

A low-angle photograph of a modern building with a glass facade and a vertical sign that reads "HILLSDALE". The building features a prominent glass tower with a dark metal frame. The sky is clear and blue. The sign is a vertical metal panel with large, dark letters.

# Hillsdale Town Center Phased Development Strategy

February/March 2009





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Bureau of  
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Sustainability**

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March 24, 2009

The Bureau of Planning and Sustainability is pleased to present the Hillsdale Phased Development Strategy, the result of a two-year effort to test a new model of community engagement that could be easily replicated in other communities. The process also resulted in a better understanding of what makes Hillsdale a 'model' town center for the region – its substantial social capital. High performing neighborhood and professional associations and schools, and a unique community alliance and foundation, all serve as strong examples to other communities.

This document describes a series of actions to improve the function and appearance of the town center, both in the near- and long-term. Taken together, these physical changes should significantly increase access to and use of the town center. Most were designed to be implemented incrementally and much of the responsibility for implementation rests on the shoulders of the citizens of Hillsdale. Key next steps include:

- Property owner commitments that will lock down phased development.
- Advancing property owner commitments that dedicate necessary public space (i.e. urban plazas) and right of way/easements to ensure the ultimate plan is realized. These are necessary pre-requisites to more substantial city agency involvement (i.e. the Mayor's office, Portland Parks and Recreation and the Bureau of Planning and Sustainability) and commitments to assist in the development of these spaces.
- Resolution of the restrictive covenants in the Sunset Triangle, and when resolved
- Master streetplan with particular attention to a zoning study of opportunity sites.

Despite the current economic headwinds, the next few years should prove to be an important period of evolution for the town center with the installation of a new 100kW solar array, continued study of options for improving the area's access to high-capacity transit as well as pursuit of multiple mixed-use development opportunities. In addition, Hillsdale should continue its quest to explore new models for community governance that might also positively impact the quality of life and sustainability of the town center.

Thank you to everyone involved in this project, especially the citizens of Hillsdale who urged its creation, persisted and supported its completion.

Brian P. Sheehan

West District Planner



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Special thanks to all the members of the Hillsdale Neighborhood who participated in this study.

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## Introduction

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The Hillsdale Town Center, one of 13 regionally-defined town centers in the Portland Metropolitan region, is located along Capitol Highway in the heart of the Hillsdale Neighborhood in southwest Portland. The neighborhoods surrounding the town center have a population of approximately 1,600 residents in 760 households, and the town center commercial establishments host nearly 1,400 jobs.

The Hillsdale Town Center has a very stable housing stock and is strengthened with active, community-serving organizations, and engaged stakeholders. In contrast to many other Metro region town centers, Hillsdale has proximity to downtown Portland and OHSU while maintaining a thriving but modest retail commercial center.

In addition to a vibrant neighborhood, a successful commercial area, and dedicated citizens, the town center also boasts frequent transit service, large and easily accessible open spaces, a new public library, high-performing public schools with growing enrollments, a successful and growing farmers' market, and an extensive pedestrian trails program.

However, more than ten years following adoption of the 1997 Hillsdale Town Center Plan, the area remains healthy – but incomplete. Despite numerous urban design studies and a range of recent physical improvements, Hillsdale still does not have a clearly articulated town center. The physical appearance of its commercial buildings are a stated concern and, while some in the community have expressed a strong desire to further develop as a ‘model’ town center, this concept has not yet been clearly defined. Therefore, the City of Portland Bureau of Planning & Sustainability has commissioned this study through partnerships with Portland Public Schools and the community to develop urban design alternatives and a phased development strategy. A series of well-attended public meetings were held during the fall and winter of 2008-09 along with monthly meetings with members of the Hillsdale Working Group.

Emblematic of the outside interest in Hillsdale and work being done by others collateral to this study is a report included in the Appendix – “Hillsdale School Compost,” a proposal for Hillsdale prepared by graduate students at Portland State University, and a description of the Hillsdale solar array.



**Study Area** Existing conditions





## Existing Conditions

The Hillsdale Town Center study area, comprising an area of approximately 100 acres, is bounded by SW Cheltenham Street, SW 18th Drive, SW Vermont Avenue, and the intersection of SW 18th Drive & Sunset Boulevard. This area contains a mixture of residential densities, a large public school property (home to Rieke Elementary and Wilson High), a newly-built branch library, and a long-standing commercial strip along SW Capitol Highway which bisects the study area (carrying nearly 30,000 vehicles per day at the Bertha Boulevard intersection), and the town center itself.

### Previous Planning Efforts

The City of Portland and Hillsdale community members have been planning for change and redevelopment in the commercial core of Hillsdale since at least the 1950s. Similarly, the city and members of the community have made many recent efforts to encourage growth within the Hillsdale Town Center. Between 1993 and 1997 the Hillsdale Vision Group and, later, the Hillsdale Steering Committee worked to develop the Hillsdale Town Center Plan, which

*Southwest Capitol Highway Above, Looking west*



*Previous plans in Hillsdale Hillsdale Town Center Plan, 1997; Capitol Highway Plan, 1996*

was adopted into the Portland Comprehensive Plan in 1997 (Ordinance 171699). This plan revised the Comprehensive Plan and zoning maps, established the Hillsdale Plan District (Chapter 33.534 in the Portland Zoning Code), and set forth a vision for future development and redevelopment within the town center.

The 1996 Capitol Highway Plan, produced by the Portland Bureau of Transportation (PBOT), was, according to the Hillsdale Town Center Plan, “designed to increase transportation options for residents, property owners and other corridor users...and to enhance the existing feeling of community already present in many places along the corridor. In Hillsdale, the plan called for the creation of wider sidewalks, bike lanes, access management, intersection realignments, and a mid-block signalized crosswalk. A number of these recommendations have since been implemented.

**Existing Zoning**

A mixture of residential and commercial zones exists within the study area. Commercially-zoned properties line both sides of Capitol Highway.

The Storefront Commercial Zone (CSd) covers properties primarily on the north side of Capitol Highway. This zone, while focusing on retail uses, allows for a mixture of uses including residential. According to the Portland Zoning Code, development in this zone “is intended to be pedestrian-oriented and buildings with a storefront character are encouraged.”

Properties on the south side of Capitol Highway between Sunset Boulevard and 18th Drive are primarily zoned for General Commercial (CGd) uses. According to the Code, this zone allows for a mix of uses that is very similar to the CSd zone; however, “development is expected to be generally auto-accommodating, except where the site is adjacent to a transit street or in a Pedestrian District.”

Medium to high-density residential zones lie within the remainder of the study area. These zones transition in development intensity and density from R1d to R5a, and then step down further to the surrounding neighborhood’s R7 and R10 zones.

R1d zoning lies mostly to the east and west of the study area.

The Design Overlay Zone (indicated by the “d” in “CSd,” for example) promotes the conservation, enhancement, and continued vitality of areas of the City with special scenic, architectural, or cultural value. This is achieved through the creation of design districts and applying the Design Overlay Zone as part of community planning projects (such as the Hillsdale Town Center Plan), development of design guidelines for each district, and by requiring design review or compliance with the Community Design Standards. In addition, design review or compliance with the Community Design

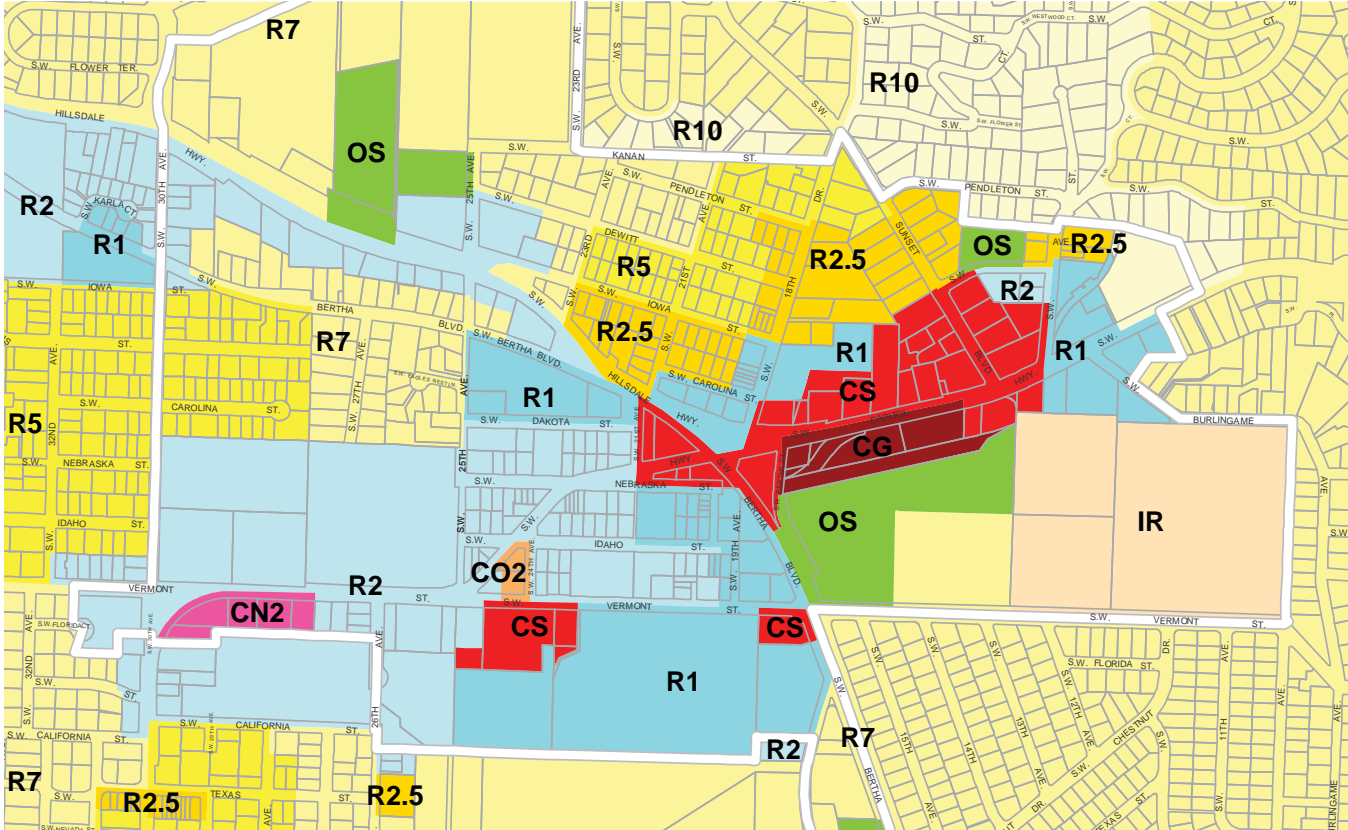


Capitol Highway Existing conditions

Standards ensures that certain types of infill development will be compatible with the neighborhood and enhance the area.

Capitol Highway

Southwest Capitol Highway remains both the primary means of access to the Hillsdale Town Center and also one of the largest constraints in creating a pedestrian-friendly environment. The street has seen many improvements over the last decade, including the addition of two signalized mid-block crossings



Zoning map Source: City of Portland Bureau of Planning and Sustainability



between Sunset Boulevard, and Bertha Court, and improved sidewalks on both sides of the street for the same distance.

The most recent addition was the installation of a traffic signal for traffic westbound on Beaverton-Hillsdale Highway at Bertha Court. This signal eliminated the free-flowing traffic through this intersection and should significantly improve the safety of pedestrians using this crosswalk.

Street trees along Capitol Highway are still young, and there are very few of them on the north side of the street, due mostly to the large number of curb cuts and driveways. The bike lanes within the right-of-way are narrow, only 4'-6" wide (7' is preferred).

### **Commercial Properties**

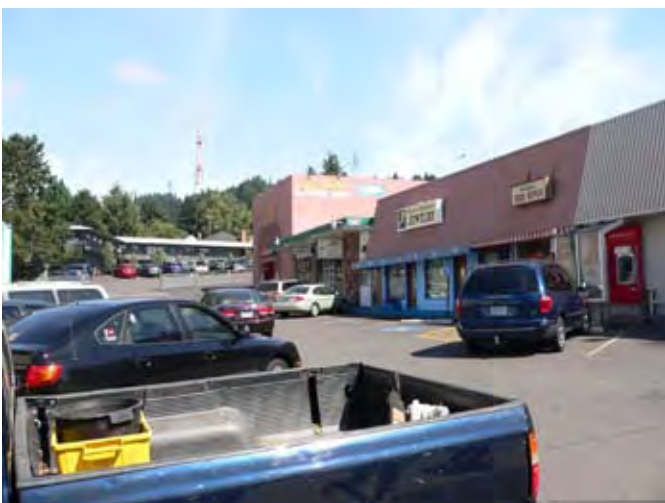
The strip of commercial properties along Capitol Highway is the face of Hillsdale to the thousands of commuters who pass through each day between downtown Portland and Beaverton. There is a certain architectural character here that is appreciated by many as being of a time before “universal chain commercial” images became such an imbedded part of the national driving experience. It has been said that this overall impression sets Hillsdale apart from practically all of the other commercial centers in the region surrounding Portland and adds further interest and attraction to the Hillsdale Town Center location.

Discovering that most of the establishments are one-of-a-kind and not part of a national chain, and for the most part locally-owned, reinforces the reaction that this is a special place with something different to offer.

### **Portland Public School Property**

Portland Public Schools owns and operates Wilson High School and Rieke Elementary School and their surrounding recreational fields and facilities. Both schools are highly regarded within the community and district and are experiencing growing enrollments.

There is a strong possibility that the Rieke School may soon begin planning for its expansion and enhancement and residents (with or without school-age children) are being encouraged to write to the School Department in support of a positive decision to proceed.



**Existing commercial properties** Several auto-oriented strip malls with many successful local businesses line both sides of Capitol Highway.



**School property** Birds-eye view (looking east) of Rieke Elementary School with Wilson High School (beyond top of image).

The parking lot at the Rieke School is the present home of the Sunday Farmer's Market (held weekly during the warmer months and bi-weekly thereafter). Nearby off-street parking at Wilson High is used by its patrons who include distant regulars as well as community residents for whom the market is both a shopping and a social event.

The sports fields at both schools are used for formal and informal play throughout the year. When there is enough snow, their slopes are welcome inclines for all ages.

A solar array is currently under discussion to be placed on the west-facing slope along Bertha Court to provide supplemental electrical power to the Rieke School. This joint venture development between Portland Public Schools, the Bureau of Planning & Sustainability, and the Bonneville Environmental Foundation is an economic and educational demonstration model for the region.

### **Opportunities & Constraints**

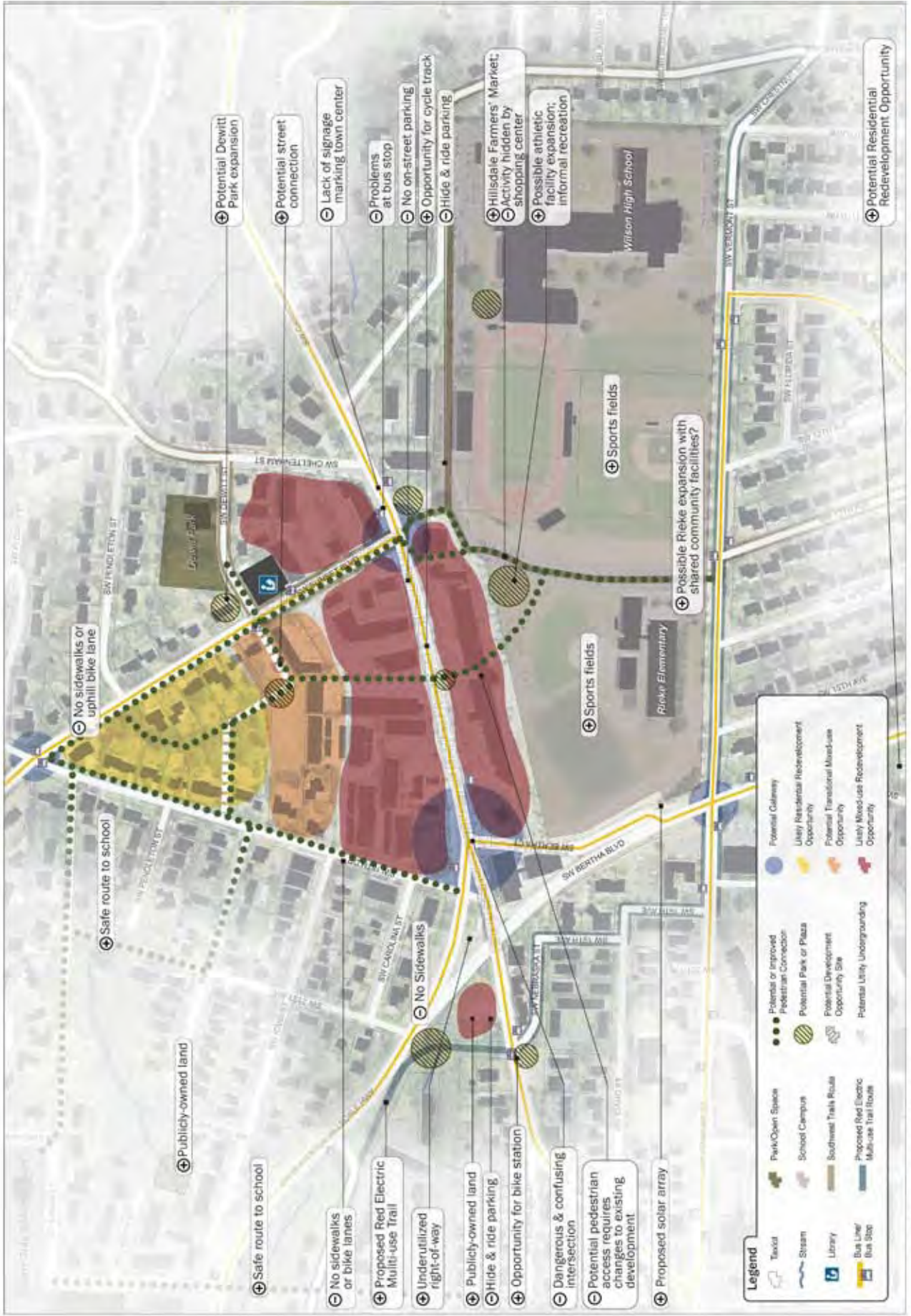
A number of opportunities and constraints for development have been identified and are illustrated on the drawing, right. These items were identified as part of a preliminary assessment of the Town Center, which included input from discussions with members of the community as well as opportunities and constraints identified during two walking tours of the area. Those items with a (+) are noted as opportunities for improvement and development and those noted with a (–) are considered as constraints to those efforts.

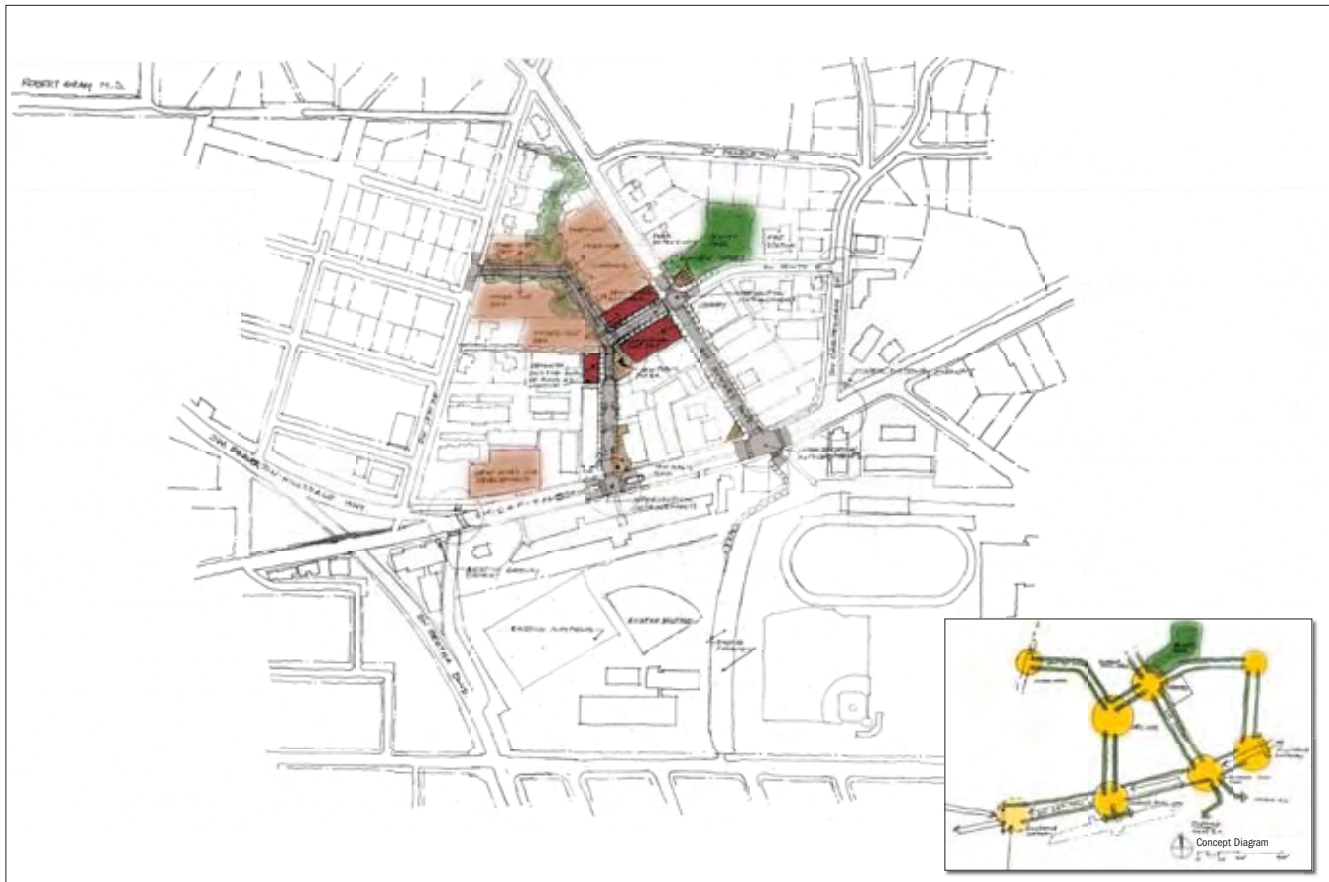
Potential areas for further study as well as future trails are noted with cross-hatched circles or as dotted lines.

Gateways to the Town Center are highlighted by blue circles.

And, areas for consideration as “Likely” or with “Potential” for further development are highlighted as colored zones.

Of significance is the potential to create vehicular connections and pedestrian linkages between residential and commercial areas and across Capitol Highway.





**Town Center Redevelopment, Urban Design & Phased Implementation Concept**

Hillsdale Town Center Study

12 November 2008



0 50 100 200 300 400 Feet



CITY OF HILLSDALE  
PLANNING

## Urban Design Concept

The Urban Design Concept for Hillsdale Town Center is organized around a sequence of new public plazas and open space nodes to the north of Capitol Highway providing a variety of new gathering places in conjunction with pedestrian linkages, vehicular connections, and new development opportunities. The urban design concept consists of a phased development strategy, and accomplishment of this plan will require active public-private collaboration.



## Design Principles

### CREATE MIXED-USE ACTIVITY NODES

- Nodes that encourage public interest and activity should be formed at key points onto which development opportunity sites focus.
- Initial development sites should be spaced and positioned to encourage further infill between nodes over time.

### FOCUS DEVELOPMENT ON THE PUBLIC REALM

- New building entrances should orient toward intersections to maximize visibility and engage pedestrian use.
- Ground floor spaces should be oriented toward the street/sidewalk and be highly transparent to attract users and to provide eyes-on-the-street.

### ENHANCE VEHICULAR, BICYCLE, AND ESPECIALLY PEDESTRIAN CONNECTIVITY IN THE TOWN CENTER

- Extend connections wherever possible between buildings to “break-up” large blocks and improve pedestrian walkability.
- Improve existing streets with sidewalks and bicycle lanes.

