building if it does not impair marketability. Renters particularly in affordable units may be more amenable to having off-site parking as long as it is close by and secure, although parking on site is still preferable. In any event, there is not sufficient surplus in the Old Town Garage to accommodate dedicated residential parking without adversely affecting the existing short-term visitor supply.

- 3. Projected shortfalls vary by Globe Building scenario and time of week, i.e., weekdays, weekend days and Saturday nights. The lowest shortfalls, 10 – 40 spaces, are projected for weekend days when demand is down – Fire Bureau’s administrative staff and office workers in Scenario 1 are not working – and there is the maximum number of surplus spaces in the Old Town Garage. The shortfalls are a little higher, 30 – 50 spaces, during the week. The greatest shortfalls, 110 – 140 spaces, are projected for Saturday evenings due to the growing popularity of the Old Town entertainment district. This is the time of the week when the surplus in the Old Town Garage is the smallest, less than 40 spaces, compared to about 125 spaces on weekdays and weekend days.*
- 4. There are three mitigation options. The least costly option is the opportunity to use the 256-space public garage under One Pacific Square, owned by Equity Office Property Trust and operated by Ampco System Parking. Currently, this garage is not open on evenings or weekends except by special arrangement. Ampco representatives have indicated an interest in operating the garage in off-peak hours if the demand warrants, which would be the case completion of the Block 8 redevelopment. However, the garage is fully subscribed during the week with NVN employees and visitors, so its use could only address parking shortfalls on weekend days and Saturday nights. This is the most serious problem in Scenario 1, where a 52-space shortfall could inhibit full leasing of the Globe Building office space.*
- 5. A second option is to develop an automated garage on the City-owned ¼ block “Dirty Duck” site about seven blocks from Block 8. The development of this garage would siphon off demand in the Old Town Garage from more distant uses, leaving a greater surplus for the Block 8 development. However, there is substantial cost associated with this alternative, especially using automated technology that is not well tested in the United States.*

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6. *The third mitigation option is the expansion of the Old Town Garage if the lease for the rooftop helipad is not renewed in 2008, about the time that the Block 8 redevelopment is scheduled for completion. In this scenario, the construction of ramps between Levels 4 and 5 (roof) plus the roof itself will generate an additional 150 spaces. With addition of these spaces, projected shortfalls would become surpluses. This includes surpluses of 100 – 120 spaces on weekdays, 120 – 140 spaces on weekend days, and 15-40 spaces on Saturday nights. The additional surplus during the week could be used to provide parking for other office/retail projects developed/redeveloped as part of PDC's Downtown Waterfront Development Opportunities Project, so that the cost of the Old Town Garage expansion could be spread beyond the Block 8 project. The justification for the extra parking spaces per the requirements of the CCTMP for each of the three scenarios is contained in the text. However, as noted above, expansion of parking to Level 5, which now accommodates only a helipad, must be analyzed further for its structural feasibility before this can be considered as an option.*
7. *An added bonus of the Old Town Garage option, assuming it is structurally/financially feasible, is that it would be possible to better accommodate residential parking demand in both Scenarios 2 (affordable condos) and 3 (affordable rentals) by allowing some of the Growth parking from the Central Fire Station, that used by administrative office employees and visitors, to be moved to the Old Town Garage. This would allow spaces in the garage below Block 8 to be dedicated to residential use, from 21 – 27 spaces depending on the scenario. For this to work using the same driveway, the residential and fire station spaces would be completely separated by a wall, each accessible via a card-access gate. The residential portion also would have to be connected to the basement of the Globe Building so that tenants could have secure dedicated access from their garage to their apartments. PDC may want to undertake further architectural studies to test the feasibility of this option for Scenarios 2 and 3.*
8. *Based on the foregoing analysis, expansion of the Old Town Garage to permit use of the 5th Level is the most feasible option to accommodate the parking demand from the proposed redevelopment of Block 8, subject to further structural and financial feasibility.*

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(Footnotes)

¹ There is some controversy about the exact number of parking spaces in this lot. TBG's on-site count suggests that there are only 75 spaces, but the owner says that it can accommodate valet parking that adds about 10% capacity, bringing the total to 83 spaces. However, the PDOT's inventory shows only 80 spaces, so that is the number selected for this analysis.

