



**CRA/LA**

Building communities with jobs & housing

Community Redevelopment Agency  
of the CITY OF LOS ANGELES

DATE /

**NOV 2 - 2006**

FILE CODE /

354 South Spring Street / Suite 800  
Los Angeles / California 90013-1258

T 213 977 1600 / F 213 977 1665  
www.crala.org

CRA File No. 5017

Council District: 13

Contact Person: John Perfitt

(213) 977-1715

Honorable Council of the City of Los Angeles  
John Ferraro Council Chamber  
200 N. Spring Street  
Room 340, City Hall  
Los Angeles, CA. 90012

Attention: Alan Alietti, Office of the City Clerk

**COUNCIL TRANSMITTAL:**

Transmitted herewith, is a Board Memorandum adopted by the Agency Board on November 2, 2006, for City Council review and approval in accordance with the "Community Redevelopment Agency Oversight Ordinance" entitled:

**VARIOUS ACTIONS RELATED TO:**

APPROVAL OF AN EXCLUSIVE NEGOTIATING AGREEMENT WITH SUNSET URBAN PROPERTIES, LLC. FOR THE DEVELOPMENT OF THE SUNSET/GORDON MIXED USE PROJECT LOCATED AT 5939 WEST SUNSET BLVD.

HOLLYWOOD/CENTRAL REGION (CD13)

**RECOMMENDATION**

That City Council approve(s) recommendation(s) on the attached Board Memorandum.

**ENVIRONMENTAL REVIEW**

The recommended action does not constitute a "project" as defined by the California Environmental Quality Act "CEQA")

**FISCAL IMPACT STATEMENT**

There is no fiscal impact to the City's General Fund, as a result of this action.

Cecilia V. Estolano, Chief Executive Officer

15

MEMORANDUM

DATE: NOVEMBER 2, 2006 HW6990

TO: AGENCY COMMISSIONERS

FROM: CECILIA V. ESTOLANO, CHIEF EXECUTIVE OFFICER

RESPONSIBLE PARTIES: HELMI HISSERICH, REGIONAL ADMINISTRATOR  
JOHN PERFITT, SENIOR REAL ESTATE DEVELOPMENT AGENT

SUBJECT: APPROVAL OF AN EXCLUSIVE NEGOTIATING AGREEMENT WITH SUNSET URBAN PROPERTIES, LLC. FOR THE DEVELOPMENT OF THE SUNSET/GORDON MIXED USE PROJECT LOCATED AT 5939 WEST SUNSET BLVD.

HOLLYWOOD REDEVELOPMENT PROJECT  
HOLLYWOOD/CENTRAL REGION (CD13)

RECOMMENDATION

That the Agency, subject to City Council review and approval, authorize the Chief Executive Officer or designee to execute an Exclusive Negotiating Agreement ("ENA") with Sunset Urban Properties, LLC ("Developer") to further negotiations toward the development of a large-scale, mixed-use project located at the northeast corner of Sunset Boulevard and Gordon Street. The ENA would set forth the preliminary parameters and timeframe for negotiating the project.

SUMMARY

The Developer, Sunset Urban Properties, LLC, proposes a mixed-use project that includes market-rate for-sale housing, workforce housing, commercial office space, and public open space. The ENA would set forth the timeframe and preliminary terms for exclusive negotiations toward the creation of an Owner Participation Agreement ("OPA") and a public/private partnership between the Developer and Agency for the Sunset/Gordon Project ("Project").

RE

August 17, 2006 - Agency approved conditional waiver of Agency housing policy.  
October 10, 2006 - Council approved August 17, 2006 Agency Action/Council File #: 06-2395.

SOURCE OF FUNDS

Hollywood Project Bond Proceeds and Tax Increment Funds

PROGRAM AND BUDGET IMPACT

This action will not have any program or budget impact in fiscal year 2007. Future fiscal impacts will be defined during the ENA period.

## ENVIRONMENTAL REVIEW

If an OPA results from the proposed ENA, appropriate site-specific environmental review documents meeting CEQA requirements will be completed for Agency action prior to entering into any formal agreements.