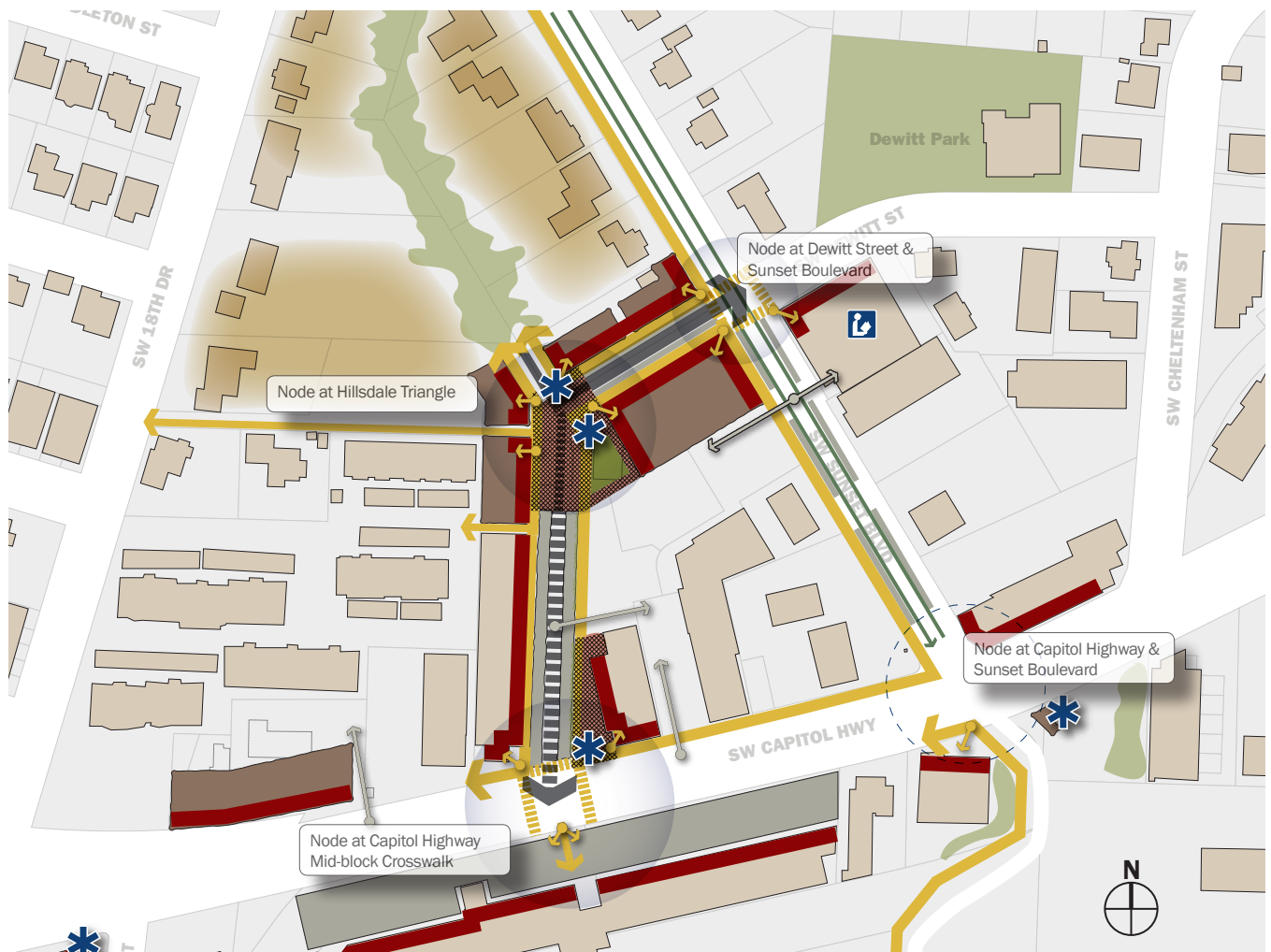
Development opportunity sites supporting and forming these places and spaces line and animate the new connecting streets and pedestrian ways, and include mixed-use Development Nodes at:

- SW Dewitt Street and Sunset Boulevard engaging the Library, Dewitt Park, and two new buildings on potential development sites framing both sides of an extended Dewitt Street.
- A new Central Plaza at the end of the extended Dewitt Street and formed with several new buildings.
- SW Capitol Highway’s mid-block crossing in conjunction with the Casa Colima property.
- SW Sunset Boulevard and Capitol Highway

These Nodes and their components are illustrated and described on the following pages along with recommended actions, timeframes, responsibilities, and notes

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## Town Center Redevelopment Framework

### Node at SW Dewitt Street and Sunset Boulevard

The corner of SW Dewitt Street and Sunset Boulevard is already a focus of community activity, thanks in no small part to the Hillsdale branch of the Multnomah County Library. Previous plans leading up to the Hillsdale Town Center Plan (1997) also acknowledge this fact and base their concepts around connecting to this point. This redevelopment framework is no different, and this particular node in the network plays an important role in furthering redevelopment in the town center. Redevelopment at this node will further define the Sunset Boulevard street edge and the intersection with Dewitt Street.

#### REDEVELOPMENT AT SOUTHWEST CORNER OF SUNSET & DEWITT

The primary focus of redevelopment at this node centers initially on the southwest corner of Dewitt and Sunset. This site is currently zoned CSd—which allows for buildings up to 45 feet tall, generally, and 55 feet tall in this case due to the large topographical variation on the site—but contains only a two-story, wood-framed office building hosting primarily medical and dental tenants. The



**Southwest corner of Sunset and Dewitt** *View of the medical office building today.*

site slopes downward fairly steeply from Sunset Boulevard and drops over 15 feet from the northeast to the southwest. Due to this slope, the existing building has a relatively low visibility from Sunset Boulevard.

The particular redevelopment scenario envisioned for this site—and further explored in the “Development Opportunity Study” section of this report (page 43)—is a mixed-use medical office building with retail on the ground floors, structured parking, an extension of Dewitt Street, and a new public plaza on the west edge of the building (which will be further described in the following section beginning on page 16). The ground floor of the building should have active uses, accessible from the street and with a high level of transparency on the building façade. Thus, convertible office/retail spaces could line the ground floor along Sunset Boulevard, the future Dewitt Street extension, and

a new public plaza to the west (the latter two of which are explained below). These spaces would be accessed individually from the street and could initially house small office uses. Over time, with increasing rents and demand and the construction of the Dewitt Street extension, they could transition to retail uses. The upper three levels of the building could be devoted exclusively to office/medical office use.

Two levels of structured parking could be integrated fairly easily into the development due to the sloping nature of the site. One level could be accessed from Sunset Boulevard, while another could be accessed via the parking lot immediately to the south of the parcel. Such an arrangement would require an access easement.

#### LONG-TERM REDEVELOPMENT OPPORTUNITIES

Further redevelopment could occur on the parcel at the northwest corner of Sunset and Dewitt. This parcel is currently occupied by a single-family house; however, the land is currently zoned R2.5, which would allow for construction of up to 5 total residential units (or 6 if an additional 2.25 square feet can be added to the existing parcel). Only residential uses are permitted in this zone, and front building setbacks are a minimum of ten feet.

Although any new construction should have a more residential character than the mixed-use medical office building to the immediate south (to facilitate the transition to the residential neighborhoods to the north), ultimately, it would be desirable to allow a more urban, perhaps retail-type, street frontage in this area along Sunset Boulevard and the Dewitt Street extension. Such a frontage could accommodate a building type like townhouses with no front building setback, the ground floors of which could host small retail or office spaces. Townhouses

of this style are typically referred to as “live/work” units. Such live/work townhouses could take advantage of the 35-foot height limit of the current zone and provide two floors of living space above a ground floor for modest commercial uses and a garage.

Development such as this could not be accomplished without a zoning change, however. Any rezoning effort should examine the entire “Hillsdale Triangle” area and be conducted in association with a new neighborhood master street plan and sustainability plan.

The parcel at the northeast corner of Sunset and Dewitt has been suggested as an ideal location for an expansion of Dewitt Park. This could help further define the public character of this Town Center node.



**Dewitt & Sunset Node** View northwest on Sunset Boulevard towards Dewitt Street intersection.

An expansion of the park should include a new, small public plaza at the intersection of Sunset and Dewitt that embraces the intersection and that provides an outdoor gathering space for library and other public activities. This park/plaza space should also incorporate a landmark feature that builds on Hillsdale’s identity and acts as a wayfinding element or signals a gateway for those arriving from the north.

#### DEWITT STREET EXTENSION

An extension of Dewitt Street to the west of Sunset Boulevard would improve overall connectivity (for pedestrians, cyclists, and vehicles) within the northern portion of the town center, provide a consolidated access into interior portions of the “Hillsdale Triangle,” and open up the possibility of developing a main street environment perpendicular to the currently auto-oriented Capitol Highway. This street extension would also provide important frontage for retail mixed-use development.

The Dewitt Street extension would most likely be constructed in three phases: an initial pedestrian-only connection, an east-west segment from Sunset Boulevard to the middle of the “Triangle,” and a north-south segment from 18th Drive to the east-west segment. The first phase would consist of a simple, possibly temporary, sidewalk that extends west from Sunset Boulevard to the middle of the “Triangle” area at the location of the proposed central plaza. This sidewalk, if temporary, could be constructed out of inexpensive materials and replaced as part of the following phase.

The second phase would consist of a 60-foot wide street section with wide, landscaped sidewalks and parallel parking provided on both sides of the street. The street could have its centerline located on the existing property line between the proposed mixed-use office building and the residential parcel to

the north, thereby sharing the right-of-way costs evenly between the two parcels. This segment of the street could connect to a proposed north-south private street (described below) or have a hammerhead as a temporary terminus. Construction of this phase could not take place until redevelopment of the northern, residential parcel occurs.

Ideally, this east-west segment of the Dewitt Street extension would be constructed with a curbless and/or green street design, rather than the city standard commercial street section. This would allow for the use of higher quality paving materials on the street surface, encourage slower driving speeds and extend the pedestrian zone. The idea is somewhat similar to the “festival streets” in Portland’s Chinatown (NW Davis and NW Flanders Streets); however, constructing such a street type may require the street to be privately owned and maintained instead of being public. Either way, the idea is to provide a flexible street that focuses on the pedestrian, could easily be closed off for activities (such as a farmers’ market, for instance), and that keeps traffic speeds to a minimum.



**Dewitt Street extension concept:** This street concept shows one possibility of a “curbless” street design that is 60 feet wide and provides wide sidewalks, landscaping, and parallel parking on both sides of the street. Building heights and characters may vary from those shown; however, active ground floor uses are essential to creating a lively street.

The final phase of the Dewitt Street extension would be a north-south segment that connects the east-west segment to 18th Drive. This phase is described in detail below on page 17.

In conjunction with the construction of the second, east-west segment of the Dewitt Street extension, the intersection of Dewitt Street and Sunset Boulevard could be enhanced with new crosswalks and landscaping or even possibly reconstructed with high-quality paving materials to slow traffic through this node. This change in materials would announce the shift from the residential neighborhoods to the Town Center core and help to define the “identity” for this node.

Constructing the east-west extension as a public street could potentially allow the cost of construction and maintenance to be shared through funds collected by a local improvement district and paid for by a city capital improvement project. Public streets, however, have prescriptive and somewhat rigid design standards set forth in city codes. Conversely, constructing the street extension as a private street would allow for greater design flexibility in materials and dimensioning. The adjoining property owners would need, as part of a joint development agreement, to construct each half of the street with the same design. Ultimately, both property owners would bear the full cost of construction and maintenance.



*Hillsdale Branch Library Landscaping, wide sidewalks, and a crosswalk at the intersection of Dewitt and Sunset.*

Another factor for consideration during the neighborhood master street plan process is the location of the centerline of the Dewitt Street extension. If the centerline were located on the existing north property line of the proposed office development, the right-of-way “cost” would be evenly shared between the two adjoining property owners. This may be a significant limiting factor for potential redevelopment in the northern parcel.

Locating the centerline on the current property line also shifts the position of the street approximately 10 to 12 feet north relative to the existing Dewitt Street right-of-way to the east. This shift may be viewed as both a constraint to unimpeded vehicular and pedestrian movement and an opportunity to slow traffic through the neighborhood and add to a sense of anticipation and arrival for people moving through the Town Center.

It may be possible to shift the Dewitt Street extension centerline approximately 10 feet south of the property line between the two parcels. This would provide a larger number of potential development configurations on the residential parcel to the north, including preserving the existing dwelling. This may also allow a portion of the street to be constructed in conjunction with the commercial

development at the southern end of the street, although the development footprint would be smaller.

A detailed diagram describing urban design principles and action steps for this node can be found on page 22.

**Node inside “Hillsdale Triangle”**

Immediately to the west of the mixed-use activity node at SW Sunset Boulevard and Dewitt Street exists the possibility for another node. This node, now the rear portion of several properties, would eventually focus around the intersection of the Dewitt Street extension and a new private north-south street connecting to Capitol Highway (described on page 20).

**PROPOSED TRIANGLE PLAZA**



**Triangle Plaza** A diagrammatic sketch of the “Hillsdale Triangle” plaza with surrounding development, as presented at one of the project’s public meetings.

The primary public feature of this node would be a new plaza located on the western end of the proposed mixed-use office building, described above, and the intersection of the Dewitt Street extension and the private street.

This plaza would become the focal point for much of the redevelopment in the interior of the “Hillsdale Triangle,” and, hopefully, a focal point for public activity within the town center.

The plaza would consist of several important elements, including hard-surfaced areas, landscaped areas, a water feature or other landmark element, and perhaps a small grassy amphitheater area with a stage for performances. The site where the plaza would lie slopes downward from northeast to southwest, so there is opportunity to make use of the topography for a variety of programmatic elements.

Like the design of the east-west segment of the Dewitt Street extension, described earlier, surfacing materials similar to those used to hardscape the plaza should extend outward into the street. This would encourage slower driving speeds, extend the pedestrian zone, and connect the plaza to sidewalks on the north and west of the intersection.

The plaza area also needs active edges on as many sides as possible. This generally means locating retail uses on the ground floors facing the plaza. These retail spaces should have windows and doors that face out onto plaza. Outdoor seating on the plaza and sidewalks for cafes and restaurants is also appropriate and helpful for enlivening the space.

Ownership of the plaza is a primary issue that needs to be resolved prior to design and construction. The plaza could be publically accessible while remaining in private ownership, or the land could be purchased by a public



organization or the city, pending property-owner agreement. Maintenance could similarly be handled by the private property owner, a neighborhood organization, such as the Hillsdale Business & Professional Association or the Hillsdale Alliance Foundation, or perhaps through a public-private partnership with the city. Similarly, the costs of design and construction could be borne by a number of different parties ranging from the property owner to a public entity. These issues can be resolved through ongoing consultations and negotiations among the property owner, neighborhood organizations, and the City of Portland.

#### RE-ORIENTING NORTHERN BUILDING IN HILLSDALE CENTER

As was mentioned above, buildings on all sides of the plaza should face and open out onto the plaza area. One critical building, the northern strip of the Hillsdale Center shopping center, should be reconstructed to face east towards the plaza. This would not only help to activate the plaza by having storefronts opening towards it, but it also enables the important north-south 'private street' connection (essentially consisting of pedestrian and landscaping improvements to the existing parking lot) from Capitol Highway to the interior of the "Hillsdale Triangle" and the Dewitt Street extension. Additionally, re-orienting this building toward the plaza may help increase rents and provide a more efficient parking layout.

#### OTHER REDEVELOPMENT SURROUNDING PLAZA

Redevelopment on the residentially-zoned parcel immediately to the north of Hillsdale Center and west of the proposed plaza is also important to the design of the public realm around the plaza. This parcel lies at the intersection of two proposed streets and has the potential to provide a very important western edge to the plaza. Similar to other buildings around the plaza, buildings on this parcel that face the plaza should have active uses on the ground floors. These could take the form of retail uses or residential uses, either of which should have a high level of transparency facing the plaza. However, zoning on this site (R2.5) currently allows only limited medium-density residential development. It may be worth reexamining zoning for this parcel to see whether higher-intensity residential uses and/or commercial uses are appropriate at this location in the Town Center. Any rezoning analysis should occur in conjunction with the neighborhood master street plan. Whether this parcel is ultimately rezoned, any future zoning and development should reflect that the neighborhood becomes increasingly low-density residential to the north and provide transitional building types, massing, or heights.

#### STREET CONNECTIONS

For this plaza to be truly successful, it will be necessary to have solid connections to the south, via the proposed



*Interior of the "Hillsdale Triangle" Segments of the Dewitt Street extension may one day run along the fence line, which is currently the property line of adjacent residential properties.*



**Dewitt Street extension concept** *One design consideration for the north-south segment is a curbless street that preserves existing large trees.*

‘private street’ connection to Capitol Highway (described in detail below), and to the east and north/west, via the Dewitt Street extension. Vehicular traffic will be necessary to generate successful retail development along the ground floors, but these connections are equally, if not more, important for pedestrians.

Extending Dewitt Street from the plaza area to the northwest, referred to in this report as the north-south segment of the extension, would tie the more commercial areas along Capitol Highway in with the residential areas of Hillsdale to the north and west and “break up” the large scale of the “Hillsdale Triangle” block. This extension, again, would have its centerline located along existing property lines, dividing the right-of-way more evenly among property owners. Construction of this segment could proceed as individual property owners redeveloped their respective parcels, but it may be more beneficial to the town center if

the segment was constructed all at once. Either way, this is likely a longer-term project.

This segment should be constructed as a narrow, residential street type, again, to keep traffic speeds slow through this area. The street may also be constructed with a curbless design and with “green street” treatments, such as stormwater swales and permeable paving. There is also a stand of mature trees located in this area, and every attempt should be made to preserve these trees. This may mean building the street and sidewalks around trees, where necessary.

A detailed diagram describing urban design principles and action steps for this node can be found on page 24.

### **Node at Capitol Highway Mid-block Crosswalk**

A major locus of commercial activity in the Hillsdale Town Center already exists in the vicinity of the Capitol Highway mid-block pedestrian crossing (adjacent to the Hillsdale Center shopping center, Casa Colima, Food Front Cooperative Grocery, and the Hillsdale Shopping Center. This area is a natural location for development of a mixed-use activity node. The current public environment is very auto-oriented, however, and many of the retail areas are focused toward parking lots perpendicular to Capitol Highway. This is largely due to the parcelization patterns on the northern side of Capitol Highway. Ideally speaking, with improved streetscape design and connectivity through the area, future infill and redevelopment should orient to a more pedestrian-friendly public realm.

**PLAZA ADJACENT TO CASA COLIMA**

The parking lot to the immediate west of the Casa Colima restaurant is a very underutilized space due to its triangular geometry and lack of clear definition of use. There are a handful of parking spaces in this area, two of them designated for handicapped-accessible use only. Much of this parking lot is only a driveway to access the primary parking area behind the restaurant. Although the amount of parking for retail establishments in the town center is constrained, it may be more valuable for this space to serve a more public function.

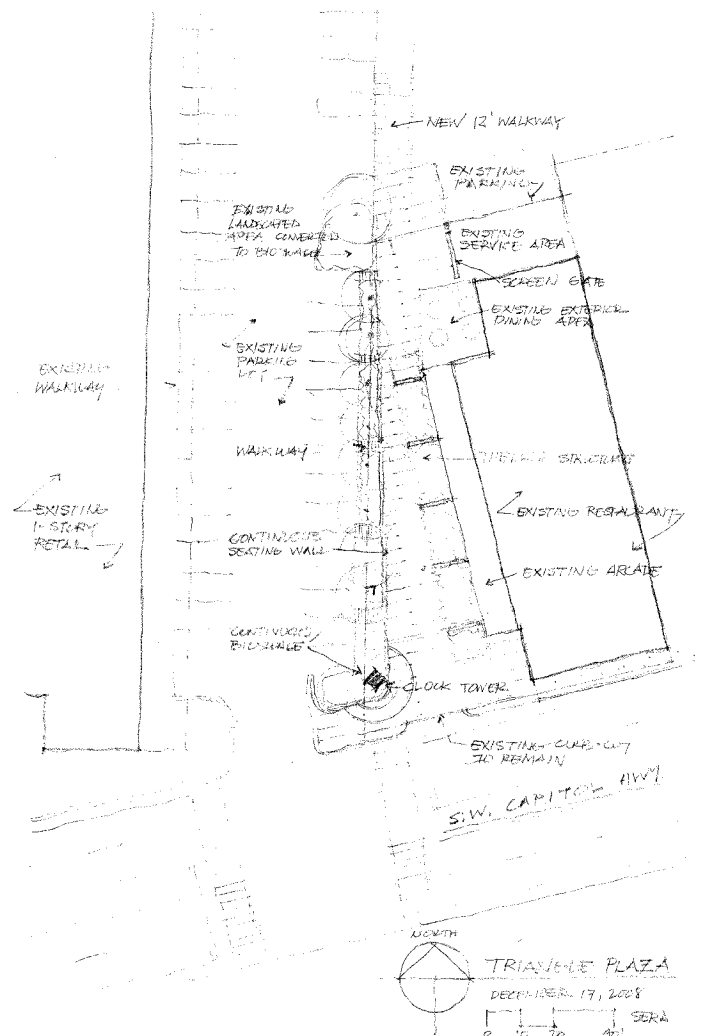
A new public plaza is proposed in this location. This plaza could provide a new focus for public activity in the town center, and indeed, it builds upon the use of this location for the annual Hillsdale Pancake Breakfast. In addition to providing an important new public space and node in the pedestrian network for the town center, it could also provide expanded outdoor seating for the Casa Colima restaurant. As such, this could be a very active place almost immediately—particularly during the summer months.

This proposed plaza should also incorporate a landmark element that is visible from Capitol Highway to assist in defining the identity of the town center. This landmark should also provide a point of reference to pedestrians and cyclists within the town center.

A couple of issues remain to be resolved before this plaza could become a reality. First, parking and access issues need to be settled. This also includes emergency access for fire trucks and ambulances. It may be possible that the lost parking spaces could be made up, in the near-term, by sharing parking with surrounding merchants. Access to parking could similarly be shared: there are two other driveways in very close proximity to the Casa Colima driveway—one is only about 30 feet to the west—and nearly all parking lots in this area are already connected. Emergency access could be similarly shared, although this ultimately needs to be determined by a fire department review. If necessary, the plaza could be designed in a way that allows continued emergency access from Capitol Highway, for instance, incorporating removable bollards at the existing driveway into the design.



**Annual Pancake Breakfast** (Above) The annual Hillsdale Pancake Breakfast has been held in the parking lot of the Casa Colima building many times. (Below) This sketch presents one of many possible designs for the proposed plaza in this area. See Appendix F for a larger version of this image.



Ownership is another primary issue that needs to be resolved prior to the design and construction of this plaza. The ownership and maintenance issues are similar to those presented above for the central plaza. Ultimately, some level of public-private partnership may be needed to build and maintain the plaza.

An important step in improving overall connectivity throughout the town center is to provide pedestrian connectivity to all public spaces. Connecting the plaza at Capitol Highway with the plaza located in the interior of the “Hillsdale Triangle” with a simple sidewalk, in the near-term. This sidewalk could extend north along the property line between the Hillsdale Center and Casa Colima. This pedestrian connection need not even consist of a newly constructed sidewalk initially, but could be represented by paint or other markings on the current parking lot surface. In the longer-term, however, this sidewalk would become a part of the north-south private street, described below.

#### NORTH-SOUTH PRIVATE STREET CONNECTION

Converting the Hillsdale Center shopping center’s parking lot, arranged perpendicular relative to Capitol Highway, into a north-south private street

connection is perhaps one of the more critical components of the town center framework. This street, as has been mentioned previously, would connect Capitol Highway to the proposed Dewitt Street extension. The creation of this street would also facilitate redevelopment of several commercial parcels on the interior of the “Hillsdale Triangle.” It also serves to further “break up” the large block, making it more accessible to cars, bikes, and pedestrians.



**Hillsdale Center parking lot** A north-south private street connection through this area would provide a critical link in the Town Center.

Once again, this street, like others proposed in the town center, should make use of high quality paving materials—both to slow traffic through this zone while providing a high quality pedestrian environment, and to contribute to the sense of place along this street. Construction could be curbless and should employ “green street” construction techniques, such as permeable paving and stormwater planters. Wide, landscaped sidewalks are a key component of the streetscape for pedestrians and retail frontage.