² In higher end condominiums, the ratio is about 1.5 spaces/unit, or one/bedroom.

³ There are at least two downtown condo projects, Mosaic and Cornerstone, recently built in the Central City with no parking. There are also examples of affordable rental projects built without parking. These typically are very low income, e.g., Kafoury Commons, St. James. The managers of these projects could be contacted to assess whether the lack of parking has hampered the sale or rental of units.

⁴ According to Fire Bureau personnel, the primary source of users will be school children and elderly (considered high-risk for fire safety) who will be bused to the site. Other users are "passersby" who are already coming to the area for other attractions, e.g., Saturday Market, Chinese Garden, or are Old Town residents who live/work nearby. These users will either come to the site by alternative mode (walk, bike, transit) or their parking is already accounted for at their primary destination. Thus, virtually no parking will be required.

⁵ Since this is a valet lot, there is no need to accommodate a 10% buffer to allow turnover, as is the case in a self-park lot.

⁶ In earlier parking study work, it has been assumed that Old Town Garage contains only 387 spaces. However, an on-site count reveals that there are 412, following approval of a CCPR to re-stripe the garage and add 39 Visitor spaces, approved by the Hearings Officer in 1998. The current operators did not know that the old contractor had implemented the re-striping until TBG uncovered the discrepancy.

⁷ Extrapolated from on-site counts taken at the weekday peak on 3/8 – 3/10/04, given that utilization of the Old Town Garage is about the same.

⁸ Since it was designed only to accommodate the helipad, the 5th Level (roof) is constructed of steel rather than concrete. Further investigation is necessary to determine if this structure is sufficient to accommodate parking. If not, the proposed mitigation would involve not just building ramps between Levels 4 and 5 but replacing Level 5, which will substantially increase its cost. If this is the case, it might be more cost-effective to build up to two additional floors for which the building is designed. In addition to adding substantially more parking, this option would allow the helipad to be replaced on the new roof (Level 6 or 7). This would have to be part of a broader parking strategy for the district so that the cost could be spread over several projects. However, the financing strategy for this may preclude the garage from being used as mitigation for Block 8. Nevertheless, for purposes of analysis in this report, it is assumed that the conversion of Level 5 to parking is feasible.

⁹ Allowed by right at ratios established in the CCTMP, which vary by use and parking district.

¹⁰ A ¼-block site (10,000 sf) is too small for a conventional self-park garage. On the other hand, an automated garage could accommodate over 400 spaces, as was demonstrated in the proposed 3rd/Taylor Smart Park that was never built. There is not much experience with automated garages in the US but they are popular in Asia, Europe and Israel.

Parking Analysis

**TABLE 1
PARKING DEMAND PROJECTIONS FOR ALTERNATIVE DEVELOPMENT SCENARIOS
FOR THE GLOBE BUILDING**

SCENARIO	USE	SF/DU	PARKING RATIO	TOTAL PARKING
Retail/Office	Retail	8,850 gsf	1.5/1,000 gsf	13
	Office	26,540 gsf	1.5/1,000 gsf	40
	Total	35,390 gsf	----	53
Retail/Affordable Condominiums	Retail	8,850 gsf	1.5/1,000 gsf	13
	Housing	27 DU (@900/du)	1.0/du	27
	Total	35,390 gsf	----	40
Retail/Affordable Rental Housing	Retail	8,850 gsf	1.5/1,000 gsf	13
	Housing	42 DU (@600/du)	0.5/du	21
	Total	35,390 gsf	----	34