## BACKGROUND

Agency staff received an owner participation proposal for a public/private partnership between the Agency and Gerding Edlen for the development of the Sunset/Gordon Project. The proposed Sunset/Gordon Project is located at the northeast corner of Sunset Boulevard and Gordon Street on a 2.5-acre site (refer to Attachment A, Location Map). Current land uses at the site include a small residential multifamily apartment building with eight units, The Old Spaghetti Factory restaurant, and parking lots. Gerding Edlen, via its single-purpose entity formed the project, now owns the entire 2.5-acre site for the Sunset/Gordon Project.

The Sunset/Gordon Project is currently proposed to develop approximately 300 units of for-sale condominiums, including 60 units of workforce housing to be sold at price points affordable to households earning from 120% to 200% of the area median income for Los Angeles County. Sunset/Gordon also contains approximately 40,000 square feet of commercial office space and approximately 15,000 square feet of retail space. The developer team is committed to partnering with the Agency and the City of Los Angeles to assure that the Project includes a 1/2 acre park that is open to the public and is managed and maintained by a nonprofit or the Project itself, or a combination thereof; more importantly, however, maintenance of the park will not rely on City of Los Angeles resources. The Sunset/Gordon Project, as currently proposed, would provide the following economic development and community benefits:

- Preserve an historic building on the ground floor;
- Include a 1/2-acre public park to serve nearby residential neighborhoods;
- Include approximately 40,000 square feet of creative office space targeted to entertainment industry firms and further enhancing entertainment industry office supply;
- Be the first development in Hollywood to be certified gold by Leadership in Energy and Environmental Design (LEED) using the standards developed by the US Green Building Council;
- Provide Flexcar services onsite;
- Leverage outside funding resources in addition to CRA/LA investment, such as New Market Tax Credits;
- Comply with all other Agency policies, including policies on Living Wage and Prevailing Wages.

This project previously was evaluated by the Agency on August 17, 2006, when staff sought a conditional waiver of the Agency Housing Policy in order to pursue and negotiate for workforce housing instead of traditional affordable housing for the Project. During the August 17 meeting, the Agency directed staff to pursue the workforce housing and begin negotiations with the

Developer. Since that time, the Developer has acquired all the land necessary for the project and has commenced with predevelopment activities. The Developer is now actively pursuing the necessary debt, equity, and New Markets Tax Credits financing for the Project.

#### **DEVELOPER TEAM AND PROPOSED DEVELOPMENT CONCEPT**

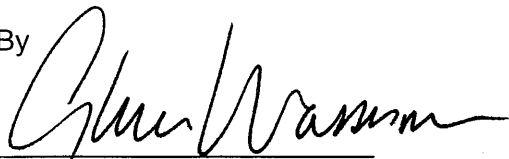
Gerdling Edlen is the developer for the Project and has formed Sunset Urban Properties, LLC as the single-purpose entity to develop the Project. Gerding Edlen is a forward-thinking and successful development firm based in Portland, Oregon. During the last three years, Gerding Edlen has constructed, or is constructing, three residential buildings in downtown Los Angeles, and is currently carrying out predevelopment and environmental activities for a project located in the Wilshire Center Koreatown Redevelopment Project Area. Attachment B contains a profile of the firm, including its mission and recently completed projects. An example of Gerding Edlen's forward thinking is that for the Sunset/Gordon Project the Developer will sell the parking separate from the residential units themselves. This is the first time, to staff's knowledge, that a developer in Hollywood has used this approach, and it is important because it more accurately identifies the true costs of parking and driving and requires the new condo owners to bear this cost.

#### **PRELIMINARY FINANCING PLAN**

Agency staff anticipates an OPA between the Agency and Developer that would provide gap financing for the Sunset/Gordon project to further the goals of the Hollywood Redevelopment Plan. Specifically, these goals are: to increase the supply of housing for all income levels, create career ladder living wage jobs, support the entertainment industry, and encourage the development of recreational facilities. Agency staff anticipate that the Project, as currently proposed, will have a funding gap. This gap emanates primarily from Agency staff requesting land use changes, i.e. some commercial office development, public open space, and workforce housing, as opposed to the originally proposed all residential project. To close the gap for the Project, Agency staff are committed to leveraging site-specific tax increment resources with other resources, which could include CDBG funds, Fannie Mae funds, City of Los Angeles Department of Recreation and Parks ("Quimby") fees, and New Markets Tax Credits dollars.