It would also be possible to maintain the head-in parking or to provide angle parking to support existing and new businesses. The total number of parking spaces available would likely remain the same as there are presently, supporting a continued, vital retail presence.

While this street would lie mostly on one parcel, it should be investigated as to whether the benefit to the town center warrants a more public effort in helping to finance and maintain this street connection. Some manner of public-private partnership or business partnership could pay for the construction and annual maintenance of this street.

### STOREFRONT IMPROVEMENTS

One final element that would assist in the near- to medium-term development of this area is the renovation of the Casa Colima building storefront. This building is currently mostly closed off from Capitol Highway, with a solid wall facing the street (though it is painted with colorful renderings). Indeed, the structure appears to have had windows facing the street previously, but these have since been covered. Additionally, renovating the storefront in the area facing the proposed public plaza would help to open the restaurant to the public space and provide a greater connection between the interior and exterior. These storefront renovations may be inexpensive relative to the value they could provide the restaurant and the property, and they would provide great benefits to the public realm in the town center. It is possible that funds for such storefront renovations eventually could be obtained through grants from the City, but such a program does not currently support the town center.

A detailed diagram describing urban design principles and action steps for this node can be found on page 26.

### **Node at Capitol Highway and Sunset Boulevard**

The last mixed-use activity node to consider in the Town Center is focused on the intersection of Sunset Boulevard and Capitol Highway. Most development around this intersection will likely occur in the long-term, and will hopefully be spurred on by other activities taking place in the Town Center.

In the near-term, there appears to be an opportunity to create a useful transit facility, called a Bike Station, for cyclists at the southeast corner of the Sunset Boulevard and Capitol Highway intersection. This facility would be a waypoint for cyclists commuting to work, both in Hillsdale and downtown Portland.

Whether or not this Bike Station is constructed, this location is also suitable for a landmark that serves as a gateway to Hillsdale and announces arrival into the Town Center for traffic entering from the east.

A detailed diagram describing urban design principles and action steps for this node can be found on page 28.

The following pages contain diagrams annotated with the urban design elements described in the preceding pages. Additionally, tables of action items describe some of the important steps that need to take place for each of the major elements, including a rough timeline to completion.

TOWN CENTER REDEVELOPMENT FRAMEWORK

Mixed-use Development Node at SW Dewitt Street and Sunset Boulevard

- 1 Possible expansion of Dewitt Park to provide increased recreation opportunities in town center and neighborhood
- 2 Plaza at southwest corner of Dewitt Park expansion; engages with library and activates intersection
- 3 Landmark element to help with wayfinding and town center identity (part of possible Dewitt Park expansion)
- 4 Uphill (northbound) bike lane is particularly important
- 5 Extend sidewalk north along Sunset Blvd
- 6 Development on north side of Dewitt St extension should relate to development on south side—possibility is live/work townhomes
- 7 Need to reexamine zoning issues to allow retail frontage
- 8 Active edges along Sunset Blvd and Dewitt St are critical
- 9 On-street parking
- 10 Mixed-use building with retail or office with shop windows and entries facing the street
- 11 Buildings should focus toward intersection; provide entries and high transparency
- 12 Enhance pedestrian crosswalks



<b>A: Building at southwest corner of SW Sunset and Dewitt</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Coordination between city and property owners	ongoing	BPS, property owner	
Conduct detailed feasibility study	6-12 months	property owner	
Negotiate agreement to purchase right-of-way for street extension	12 months	property owner, BPS, PBOT, BES	
Survey to determine location of public right-of-way	12 months		
Complete building programming, design, permitting, and design review	18-24 months	property owner, BPS, BDS	HNA will have chance to provide formal input during design review process
Locate temporary office space and relocate during demolition and construction	18-24 months	property owner, BPS	
Demolition and construction	24-36 months	property owner	
City acquires south side of Dewitt Street extension right-of-way from property owner	24-36 months	PBOT, BPS, BES	

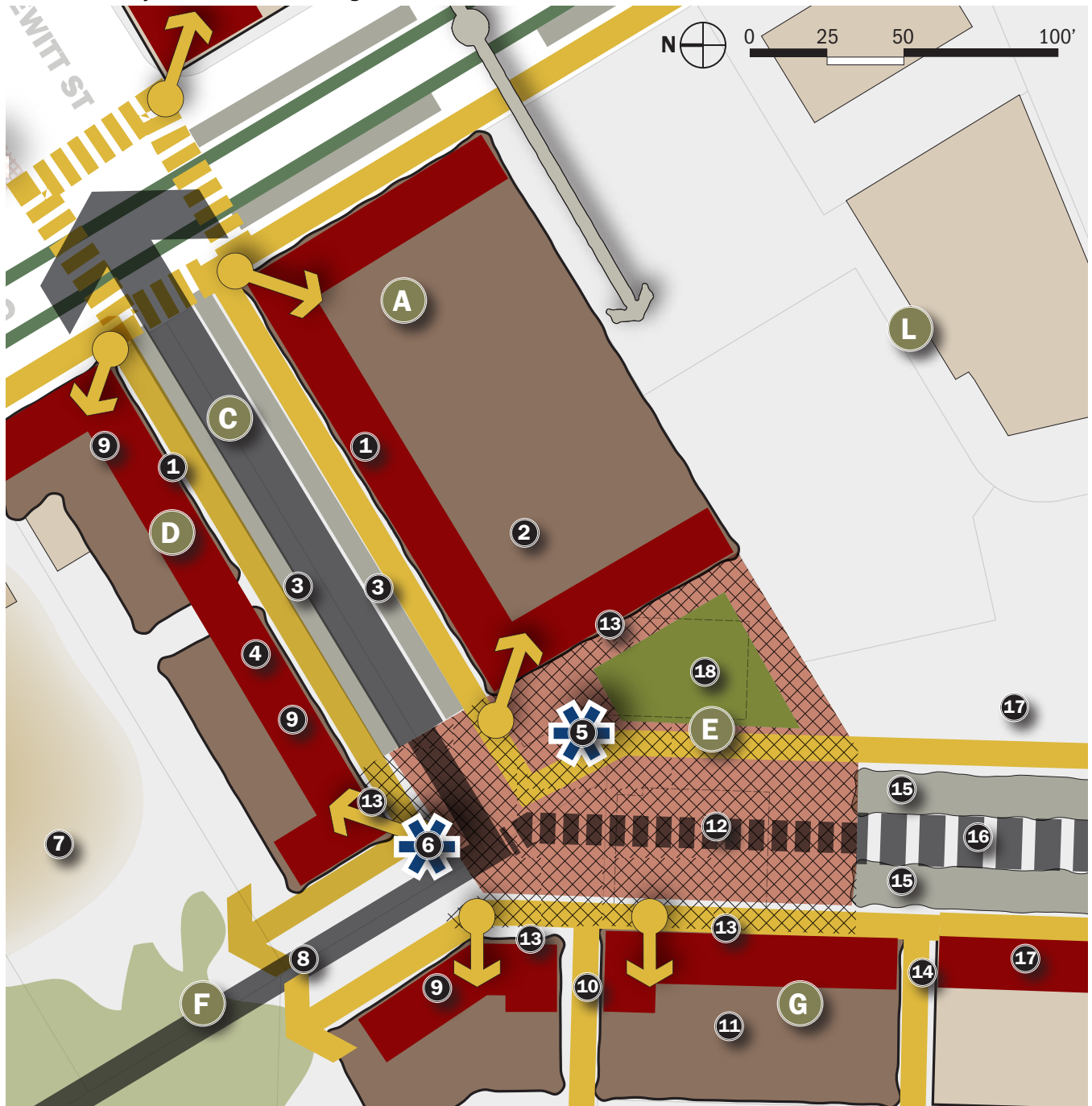
<b>B: Dewitt Park Expansion</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Complete parks & recreation master plan for Hillsdale Town Center	12-18 months	PPR, BPS	
Acquire additional property for park expansion, where needed	1-5+ years	PPS, BPS	
Complete park programming, design, permitting, and design review	5+ years	PPS, BPS, HNA, MCL	
Demolition and construction	5+ years	PPS	
Celebrate opening of the park!	5+ years	everyone	

<b>C: Dewitt Street Extension—East-West Street Segment</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Prepare master street plan	1-3 years	PBOT, BPS	
Establish LID to fund street and streetscape construction in neighborhood	1-3 years	PBOT, BPS, HNA, HBPA	
City acquires additional right-of-way for expansion, following the master street plan	2-5+ years	PBOT, BPS	
Construct Dewitt extension	2-5+ years	PBOT	
Celebrate opening of Dewitt Street extension	5+ years	everyone	Street fair?

<b>D: Redevelopment of Residential Parcel North of Dewitt Street Extension</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Coordination between city and property owner	ongoing	BPS, property owner	
Coordination between property owner and property owner to south & neighborhood involvement process	ongoing	property owners, HNA	
Study rezoning through master street plan	1-3 years	PBOT, BPS	
Conduct detailed feasibility study	1-5+ years	property owner	
Negotiate agreement to purchase right-of-way for street extension	1-5+ years	property owner, BPS, PBOT, BES	
Survey to determine location of public right-of-way	1-5+ years		
Complete building programming, design, permitting, and design review	5+ years	property owner, BPS, BDS	HNA will have chance to provide formal input during design review process
Construction	5+ years	property owner	
City acquires south side of Dewitt Street extension right-of-way from property owner	1-5+ years	PBOT, BPS, BES	

TOWN CENTER REDEVELOPMENT FRAMEWORK

Mixed-use Activity Node in "Hillsdale Triangle"



- |   |  |   |   |
|---|--|---|---|
| <p><b>1</b> Active edges along Dewitt St extension are critical</p> <p><b>2</b> Mixed-use building with retail or office with shop windows and entries facing the street</p> <p><b>3</b> On-street parking</p> <p><b>4</b> Development on north side of Dewitt St extension should relate to development on south side—possibility as live/work townhomes</p> | <p><b>5</b> Landmark element—possibly water feature—to define intersection and plaza</p> <p><b>6</b> Landmark feature visible from south end of private street at Capitol Highway—defines node</p> <p><b>7</b> Potential future residential infill development</p> <p><b>8</b> Narrow, green street; preserve existing trees in street right-of-way</p> <p><b>9</b> Need to reexamine zoning issues to allow potential for retail frontage</p> | <p><b>10</b> Pedestrian connection to 18th Dr</p> <p><b>11</b> Re-orient northern-most building in shopping center to face plaza and allow street connection</p> <p><b>12</b> Slow, narrow street through plaza area; paving similar to plaza surface</p> <p><b>13</b> Buildings should focus to plaza; provide entries and high transparency</p> <p><b>14</b> Enhance pedestrian connection to apartment complex</p> | <p><b>15</b> Angle or perpendicular parking</p> <p><b>16</b> Private street connection to Capitol Highway</p> <p><b>17</b> Active edges along private street are critical</p> <p><b>18</b> Small amphitheater area with stage; possibly grass</p> |
|---|--|---|---|



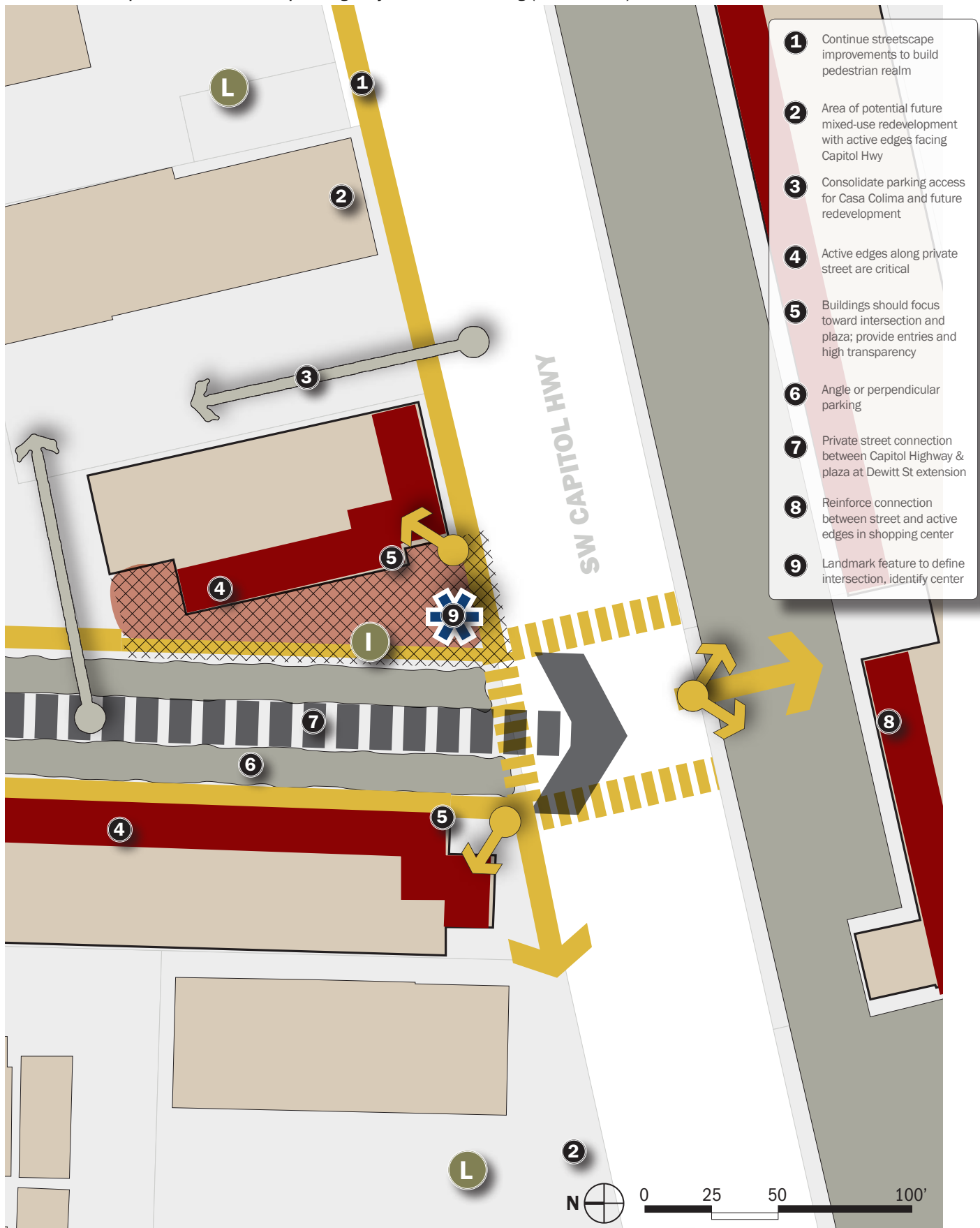
<b>A: Building at southwest corner of SW Sunset and Dewitt</b>
<b>C: Dewitt Street Extension—East-West Street Segment</b>
<b>D: Redevelopment of Residential Parcel North of Dewitt Street Extension</b>
See pages 24-25
<b>L: Long-term Redevelopment</b>
See pages 30-31

<b>E: Plaza at Dewitt Street Extension</b>			
Action	Timeframe	Responsibility	Notes
Coordination between city and property owners	ongoing	BPS, property owner, PPR	
Determine future ownership of plaza	6-12 months	BPS, PPR, BES, property owner, HNA	Determining ownership of the plaza area will be necessary to ensure that the adjacent building is designed appropriately
Conduct detailed feasibility study & conceptual design	12-18 months	property owner or future property owner	
Identify incentive package and/or development bonuses if current property owner constructs plaza; OR negotiate agreement to purchase land for plaza	12-18 months	BPS, BDS, Metro, PDC?, property owner	Building the plaza may require a public-private partnership that could include financial and development incentives
Explore potential incentives such as waving development charges, providing development amenity bonuses, providing low-interest/no-interest financing, providing tax abatements, obtaining grants, etc			
Complete plaza programming, design, permitting, and design review	24-36 months	property owner and/or future property owner, BPS, BDS, PPR?, PDC?, HNA	
Demolition and construction	24-48 months	property owner or future property owner	
Celebrate opening of the plaza!	36-60 months	everyone	

<b>F: Dewitt Street Extension—North-South Street Segment</b>			
Action	Timeframe	Responsibility	Notes
Coordination between city and property owners	ongoing	BPS, property owner, BES, PBOT	
Establish LID to fund street and streetscape construction in neighborhood	1-3 years	PBOT, BPS, HNA, HBPA	
City acquires additional right-of-way for expansion, following the master street plan	2-5+ years	PBOT, BPS	
Construct Dewitt extension	2-5+ years	PBOT, BES	
Celebrate opening of Dewitt Street extension	5+ years	everyone	

<b>G: Reorient Northern Building at Hillsdale Center to Plaza and Private Street</b>			
Action	Timeframe	Responsibility	Notes
Coordination between city and property owners	ongoing	BPS, property owner	
Conduct detailed feasibility study & conceptual design	12-18 months	property owner, BPS	
Identify incentive package and/or development bonuses if current property owner assists with construction of plaza; OR negotiate agreement to purchase land for plaza	12-18 months	PBOT, BPS, HNA	
Complete building and plaza programming, design, permitting, and design review	24-36 months	property owner, BPS, BDS, PPR?, PDC?, HNA	
Demolition and construction	24-48 months	property owner	
Celebrate opening of new shops and plaza	36-60 months	everyone	

Mixed-use Development Node at SW Capitol Highway Mid-block Crossing (Casa Colima)



- 1** Continue streetscape improvements to build pedestrian realm
- 2** Area of potential future mixed-use redevelopment with active edges facing Capitol Hwy
- 3** Consolidate parking access for Casa Colima and future redevelopment
- 4** Active edges along private street are critical
- 5** Buildings should focus toward intersection and plaza; provide entries and high transparency
- 6** Angle or perpendicular parking
- 7** Private street connection between Capitol Highway & plaza at Dewitt St extension
- 8** Reinforce connection between street and active edges in shopping center
- 9** Landmark feature to define intersection, identify center

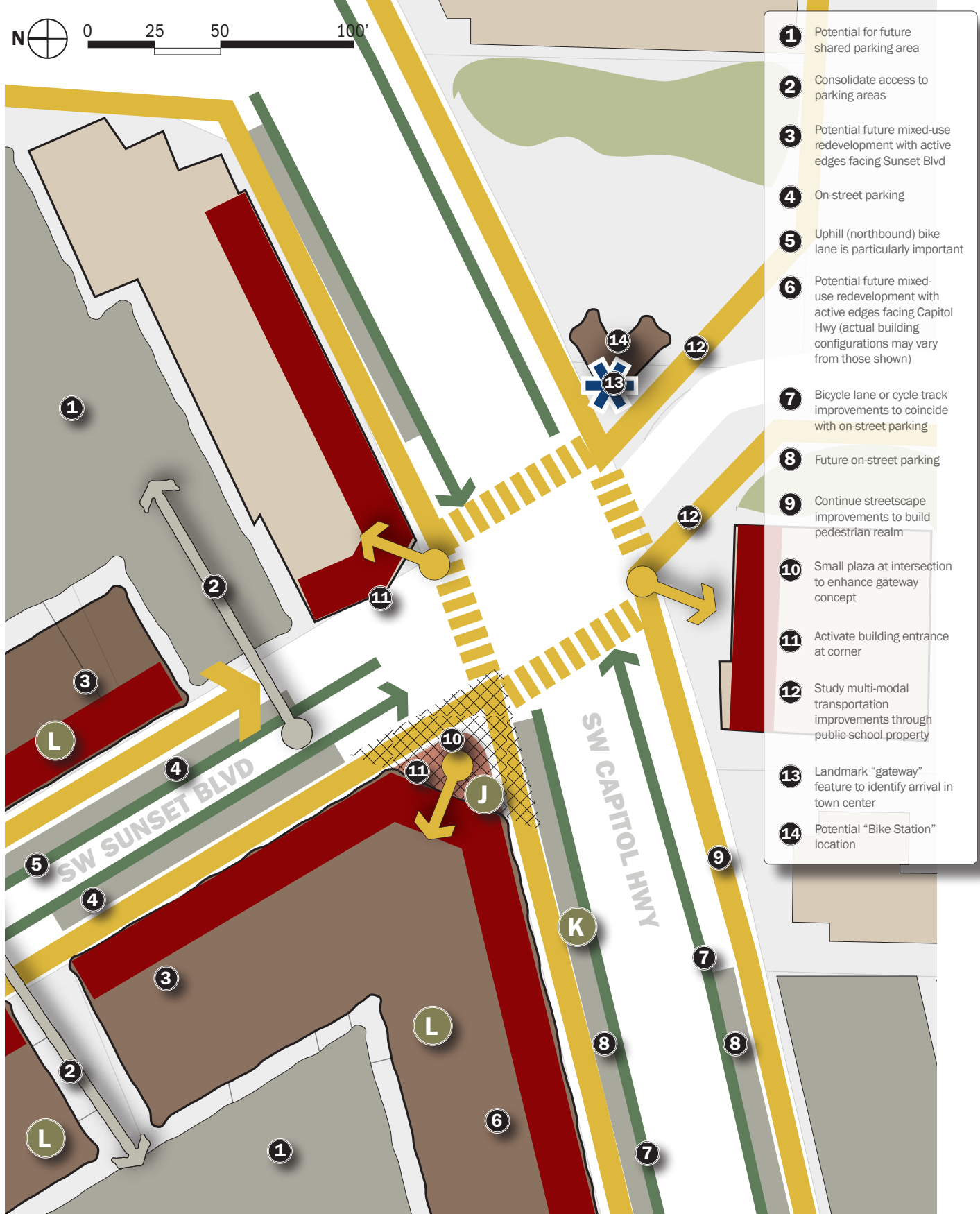
<b>I: Plaza immediately west of Casa Colima</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Coordination between city and property owners	ongoing	BPS, property owner	
Identify potential funding sources and incentives for construction of plaza	begin 2009	BPS, HNA, property owner, PDC?, Metro?	
Develop detailed, site-specific design proposal	6-12 months	BPS, property owner, HNA	Expand upon diagrammatic site plan provided in this report. May be a future flex-services project.
Work with fire department to identify safety requirements	6-12 months	BPS, PFD	
Determine future ownership and maintenance responsibilities of plaza	6-12 months	BPS, property owner, HNA	This area seems more likely to remain in private ownership in short-term. However, city should help to determine who will maintain plaza for public use.
Survey to determine extents of plaza	6-15 months	BPS	
Negotiate agreement to purchase land for plaza or secure easement for public use.	6-15 months	property owner, BPS	
Complete plaza programming, design, permitting, and design review	12-24 months	property owner, BPS, BDS	
Demolition of parking lot (if/where necessary) and construction	12-30 months	property owner	
Celebrate opening of the plaza!	24-36 months	everyone	

### **L: Long-term Redevelopment**

**See pages 30-31**

TOWN CENTER REDEVELOPMENT FRAMEWORK

Mixed-use Development Node at SW Sunset Boulevard and Capitol Highway



<b>J: Plaza at Intersection of Capitol Highway and Sunset Boulevard</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Coordination between city and property owners	ongoing	BPS, property owner, PPR	
Identify potential funding sources and incentives for construction of plaza	ongoing	BPS, HNA, property owner, PDC, PPR	
Develop detailed, site-specific design proposal	5+ years	BPS, property owner, HNA	Expand upon diagrammatic site plan provided in this report. May be a future flex-services project.
Work with fire department to identify safety requirements	5+ years	BPS, PFD	
Determine future ownership and maintenance responsibilities of plaza	5+ years	BPS, property owner, HNA	This area seems more likely to remain in private ownership in short-term. However, city should help to determine who will maintain plaza for public use.
Survey to determine extents of plaza	5+ years	BPS	
Negotiate agreement to purchase land for plaza or secure easement for public use.	5+ years	property owner, BPS	
Complete plaza programming, design, permitting, and design review	5+ years	property owner, BPS, BDS	
Demolition of parking lot (if/where necessary) and construction	5+ years	property owner	
Celebrate opening of the plaza!	5+ years	everyone	