**TABLE 2A
BLOCK 8 PARKING DEMAND FOR PROPOSED FIRE STATION REDEVELOPMENT: WEEKDAYS**

USE	SIZE (GSF)	RATIO	GLOBE BUILDING SCENARIOS		
			Office	Affordable Condos	Affordable Rentals
Fire Station					
--Station	16,500	1.5/1,000 gsf	29	29	29
--Administration	31,720		54	54	54
--Museum	1,500		3	3	3
--Learning Center	7,500	None*	0	0	0
Subtotal	57,200	---	86	86	86
Current Demand					
--Block Surface Lot	----	Observed**	72	72	72
--Block On-Street	---	Observed**	9	9	9
--OR Mountain Community	(20,020)	1.5/1,000 gsf	(30)	(30)	(30)
Subtotal	----	----	51	51	51
Subtotal	37,180	-----	137	137	137
Globe Building	35,390	See Table 1	53	40	34
TOTAL DEMAND	72,570	---	190	177	171

*According to Fire Bureau personnel, the primary source of users will be school children and elderly (considered high-risk for fire safety) who will be bused to the site. Other users are "passersby" and "Old Town" residents who are already coming to the area for other attractions or live/work nearby. Thus, virtually no parking will be required. Instead, the Learning Center's complement, 11 spaces (7,500 gsf ÷ 1,000 X 1.5 spaces/1,000) distributed to the fire station and administrative office components of the project. The overall parking ratio is 1.5/1,000 (57,200 ÷ 1,000 X 1.5 = 86 spaces). This will be accommodated with 79 spaces in the below-grade garage and seven reserved spaces on NW Davis for a total of 86 spaces.

**Based on observations made at noon on Monday (3/8/04), Tuesday (3/9/04), and Wednesday (3/10/04).

Parking Analysis

**TABLE 2B
PARKING SUPPLY FOR PROPOSED FIRE STATION REDEVELOPMENT: WEEKDAYS**

PARKING SOURCE	SPACES	GLOBE BUILDING SCENARIOS		
		Office	Affordable Condos	Affordable Rentals
Block 8				
--Fire Station On-Site				
Underground Garage	79			
--On-Street (Couch/Davis)	12			
--Existing Surface Lot	(80)*			
Subtotal Net	11			
Old Town Garage Surplus	127			
TOTAL SUPPLY	138			
TOTAL DEMAND		190	177	171
TOTAL SUPPLY		138	138	138
SHORTFALL		(52)	(39)	(33)
TOTAL DEMAND		190	177	171
TOTAL SUPPLY WITH OLD TOWN GARAGE EXPANSION (=150 SPACES)		288**	288**	288**
SURPLUS		98	111	117

*Based on on-site observation and City of Portland inventory; allows additional spaces for valet parking.

**Assumes that there are dedicated Growth Parking (Scenario 1) and dedicated Growth/Residential Parking for (Scenarios 2 & 3) although it is infeasible to put condo parking on a separate site.

**TABLE 3A
BLOCK 8 PARKING DEMAND FOR PROPOSED FIRE STATION REDEVELOPMENT: WEEKEND DAYS**

USE	SIZE (GSF)	RATIO	GLOBE BUILDING SCENARIOS		
			Office	Affordable Condos	Affordable Rentals
Fire Station					
--Station	16,500	1.5/1,000 gsf	29	29	29
--Administration	31,720	---	0*	0*	0*
--Museum	1,500	1.5/1,000 gsf	3	3	3
--Learning Center	7,500	None	0	0	0
Subtotal	57,200	---	32	32	32
Current Demand					
--Block Surface Lot	----	Observed**	72	72	72
--Block On-Street	---	Observed**	9	9	9
--OR Mountain Community	(20,020)	1.5/1,000 gsf	(30)	(30)	(30)
Subtotal	----	----	51	51	51
Subtotal	37,180	-----	83	83	83
Globe Building	35,390	See Table 1	13*	40	34
TOTAL DEMAND	72,570	---	96	123	117

*Assumes office workers are not on site.

