

## Leafy project proposed in Southeast Portland

By: Chuck Slothower in Real Estate and Development May 30, 2017 3:47 pm



Tree Farm, proposed for a property in Southeast Portland, is designed to have dozens of trees in planters mounted to exterior walls.

(Courtesy of Brett Schulz Architect)

Kevin Cavanaugh's latest idea is an ambitious office and light manufacturing development that would take root in Southeast Portland.

The developer of the soon-to-be colorful **Fair-Haired Dumbbell**, the **Zipper** and other projects has a growing interest in an office project south of the Morrison Bridge.

What sets this proposal apart? As envisioned, all exterior sides of the six-story building would have growing trees, approximately 64 in total.

The trees are integral to the project, Cavanaugh said.

“As a concept, trees shroud all four sides all of the way up, as you can see in the rendering,” he said. “That can’t be value-engineered out of the project. That’s the one deal-breaker for me.”

Cavanaugh’s **Guerrilla Development** is known for unusual projects, and this one wouldn’t fall far from the tree. **Tree Farm**, as the project is known, would be located on the southeast corner of Southeast Third Avenue and Morrison Street in the **Central Eastside Industrial District**. Renderings show trees in planters mounted to exterior walls.

A drip irrigation system will be integrated into the exterior wall, said Ben Carr, an architect with **Brett Schultz Architect** in Portland. The upper floors will be wood framed, and the steel planters will be removable to allow for maintenance.

“Green roofs are one thing, and planters are one thing, but this is a whole different scale,” Carr said.

The project team is using a consulting arborist from Cistus, a Sauvie Island nursery, to choose the tree species and ensure the trees can survive. Guerrilla is also employing an irrigation consultant and a structural engineer.

“It’s an unusual design, but it’s actually quite simple and elegant,” Carr said. “It’s really just a big, 85-foot cube, so structurally it’s not too complex.”

Cavanaugh said he came up with the idea for Tree Farm while sketching on napkins while enjoying a mocha at a local coffee shop.

“The idea came first, and I loved it,” he said. “Lo and behold the numbers worked, and the contractor’s estimate came in line.”

The project team is considering a variety of tree species, but Portuguese laurel is the leading contender, Cavanaugh said. Each tree weighs about as much as a Cadillac Escalade, he joked.

The project team is working with Multnomah County officials to ensure the building wouldn’t present any issues for the Morrison Bridge. County regulations require buildings maintain a 10-foot minimum separation from bridges.

Tree Farm’s total cost would be \$12.7 million, according to a pro forma posted on Guerrilla Development’s website. It would offer approximately 32,500 square feet of office space and 3,500 square feet of retail space split between two ground-floor spaces. The building would have 22 parking spaces on the surface and tucked under the building.

Guerrilla Development on its website states the building “will be eye-catching and stand out among a field of traditional commercial industrial East Side warehouses.”

The project team is trying to deliver the building to market with rents around \$24 per square foot, Cavanaugh said. The aim is to price below comparable properties with the expectation that the economy will worsen in 2018.

“I’ll be wrapping this thing up in about a year, which is when I think the economy’s going to start to slow down quite a bit,” he said. “So a speculative office building that’s hitting the market at the worst possible time, I want to make sure I’m not just cheaper than anyone around me, but much cheaper than anyone around me.”

Developers such as **Beam Development** and **Killian Pacific** have rushed into the Central Eastside Industrial District with a slew of office and retail projects. Zoning limits residential uses in the district.

Cavanaugh's project would be funded by investors, bank financing and Guerrilla's own equity. In the past, Cavanaugh used an innovative mechanism to attract small investors for the Fair-Haired Dumbbell, which is under construction near the eastern end of the Burnside Bridge.

Tree Farm would not be the first notable Portland building to feature greenery. The 30-story **PacWest Center** has a highly visible tree on a balcony near its top. **Gerding Edlen's** planned **5 MLK** building has a design that calls for incorporating trees and vegetation. The Portland Design Commission approved that design May 18. Other Cavanaugh projects include rooftop gardens.

Oregon also has plenty of actual tree farms – the state produces more timber than any other.