<b>K: Implementation of Streetscape and Pedestrian Improvements on Capitol Highway</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Coordination among city agencies, neighborhood representatives, and property owners	ongoing	BPS, property owners, neighborhood reps	
Establish LID or BID to fund street and streetscape construction in neighborhood	1-3 years	PBOT, BPS, HNA, HBPA	
Revise Capitol Highway Plan as necessary as part of neighborhood master street plan process	1-5+ years	PBOT, BPS, HNA, HBPA	
City acquires additional right-of-way for expansion, following the master street plan	2-5+ years	PBOT, BPS	
Begin construction of Capitol Highway improvements recommended in neighborhood street master plan	2-5+ years	PBOT	
Celebrate completion of Capitol Highway streetscape	5+ years	everyone	

<b>L: Long-term Redevelopment</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
City continues work with property owners to coordinate redevelopment	ongoing	BPS	
Develop detailed, site-specific design proposal that addresses and adds to public realm	ongoing	BPS	
Identify future catalyst project, if necessary	ongoing	BPS, HNA	

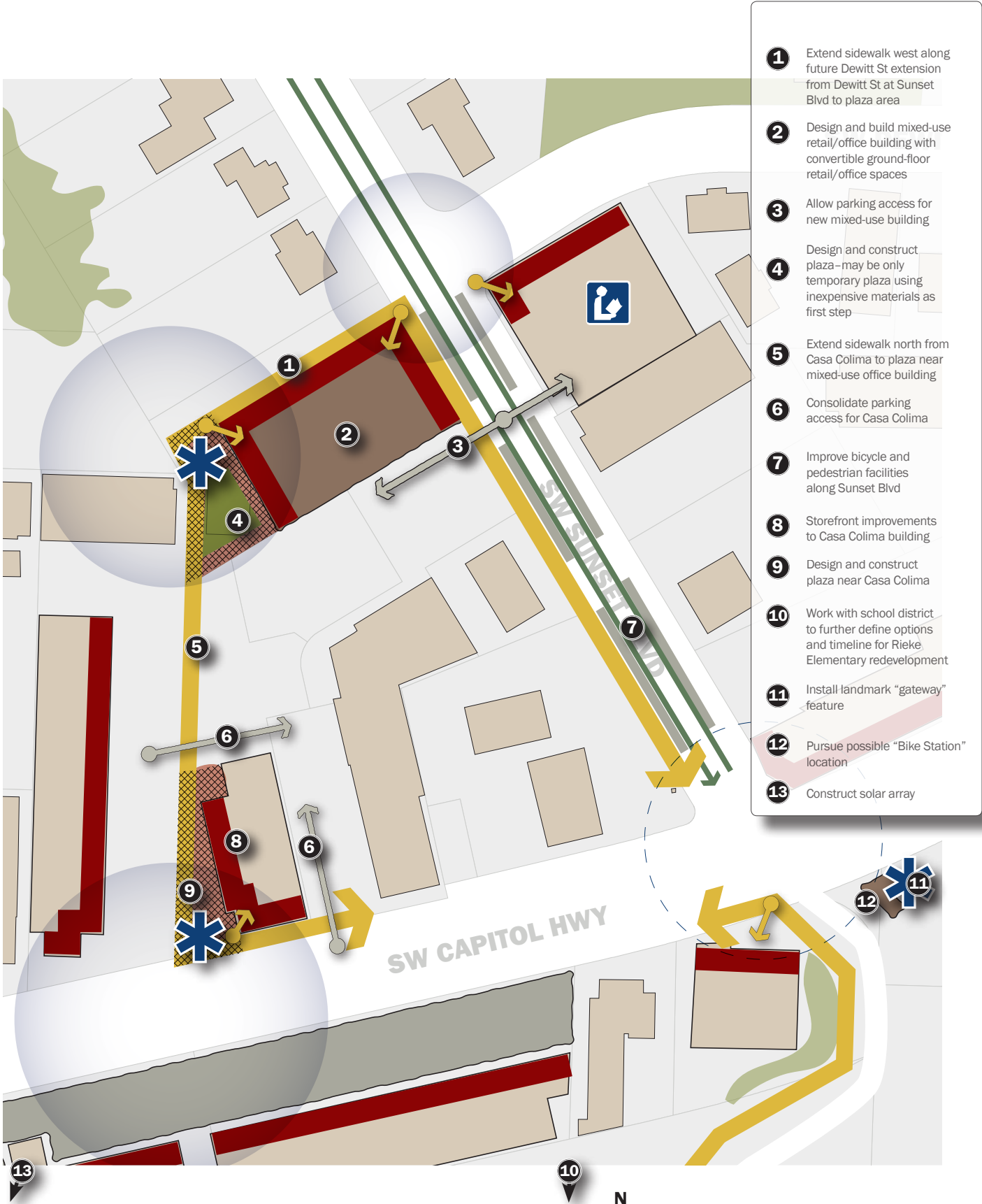
### Phasing

The various plan elements described on the preceding pages illustrate a completely transformed Hillsdale Town Center and identify an approximate timeframe for each action that will bring it about.

What follows is a presentation of how all those actions may assemble and piece together. While somewhat time-driven, there is no set calendar for their implementation, rather there are suggested steps whose sequential implementation will lead to a next set of logical and inter-related actions and steps.

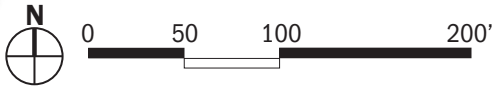
**Legend to phasing and redevelopment maps** This legend (right) identifies the symbols used in the preceding framework diagrams and following phasing diagrams.

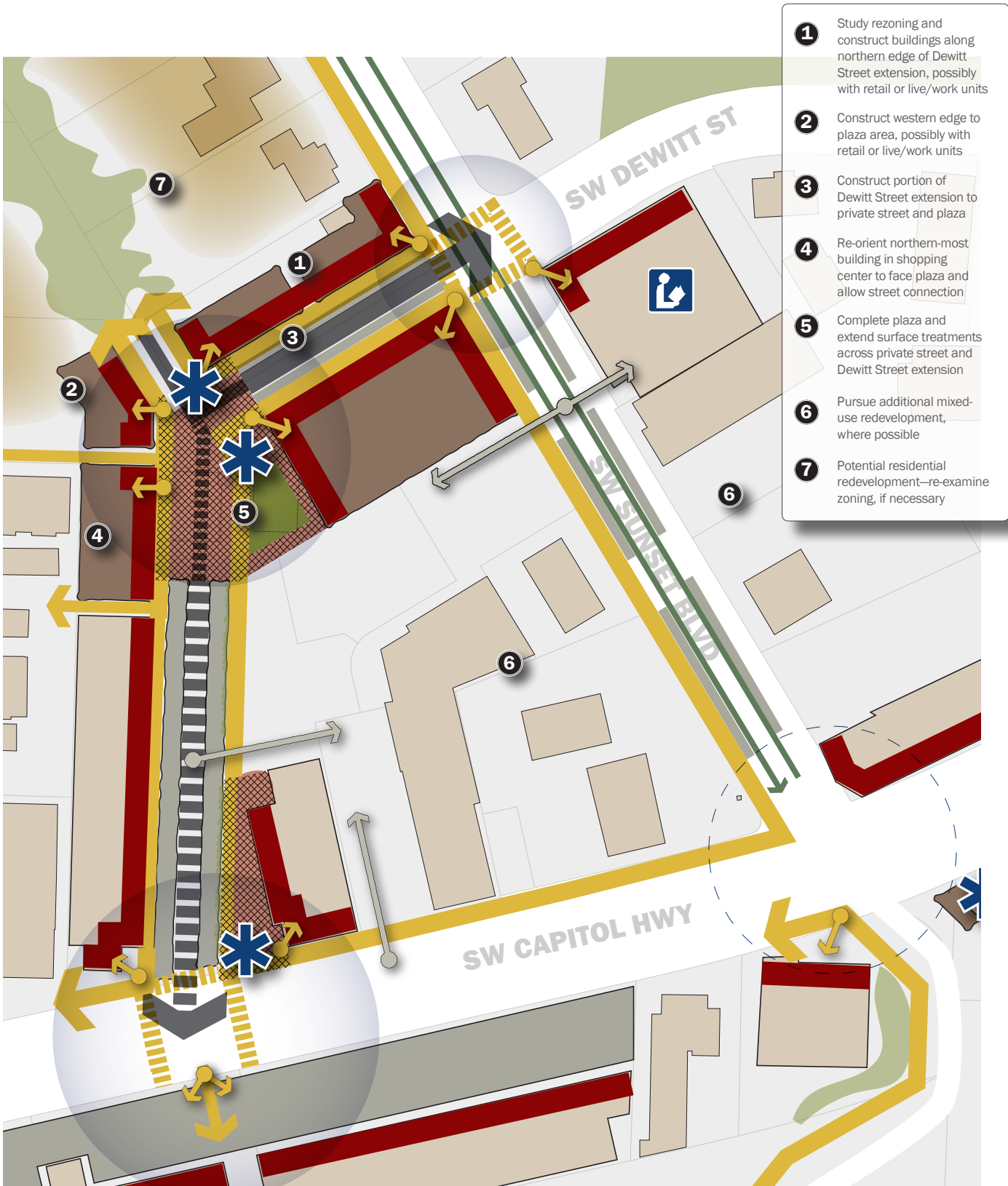
Legend					
	Mixed-use Activity Nodes		Proposed Public Street -Skinny Street		Potential Future Building Location
	Building Focus on Public Realm		Proposed Private Street -Skinny Street		Existing Building
	Proposed Public Space		Sidewalk/Streetscape Improvements		Proposed Consolidated Parking Area
	Key Public/Private Transition Point		Crosswalk/Intersection Improvements		Vehicle Access to Parking Area
	Town Center Landmark		Bicycle Lane Improvements		Proposed or Existing On-street Parking
	Area of Potential Residential Infill		Significant Trees or Wooded Areas		Proposed Solar Array



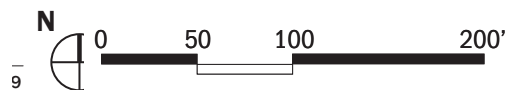
- 1** Extend sidewalk west along future Dewitt St extension from Dewitt St at Sunset Blvd to plaza area
- 2** Design and build mixed-use retail/office building with convertible ground-floor retail/office spaces
- 3** Allow parking access for new mixed-use building
- 4** Design and construct plaza—may be only temporary plaza using inexpensive materials as first step
- 5** Extend sidewalk north from Casa Colima to plaza near mixed-use office building
- 6** Consolidate parking access for Casa Colima
- 7** Improve bicycle and pedestrian facilities along Sunset Blvd
- 8** Storefront improvements to Casa Colima building
- 9** Design and construct plaza near Casa Colima
- 10** Work with school district to further define options and timeline for Rieke Elementary redevelopment
- 11** Install landmark “gateway” feature
- 12** Pursue possible “Bike Station” location
- 13** Construct solar array

**Step One: Define the Framework of the Public Realm**  
 Timing: Near-term

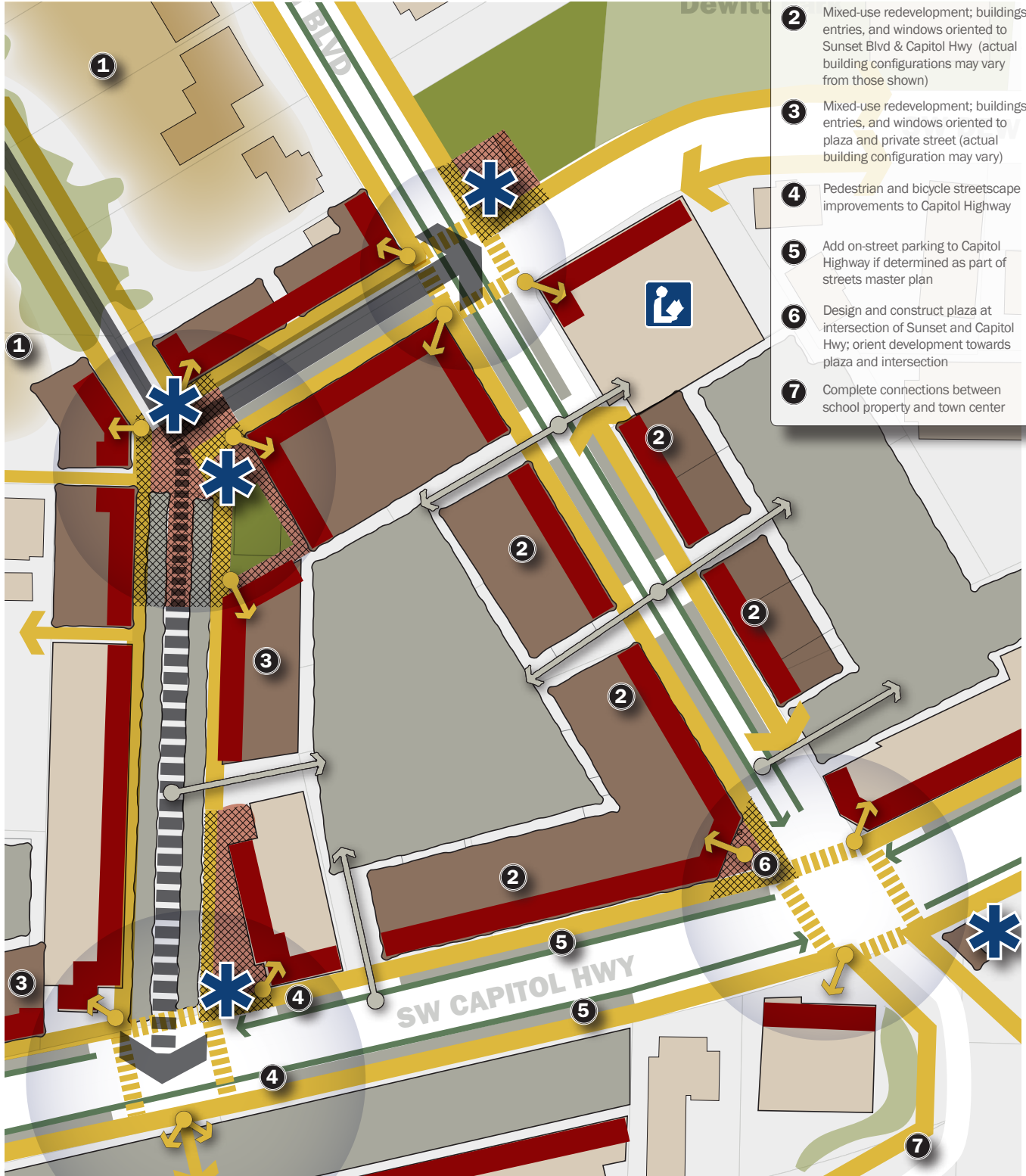




**Step Two: Strategic Infill around Mixed-use Nodes**  
 Timing: Medium-term

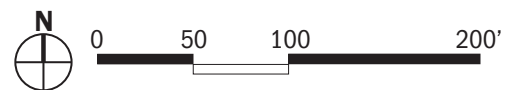




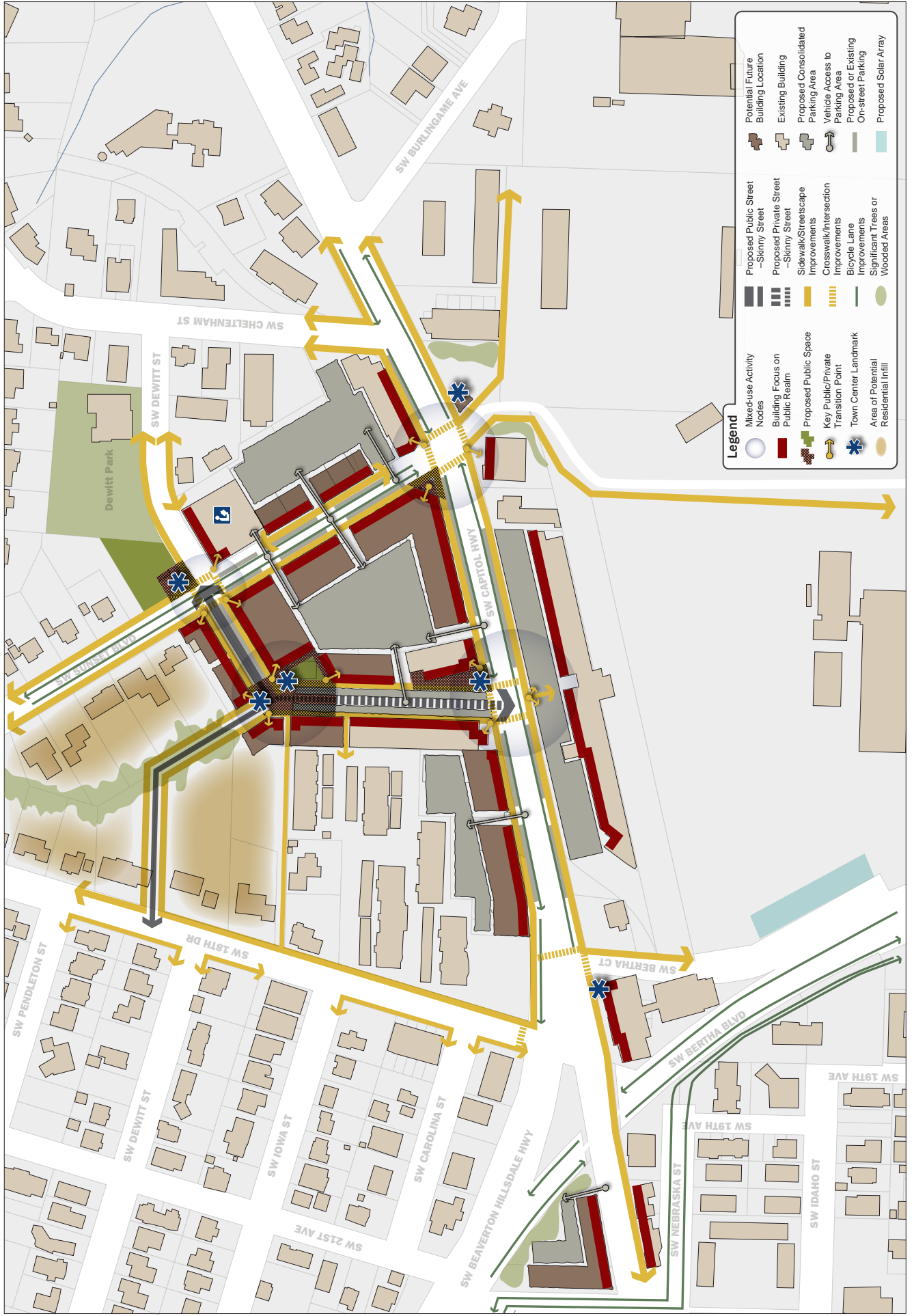


- 1 Continuing residential infill and redevelopment
- 2 Mixed-use redevelopment; buildings, entries, and windows oriented to Sunset Blvd & Capitol Hwy (actual building configurations may vary from those shown)
- 3 Mixed-use redevelopment; buildings, entries, and windows oriented to plaza and private street (actual building configuration may vary)
- 4 Pedestrian and bicycle streetscape improvements to Capitol Highway
- 5 Add on-street parking to Capitol Highway if determined as part of streets master plan
- 6 Design and construct plaza at intersection of Sunset and Capitol Hwy; orient development towards plaza and intersection
- 7 Complete connections between school property and town center

**Step Three: Further Redevelopment**  
 Timing: Long-term







**Legend**

- Mixed-use Activity Nodes
- Building Focus on Public Realm
- Proposed Public Space
- Key Public/Private Transition Point
- Town Center Landmark
- Area of Potential Residential Infill
- Proposed Public Street - Skinny Street
- Proposed Private Street - Skinny Street
- Sidewalk/Streetscape Improvements
- Crosswalk/Intersection Improvements
- Bicycle Lane Improvements
- Significant Trees or Wooded Areas
- Potential Future Building Location
- Existing Building
- Proposed Consolidated Parking Area
- Vehicle Access to Parking Area
- Proposed or Existing On-street Parking
- Proposed Solar Array

### Implementation Options

There are many ways in which the redevelopment framework described may be implemented. Four possible funding and implementation options are presented below.

FUNDING AND IMPLEMENTATION				
	OPTION 1	OPTION 2	OPTION 3	OPTION 4
	Main Street Program	Assessment District	Limited Development Agreement	Development Agreement with Incentives
<b>Description</b>	Establish a Main Street with a paid manager.	Coordinate with property and business owners for an improvement district assessment.	Develop an agreement between and among property owners for private and public improvements.	Develop an agreement between property owners and work in partnership with the City.
<b>Methods</b>	Develop/enhance brand, coordinate/sponsor events.	Solicit buy-in from property and business owners within a geographically-defined area of the town center.	Identify priority redevelopment opportunities and strategically work with property owners within those opportunity sites to develop.	Streamline permitting processes and leverage fees for future development.
<b>Partners</b>	Business Association, property owners, OHSU, Mittleman Jewish Community Center, Multnomah Village Business Association	Property owners, Business Association, Neighborhood Association, Main Street Manager, Bureau of Development Services, Portland Development Commission	Property owners, Bureau of Development Services	Property owners, Bureau of Development Services, Bureau of Planning and Sustainability, Portland Development Commission
<b>Resources</b>	Fundraise through events, grant writing, etc.	Target tax revenue collected from within the district toward public improvement projects.	Determine benefits that outweigh costs while achieving community goals for coordinated private and public investments.	Use system development charges as a leverage.
<b>Pros</b>	Encourages property owners and business owners to coordinate.	Allows property owners to determine resource contribution levels.	Allows flexibility and creativity for the regulator and property owner in working with land use policies.	Allows flexibility and creativity for the regulator and property owner in working with land use policies.
	Involves community in redevelopment opportunities.	Community can participate in redevelopment.	Reduces uncertainty with approval of the project and actual results for the project.	Provides the opportunity to impose or alleviate certain requirements.
<b>Cons</b>	Requires on-going financial support to maintain.	Must have 100 percent buy-in from property and business owners within the District.	Expectations can often be financially infeasible.	Must be careful not to stray from comprehensive planning goals and principles.
	Requires a designated position to coordinate program efforts.	Cost estimates are needed for private and public improvements.	Must consider legal constraints.	Agreement is legally binding and terms are locked.

Source:

Larsen, David J. *Development Agreement Manual: Collaboration in Pursuit of Community Interests*. Institute for Local Self Government. 2002.



## **Further Steps & Long-term Considerations**

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### **Neighborhood Master Street Plan**

A next important step to be considered toward the implementation of the Town Center recommendations described above will be to undertake a Neighborhood Master Street Plan for the Hillsdale Town Center. This Plan would be prepared under the auspices of the Portland Bureau of Transportation (PBOT) in conjunction with the City and will address existing and proposed street capacities, widths, and treatments as well as existing and proposed land uses in the area.

As any change in use or density will have a potential impact on local transportation demands impacting streets in the area, work on this plan should involve a careful assessment of current zoning and consider any areas that may deserve a change in zoning density or use.

The Master Street Plan will involve an open public process in its development and will propose a program of street improvements and changes within the public rights-of-way of the Town Center area. It presents a number of action

steps that will eventually lead to actual projects once funding for detailed design and construction is appropriated and budgeted.

Potential Streetscape Improvements to be considered for existing local streets and Capitol Highway include:

**SIDEWALKS** – widening and improving existing sidewalks and adding them where they do not exist. The incorporation of public drinking fountains to supplement the few that are presently available would be of benefit to all and most appreciated by owners and their pets if dog bowls were attached.

**STREET TREES** – Recommending locations for new street trees to provide shade for sidewalks and parking areas and to articulate the streetscape environment .

**CROSSWALKS** – Recommending additional locations and/or improvements to existing ones that involve changes to the street surface with new paving materials, treatments, and finishes.

**MEDIAN** – Consideration of a surface treatment to the existing center lane on Capitol Highway that may include a raised median with landscape plant materials (shrubs, groundcovers, and trees are possible) as well as a replacement surface treatment such as textured and colored concrete or asphalt.

**LIGHTING** – Whenever street lighting fixtures are added or changed insure that they are energy efficient, downcast, and fully cut-off to prevent light trespass. Fixtures should use metal halide lamps which emit white light, rather than high-pressure sodium, which emit yellow light affecting true-color rendition.