**Extrapolated from on-site counts taken at the weekday peak on 3/8 – 3/10/04, given that utilization of the Old Town Garage is about the same.

Parking Analysis

**TABLE 3B
PARKING SUPPLY FOR PROPOSED FIRE STATION REDEVELOPMENT: WEEKEND DAYS**

PARKING SOURCE	SPACES	GLOBE BUILDING SCENARIOS		
		Office	Affordable Condos	Affordable Rentals
Block 8				
--Fire Station On-Site Underground Garage	29*			
--On-Street (Couch/Davis)	12			
--Existing Surface Lot	(80)**			
Subtotal Net	(39)			
Old Town Garage Surplus	125			
TOTAL SUPPLY	86			
TOTAL DEMAND		96	123	117
TOTAL AVAILABLE		86	86	86
SHORTFALL		(10)	(37)	(31)
TOTAL DEMAND		96	123	117
TOTAL SUPPLY WITH OLD TOWN GARAGE EXPANSION (=150 SPACES)		236***	236***	236***
SURPLUS		140	113	121

*Assumes that the 54 spaces needed for the Fire Bureau's administrative offices are not available to the public.

**Based on on-site observation and City of Portland inventory; allows additional spaces for valet parking.

***Includes dedicated Growth (Office/Retail) (Scenario 1) or dedicated Growth/Residential (Scenario 2/3).

**TABLE 4A
BLOCK 8 PARKING DEMAND FOR PROPOSED FIRE STATION REDEVELOPMENT:
SATURDAY NIGHTS**

USE	SIZE (GSF)	RATIO	GLOBE BUILDING SCENARIOS		
			Office	Affordable Condos	Affordable Rentals
Fire Station					
--Station	16,500	1.5/1,000 gsf	29	29	29
--Administration	31,720	---	0*	0*	0*
--Museum	1,500	1.5/1,000 gsf	3	3	3
--Learning Center	7,500	None*	0	0	0
Subtotal	57,200	---	32	32	32
Current Demand					
--Block Surface Lot	----	Observed**	80	80	80
--Block On-Street	---	Observed**	12	12	12
--OR Mountain Community	(20,020)	1.5/1,000 gsf	(30)	(30)	(30)
Subtotal	----	----	62	62	62
Subtotal	37,180	-----	94	94	94
Globe Building	35,390	See Table 1	13*	40	34
TOTAL DEMAND	72,570	---	107	134	128

*Assumes office workers are not on site.

**Based on observations on 2/7/04 related to on-site counts taken at Old Town Garage.

Parking Analysis

**TABLE 4B
PARKING SUPPLY FOR PROPOSED FIRE STATION REDEVELOPMENT:
SATURDAY NIGHTS**

PARKING SOURCE	SPACES	GLOBE BUILDING SCENARIOS		
		Office	Affordable Condos	Affordable Rentals
Block 8				
--FS On-Site Underground Garage	29			
--On-Street (Couch/Davis)	12			
--Existing Surface Lot	(80)*			
Subtotal Net	(39)			
Old Town Garage Surplus	38			
TOTAL SUPPLY	(1)			
TOTAL DEMAND		107	134	128
TOTAL AVAILABLE		(1)	(1)	(1)
SHORTFALL		(108)	(135)	(129)
TOTAL DEMAND		107	134	128
TOTAL SUPPLY WITH OLD TOWN GARAGE EXPANSION (=150 SPACES)		149***	149***	149***
SURPLUS		42	15	21

*Assumes that the 54 spaces needed for the Fire Bureau's administrative offices are not available to the public.

