

Developers discuss bridgehead plans

By: Shelby King

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Big things are happening at the east end of the **Burnside Bridge**, and developers of the **Block 67** project this week talked to area real estate professionals about their experiences with marketing options, construction challenges and communication with the locals.

Jeff Pickhardt, principal of Hood River-based **Key Development**; **Eric Jacobson**, a **Portland Development Commission** planner; and **Adrian Boly**, vice president of acquisitions and development at **Guardian Real Estate Services** spoke at a CREW luncheon at the Multnomah Athletic Club on Thursday.

Boly said that the project had received a Multiple-Unit Limited Tax Exemption from the Portland Housing Bureau. That means that in exchange for receiving a 10-year tax abatement, 20 percent of the studios and one- and two-bedroom units in the 21-story mixed-use tower at Block 67 will be reserved for tenants making 60 percent of the median family income or less.

"What we really like about (the MULTE program) is that it helps people who wouldn't usually be able to afford apartments like these," Boly said. "This project really is for the public good."

Boly said the reserved units reduce the number of units the property managers have to lease out at market rate from 284 to about 220, and added that he doesn't expect the Block 67 apartments to compete directly with American Assets Trust's Hassalo on Eighth not far away.

"We feel like I-84 is kind of the dividing line and that people looking to rent at Hassalo on Eighth will mostly be looking for safe, family housing," he said. "We put a lot of thought and effort into determining who this project will cater to, and we think it's people who embrace the gritty feeling of the eastside."

Boly said the team expects Block 67 to appeal to "recent college graduates, nurses and construction workers" who are part of the "maker identity of Portland."

Pickhardt's team has encountered several challenges during construction. One was finding a way to anchor the building without encroaching upon an easement 80 feet below ground for the "Big Pipe." Another was keeping designs fluid enough to adapt to potential changes, such as adding a sky bridge between the two buildings.

At the Thursday luncheon, an audience member asked Pickhardt how designs planned for access to the Burnside Bridge from both buildings. He responded by showing renderings of the two buildings from a vantage point looking south down Third Avenue, with the Burnside Bridge in the



Key Development President Jeff Pickhardt speaks about the Block 67 development, a 21-story mixed-use project at the Burnside bridgehead that the firm is co-developing with Guardian Real Estate Services. (Sam Tenney/DJC)

distance, that showed a second-story sky bridge.

"Foot traffic would come off the Burnside Bridge at Couch Street, enter the (Block 76) building, and cross over Third via the sky bridge into the tower," Pickhardt said.

PDC's design standards discourage sky bridge use, claiming that it diverts foot traffic away from storefronts, but Pickhardt said he believes there is a strong case for including one in this project. Construction crews are "pursuing parallel paths" to leave the option on the table, he noted.

"It would be used to connect the smaller building to the larger building consistent with the grade of Burnside (and) Couch (streets)," he said. "We're considering whether or not it makes sense to make application for consideration (and) approval from the city at this point."

Pickhardt, whose company will also develop adjacent Block 76 into a three-story commercial space, said that when he was a child and his family visited from Bend, Portland's eastside was a shadowy place.

"As we'd drive into town my mom would be rolling up the windows and locking the doors," he said.

Pickhardt commended Portland for its efforts to clean up the eastside, and said he feels "a lot of humility" about taking on such a neighborhood-defining project while also working to retain the area's staples, including the Burnside skate park.

"I spent a couple weekends at the skate park, and I was told I needed to talk to 'Red,' who was the chair of the skate park's board of directors," Pickhardt joked. "It was sort of like a street fight talking to him. It was pretty uncomfortable. He said, 'this is our parking lot and you're not taking out our skate park.'"

The vacant surface parking lot 'Red' mentioned is part of the underground parking for the tower, but the 30-year-old concrete haven for skateboarders remains intact.