**STORM WATER** – As Hillsdale consists of hills, all streets have some slope insuring directional run-off of storm water. Rather than continuing to use only catch basins and storm drains to capture and take this run-off away, it would be more environmentally appropriate to direct such storm flow to landscape swales, linear sidewalk planter beds, rain gardens, and other landscaped detention areas where rainwater can be treated and do some good before percolating into the ground water table. Where parallel on-street parking occurs, bulb-outs at intersections present opportunities for creating storm water detention planting areas.

**ON-STREET PARKING** – Intermittent “pro-time” parking has been suggested as a possible part-time, off-peak, use of the travel lanes closest to the existing sidewalks along Capitol Highway between Sunset Boulevard and Bertha Court. Inasmuch as this roadway is a major commuting route with significant traffic volumes, this proposal deserves serious consideration as a traffic-calming method.



**Pro-time Parking Lanes**

*Parking lanes on the eastbound side of NE Glisan Street in Portland turn into travel lanes during the evening rush hour.*

**BIKE LANES AND FACILITIES** – The existing bicycle lanes on Capitol Highway have been proposed to be modified and made safer by creating a slightly wider and slightly raised “cycle track” in the current location. Other bicycle routes through the Center should be clearly marked and well-maintained. Discussion regarding a location for a Bike Station facility convenient to one of the Tri-Met bus stops has focused on a site close to where the proposed Red Electric Bike Trail will meet Capitol Highway west of the center. Additional bike racks have been suggested to be placed at the ends of the Rieke School parking lot to serve the Farmers’ Market. Considering the volume of bike and automobile commuters who pass through the center each day, the introduction of “Bike Boxes” may be appropriate safety features at all signalized intersections.

**THROUGH TRAFFIC VOLUMES** – Capitol Highway between Sunset Boulevard and Bertha Court consists of four travel lanes (two in each direction) and a central turning lane shared by traffic in both directions plus a bicycle lane in each direction adjacent to the sidewalk edges. East of Sunset Boulevard, Capitol Highway is a three lane roadway with two lanes uphill and one down plus single bicycle ways in each direction. West of Bertha Court, Capitol Highway consists of three separate two-lane flows (each with two-way bicycle lanes) where State Route 10, Bertha Court, and Capitol Highway converge. It could be argued that six lanes becoming four and then reducing to three creates conditions that deserve serious study in light of the desire to make the Town Center area more pedestrian-friendly and safer for the many children who cross Capitol Highway daily and for the stream of bicycle commuters who have to maneuver through here on a daily basis.

**Further Mixed-use Redevelopment Adjacent to the Town Center’s Retail Concentration**

This includes the residential parcels in the middle of the “Triangle” immediately north of the Town Center and the new streets connecting Dewitt Street and SW 18th Drive as proposed in this study. These parcels are currently either vacant or occupied by single family residences in accordance with their zoning designations of R2.5 and R5. Higher densities here, including live/work possibilities, would complement and reinforce the Town Center, strengthen its vitality, and encourage further mixed-use re-development.



**Capitol Highway design concepts** The two design concepts above present a streetscape with a center median, wide sidewalks, pro-time parking lanes, and variations on a cycle track. Any future re-design of Capitol Highway would require significant study to assess traffic impacts and safety for all modes of transportation.

### **School Property and Rieke Reconstruction**

Wilson High School and Rieke Elementary School and their surrounding recreational fields and facilities are owned and operated by Portland Public Schools and represent both a much appreciated educational complex and a considerable open space resource adjacent to the Town Center.

A permanent public restroom facility to serve the Farmers' Market and Rieke playing field users has been proposed and might be incorporated into the lower reaches of a Girls Batting Cage that has been discussed.

The parking lot at the Rieke School is the present home of the Hillsdale Farmers' Market, and the sports fields at both schools are used for formal and informal play throughout the year. The open space areas of the school complex also represent below-grade storage opportunities for storm water collection and geothermal collection and storage, and above grade possibilities for Solar Photo-voltaic arrays in addition to the one soon to be installed along the slop above Bertha Court.

There is a strong possibility that Portland Public Schools may soon begin planning for expansion and enhancement of Rieke Elementary School and residents (with or without school-age children) are being encouraged to write to Portland Public Schools in support of a positive decision to proceed.

A number of options for the Rieke School were discussed during this study's workshops including: (1) rehabilitate / reconstruct the school in its current location, (2) add new facilities adjacent to the current location, and (3) relocate the school in its entirety to a site closer in to the Town Center and Capitol Highway and convert the present location to playing fields. It is expected that these and other options will be considered by Portland Public Schools during the public process of their assessment and planning for the future of the Rieke Elementary School.

It is understood that as part of their commitment to the community, representatives from Portland Public Schools are now meeting regularly with the Hillsdale Working Group.

### **Sustainability and Infrastructure**

The Office of Sustainable Development, recently incorporated with the Bureau of Planning into the Portland Bureau of Planning and Sustainability (BPS), is investigating ways in which neighborhoods in the metro area can focus their resources at the scale of the community to reduce energy demands, maximize local storm water treatment, increase waste management capabilities, promote green buildings, expand awareness of and increase capability to produce local agriculture, and promote the creation of green jobs.



The Hillsdale Town Center can participate in helping to achieve these goals through a number of initiatives:

**DISTRICT HEATING / ENERGY** – Synergies can be had from organizing certain infrastructure projects on a district level.

**GEOTHERMAL HEAT** – It has been suggested that a solar-powered geothermal pump connected to a network of underground pipes could heat and cool as many as 500 homes, and the BPS is conducting a feasibility study for such a district energy system in the North Pearl District. Given the open space availability of the School playing fields and the below-grade storage capabilities that they represent, such a system could be of great benefit to the School complex, local businesses, and adjoining homeowners. In anticipation of this possible approach to serve the community, any new streets that get built should include additional piping appropriate for this sort of system and service in advance of the day when it will become available.

**SOLAR** - A photo-voltaic solar array is scheduled for the west-facing slope along Bertha Court to provide supplemental electrical power to the Rieke School as well as be a demonstration and model for the community. All new buildings in the Town Center and particularly the future Rieke School should be encouraged to include Solar hot-water and other PV technology. If planned well, multiple locations could be linked together in a local-serving network to supplement energy from current sources.

**STORM WATER** – As noted above the ability to collect, manage, and treat storm water throughout the Town Center should be an integral part of any new development.

**COMPOST** – A Civic Ecology study initiated by graduate students at Portland State University proposes a Community Composting project as a new business. The concept is to build on the existing strengths of local businesses, the schools, and the Farmers' Market and connect them to further minimize waste and maximize resources and social capital through an outdoor classroom with garden and composting facility. The first step in their project is their report "Hillsdale School Compost" included in the appendix. During the coming months the students will be meeting with community leaders and others to discuss the concept further, identify a site, pursue funding for the required equipment, and eventually assist in the start-up of its operation.

**COMMUNITY GARDENS** – Dedication of special landscape areas for use by residents as community gardens in comfortable walking distance of the Town Center would encourage and support the expansion of local agriculture.

A list of additional actions and the steps to achieve them follows:

FURTHER STEPS

<b>M: Implementation of Streetscape and Pedestrian Improvements</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Extend sidewalks, bike lanes, and tree plantings along SW Sunset Blvd, SW 18th Drive, SW Dewitt Street, and SW Cheltenham St	2015-2020	PBOT, BPS, BES	
Begin construction of Capitol Highway improvements recommended in neighborhood street master plan	2015-2020	PBOT, BES	

<b>N: Neighborhood Master Street Plan</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Look at what effects density will have on the intersections along Capitol Highway	6-12 months	BPS, HWG	
Review the Capitol Highway Plan	6-12 months	BPS, HWG	
Look at access management to reduce curb cuts and improve streetscape	6-12 months	BPS, HWG	
Coordinate with property owners	ongoing	BPS	
Explore existing LID and the potential for modifications	6-12 months	BPS	
Begin neighborhood master street plan	6-24 months	PBOT, BPS, BDS, PPS	
Consider alternative alignment options for the Dewitt Street extension, including connecting the extension to Pendelton Street at 18th Drive	6-24 months	PBOT, BDS, BPS	
Study directing traffic off Capitol Hwy to Vermont Ave	6-24 months	PBOT	
Consider whether the school driveway between Capitol Hwy and Vermont Ave could become a local street	1-5+ years	PPS, PBOT, BPS	
Run a model to determine the effects that density will have on the intersections along Capitol Hwy	24-36 months	PBOT	
Run a model to assess the elimination of the center lane and study the effects of constricting Capitol Hwy	24-36 months	PBOT	
Conduct access management to reduce curb cuts and improve streetscape	24-36 months	PBOT	
Determine desired extent of future Capitol Highway streetscape improvements	24-36 months	PBOT, BPS, BES, HNA, HBPA	such as medians, bikeway status, on-street parking, curb-cuts
Review "Hillsdale triangle" zoning	24-36 months	BPS, PBOT, HNA, HBPA	
Complete master street plan and recommend any necessary amendments to Hillsdale Plan District and TSP	24-36 months	PBOT, BPS, BES, HNA, HBPA, PPS	

<b>O: Neighborhood Arts Council</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Advocate, through city, for support to set up a neighborhood storefront office	0-6 months	HNA, BPS, ONI, HFM	
Establish Hillsdale neighborhood arts council	0-24 months	HNA	
Begin discussions with City to explore arrangements for public performances in town center	ongoing	HNA, PPR, ONI, HFM	

<b>P: Parks &amp; Recreation Plan</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Identify locations for future and/or expanded parks and recreation facilities	12-24 months	PPR, BPS, PPS, HNA, HBPA	
Identify funding options for property purchase and development of parks	12-24 months	PPR, BPS, property owners	

<b>Q: Rieke School &amp; Public School Property</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Continue community interaction and encouragement for PPS to act on Rieke school study	ongoing	HNA, PPS, BPS	
Establish school liaison with neighborhood	DONE	PPS, HNA, BPS, HFM	

<b>R: Sustainability Goals</b>			
<b>Action</b>	<b>Timeframe</b>	<b>Responsibility</b>	<b>Notes</b>
Begin identifying neighborhood sustainability goals	ongoing	BPS, PPS, PPR, BES, HNA	
Develop neighborhood sustainability master plan concurrently with neighborhood master street plan	12-24 months	BPS, PBOT, PPS, PPR, BES, HNA	include PSU graduate students from Civic Ecology class?
Work with property owners to incorporate local and neighborhood sustainability infrastructure as redevelopment occurs	ongoing	BPS	

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## Development Opportunity Study

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JOHNSON REID, LLC (formerly JOHNSON GARDNER), was retained by SERA Architects, to provide financial analysis of a Development Opportunity on a catalyst site in the Hillsdale Town Center.

This Development Opportunity Study is one aspect of the larger Urban Design Alternatives project commissioned by the Portland Bureau of Planning and Sustainability to assess multiple aspects of urban design in the Hillsdale Town Center, including transportation, streetscapes, connectivity, and land use.

### The Subject Site

The subject site selected for this “catalyst development” analysis is located at 1619 SW Sunset Boulevard, where it intersects with SW Dewitt Street. This intersection is envisioned as a key location in the future of the town center. The new branch of the Multnomah County Library (built 2003) located across the street already serves as a hub of community activity. Local Dewitt Park is located nearby, and may be extended to Sunset Blvd. in the future.

The extensive Urban Design and public participation efforts involved in this project have identified the subject site, and the adjacent site to the north, as potential development opportunities to encourage further redevelopment and revitalization of the Town Center.

The urban design envisions Dewitt Street being extended to the west, in between these two sites. This will provide new multi-modal access to the interior of the Hillsdale “triangle.” (See SERA Architects urban design renderings.)

### **The Catalyst Development**

The subject site is 24,500 square feet in area and currently contains a medical office building, built in 1969. This development opportunity study envisions a redevelopment of the entire site. The building is designed to take advantage of the steep grade change between the north of the property and the south. This differential means that the “ground floor” is on multiple levels, depending on what side of the building one is on. It further creates opportunities for sub-grade parking with limited excavation.

The site plan includes the following major components:

- A five story mixed-use structure, with retail use on the bottom three floors, and medical office use on the top three floors (third floor is shared). The building would contain 41 parking spaces built on the two lowest levels. The building is 65,400 square feet in size (including parking), with 39,000 square feet of leasable space.
- A public plaza of over 3,500 square feet featuring water feature and stage.
- Construction of half of the Dewitt Street extension. The street segment would be 30 feet in width and 210 feet long, and include the sidewalk and landscape strip on the south side.

### **Pro Forma Financial Analysis**

JOHNSON REID conducted a series of pro forma financial analyses on the catalyst development as designed. The analysis considers the cost/return characteristics of the various components to the project.

In conducting the financial analysis we made the following assumptions:

- A return to “normal” real estate market conditions. The real estate market conditions for different real estate categories are always changing, but as of the writing of this report, extraordinary economic forces have drastically decreased the amount of development activity, and the availability of credit to conduct transactions. This analysis assumes a return to conditions in which development activity has resumed and financing is available.

- Development by owner: This analysis does not incorporate the cost of acquiring the site, assuming involvement of the current owner in redevelopment. The value of the land is considered part of investor equity.
- Cost assumptions: JOHNSON REID is not a construction firm, and does not provide detailed price estimates or quotes for highly-specific development projects. The cost estimates provided here are meant to provide a general picture of the cost/revenue performance of this development. Our cost estimates are generated on a per-square-foot basis for the real estate type and building form proposed. Our general per-square-foot estimates are based on our experience, consultation with development professionals, and third-party data sources. If this development were to progress, more detailed architectural and financial modeling will be required.

The pro forma financial analysis considers whether this development would be a feasible undertaking, and what, if any, viability gap exists between what is envisioned and what is currently feasible.

### Findings

In general, this development would be an ambitious project for this location, as evidenced by the lack of this type of development historically in the area. However, JOHNSON REID concludes that this development could provide value, a positive return on cost, and a healthy internal rate of return over time. It is our assessment that the modeled return, while positive, may be too low to make this development attractive at this time in comparison to competing investment options, and therefore there is a viability gap.

The following figure presents the estimated costs of the various major components to this project. The cost of the public plaza is not included in the total private costs of developing the building and street segment.

Development Component	Estimated Cost	Estimated Viability Gap	Gap as % of Cost
Mixed Use Building (w/o structured parking): <i>52,200 square feet</i>	\$7,070,500	\$1,658,100	23.5%
Structured Parking: <i>41 spaces, 13,200 sq.ft.</i>	\$697,000	\$697,000	
Construction of Street: <i>210' length, 30' wide</i>	\$189,000	\$189,000	
<b>TOTALS:</b>	<b>\$7,956,500</b>	<b>\$2,544,100</b>	<b>32.0%</b>
Public Plaza: <i>3,562 total square feet, with water feature and stage</i>	\$175,200		

**Table 1: Estimated Cost and Viability Gap**  
Sources: SERA Architects, Johnson Reid

**VIABILITY GAP:** Overall, the project as modeled provides an estimated return on cost of 6.1%. The viability gap represents the difference between the project as modeled, and a project achieving a target rate of return of 9%, which would make the development more attractive vis-à-vis other investment option.

For the total development as modeled, the viability gap is significant, at over \$2.5 million. This means that for the estimated Net Operating Income (NOI) that this project would provide, the cost would have to be \$2.5 million lower to achieve the targeted return. Similarly, the gap can also be seen as a measure of how much NOI must increase to justify development costs.

In the case of this modeled development, the viability gap does not indicate that the development is infeasible, or even that it would lose money. It indicates that the return as modeled may not be high enough to rival alternative investment choices.

**STRUCTURED PARKING:** We conclude that the inclusion of structured parking in this development will significantly increase costs, by an estimated \$700,000. This is due to the expensive nature of structured parking.

A single level of parking with a concrete podium above can cost from \$12,000 to \$15,000 per parking space provided. Multi-level above ground parking is more expensive at \$20,000 to \$25,000 per space. For this analysis JOHNSON REID used an estimate of \$17,000 per space to reflect the fact that some parking is ground floor and some on a second story.

The cost of structured parking has been a major impediment to dense building structures outside of the central city environment. The financial performance of this building might be improved by providing one ground-floor level of parking,

rather than two, particularly if the additional space is converted to leasable area. Resorting to surface parking lots, while counteractive of the sought-after design, significantly improves financial performance.

**CONSTRUCTION OF STREET EXTENSION:** The cost of construction of the partial street extension of Dewitt Street is estimated at roughly \$190,000. This expense would represent 2.3% of the overall cost of the development, and increases the viability gap dollar for dollar. Public participation or participation of a Local Improvement District could help defray these costs.

**OVERALL FINANCIAL ASSESSMENT:** Every real world project is different, but the project modeled here shows modest returns and an estimated value which is below cost. However, these returns are likely too low to attract

<b>STATIC MEASURES OF RETURN</b>	
Estimated Cost:	\$7,956,490
Net Operating Income:	\$487,119
Indicated Project Value: (6% cap rate)	\$6,958,850
Total Equity Required: (Total Cost - Loan):	\$3,361,758
Equity/Cost:	42%
Value/Cost:	87%
Return on Cost: (NOI / Total Cost)	6.1%
Internal Rate of Return (IRR):	10.8%
Targeted Return on Cost:	9%
Calculated Viability Gap:	\$2,544,055

**Table 2: Financial Summary—Catalyst Development**  
 Source: Johnson Reid



the amount of equity needed to complete this project. The implications are that currently the achievable rents are too low and the development costs are too high to make this project viable without subsidy.

Possible methods of alleviating the viability gap between currently viable development forms and desired forms include:

- Public participation in the form of subsidy, regulatory or fee relief;
- Design changes which minimize structured parking, increase the amount of leasable space in the building and limit the amount of un-leasable space, including common areas;
- A changing investment environment may make returns like those modeled here more attractive, while they are low by historical standards. Currently, it is unclear if the long-term returns provided by alternative investments such as the stock market will return to historical norms for the foreseeable future.
- Rent escalation over time will raise the estimated operating income and make more expensive development forms possible.

### Exhibits

The following exhibits provide detailed pro forma analysis and cash flow analysis for the total development (minus the public plaza). Also provided are analyses of the building without structured parking, and without inclusion of the street extension.

## Exhibit 1 Hillsdale Example Project, Office over Retail Summary

Development Component	Estimated Cost	Estimated Viability Gap	Gap as % of Cost
Mixed Use Building (w/o structured parking): <i>52,200 square feet</i>	\$7,070,500	\$1,658,100	23.5%
Structured Parking: <i>41 spaces, 13,200 sq.ft.</i>	\$697,000	\$697,000	
Construction of Street: <i>210' length, 30' wide</i>	\$189,000	\$189,000	
<b>TOTALS:</b>	<b>\$7,956,500</b>	<b>\$2,544,100</b>	<b>32.0%</b>
Public Plaza: <i>3,562 total square feet, with water feature and stage</i>	\$175,200		

Sources: SERA Architects, City of Portland, Johnson Reid

**Exhibit 2  
Hillsdale Example Project, Office over Retail  
With Structured Parking and Street Construction**

<b>DEVELOPMENT PROGRAM &amp; RENT ASSUMPTIONS</b>			
<b>Space Classification</b>	<b>Area (Sq.Ft.)</b>	<b>Rent/Sq.Ft.</b>	<b>Annual Rent</b>
Office Space	33,100	\$21.00	\$695,100
Retail Space	6,600	\$18.00	\$118,800
<b>Leasable Total:</b>	<b>39,700</b>		<b>\$813,900</b>
Storage/service:	3,000		
Common space/circulation:	9,500		
Parking: 41 spaces	13,200		
<b>Total Building Area (minus parking)</b>	<b>52,200</b>		

<b>COST ASSUMPTIONS</b>			
		<b>Cost/Sq.Ft.</b>	<b>Total Cost</b>
Land Cost:	0.6 acres	\$0.00	\$0
Hard Costs (50.6k Sq.Ft.):		\$105.00	\$5,481,000
Hard Cost Contingency:		5%	\$274,050
Soft Costs:		24%	\$1,315,440
Structured Parking Costs:	\$17,000 per space:		\$697,000
Estimated Street Construction Cost:			\$189,000
<b>Total:</b>			<b>\$7,956,490</b>

<b>OPERATING PRO FORMA</b>			
<b>INCOME</b>			
Gross Office Income (Annual):			\$695,100
Vacancy & Collection Loss:		5%	
<b>Effective Retail Income:</b>			<b>\$660,345</b>
Gross Retail Income (Annual):			\$118,800
Vacancy & Collection Loss:		5%	
<b>Effective Retail Income:</b>			<b>\$112,860</b>
<b>Effective Gross Income:</b>			<b>\$773,205</b>
<b>EXPENSES</b>			
		<b>% of EGI</b>	<b>Expense</b>
<b>Total Expenses:</b>		<b>37.0%</b>	<b>\$286,086</b>
<b>NET OPERATING INCOME:</b>		<b>63.0%</b>	<b>\$487,119</b>
<b>Indicated Project Value</b> (Based on 7.0 Cap Rate)			<b>\$6,958,850</b>

<b>FINANCING ASSUMPTIONS</b>	
Total Cost:	\$7,956,490
Construction Cost (Minus Land):	\$7,956,490
Indicated Value:	\$6,958,850
<b>CONSTRUCTION LOAN</b>	
Construction Interest Rate:	7.5%
Term (Months):	18
Collateral (Land - Value estimated):	\$600,000
<b>Construction Loan-to-Cost Ratio:</b>	<b>80%</b>
<b>Construction Loan:</b>	<b>\$6,365,192</b>
Construction Cost:	\$7,956,490
<b>Equity Required (Construction):</b>	<b>\$1,591,298</b>
<b>PERMANENT FINANCING</b>	
Permanent Interest Rate:	7%
Term (Years):	25
Loan-to-Value Ratio:	80%
Project Value:	\$6,958,850
<b>Loan Amount:</b>	<b>\$5,567,080</b>
<b>Debt Service (Annual):</b>	<b>\$472,164</b>
Debt Coverage Ratio:	1.25
NOI:	\$487,119
<b>Supportable Debt Service:</b>	<b>\$389,695</b>
<b>Supportable Loan Amount:</b>	<b>\$4,594,732</b>

<b>STATIC MEASURES OF RETURN</b>		
<b>Total Equity Required:</b> (Total Cost - Loan):		<b>\$3,361,758</b>
Equity/Cost:		42%
Value/Cost:		87%
<b>RETURN ON COST:</b> (NOI / Total Cost)		<b>6.1%</b>
Leverage: (ROC - Debt Service Constant)		-2.4%
<b>Internal Rate of Return (IRR):</b>		<b>10.8%</b>
Modified IRR (with 8% reinvestment):		10.3%

<b>ESTIMATED VIABILITY GAP</b>	
Targeted Return on Cost:	9%
Estimated Return on Cost:	6.1%
<b>CALCULATED VIABILITY GAP:</b>	<b>\$2,544,055</b>
<b>Gap as % of Overall Cost:</b>	<b>32.0%</b>

Source: Johnson Reid

**Exhibit 3**  
**Hillsdale Example Project, Office over Retail**  
**(Without Structured Parking)**

<b>DEVELOPMENT PROGRAM &amp; RENT ASSUMPTIONS</b>			
<b>Space Classification</b>	<b>Area (Sq.Ft.)</b>	<b>Rent/Sq.Ft.</b>	<b>Annual Rent</b>
Office Space	33,100	\$21.00	\$695,100
Retail Space	6,600	\$18.00	\$118,800
<b>Leasable Total:</b>	<b>39,700</b>		<b>\$813,900</b>
Storage/service:	3,000		
Common space/circulation:	9,500		
Parking: 41 spaces	13,200		
<b>Total Building Area (minus parking)</b>	<b>52,200</b>		

<b>COST ASSUMPTIONS</b>			
		<b>Cost/Sq.Ft.</b>	<b>Total Cost</b>
Land Cost:	0.6 acres	\$0.00	\$0
Hard Costs (50.6k Sq.Ft.):		\$105.00	\$5,481,000
Hard Cost Contingency:		5%	\$274,050
Soft Costs:		24%	\$1,315,440
<b>Total:</b>			<b>\$7,070,490</b>