**Based on on-site observation and City of Portland inventory; allows additional spaces for valet parking.

***Includes dedicated Growth (Office/Retail) (Scenario 1) or dedicated Growth/Residential (Scenario 2/3).

Parking Analysis

MEMORANDUM

DATE: Revised: March 23, 2004

TO: Amy Miller Dowell, AIA, Project Manager
Portland Development Commission

FROM: Stefanie Slyman, AICP, Consulting Planner

SUBJECT: OLD TOWN SMARTPARK GARAGE UTILIZATION STUDY

Assignment. The Portland Development Commission (PDC) has asked The Bookin Group (TBG) to analyze utilization of the 412-space SmartPark Old Town Parking Garage at NW 1st Avenue and NW Davis Street during key use periods. This study is part of the third phase of parking studies related to implementation of the PDC Downtown Waterfront Development Opportunities Project (the "Project").

Background. Implementation of the Project will result in extensive redevelopment and intensification of the Old Town/Chinatown area. The first block to be redeveloped in the project area is Block 8, directly south of the Old Town SmartPark Garage. This block presently houses the Globe Building, Oregon Mountain Community Building, and an 83-space surface parking lot. It is proposed that $\frac{3}{4}$ of the block will be redeveloped for the relocation of the Central Fire Station from Block 34 and renovation of the Globe Building into a mixed-use retail/office or retail/housing project. This redevelopment will both generate additional parking demand, and, as a result of the loss of the surface parking lot, a decrease in parking supply. TBG has been asked to forecast parking demand for Block 8 and to analyze the impact on the parking supply, ultimately providing findings about replacement strategies. The purpose of this memorandum is to document the parking supply in the most immediate source of parking to Block 8, the Old Town SmartPark Garage.

Methodology. TBG assessed the parking utilization of the Old Town SmartPark Garage during three key time periods:

- Weekday (Tuesday – Thursday) peak (10 AM – 2PM)
- Weekend day (Saturday – Sunday) peak (10AM – 2PM) during Saturday Market
- Saturday evening "nightlife" peak (11PM – 1AM).

Using Star Park's cumulative Entry/Exit Time Reports for the garage, TBG was able to tabulate usage for several days in each category to provide a broad and representative overview of garage usage. The Star Park reports were not available for all days of the year; however, this created, in effect, a random sample upon which the findings are based. For each of the categories, the highest peak, or "outlier" was removed from analysis. Because parking supply should be designed to meet the needs of users 97% of the days of the year, such an outlier should not be used to forecast parking needs. The clearest example of this was the peak on Saturday, 12/20/03. This was the Saturday before Christmas during which time Saturday

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Market was open for last-minute holiday shopping. On this particular day, the garage was 93% full, with 384 of the 412 available spaces occupied.

Of the remaining parking counts for each category, the next highest peak was used as the data point for calculating parking demand. To this was added a 10% "buffer" of the garage's capacity (10% of 412 = 41 spaces) to allow for adequate turnover within the garage. For example, the next highest observed peak parking garage usage for Saturday Market hours was Saturday, 4/19/03 in which an average of 246 cars/hour (60% occupancy) were counted between the hours of 11AM and 2PM. The 10% buffer of 41 spaces was added to this, resulting in a demand for 287 parking spaces (70% occupancy) to accommodate users during peak Saturday Market hours. This leaves 125 parking spaces (412-287 = 125) that can be considered surplus parking for other uses.

The specific dates, times, and findings for each of the three key periods analyzed in this study are presented below:

Weekday peak. Parking demand on Tuesday – Thursday was analyzed for four different weeks in 6/03, 1/04 and 2/04, between the hours of 10:00AM and 2:00PM, which is the highest concentration of commuters and short-term visitors. The selected weeks were typical in that there were no holidays; additionally eliminating Mondays and Fridays removed the more atypical days from the week. The data for each day was remarkably consistent for occupancy during each of the hours in the four-hour period. The highest week in this set, the first week of 6/04 that overlapped with the operation of the Rose Festival Fun Center, had an average occupancy of 271 cars (66%); since Rose Festival generates unusually high demand, data from this week was removed as the outlier. Regardless, the peak occupancy for this week was not that much higher than the next highest week, when an average hourly occupancy of 244 (59%) cars was observed.

