

## LEED-CS



**21%** improved energy performance

**25%** reduction in overall water use

Over  
**\$58,000**  
annual savings from green features

## CASE STUDY:

GERDING/EDLEN DEVELOPMENT COMPANY, LLC

# Mixed-Use Redevelopment

In a depressed real estate market, The Brewery Blocks project leased a half-million sq. ft. of space and lifted everyone's spirits.

## PROJECT BACKGROUND

The Brewery Blocks is a mixed-use redevelopment project of Gerding/Edlen Development, with 1.7 million sq. ft. of retail, creative Class-A office space, and housing. It is located in the former Blitz-Weinhard Brewery District in Portland's vibrant post-industrial neighborhood, known as the Pearl District. The development consists of historically significant buildings, brewery relics, and new green buildings—bringing together the past with the vision for a sustainable future.

## THE CASE FOR GREEN BUILDING

Gerding/Edlen focuses on meeting clients' short-term needs, but has a corporate ethic for adding long-term value to the community. Dennis Wilde, the firm's senior project manager, explains it this way, "We believe that people are an important part of sustainability. Creating great places where people can do it all—live, work and play—is a sustainable pattern of development."

Block 4's most impressive results are in real estate performance. It completely outperformed other projects on the market, bucking vacancy trends despite debuting on the market just after 9/11. "Our market was very depressed," explains Wilde. "We had one of the highest jobless rates in the country, and yet we leased out 500,000 square feet in two years. The same market lost over 1 million square feet over the same time."

**Owner/Developer:** Gerding/Edlen Development Company, LLC

**Architect:** GBD Architects Incorporated

**Mechanical Engineer:** Glumac International

**Contractor:** Hoffman Construction Company

LEED-CS Pilot Project (2004)



## PROJECT GOALS AND RESULTS

On The Brewery Blocks project, Gerding/Edlen challenged design teams to come up with the greenest project they could at no cost premium.

The selected design team studied high-performance strategies and settled on features that balanced performance improvements against savings and incentives. Because the building was delivered to market as core and shell, Gerding/Edlen sought to maximize building performance by developing a green tenant improvement manual and worked closely with tenants to encourage adoption. Wilde estimates that the additional up-front planning increased design fees by approximately 10%, but that these costs are offset over time by adequately designed, highly-efficient systems that provide tenants with ongoing operational savings.

The south façade of Block 4 features a number of high-performance strategies. The daylighting design is an integrated system that consists of high ceilings, tall windows, high-efficiency glazing, interior light shelves and daylighting controls. Renewable energy systems were installed on the rooftop that will generate 21.6 kilowatts each year. The rooftop on the fourth-floor setback is an ecoroof system planted with native vegetation that will attenuate the site's storm water runoff by a minimum of 25 percent.

It is estimated that the high-performance building envelope and HVAC systems will result in direct energy savings of more than \$58,000 per year, a payback of approximately 8.5 years. These systems also help proof the building against future energy price inflation.

The project received funding from a variety of sources that offset the initial capital investment. The utility paid for energy modeling, and the city helped fund LEED-CS certification fees and allowed an additional 45 feet in height for specific green building strategies. It's estimated that approximately \$225,000 will be earned through the State of Oregon's Business Energy Tax Credit program. In addition, the Northwest Energy Efficiency Alliance supported the development of the tenant improvement manual and construction waste management program; and The Energy Trust of Oregon and the Bonneville Environmental Foundation partnered to fund the photovoltaic system.

Construction costs for the building's high-performance green building features were less than 1% of the project's total cost. The bundle of financial incentives more than offset the increase in capital costs. Gerding/Edlen has made securing non-profit funding and incentives a key component of their overall project management process.

In addition to the high-performance features, the building was designed to create a comfortable workspace for people. Low-VOC materials and good ventilation contribute to good indoor air quality. Natural light and operable windows, with access to fresh air and a connection to the outside, provide a more pleasant environment.

The Block 4 team set ambitious goals early in the design process. While it may stretch conventional wisdom for some—upgrading features in a buyers market is risky—this ambitious property drove high leasing rates and dramatically outperformed the market. Wilde explained, "Listening to the market demand and the values of the community really paid off."

## ABOUT GERDING/EDLEN DEVELOPMENT COMPANY, LLC

Gerding/Edlen Development Company, LLC, a long time member of the development community of Portland, Oregon, is well known for its broad-based expertise in mixed-use projects, its strict attention to environmental considerations, and its success in undertaking challenging, complex developments.

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— Dennis Wilde  
Senior Project Manager



## About LEED-CS

LEED® for Core and Shell (LEED-CS) covers base building elements, such as the structure, envelope and building-level systems of new core and shell speculative development construction. LEED-CS recognizes the division between owner and tenant responsibility and will be used to evaluate building projects where the owner does not control the interior design and fit-out.

The LEED-CS Rating System promotes improved practices in:

- water and energy efficiency for landlords and tenants
- sustainable land use
- responsible materials selection
- improved indoor environmental quality

LEED-CS certification offers unique benefits to both owners and tenants. Pre-certification enables owners to market their building's LEED features to prospective tenants prior to completion. For tenants, LEED-CS certification will help achieve credits toward LEED for Commercial Interiors (LEED-CI) certification. In addition, owners seeking LEED-CS certification may qualify for state and local incentives for green building.



LEED-CS

Build green. Everyone profits.