<b>OPERATING PRO FORMA</b>			
<b>INCOME</b>			
Gross Office Income (Annual):			\$695,100
Vacancy & Collection Loss:			5%
<b>Effective Retail Income:</b>			<b>\$660,345</b>
Gross Retail Income (Annual):			\$118,800
Vacancy & Collection Loss:			5%
<b>Effective Retail Income:</b>			<b>\$112,860</b>
<b>Effective Gross Income:</b>			<b>\$773,205</b>
<b>EXPENSES</b>			
		<b>% of EGI</b>	<b>Expense</b>
<b>Total Expenses:</b>		<b>37.0%</b>	<b>\$286,086</b>
<b>NET OPERATING INCOME:</b>		<b>63.0%</b>	<b>\$487,119</b>
<b>Indicated Project Value</b> (Based on 7.0 Cap Rate)			<b>\$6,958,850</b>

Source: Johnson Reid

<b>FINANCING ASSUMPTIONS</b>	
Total Cost:	\$7,070,490
Construction Cost (Minus Land):	\$7,070,490
Indicated Value:	\$6,958,850
<b>CONSTRUCTION LOAN</b>	
Construction Interest Rate:	7.5%
Term (Months):	18
Collateral (Land - Value estimated):	\$600,000
<b>Construction Loan-to-Cost Ratio:</b>	<b>80%</b>
<b>Construction Loan:</b>	<b>\$5,656,392</b>
Construction Cost:	\$7,070,490
<b>Equity Required (Construction):</b>	<b>\$1,414,098</b>
<b>PERMANENT FINANCING</b>	
Permanent Interest Rate:	7%
Term (Years):	25
Loan-to-Value Ratio:	80%
Project Value:	\$6,958,850
<b>Loan Amount:</b>	<b>\$5,567,080</b>
<b>Debt Service (Annual):</b>	<b>\$472,164</b>
Debt Coverage Ratio:	1.25
NOI:	\$487,119
<b>Supportable Debt Service:</b>	<b>\$389,695</b>
<b>Supportable Loan Amount:</b>	<b>\$4,594,732</b>

<b>STATIC MEASURES OF RETURN</b>	
<b>Total Equity Required:</b> (Total Cost - Loan):	<b>\$2,475,758</b>
Equity/Cost:	35%
Value/Cost:	98%
<b>RETURN ON COST:</b> (NOI / Total Cost)	<b>6.9%</b>
Leverage: (ROC - Debt Service Constant)	-1.6%
<b>Internal Rate of Return (IRR):</b>	<b>11.8%</b>
Modified IRR (with 8% reinvestment):	11.0%

<b>ESTIMATED VIABILITY GAP</b>	
Targeted Return on Cost:	9%
Estimated Return on Cost:	6.9%
<b>CALCULATED VIABILITY GAP:</b>	<b>\$1,658,055</b>
<b>Gap as % of Overall Cost:</b>	<b>23.5%</b>

**Exhibit 4  
Hillsdale Example Project, Office over Retail  
With Structured Parking and Street Construction  
Cash Flow**

		Lease Up		Stabilized									
		0	1	2	3	4	5	6	7	8	9	10	
Mortgage Balance			\$4,594,732	\$4,517,002	\$4,433,830	\$4,344,837	\$4,249,614	\$4,147,726	\$4,038,705	\$3,922,053	\$3,797,235	\$3,663,680	
Payment			\$389,695	\$389,695	\$389,695	\$389,695	\$389,695	\$389,695	\$389,695	\$389,695	\$389,695	\$389,695	
Principal			\$72,645	\$77,730	\$83,171	\$88,993	\$95,223	\$101,888	\$109,021	\$116,652	\$124,818	\$133,555	
Interest			\$317,050	\$311,965	\$306,524	\$300,702	\$294,472	\$287,807	\$280,675	\$273,043	\$264,878	\$256,140	
Effective Gross Income	(Assumes 3.5% annual rent escalation)	\$386,603	\$773,205	\$800,267	\$828,277	\$857,266	\$887,271	\$918,325	\$950,466	\$983,733	\$1,018,163	\$1,053,799	
Expenses	(37% of NOI first five years, 39% thereafter)	\$143,043	\$286,086	\$296,099	\$306,462	\$317,188	\$328,290	\$338,147	\$370,682	\$383,656	\$397,084	\$410,982	
<b>NET OPERATING INCOME</b>		<b>\$243,560</b>	<b>\$487,119</b>	<b>\$504,168</b>	<b>\$521,814</b>	<b>\$540,078</b>	<b>\$558,980</b>	<b>\$560,178</b>	<b>\$579,784</b>	<b>\$600,077</b>	<b>\$621,080</b>	<b>\$642,817</b>	
<b>CASH FLOW (BEFORE TAX)</b>		<b>\$243,560</b>	<b>\$97,424</b>	<b>\$114,473</b>	<b>\$132,119</b>	<b>\$150,382</b>	<b>\$169,285</b>	<b>\$170,483</b>	<b>\$190,089</b>	<b>\$210,382</b>	<b>\$231,384</b>	<b>\$253,122</b>	
Return on Equity	\$3,361,758		2.9%	3.4%	3.9%	4.5%	5.0%	5.1%	5.7%	6.3%	6.9%	7.5%	
Return on Cost:	\$7,956,490		6.1%	6.3%	6.6%	6.8%	7.0%	7.0%	7.3%	7.5%	7.8%	8.1%	
Debt Coverage Ratio			1.25	1.29	1.34	1.39	1.43	1.44	1.49	1.54	1.59	1.65	
Cap Rate	6.0%												
Present Value		\$4,059,326	\$8,118,653	\$8,402,805	\$8,696,904	\$9,001,295	\$9,316,340	\$9,336,304	\$9,663,075	\$10,001,282	\$10,351,327	\$10,713,624	

Sale Price: \$10,713,624  
 Total Cash Flow (End of Year 10): \$10,966,746  
 Cash Flow Minus Mortgage Balance: \$7,303,066  
**Internal Rate of Return (Before Tax): 10.8%**

Source: Johnson Reid

**Exhibit 5  
Hillsdale Example Project, Office over Retail  
(Without Structured Parking)  
Cash Flow**

		Lease Up		Stabilized									
		0	1	2	3	4	5	6	7	8	9	10	
Mortgage Balance			\$4,594,732	\$4,517,002	\$4,433,830	\$4,344,837	\$4,249,614	\$4,147,726	\$4,038,705	\$3,922,053	\$3,797,235	\$3,663,680	
Payment			\$389,695	\$389,695	\$389,695	\$389,695	\$389,695	\$389,695	\$389,695	\$389,695	\$389,695	\$389,695	
Principal			\$72,645	\$77,730	\$83,171	\$88,993	\$95,223	\$101,888	\$109,021	\$116,652	\$124,818	\$133,555	
Interest			\$317,050	\$311,965	\$306,524	\$300,702	\$294,472	\$287,807	\$280,675	\$273,043	\$264,878	\$256,140	
Effective Gross Income	(Assumes 3% annual rent escalation)	\$386,603	\$773,205	\$796,401	\$820,293	\$844,902	\$870,249	\$896,357	\$923,247	\$950,945	\$979,473	\$1,008,857	
Expenses	(37% of NOI first five years, 39% thereafter)	\$143,043	\$286,086	\$294,668	\$303,508	\$312,614	\$321,992	\$349,579	\$360,066	\$370,868	\$381,994	\$393,454	
<b>NET OPERATING INCOME</b>		<b>\$243,560</b>	<b>\$487,119</b>	<b>\$501,733</b>	<b>\$516,785</b>	<b>\$532,288</b>	<b>\$548,257</b>	<b>\$546,777</b>	<b>\$563,181</b>	<b>\$580,076</b>	<b>\$597,479</b>	<b>\$615,403</b>	
<b>CASH FLOW (BEFORE TAX)</b>		<b>\$243,560</b>	<b>\$97,424</b>	<b>\$112,037</b>	<b>\$127,089</b>	<b>\$142,593</b>	<b>\$158,562</b>	<b>\$157,082</b>	<b>\$173,485</b>	<b>\$190,381</b>	<b>\$207,783</b>	<b>\$225,708</b>	
Return on Equity	\$2,475,758		3.9%	4.5%	5.1%	5.8%	6.4%	6.3%	7.0%	7.7%	8.4%	9.1%	
Return on Cost:	\$7,070,490		6.9%	7.1%	7.3%	7.5%	7.8%	7.7%	8.0%	8.2%	8.5%	8.7%	
Debt Coverage Ratio			1.25	1.29	1.33	1.37	1.41	1.40	1.45	1.49	1.53	1.58	
Cap Rate	7.0%												
Present Value		\$3,479,423	\$6,958,845	\$7,167,610	\$7,382,639	\$7,604,118	\$7,832,241	\$7,811,107	\$8,045,440	\$8,286,803	\$8,535,407	\$8,791,469	

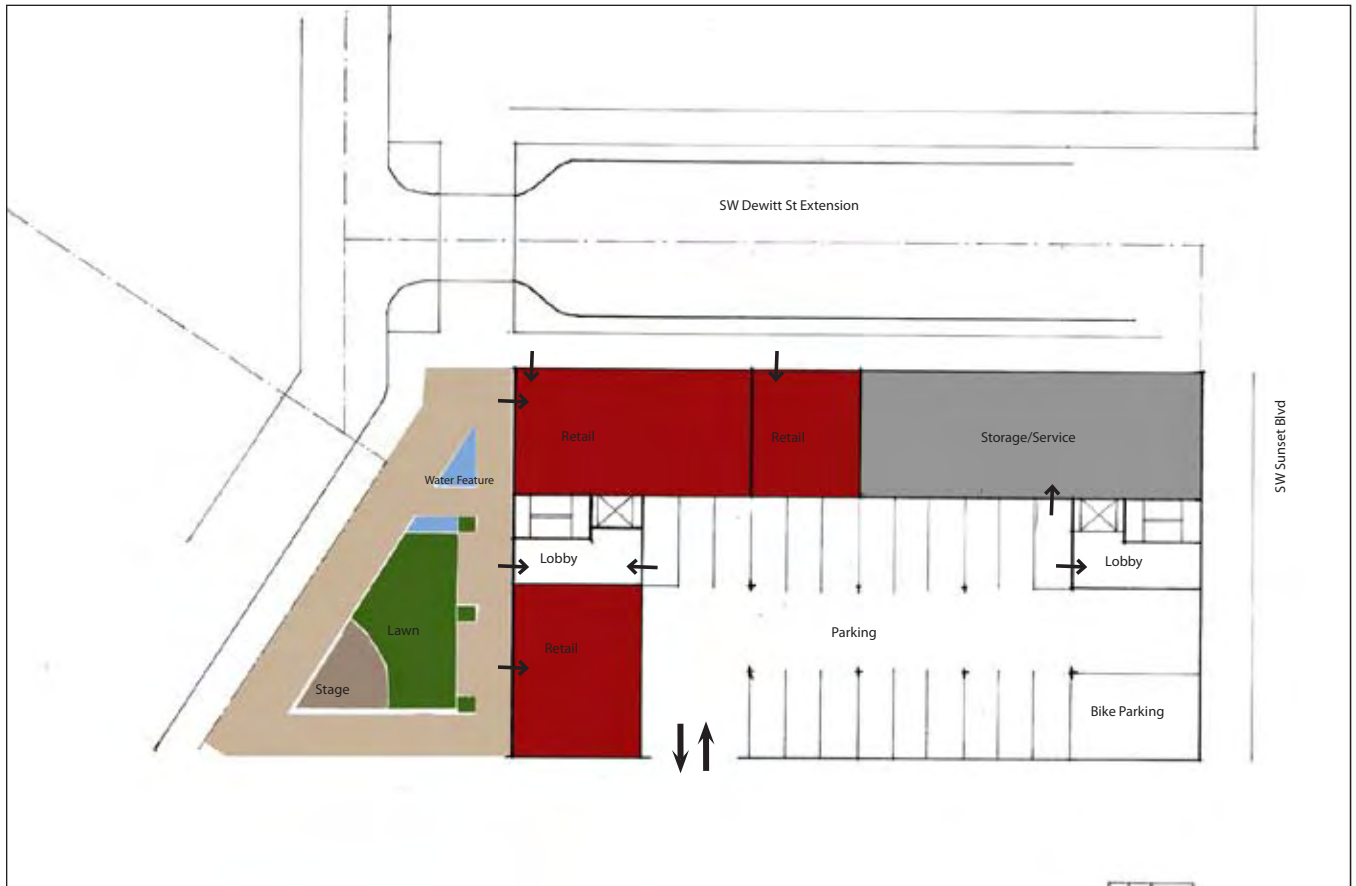
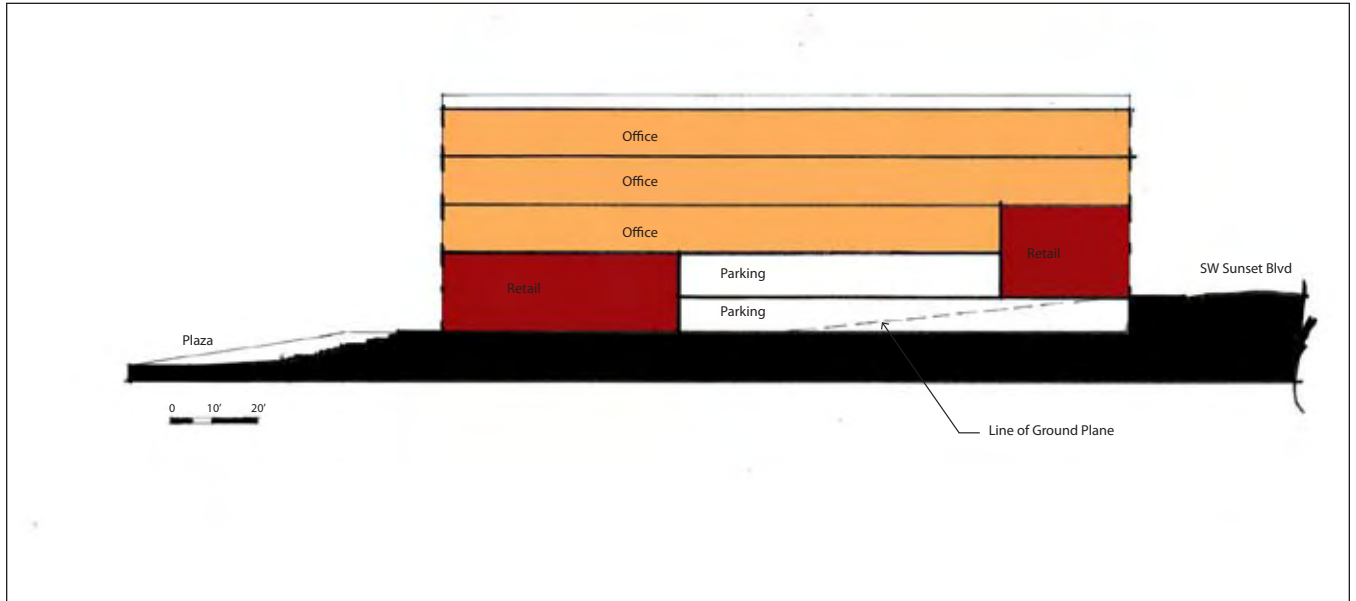
Sale Price: \$8,791,469  
 Total Cash Flow (End of Year 10): \$9,017,177  
 Cash Flow Minus Mortgage Balance: \$5,353,497  
**Internal Rate of Return (Before Tax): 11.8%**

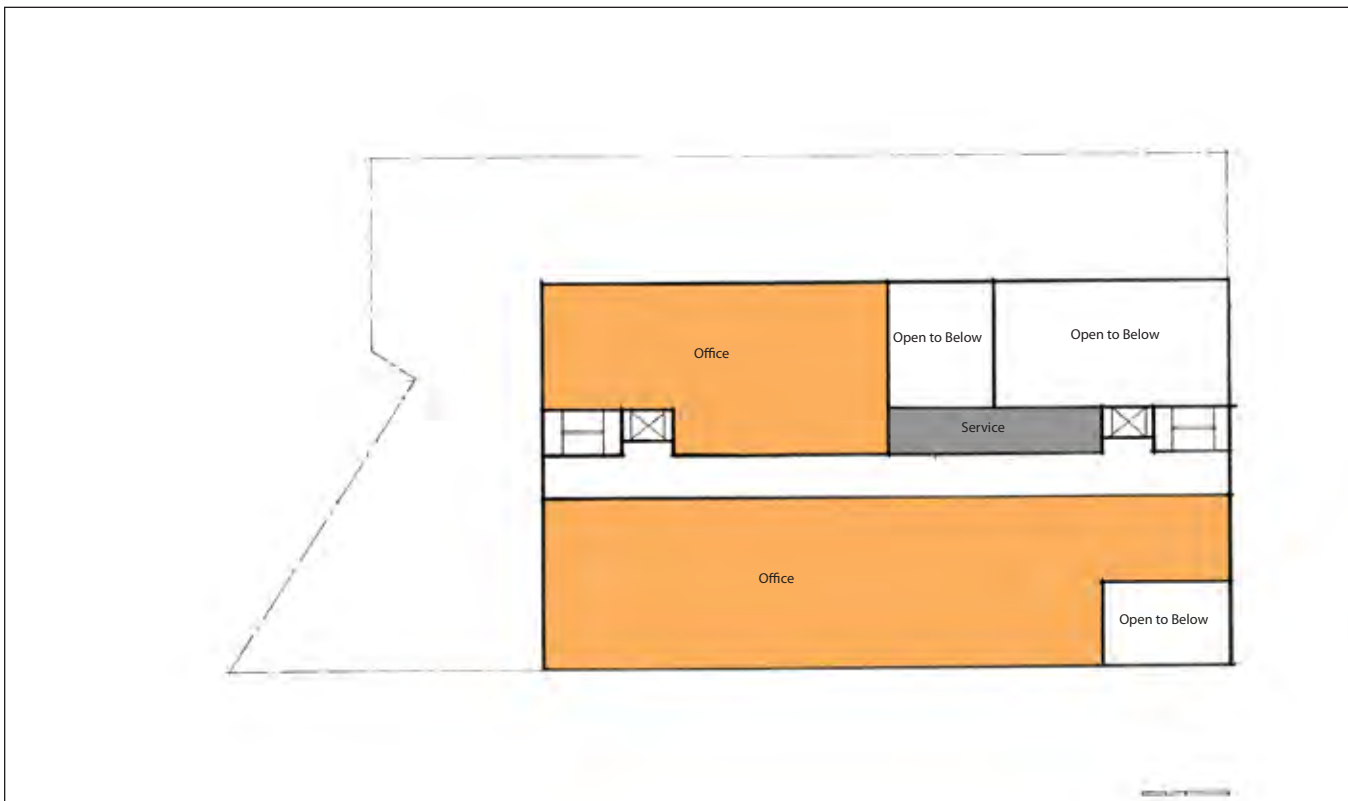
Source: Johnson Reid

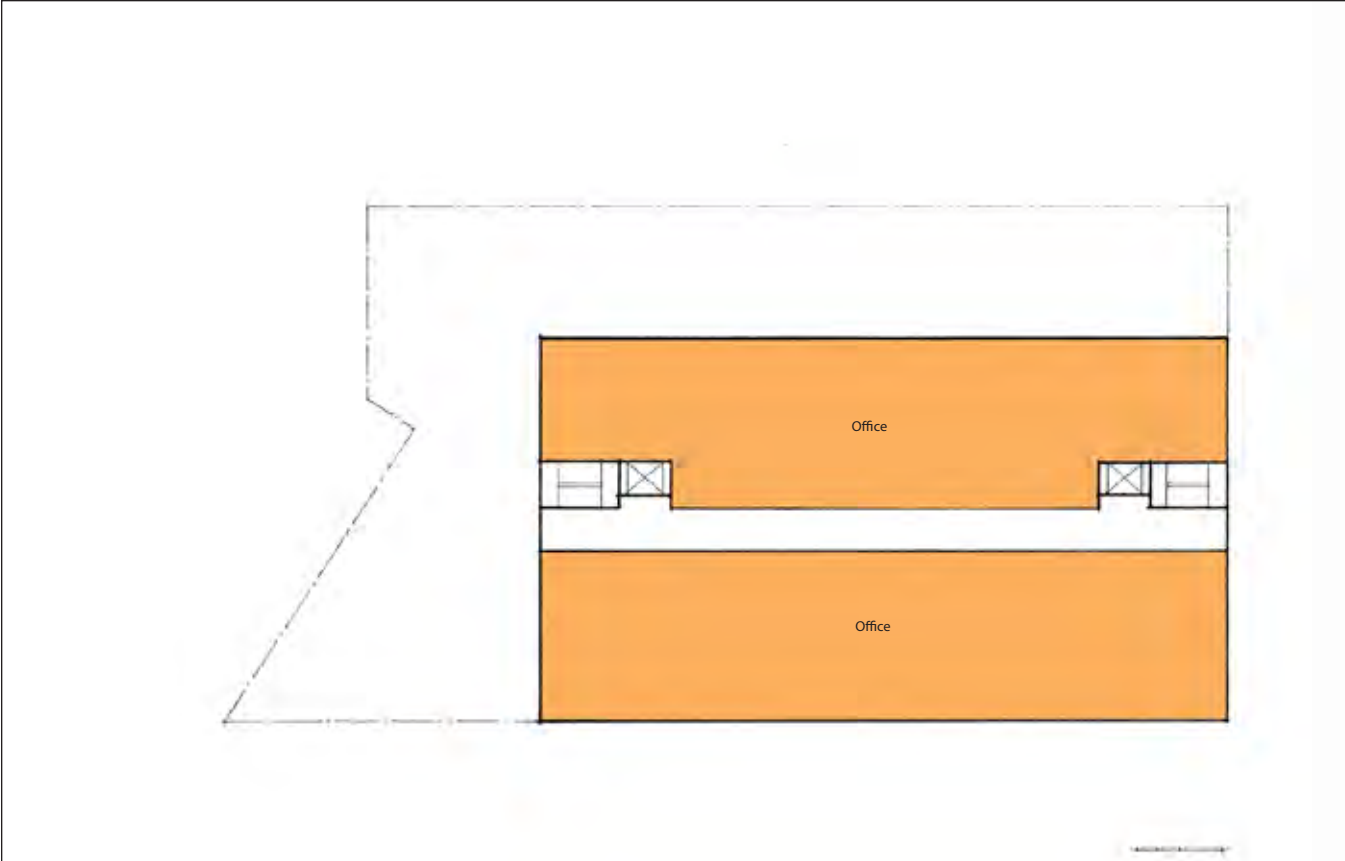
**Exhibit 6  
Estimated Costs for Development of Public Plaza**

Cost Component	Square Footage	Cost per Sq.Ft.	Estimated Cost
Site preparation	3562	\$10	\$35,620
Water feature	115		\$20,000
Paved area	2090	\$25	\$52,250
Landscape	1075	\$25	\$26,875
Stage	282	\$40	\$11,280
<b>Hard Cost Total:</b>			<b>\$146,000</b>
Design, contingency, soft costs		20%	\$29,200
<b>Total:</b>			<b>\$175,200</b>

Sources: SERA Architects, Johnson Reid







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# **Appendix A**

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## BUSINESS OWNER SURVEY & RESULTS

August 28, 2008

Dear Hillsdale Town Center Business Owner:

The City of Portland, Bureau of Planning is preparing urban design alternatives and a phased development strategy for the Hillsdale Town Center. As part of the background to this work, we are conducting a community economic development study for the Hillsdale Town Center. The purpose of the study is to assess the economic vitality of the Town Center and identify transit-oriented development opportunities and neighborhood-serving commercial and retail opportunities.

Specifically, the study will help identify land use and transportation improvements as well as products and services to help improve the business climate and draw more customers to the area. Surveys are being distributed to area business owners during the month of August.