Finding: **244-space peak (59%) + 41 spaces (10% buffer) = 285-space demand (69%).**
 Garage supply of 412 spaces – 285 space demand = 127 surplus parking spaces

Saturday Market hours. Ten Saturdays and Sundays during Saturday Market season were studied between the hours of 11:00AM and 2:00PM, which were the observed peak hours for the garage. As noted earlier, the highest peak of 384 cars (93%) counted on the Saturday before Christmas was eliminated from the analysis. Of the remaining nine Saturday Market days, the next highest peak was 246 (60%) cars, with the remaining days ranging from a 74 cars to 201 parked in the garage.

Finding: **246-space peak (60%) + 41 spaces (10% buffer) = 287-space demand (70%).**
 Garage supply of 412 spaces – 287 space demand = 125 surplus parking spaces

Parking Analysis

“Nightlife hours.” Six Saturday nights between the hours of 11:00PM to 1:00AM were studied to identify peak usage during this key time. According to the data and the observations of the parking garage attendants, this is the peak time for the area’s “nightlife” activities. This data had a wide variation, ranging from a low average of 58 cars (14%) to a high average of 344 cars (83%). The high peak of 344 was eliminated as the outlier and the next highest peak of 333 cars (81%) was used.

Finding: **333-space peak (81%) + 41 spaces (10% buffer) = 374-space demand (91%).**
Garage supply of 412 spaces – 374 space demand = 38 surplus parking spaces

Observations

- Occupancy rates in the Old Town SmartPark Garage are remarkably consistent during the weekday and weekend day peak periods, about 59% (245 spaces). After adding a 10% buffer (41 spaces) to prevent gridlock, there is an average 125+ - space surplus at peak on all days of the week.
- As was observed when TBG undertook counts in the garage on 2/7/04, the highest utilization of the garage is on Saturday evenings. Ironically, the 2/7/04 reading was the outlier, but even the next peak observation, 333 occupied spaces (81%) is significantly higher than either weekday or weekend day activity. As a result, after the 10% buffer is added, there is only a surplus of 38 spaces.

Crime Statistics

SW 1st / Ankeny										
(1 block in each direction)										
(Grids 70510, 70505)										
2002	Homicide	Rape	Robbery	Agg. Assault	Burglary	Larceny	Auto Theft	Simple Assault	Arson	Drug Abuse Cases
January	0	0	1	0	0	6	0	0	0	9
February	0	0	1	0	0	0	0	1	0	24
March	0	0	1	0	0	3	0	1	0	25
April	0	0	0	3	1	0	0	1	0	23
May	0	1	0	0	1	8	0	6	0	24
June	0	1	2	1	0	11	0	1	1	19
July	0	1	1	4	0	13	0	1	0	21
August	0	0	1	8	0	7	0	5	0	30
September	0	0	2	4	1	8	0	2	0	40
October	0	0	1	2	0	4	1	2	0	38
November	0	0	0	0	0	8	0	2	0	29
December	0	1	2	0	0	6	0	2	0	26
2002 Total	0	4	12	22	3	74	1	24	1	308
2003	Homicide	Rape	Robbery	Assault	Burglary	Larceny	Auto Theft	Simple Assault	Arson	Drug Abuse Cases
January	0	0	2	3	1	1	0	3	0	41
February	0	0	2	2	0	2	0	4	0	36
March	0	0	1	5	0	6	0	2	0	25
April	0	0	3	3	0	4	0	3	0	35
May	0	0	1	3	0	6	2	5	0	48
June	0	1	1	1	0	9	2	5	0	30
July	0	0	2	2	0	12	1	5	0	39
August	0	0	1	1	1	13	0	3	0	45
September	0	0	2	2	0	5	0	2	0	35
October	0	0	0	0	0	3	1	0	0	29
November	0	0	0	1	0	1	0	0	0	14
December	0	0	0	1	0	6	0	2	0	18
2003 Total	0	1	13	24	2	68	6	34	0	395
Source: Portland Police Bureau										