Please take 5-10 minutes to complete the attached survey. Individual responses will remain confidential and no personal/business names or information will be used in the study report. The findings will be available to the public as a resource for business owners, business and neighborhood associations, real estate professionals, developers, and planners to better understand the characteristics of Hillsdale. **Please complete the survey online at <http://www.portlandonline.com/planning/hillsdale> by Friday, October 31, 2008.** If you would prefer, you can complete the enclosed survey and fax it to 503-823-7800 or mail it to 1900 SW 4th Avenue, Suite 7100, Portland, OR 97201-5380.

Thank you for taking the time to participate. If you have any questions about the Hillsdale Town Center project, please contact me at 503-823-3111 or at [Brian.Sheehan@ci.portland.or.us](mailto:Brian.Sheehan@ci.portland.or.us).

Sincerely,

Brian Sheehan  
West District Planner

Enclosure

The City of Portland is conducting an economic study of the Hillsdale Town Center. We would like your assistance in developing an accurate picture of the business climate. Please take a few minutes to complete this survey. If you have any questions, please contact Brian Sheehan at 503-823-3111 or [Brian.Sheehan@ci.portland.or.us](mailto:Brian.Sheehan@ci.portland.or.us).

Date \_\_\_\_\_

Name of Business \_\_\_\_\_

Name of Business Owner \_\_\_\_\_

Business Address \_\_\_\_\_

E-mail Address (for distribution of survey results) \_\_\_\_\_

Which of the following categories best describes your business?

Retail  Office  Industrial  Institutional (i.e., education, religious, charitable)

Other  (Please Describe) \_\_\_\_\_

How many years has your business been in operation? \_\_\_\_\_ In Hillsdale? \_\_\_\_\_

Is this business minority-owned  or women-owned ? (If neither, please leave blank.)

1. Do you rent  or own  the business facility?

2. If you rent, what is your monthly rent? \_\_\_\_\_ 3. What is the size of the business (in square feet)? \_\_\_\_\_

4. Number of full-time employees \_\_\_\_\_ Number of part-time employees \_\_\_\_\_  
Please include owner(s) who work at the business.

5. How far from Hillsdale Town Center do the majority of your employees live?  
1-5 miles  5-10 miles  10-15 miles  15+ miles

6. How do your employees typically get to work?  
Drive  Carpool  Public transportation  Bike  Walk

7. Where do your *employees* typically park?  
On-site  On the street  Don't need parking

8. Where do your *customers* typically park?  
On-site  On the street  Don't need parking

9. Is parking sufficient to accommodate your customer and employee needs? Yes  No   
9a. Why or why not? \_\_\_\_\_

10. If parking is of concern, do you have any ideas for resolving it? \_\_\_\_\_

11. Where do the majority of your customers live?  
Collins View  Healy Heights  Hillsdale  Homestead  Markham  Marshall Park   
Multnomah  South Burlingame  Other \_\_\_\_\_

12. What neighborhood do you (business owner) live in? \_\_\_\_\_

13. What changes, if any, do you envision for your business in the next five to 10 years? \_\_\_\_\_

14. Please rate the characteristics you feel are the most important in order to attract more customers to the Town Center.

Characteristics	Very Important	Important	Neutral	Unimportant	Very Unimportant
Convenient Shopping Hours	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Availability of Multi-Cultural Businesses/Activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Maintained Buildings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Safe Pedestrian Environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Variety of Restaurants/Entertainment Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Attractive and Visible Signage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parking Availability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Safe Roads	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sustainable Business Practices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (Please specify) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

15. How satisfied are you operating your business in Hillsdale?

Satisfied  Neutral  Unsatisfied  Plan to move

Please explain. \_\_\_\_\_

16. During the time you've been in business at this location, has business:

Improved  Stayed the same  Declined  Please explain. \_\_\_\_\_

17. Do you have plans to expand, reduce or relocate your business in the future?

- Expand in Hillsdale Town Center: Please explain. \_\_\_\_\_
- Reduce: Please explain. \_\_\_\_\_
- Relocate: In Portland  Outside of Portland  Please explain. \_\_\_\_\_
- None of the Above

18. Please rate the types of improvements you would like to see in the Hillsdale Town Center on a scale of highest priority to lowest priority.

Improvements	Very High Priority	High Priority	Neither High nor Low	Low Priority	Very Low Priority
Streetscape: Benches, lighting, trees, trash cans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bus Shelters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bike Services: Racks, lanes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Storefront Beautification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rehabilitation of Old Buildings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
More Parking Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Traffic-Calming Devices (signals/medians)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Paved Crosswalks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Public Plaza	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Underground Utility Lines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (Please specify) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

19. Please rate the following business challenges that have had an impact on your current operations.

Business Challenges	Very High Impact	High Impact	Neither High nor Low	Low Impact	Very Low Impact
Personnel Costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of Financing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shoplifting, Theft, Vandalism	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Government Regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Utility Costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Product Costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In-City Competition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Out-of-City Competition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Difficulty Recruiting Staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Difficulty Retaining Staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Health Insurance Costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of Parking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poorly Maintained Streets/Sidewalks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

20. Please rate Hillsdale Town Center on the following criteria.

Characteristics	Very Good	Good	Neither Good nor Bad	Bad	Very Bad
Parking Availability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Variety of Restaurants/Entertainment Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Attractive and Visible Signage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Safe Pedestrian Environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Safe Roads	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Availability of Multi-Cultural Businesses/Activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Schools	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Maintained Buildings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mix of Commercial Businesses	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

21. Do you feel your *storefront* requires improvements to attract more customers?

Yes  No  Maybe

21a. If yes or maybe, what improvements would you like to make?

New paint  Better signage  Awnings  Remodel  New windows  Other \_\_\_\_\_

22. Do you feel the *interior* of your business requires improvements to attract more customers?

Yes  No  Maybe

22a. If yes or maybe, what improvements would you like to make?

Improved access  New paint  Enhanced product display  Remodel  Better signage  Improved lighting  Other \_\_\_\_\_

Hillsdale Town Center  
 Business Owner Survey

23. From the following list of businesses, please choose the top FIVE you feel would attract more customers to Hillsdale Town Center. (Please review all options before making selections and rank your choices 1-5 with 1 being your first choice and 5 being your last choice.)

Toy Store	<input type="checkbox"/>	Fitness Studio	<input type="checkbox"/>	Retail Music Store	<input type="checkbox"/>
Bike Shop/Sporting Goods Store	<input type="checkbox"/>	Specialty Grocery Store	<input type="checkbox"/>	Antique Store	<input type="checkbox"/>
Florist/Garden Center	<input type="checkbox"/>	Furniture Store	<input type="checkbox"/>	Food Carts	<input type="checkbox"/>
Gift Store	<input type="checkbox"/>	Hardware Store	<input type="checkbox"/>	Dry Cleaner	<input type="checkbox"/>
Full-Service Restaurants	<input type="checkbox"/>	Bakery	<input type="checkbox"/>	Drug Store	<input type="checkbox"/>
Convenience Restaurants	<input type="checkbox"/>	Clothing/Shoe Store	<input type="checkbox"/>	Bookstore	<input type="checkbox"/>
Pet Supply Store	<input type="checkbox"/>	Art Gallery	<input type="checkbox"/>	Hobby/Craft Store	<input type="checkbox"/>
Print Shop	<input type="checkbox"/>	Coffee Shop	<input type="checkbox"/>	Other _____	<input type="checkbox"/>

24. Name a type of business that you feel is in direct competition with your business. \_\_\_\_\_

25. How do you rate the impact of traffic congestion as it affects your business?

Traffic Congestion	Very Good	Good	Neither Good nor Bad	Bad	Very Bad
On main streets and thoroughfares (excluding freeways)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
On local/neighborhood streets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Availability of turn lanes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

26. How would you rate the impact of new *residential* development near your business within the past 12 months?  
 Very good  Good  Neither good nor bad  Bad  Very bad

27. How would you rate the impact of new *commercial* development near your business within the past 12 months?  
 Very good  Good  Neither good nor bad  Bad  Very bad

28. How would you rate the impact of the Hillsdale Farmers' Market on your business?  
 Very good  Good  Neither good nor bad  Bad  Very bad

29. Are you engaged in efforts to reduce energy use, buy green power or otherwise reduce greenhouse gas emissions? Yes  No

30. Would you be interested in receiving help financing such energy projects? Yes  No

31. Are you taking actions to reduce waste generation, increase recycling and eliminate waste disposal?  
 Yes  No

32. Would you be interested in receiving assistance with waste reduction efforts? Yes  No

33. Are you familiar with the Oregon Natural Step Network or Zero Waste Alliance (business-oriented programs to help companies improve performance)? Yes  No

34. What do you envision the Hillsdale Town Center to be in the next five to 10 years? \_\_\_\_\_

35. Are you aware of the Hillsdale Business Association for businesses in the Town Center? Yes  No

36. What kinds of services would you be interested in receiving from the Business Association? (Check all that apply.)

Joint marketing/promotions  Window display assistance  Technical assistance  Advocacy   
 Town Center branding  Information on sustainable business practices  Other \_\_\_\_\_

Thank you for your time!

## Hillsdale Town Center Study Business Owner Survey

A business survey was distributed to all businesses (approximately 66) within the Hillsdale Town Center between August and October 2008 to gauge the health of businesses in the area and determine what improvement projects are of greatest importance to business owners. A total of 20 business owners responded to the survey either through the mail or online for a 30 percent response rate. The results of the survey will be used to inform the Hillsdale Town Center Study.

### Survey Results

- Of the respondents, 30% were retail, 35% office, 20% other, and 15% institutional.
- The current businesses have operated in Hillsdale for an average of 13 years.
- 80% of respondents rent their facility and 20% own.
- Average lease rate is \$1.42 per square foot (an average of \$2,000 per month and 1,400 square feet).
- Approximately 51% of employees drive, 19% use public transit, 14% bike, 11% walk, and 5% carpool.
- 95% of employees and customers park on-site.
- When asked if parking is sufficient to accommodate customer and employee needs, 60% of respondents said yes and 40% said no. Several respondents indicated that different businesses share parking during different operating hours.
- Many respondents indicated that business expansion (47%) and growth in sales and/or staff (40%) were some of the changes they envisioned for their business in the next five to 10 years. 7% envisioned no change and another 7% plan to sell their business.
- The majority of respondents see maintenance of buildings (16%), parking availability (15%), safe pedestrian environment (14%), and safe roads (14%) as very important characteristics for attracting customers to the Hillsdale Center.
- Nearly 100% of respondents are satisfied with their business location in the Hillsdale Town Center.
- 50% of respondents have plans to expand in the Town Center, 6% plan to relocate if they can't expand in Hillsdale. 44% don't have plans to expand, reduce or relocate their business in the future.
- The rehabilitation of old buildings and more parking options were rated as a *very high* priority by 20% of the respondents for the types of improvements they would like to see in the Town Center. 13% rated storefront beautification and paved crosswalks as a *high* priority.
- Approximately 68% of respondents are interested in storefront improvements to attract more customers, and the majority would be interested in new paint or better signage.
- The top businesses that responded indicated would attract more customers to the Town Center include a bike shop/sporting goods store (29%), specialty grocery store (18%), and hardware store (12%). The second choices for businesses that would attract more customers were a bookstore (31%), pet supply store (13%), and clothing/shoe store (13%).

- 37% rated the impact of both new residential and commercial development near their business within the past 12 months as very good or good while 63% rated the impact as neither good nor bad.
- 100% are taking actions to reduce waste generation, increase recycling and eliminate waste disposal, and 68% are engaged in efforts to reduce energy use, buy green power or otherwise reduce greenhouse gas emissions.
- More than two-thirds of business owners are interested in receiving help financing energy projects and receiving assistance with waste reduction efforts.
- In response to the questions, what do you envision the Hillsdale Town Center to be in the next five to 10 years, 73% said an enhanced and successful town center with increased business, 14% said little or no change, and 13% said more congestion.
- Of the respondents, 100% are aware of the Hillsdale Business Association. The services that the majority would be interested in receiving from the Association include: joint marketing/promotions (35%), town center branding (18%), advocacy (15%) and information on sustainable business practices (15%).



## **Appendix B**

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PROPERTY OWNERS CONTACTED BY BUREAU OF PLANNING

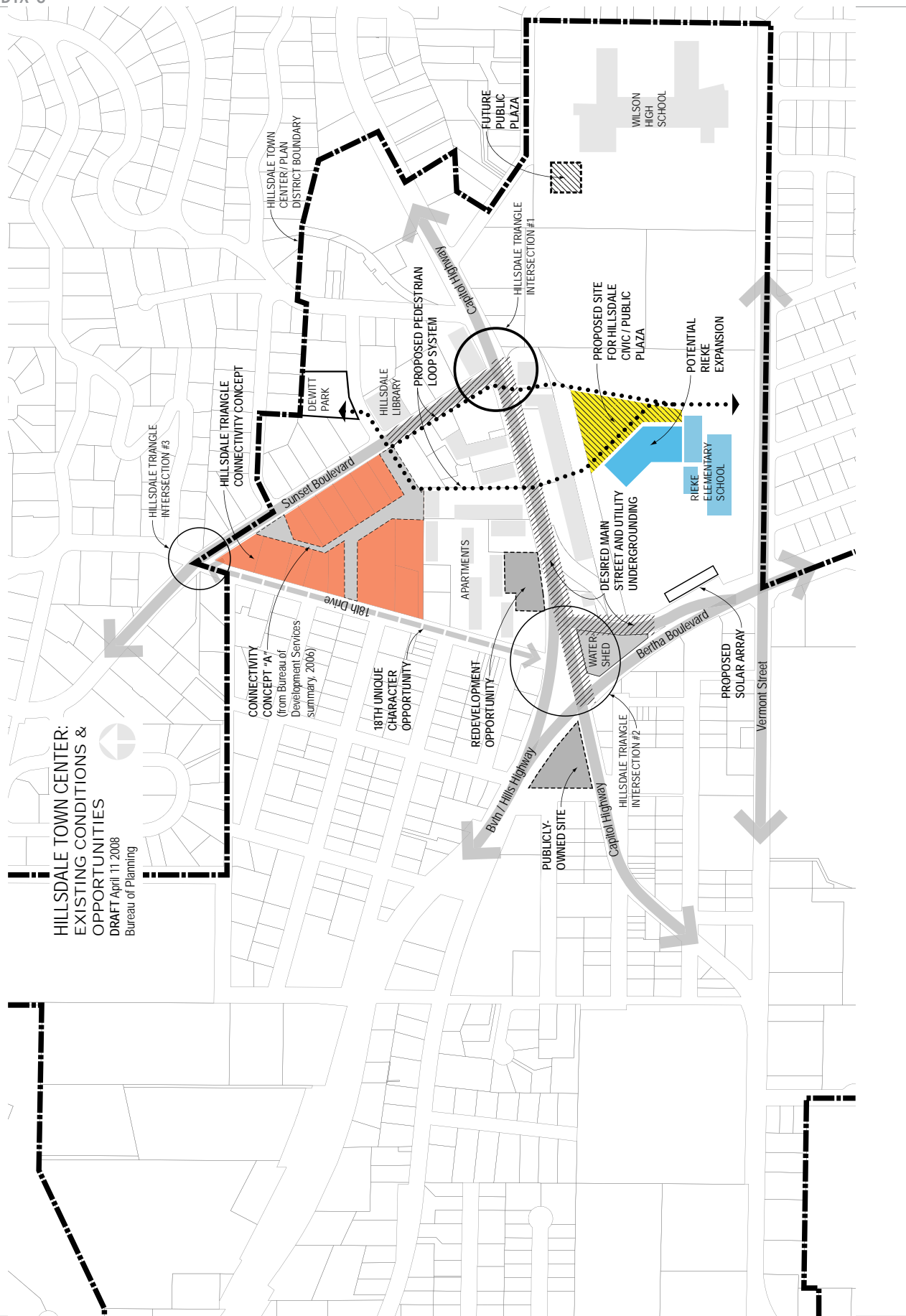
**Hillsdale Town Center Study**  
Study Area Property Owners Contacted

Property Address	Mailed Letter	Interviewed
1754 SW Sunset Boulevard	X	
5820 SW 18th Drive	X	X
5840 SW 18th Drive	X	X
1702 SW Sunset Boulevard	X	
1682 SW Sunset Boulevard	X	
5860 SW 18th Drive	X	
1670 SW Sunset Boulevard	X	
5910 SW 18th Drive	X	
1656 SW Sunset Boulevard	X	X
1640 SW Sunset Boulevard	X	
5920 SW 18th Drive	X	X
1626 SW Sunset Boulevard	X	X
1604-1616 SW Sunset Boulevard	X	
1513-1523 SW Sunset Boulevard	X	X
6014 SW 18th Drive	X	X
SW 18th Drive	X	X
6327 SW Capitol Highway	X	X
1505 SW Sunset Boulevard	X	X
6032 SW 18th Drive	X	
6036 SW 18th Drive	X	
6108-6146 SW 18th Drive	X	
6335-6345 SW Capitol Highway	X	X
1604-1606 SW Sunset Boulevard	X	X
6225-6245 SW Capitol Highway	X	X
1522 SW Sunset Boulevard	X	X
6319 SW Capitol Highway	X	X
6303 SW Capitol Highway	X	
6307-6309 SW Capitol Highway	X	X
6319 SW Capitol Highway	X	X
6349-6359 SW Capitol Highway	X	X
6250 SW Capitol Highway	X	X
6361 SW Capitol Highway	X	X
1151 SW Vermont Street	X	X
6250-6256 SW Capito Highway	X	X
6371 SW Capitol Highway	X	X
6371 SW Capitol Highway	X	X
6274 SW Capitol Highway	X	X
6302-6330 SW Capitol Highway	X	X
6344-6366 SW Capitol Highway	X	X
6344-6366 SW Capitol Highway	X	X
6350 SW Capitol Highway	X	X
SW Capitol Highway	X	X
6370 SW Capitol Highway	X	
SW Bertha Court	X	X
6434-6436 SW Capitol Highway	X	
6440-6446 SW Capitol Highway	X	
1508-1520 SW Dewitt Street	X	X
1235 SW Cheltenham Street	X	X
1241-1243 SW Sunset Boulevard	X	
1509 SW Sunset Boulevard	X	X
1633 SW Sunset Boulevard	X	
1655 SW Sunset Boulevard	X	X
SW Sunset Boulevard	X	X
6007 SW 18th Drive	X	

## **Appendix C**

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PRELIMINARY OPPORTUNITIES & CONSTRAINTS DIAGRAM PROVIDED BY  
BUREAU OF PLANNING



**HILLSDALE TOWN CENTER:  
EXISTING CONDITIONS &  
OPPORTUNITIES**  
DRAFT April 11 2008  
Bureau of Planning

## **Appendix D**

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NOTES FROM PUBLIC MEETINGS

## **Hillsdale Town Center Study**

### Public Meeting #1

September 24, 2008

### **Economic Condition in Hillsdale**

Jerry Johnson from Johnson Gardner, LLC spoke about the current and future economic situation in Hillsdale.

- The short-term economic picture is difficult, but it is typical to come out of an economic downturn with a six to eight-year run.
- The office market in Portland is doing well, and rentals are up.
- Retail sales will decrease.
  - The retail mix is important to maintain sales, in addition to enhancing the attractiveness of the area.
  - Specialty retail is important to a retail district.
  - Town centers such as Hillsdale must focus on maintaining existing businesses.
- Given the current economy, this is a good time to be strategizing and talking with developers.

Positive attributes of Hillsdale include:

- Strong demographics
- Solid business tenants
- Schools
- Business orientation
- Thru-traffic to and from work
- Community identity

Negative attributes of Hillsdale include:

- The strip along Capitol Highway is under-parked
- The left turn-out is difficult
- The businesses north of Capitol Highway have low visibility
- Streetscape

### **Questions and Answers**

- How do you make the town center walkable and what does that mean for retail?
  - Walkability is ideal, but businesses need a lot of slow-moving trips.
- How can parking options help slow traffic?
  - It can be difficult, but bulb-outs and pedestrian islands are needed. Additionally, thru-traffic from a transportation aspect must be taken into account.
- People say they like the Hillsdale Town Center. What is it that they like?
  - The specialty retail is a draw, but the disjointed infrastructure and signage is a negative.
- The Gibbs Study suggested streetscape enhancements such as benches and lighting, but this cost fell on the responsibility of the businesses. Can we have a design overlay?

- Hillsdale needs to figure out what the design motif is and then have design review.
- A number of different property owners would be effected by/involved in changes to the town center. If plans are created, developers would be more likely to get on board, but bringing the property owners into the decision-making process is still difficult.
  - The Hillsdale Town Center Study has the potential to help property owners work together.
- How do we incorporate the schools into the community and plans? The key players are Multnomah County, Parks and Recreation, and Portland Public Schools. We need them to participate in this process, and need a two-way dialogue.
- What percentage of business comes from the proximity to schools?
  - Schools are a direct dependent for moving to an area, in addition to walkability.
- How many customers who park and ride also go to the businesses?
  - A transit hub is important. The “hide and ride” issue can become a positive by bringing people in to “park and ride.”
  - It may be a development solution. Park and rides are put in when they can help a district link trips.
  - Place employee parking away from the town center and get neighbors to walk more.
- What is a model town center?
  - Sellwood had good, low-cost space left over and density in all directions. It was a high-end neighborhood with no retail.
  - Hawthorne and Belmont are traditional linear/corridor districts.
  - The theater in Hollywood was considered a strength, but the area is difficult to navigate.
  - Hillsdale is the key town center on the west side that is already successful and functioning, but need to be enhanced.

### **Mapping Exercise**

Following the formal presentation and question and answer session, attendees participated in a mapping exercise in which they were given the opportunity to share the places and issues in Hillsdale that matter most. Participants used maps of the town center study area to illustrate and make notes about places they would like to preserve, enhance, and create. The results of the mapping exercise can be found in the appendix of the Hillsdale Town Center Study Report.





**Mapping Exercise**  
 We would like your opinion on which places and issues in Hillsdale matter the most. You can share your ideas by marking and making notes directly on the map.

- Some questions to consider:
    - What places must we **preserve**? These are existing places you consider to be the essence of Hillsdale that do not need any significant improvements.
    - What places should we **enhance**? These are places that could be made better.
    - What places could we **create**? Mark the locations you think could become great places. Write notes to describe what important role these places could play and what you would like to see happen in them (e.g., regional attractions, mixed-use buildings, retail, open space, infrastructure improvements, etc).
    - If you could make one big move to create a town center in Hillsdale, what would it be?
- Please share any additional "place making" ideas you might have. You may write additional comments on the back of this sheet if you need more space.

Please return this sheet to staff before you leave.  
 Thank you for participating!



**Existing Conditions: Aerial Photo**

24 September 2018

Hillsdale Town Center Study

PLANNING

Scale: 0 50 100 200 Feet

North Arrow



**Mapping Exercise**  
 We would like your opinion on which places and issues in Hillsdale matter the most. You can share your ideas by marking and making notes directly on the map.

- Some questions to consider:
- What places must we **preserve**? These are existing places you consider to be the essence of Hillsdale that do not need any significant improvements.
  - What places should we **enhance**? These are places that could be made better.
  - What places could we **create**? Mark the locations you think could become great places. Write notes to describe what important role these places could play and what you would like to see happen in them (e.g., regional attractors, mixed-use buildings, retail, open space, infrastructure improvements, etc).
  - If you could make one big move to create a town center in Hillsdale, what would it be?

Please share any additional "place making" ideas you might have. You may write additional comments on the back of this sheet if you need more space.

Please return this sheet to staff before you leave.

Thank you for participating!



Existing Conditions: Aerial Photo  
 HILLSDALE TOWN CENTER STUDY

24 September 2008

PLANNING

Scale: 1" = 100'

North Arrow

	Preserve	Enhance	Create
Rieke E.S.	15	3	2
Wilson H.S.	14	1	
Library	10		
Retail Strip	10	4	3
Dewitt Park	4	4	3
McMenamins	4		3
Watershed	4		
Key Bank Site	2	3	4
Open Space southeast of CH/Sunset	1	3	2
Ballet Studio	1	1	
Intersection at CH/Bertha	1	2	
Baskin Robbins Site	1	6	4
Service Station Site	1	6	4
Casa Colima Site	1	1	5
West edge of apartments on 18th	1		
Tree near Ballet Studio	1		
Hospice	1		
Fire Department	1		
Trees in Triangle through redevelopment	1		
Mix of services in T.C. (i.e. Post Office)	1		
Triangle		2	8
Intersection at CH/Sunset		1	
City-owned Property		1	2
Parking lot between Key Bank and Casa Colima		3	9
Medical Offices/Parking Lot		3	4
Capitol Highway (trees, onstreet parking, connections)		7	3
Back side of Retail Strip		1	2
Intersection at Vermont/Bertha		1	
Chestnut Drive south of Vermont		1	
Bus stop near Key Bank			1
Pedestrian connection through Ballet Studio		1	1
Gateway at Capitol Hwy/Cheltenham St		1	2
Ped Danger - Beaverton-Hillsdale Hwy/18th			1
ReMaxx Building		2	3
Apartment building south of residential triangle		1	1
Gas Station		2	4
18th Dr		1	
NW field at Rieke E.S.		1	1
Entrance to Wilson H.S.		1	1
Noah's Bagel Site		1	
Underground Utilities		3	
Town Center Theme/Signage			2
Raz Property			2
Entrance to Schools		1	
Parking lot in front of Retail Strip			1
Traffic calming on Capitol Hwy west of T.C.		1	
Pedestrian/bike connection between Vermont/Capitol Hwy			1
Red Electric Trail (sidewalk connection/pedestrian way)		2	1
Terwilliger Trail (sidewalks along Capitol Highway east of T.C.)		3	1
Papa John's Site		1	1
Driveway between Rieke/Wilson		2	
Sunset Blvd (sidewalks, safe routes to schools)		3	1
Connect businesses west of Bertha on Capitol Hwy to T.C.		1	
Gateway at Beaverton-Hillsdale/Bertha			1
Connection across Capitol Hwy at Key Bank site		1	1
Apartments		1	
Commercial area north of Capitol Hwy		1	3
Traffic flow/parking of commercial area north of Capitol Hwy		1	
Sidewalks on Beaverton-Hillsdale		1	
Connection from top to bottom of Triangle			1

	Preserve	Enhance	Create
Capitol Highway (trees, onstreet parking, connections)		7	3
Baskin Robbins Site	1	6	4
Service Station Site	1	6	4
Dewitt Park	4	4	3
Retail Strip	10	4	3
Open Space southeast of CH/Sunset	1	3	2
Rieke E.S.	15	3	2
Key Bank Site	2	3	4
Parking lot between Key Bank and Casa Colima		3	9
Medical Offices/Parking Lot		3	4
Underground Utilities		3	
Terwilliger Trail (sidewalks along Capitol Highway east of T.C.)		3	1
Sunset Blvd (sidewalks, safe routes to schools)		3	1
Triangle		2	8
Intersection at CH/Bertha	1	2	
ReMaxx Building		2	3
Gas Station		2	4
Red Electric Trail (sidewalk connection/pedestrian way)		2	1
Driveway between Rieke/Wilson		2	
Intersection at CH/Sunset		1	
Ballet Studio	1	1	
Wilson H.S.	14	1	
City-owned Property		1	2
Casa Colima Site	1	1	5
Back side of Retail Strip		1	2
Intersection at Vermont/Bertha		1	
Chestnut Drive south of Vermont		1	
Pedestrian connection through Ballet Studio		1	1
Gateway at Capitol Hwy/Cheltenham St		1	2
Apartment building south of residential triangle		1	1
18th Dr		1	
NW field at Rieke E.S.		1	1
Entrance to Wilson H.S.		1	1
Noah's Bagel Site		1	
Entrance to Schools		1	
Traffic calming on Capitol Hwy west of T.C.		1	
Papa John's Site		1	1
Connect businesses west of Bertha on Capitol Hwy to T.C.		1	
Connection across Capitol Hwy at Key Bank site		1	1
Apartments		1	
Commercial area north of Capitol Hwy		1	3
Traffic flow/parking of commercial area north of Capitol Hwy		1	
Sidewalks on Beaverton-Hillsdale		1	
Library	10		
McMenamins	4		3
Watershed	4		
Bus stop near Key Bank			1
Ped Danger - Beaverton-Hillsdale Hwy/18th			1
Town Center Theme/Signage			2
Raz Property			2
West edge of apartments on 18th	1		
Tree near Ballet Studio	1		
Hospice	1		
Fire Department	1		
Parking lot in front of Retail Strip			1
Pedestrian/bike connection between Vermont/Capitol Hwy			1
Gateway at Beaverton-Hillsdale/Bertha			1
Trees in Triangle through redevelopment	1		
Mix of services in T.C. (i.e. Post Office)	1		
Connection from top to bottom of Triangle			1

	Preserve	Enhance	Create
Parking lot between Key Bank and Casa Colima Triangle		3	9
Casa Colima Site	1	1	5
Baskin Robbins Site	1	6	4
Service Station Site	1	6	4
Key Bank Site	2	3	4
Medical Offices/Parking Lot		3	4
Gas Station		2	4
Dewitt Park	4	4	3
McMenamins	4		3
Retail Strip	10	4	3
Capitol Highway (trees, onstreet parking, connections)		7	3
ReMaxx Building		2	3
Commercial area north of Capitol Hwy		1	3
Open Space southeast of CH/Sunset	1	3	2
Rieke E.S.	15	3	2
City-owned Property		1	2
Back side of Retail Strip		1	2
Gateway at Capitol Hwy/Cheltenham St		1	2
Town Center Theme/Signage			2
Raz Property			2
Bus stop near Key Bank			1
Pedestrian connection through Ballet Studio		1	1
Ped Danger - Beaverton-Hillsdale Hwy/18th			1
Apartment building south of residential triangle		1	1
NW field at Rieke E.S.		1	1
Entrance to Wilson H.S.		1	1
Parking lot in front of Retail Strip			1
Pedestrian/bike connection between Vermont/Capitol Hwy			1
Red Electric Trail (sidewalk connection/pedestrian way)		2	1
Terwiliger Trail (sidewalks along Capitol Highway east of T.C.)		3	1
Papa John's Site		1	1
Sunset Blvd (sidewalks, safe routes to schools)		3	1
Gateway at Beaverton-Hillsdale/Bertha			1
Connection across Capitol Hwy at Key Bank site		1	1
Connection from top to bottom of Triangle			1
Library	10		
Intersection at CH/Sunset		1	
Ballet Studio	1	1	
Wilson H.S.	14	1	
Watershed	4		
Intersection at CH/Bertha	1	2	
Intersection at Vermont/Bertha		1	
Chestnut Drive south of Vermont		1	
18th Dr		1	
Noah's Bagel Site		1	
Underground Utilities		3	
West edge of apartments on 18th	1		
Tree near Ballet Studio	1		
Hospice	1		
Fire Department	1		
Entrance to Schools		1	
Traffic calming on Capitol Hwy west of T.C.		1	
Driveway between Rieke/Wilson		2	
Connect businesses west of Bertha on Capitol Hwy to T.C.		1	
Apartments		1	
Trees in Triangle through redevelopment	1		
Mix of services in T.C. (i.e. Post Office)	1		
Traffic flow/parking of commercial area north of Capitol Hwy		1	
Sidewalks on Beaverton-Hillsdale		1	

## Hillsdale Town Center Study

### Public Meeting #2

October 22, 2008

### Discussion:

#### Triangle

- To make the triangle work, foot traffic is needed for additional ground floor retail. Obtain the daily visitor counts of the library to assess current conditions.
- If density is increased, additional parking is needed.
- What are the town center density objectives and what would that look like?
- Rezone for other uses in the triangle. Would work/live spaces require a zoning change?
- The areas identified as new right-of-way could be pedestrian ways feeding into a plaza at Casa Colima.
  - Add bollards that limit access to pedestrians.

#### Schools

##### Rieke Elementary School

- What are the trade offs of moving the school?
- What is the timeframe for change south of Capitol Highway?
- Moving the school would encourage traffic flow at the entrance off Capitol Highway.
- That entrance is a driveway and not an intersection. Possible congestion issues could arise.
  - Consider moving the bus stop on the southeast corner if the entrance becomes more congested.
  - Move the bus stop near Remax closer to the gas station as a far-side stop and make it a transit center.
  - Don't encourage more pedestrians at the intersection off of Capitol Highway. Understand the number of pedestrians and cars the change would create.
- Focus a pedestrian connection west of the pharmacy.
- Park n Ride issues contribute to congestion in the area.
  - A license plate study hasn't been conducted to determine the scale of the problem. Posting parking restrictions can only work if they are regularly enforced.
  - This is more of a systemic problem.
- Deal with the parking as a thru street. It was blocked off to cars to pass through and only opened to allow pedestrian connectivity.
- Keep options open and don't hinge the new school location on where the Farmers' Market currently exists.
  - Parking for the Farmers' Market needs to be close enough not to significantly decrease the amount people are able to purchase.
  - Slope is an issue for other possible locations.
- The open space could include other uses aside from soccer fields.
- Enhance Safe Routes to School by adding sidewalks.

- Encourage parents to park/drop off children further away from the entrance.
- Install more bike racks (provided for free by the City to any school that requests them).
- Use the SRS standards that have been published.

#### Wilson High School

- Include the entrance to Wilson Pool in design concepts.

#### Dewitt Park

- Consider traffic and safety concerns with extending the park.

#### Public Plazas

- The proposed plaza requires businesses around it, but it is zoned residential. Is this the best location for the plaza and focus of efforts?
- The Casa Colima site is the town center. Create a plaza there and reorient to it.
- Place towers in the plazas.
- Focus on more than one plaza in Hillsdale.

#### Vision

- How do we create a vision? “Hillsdale, the community that...”

#### Sustainability

- “Hillsdale, the sustainable community.”
- How can Hillsdale help move the environmental movement?
  - Bring people into the town center – aging in place, school age children
  - Transportation – best served area in the region.
  - Green Streets
  - Affordability

#### Capitol Highway Improvements

- Add curbs along existing bike lanes.
- Don’t change the existing sidewalks and preserve the trees.
- If work is done to change the width of the sidewalks, underground the power lines at the same time.
- A median would change the look of the area.
- Maintain a turning lane.
- Put in a LID to get the streetscape along the median.

#### Study Area Boundaries

- Focus further out beyond the core of the town center.
  - Create an urban edge and add density along Vermont.
  - Provide sidewalks that connect outer areas to the town center for people who have a choice to walk to either Hillsdale or Multnomah Village.



## **Hillsdale Town Center Study**

### **Public Meeting #3**

November 12, 2008

### **Portland Public Schools**

Doug Capps, Justin Devers, and Marlys Mock from Portland Public Schools (PPS) attended the meeting to discuss past and future involvement in Hillsdale as well as the future of Rieke Elementary School. Advocating for development on the north side of Capitol Highway, PPS understands the local synergy between the schools and businesses. As the school district looks to participate in community planning discussions in Hillsdale, it is also faced with the need to rebuild and renovate a number of schools at one time - something the district hasn't undertaken in decades. Now, the district is working on the 21st Century Schools Project that began in May 2007 to begin to address the infrastructure needs of all schools in the district. As part of this project, the district is looking at options for rebuilding and renovating schools that are centers of community, with adaptable designs that allow sharing of space; innovative and flexible; and sustainable. The project included a district-wide assessment, which showed there is a \$1 billion deficiency with roofing, HVAC, and electrical needs. The deficiencies at Rieke Elementary School are approximately \$7.1 million. A Facility Condition Index (FCI) is used to compare the cost to repair versus the cost to rebuild. For Rieke, 60 percent of the cost to replace the building is 60 percent of the cost to rebuild. This ranks Rieke as 17<sup>th</sup> on the list of schools in need of repair.

Given this data, the district does not know, at this point, when and how these needs will be met. A capital bond will be required to make any improvements, but the timing for issuing a bond is unknown. The amount in the bond package will also determine how many schools on the list get funding. In the meantime, the school board has developed a list of criteria for analyzing the data and prioritizing need. Some of these criteria include capture rates (Rieke has a 75 percent capture rate), overcrowding, and whether a community in need has participated in a development process with plans that require increased density for family housing. Based on the criteria, the school board must approve the ranking. Additionally, PPS is not currently in a planning stage, and will need to start a master planning process once these questions have been answered. At that time, conversations about the various options and considerations will begin for the schools that are targeted for funding.

The community requested that PPS participate in the planning process that Hillsdale is currently undertaking now so the program can be in place once funding becomes available in the future. PPS would like to continue to stay involved with the Hillsdale Town Center and plans to participate in the monthly Hillsdale Working Group meetings.

### **Presentation of Preferred Urban Design Concept**

Paul Pawlowski from SERA Architects presented the preferred urban design concept. Maps and diagrams of the concept are available online at [www.portlandonline.com/planning/hillsdale](http://www.portlandonline.com/planning/hillsdale)

### *Economic Analysis*

Brendan Buckley from Johnson and Gardner provided an overview of the economic component for the proposed redevelopment site on two properties off Sunset Boulevard where Dewitt Street is proposed to be extended into the triangle. The economic analysis indicates that, in Hillsdale,

- the market environment is good for retail development,
- the vacancy and rent levels are healthy,
- there are many older properties, some of which are functionally obsolete and auto-oriented.
- the conditions for redevelopment are positive.
- it is possible for parking as part of a redevelopment project to work, even though this is often difficult in most other areas outside downtown.

### *Sustainability*

Tom Osdoba from the City of Portland Office of Sustainable Development discussed some of the opportunities for town center development around renewable energy, recycling, and stormwater management. He stressed the need to consider future infrastructure decisions now, and the opportunity to create a “neighborhood of the future.” This requires a systems change that incorporates everything from sharing paper and cleaning supplies within the business district to creating relationships with students. Traditionally, this type of development has been done in downtown areas, but the need has already developed in neighborhoods, and a town center is a great place to develop such a system.

Energy studies are already underway in the Pearl District and at Portland State University, OHSU, and Lloyd District. Neighborhood centers are the next opportunity. These are areas with a critical mass that can help make the system work.

Tom indicated that the ideas around system change can have either a minimal or significant effect on the urban form. The infrastructure to make the system work is largely located underground where it is not visible. But, there are opportunities to expose these features in an artistic way that reminds users and the community of them. The community also asked if designs are available that home owners could begin to implement with the goal to connect to the system in the future once it is in place.

### **Next Steps**

The next step in the Hillsdale Town Center Study is the development of a report that details the phased implementation strategy. The Bureau of Planning and SERA Architects will develop the report by mid-December. The report will include a timeline and actions items, with specific requests to include actions for the development of a master street plan, creation of a median on Capitol Highway, assessment of zoning, etc. In addition, PPS requested that the report include components related to sustainability for the school district.

## **Appendix E**

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“HILLSDALE SCHOOL COMPOST: CIVIC ECOLOGY” REPORT

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# Hillsdale School Compost

## Civic Ecology

1/26/2009

Portland State University

Devin Sweet, Maya Hooper, Alicia Castro,



### Introduction:

We chose the Hillsdale neighborhood in SW Portland because it was apparent to us that this neighborhood already had strong leadership and engagement within the community, which is often the first and biggest necessity when proposing to enhance Civic Ecology in a community. Within the neighborhood our focus became the Hillsdale Town Center and the surrounding area including many businesses, local library, Wilson High School and Rieke Elementary School and the weekly farmers market. These areas separately have strong systems and many possibilities. The greatest opportunity we saw in this neighborhood was finding a way to connect the businesses, schools and local community; if this were accomplished resources could be shared and that would help to build a stronger community.

By attending neighborhood association meetings and Sera Design meetings within the community we heard many ideas that the community were interested in. While various projects were mentioned the proposal of a community composting project grabbed our group’s attention as we saw in it an opportunity to share knowledge about how waste can literally equal food.

### Current Situation:

- Currently residents, schools and businesses within the Hillsdale neighborhood are independently working on various sustainable ideas and projects
- However, resources and social capital are being taken out of the community by standard linear waste patterns that haul and dispose of the communities hidden resource



## Proposal:

Connecting the existing flows within Hillsdale has focused our attention on minimizing waste and increasing sustainable education within the business and school organizations. In order to achieve these goals PSU students will work with locally owned Hillsdale businesses, the Portland Office of Sustainable Development (OSD) and Portland Public School's Wilson High School and Rieke Elementary School to create an outdoor classroom for students where the community can see their commitment to sustainability through composting local waste and growing produce to sell at the onsite Farmer's Market.

81 businesses neighbor the two public schools within one quarter mile; making this central location on Capital Highway an ideal site to maximize efficiency between businesses and the school's as well as it has ample space available to accommodate a greenhouse, compost, garden or a combination of all three. Establishing a relationship with the local businesses will include proposing a tax-deductible annual donation from the businesses to support the compost and garden, which the school could accept in exchange for processing that businesses compostable waste. Partnering with OSD, the local businesses will also receive compost training, educational resources, and labeled bins that detail how to compost food waste at the office.

Students and faculty would maintain the compost & garden through classroom lessons and hands-on gardening. Educational curriculum for all age levels is readily available online from other institutions that have implemented gardening into their studies already, including the "One Rotten Curriculum" developed by the City of Eugene, which has composting Earth Tubs at seven Eugene Public Schools. In addition, PSU students will work with instructors to research and gather diverse course material that can be used for all grade levels.

The end-product will result in students selling their produce at the local Farmers market, with proceeds going back to benefit and fund the school's garden, compost or other sustainable practices. Composting food waste could reduce total garbage output from both the school's and local businesses by 5% or more, as other schools within the state have cut their garbage bill by \$682 dollars a year while simultaneously diverting 60 yards a year of waste from their landfills by composting.

Not only will Hillsdale's community waste be reduced dramatically, but community members of all ages will benefit from this compost and garden because it will change the current waste patterns into circular systems that keep revenue, resources and a sense of community alive in this neighborhood.

## Problems & Obstacles

- ❖ **Awareness**
  - Engaging businesses & public
  - Educating people about benefits of composting
- ❖ **Funding**
  - Start-up costs
  - Commercial composting bins, labor
- ❖ **Organizing**
  - Forming a “compost” team
  - Finding stakeholders and leaders

## Benefits:

Civic ecology projects present many benefits, communities invested can expect to have a higher degree of control, undergo community wealth, gain community resilience and enhanced their sense of place while creating a deeper identity of community. Other benefits include;



### Educational

- year round involvement
- coincides with Portland Public School's Policy 3.30.082 "Environmentally Sustainable Business Practices"
- diverse curriculum for all ages
- outdoor classroom
- whole systems approach- promotes sustainability
- potential revenue from produce



### Community

- continued support of local schools (listed priority of Hillsdale Business & Professional Association)
- reduced costs
- competitive advantage
- local produce
- strengthens community bond and flows
- builds social capital
- creates new end-markets



### Environment

- reduce landfill size and dependency
- cuts pollution related to hauling
- reuses & recycles resources
- reduce water-run off
- nutrients are replanted with composted waste



## Resources:

Pooling our resources from educational services, the local community and what the natural environment can provide together to create and manage this project.



- Rick Seifert- *Hillsdale Community Alliance, Hillsdale Business and Professional Association, Hillsdale News*
- Ruth Adkins- *Portland Public School Board, Hillsdale Community Alliance*
- Virginia Tribe- *Manager Hillsdale Library, Hillsdale Community Alliance*

### Conclusion:

Integrating a composting system into your community and school would not only improve the quality of our environment, but it would also increase your communities' knowledge and recognition of

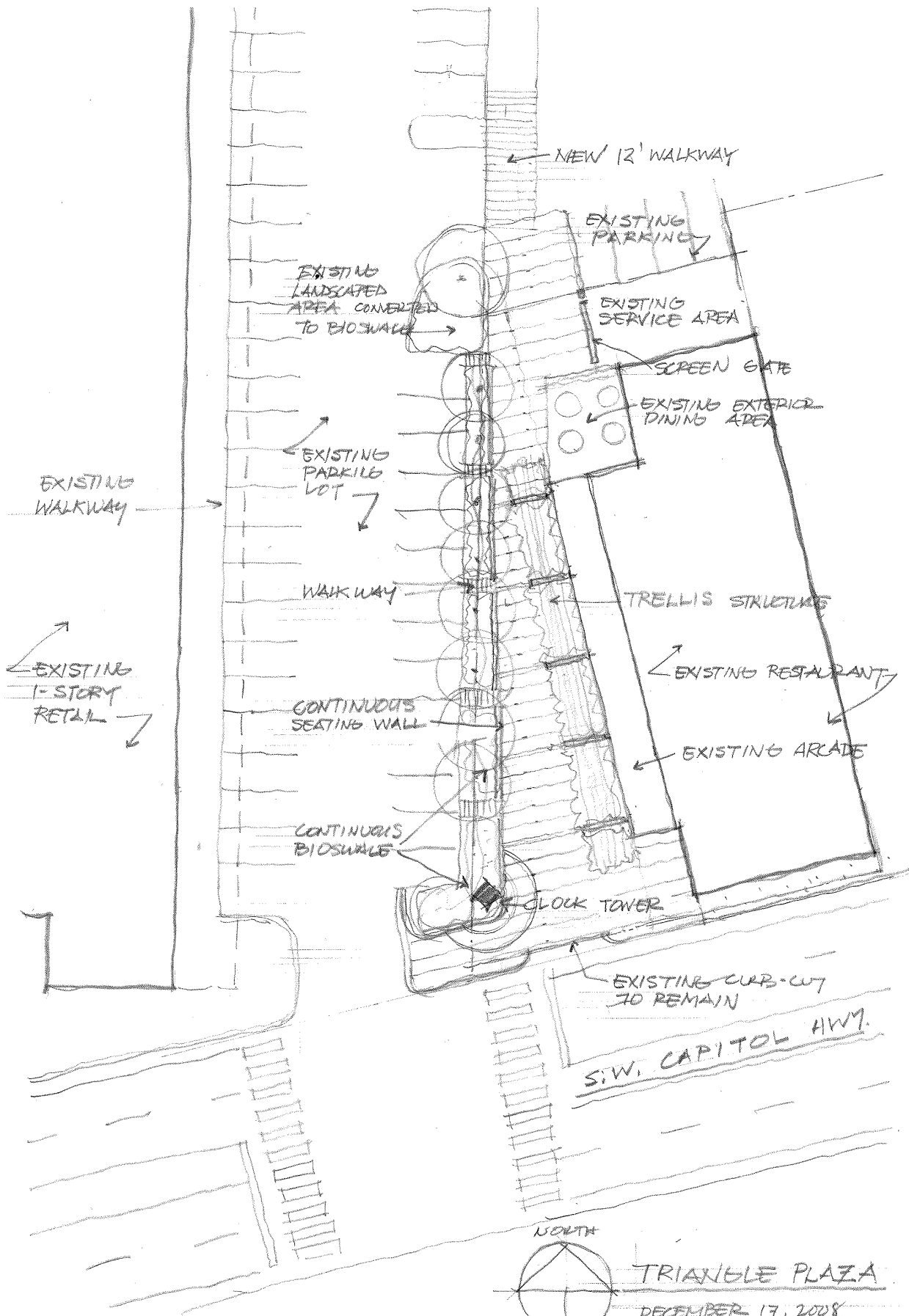


sustainability. While more planning and feasibility have to be arranged, our group is determined to find support for this project in any form possible. If we partner together to create systems around our social capital, our communities can only grow by strengthening the local connection and turning waste into a profitable resource: compost.

## **Appendix F**

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A CONCEPTUAL DESIGN FOR THE PLAZA ADJACENT TO CASA COLIMA



NEW 12' WALKWAY

EXISTING PARKING

EXISTING LANDSCAPED AREA CONVERTED TO BIOSWALE

EXISTING SERVICE AREA

SCREEN GATE

EXISTING EXTERIOR DINING AREA

EXISTING WALKWAY

EXISTING PARKING LOT

WALKWAY

TRELLIS STRUCTURES

EXISTING 1-STORY RETAIL

EXISTING RESTAURANT

CONTINUOUS SEATING WALL

EXISTING ARCADE

CONTINUOUS BIOSWALE

CLOCK TOWER

EXISTING CURB-CUT TO REMAIN

S.W. CAPITOL HWY.

NORTH

TRIANGLE PLAZA

DECEMBER 17, 2008