Crime Statistics

SW 2nd / Yamhill										
(1 block in each direction)										
(Grids 74015, 74515, 74510, 74010)										
2002	Homicide	Rape	Robbery	Agg. Assault	Burglary	Larceny	Auto Theft	Simple Assault	Arson	Drug Abuse Cases
January	0	0	0	2	0	2	1	0	0	0
February	0	0	0	0	0	1	0	1	0	0
March	0	0	0	0	0	6	0	0	0	0
April	0	0	0	1	0	0	0	1	0	0
May	0	0	0	0	0	3	0	0	0	0
June	0	0	0	0	0	2	0	0	0	0
July	0	0	0	0	0	3	0	0	0	0
August	0	0	0	0	0	1	0	0	0	0
September	0	0	0	0	1	2	0	0	0	0
October	0	0	0	0	0	2	1	0	0	0
November	0	0	0	0	1	4	0	1	0	0
December	0	0	0	0	1	6	0	0	0	0
2002 Total	0	0	0	3	3	32	0	3	0	0
2003	Homicide	Rape	Robbery	Agg. Assault	Burglary	Larceny	Auto Theft	Simple Assault	Arson	Drug Abuse Cases
January	0	0	0	0	0	2	1	1	0	0
February	0	0	1	0	0	4	0	0	0	0
March	0	0	0	1	0	11	0	0	0	1
April	0	0	0	0	0	7	0	0	0	0
May	0	0	0	0	0	2	1	0	0	1
June	0	0	2	0	0	3	1	0	0	0
July	0	0	1	0	0	3	0	0	0	1
August	0	1	1	0	0	1	0	0	0	0
September	0	0	0	1	0	1	1	2	0	0
October	0	0	0	0	0	5	0	1	0	0
November	0	0	2	0	0	4	0	0	0	1
December	0	0	1	0	0	3	1	0	0	0
2003 Total	0	1	8	2	0	46	5	4	0	4
Source: Portland Police Bureau										

Crime Statistics

SW 5th / Morrison										
(1 block in each direction)										
(Grids 74030, 74025, 73530, 73525)										
2002	Homicide	Rape	Robbery	Agg. Assault	Burglary	Larceny	Auto Theft	Simple Assault	Arson	Drug Abuse Cases
January	0	0	0	3	3	2	2	3	0	0
February	0	0	0	2	0	1	0	1	0	0
March	0	0	0	0	0	6	0	0	0	0
April	0	0	0	0	0	0	0	1	0	0
May	0	0	0	1	0	3	0	0	0	0
June	0	0	0	0	0	2	0	0	0	0
July	0	0	0	0	0	3	0	0	0	0
August	0	0	0	0	0	2	0	0	0	0
September	0	0	0	0	1	2	0	0	0	0
October	0	0	0	0	0	2	1	0	0	0
November	0	0	0	0	1	4	0	1	0	0
December	0	0	0	0	1	6	0	0	0	0
2002 Total	0	0	0	6	6	34	3	6	0	0
2003	Homicide	Rape	Robbery	Agg. Assault	Burglary	Larceny	Auto Theft	Simple Assault	Arson	Drug Abuse Cases
January	0	0	0	0	0	2	1	1	0	0
February	0	0	1	0	0	4	0	0	0	0
March	0	0	0	2	0	11	0	0	0	1
April	0	0	0	0	0	7	0	0	0	0
May	0	0	0	0	0	2	1	0	0	1
June	0	0	2	0	0	3	1	0	0	0
July	0	0	1	0	0	3	0	0	0	1
August	0	1	1	0	0	1	0	0	0	0
September	0	0	0	1	0	1	1	2	0	0
October	0	0	0	0	0	5	0	1	0	0
November	0	0	2	0	0	4	0	0	0	1
December	0	0	1	0	0	3	1	0	0	0
2003 Total	0	1	8	2	0	33	5	4	0	4
Source: Portland Police Bureau										