Cecilia V. Estolano  
Chief Executive Officer

By



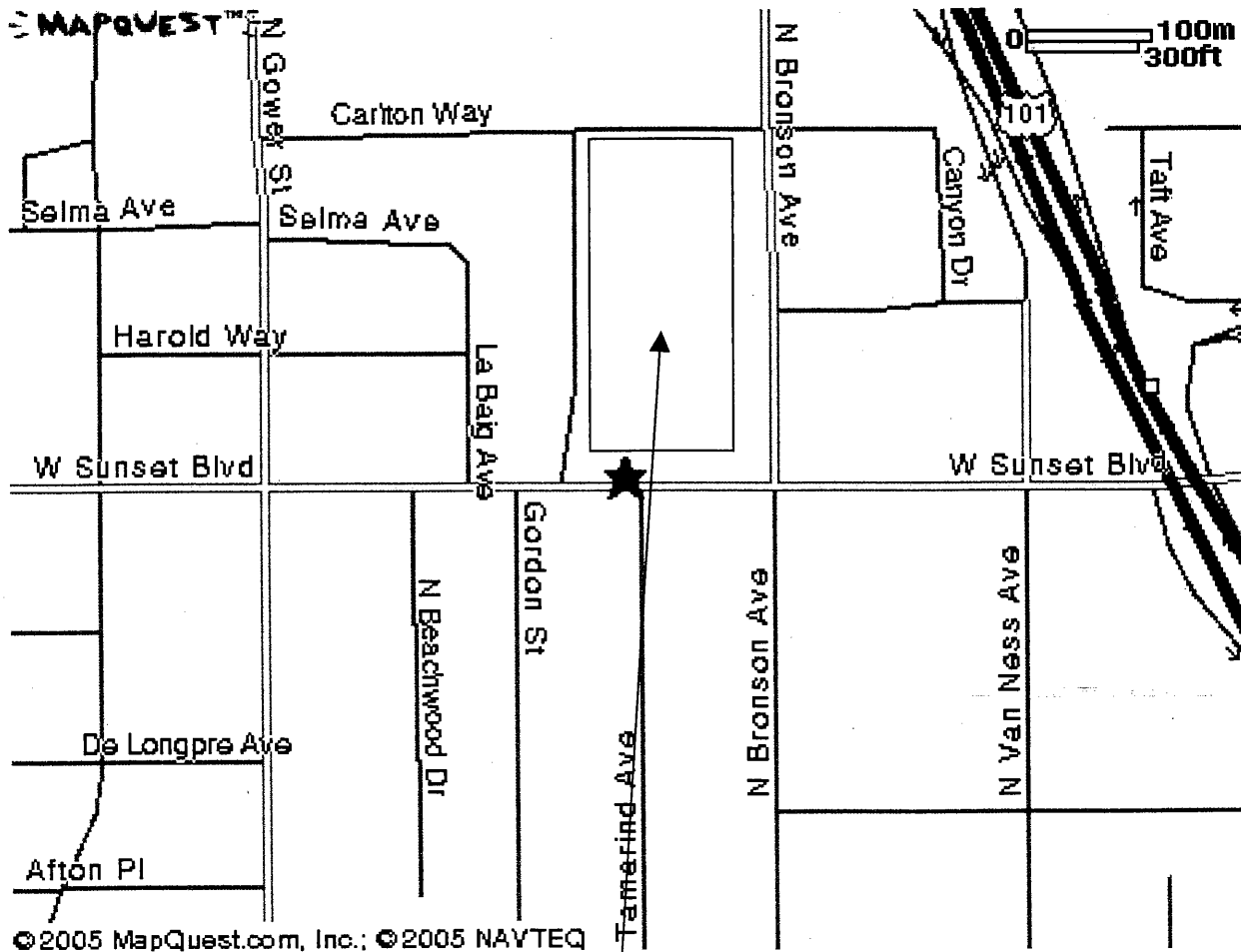
Glenn F. Wasserman  
Chief Operating Officer

There is no conflict of interest known to me which exists with regard to any Agency officer or employee concerning this action.

ATTACHMENTS

- A. Location Map
- B. Developer Profile
- C. Community Context

ATTACHMENT A – LOCATION MAP



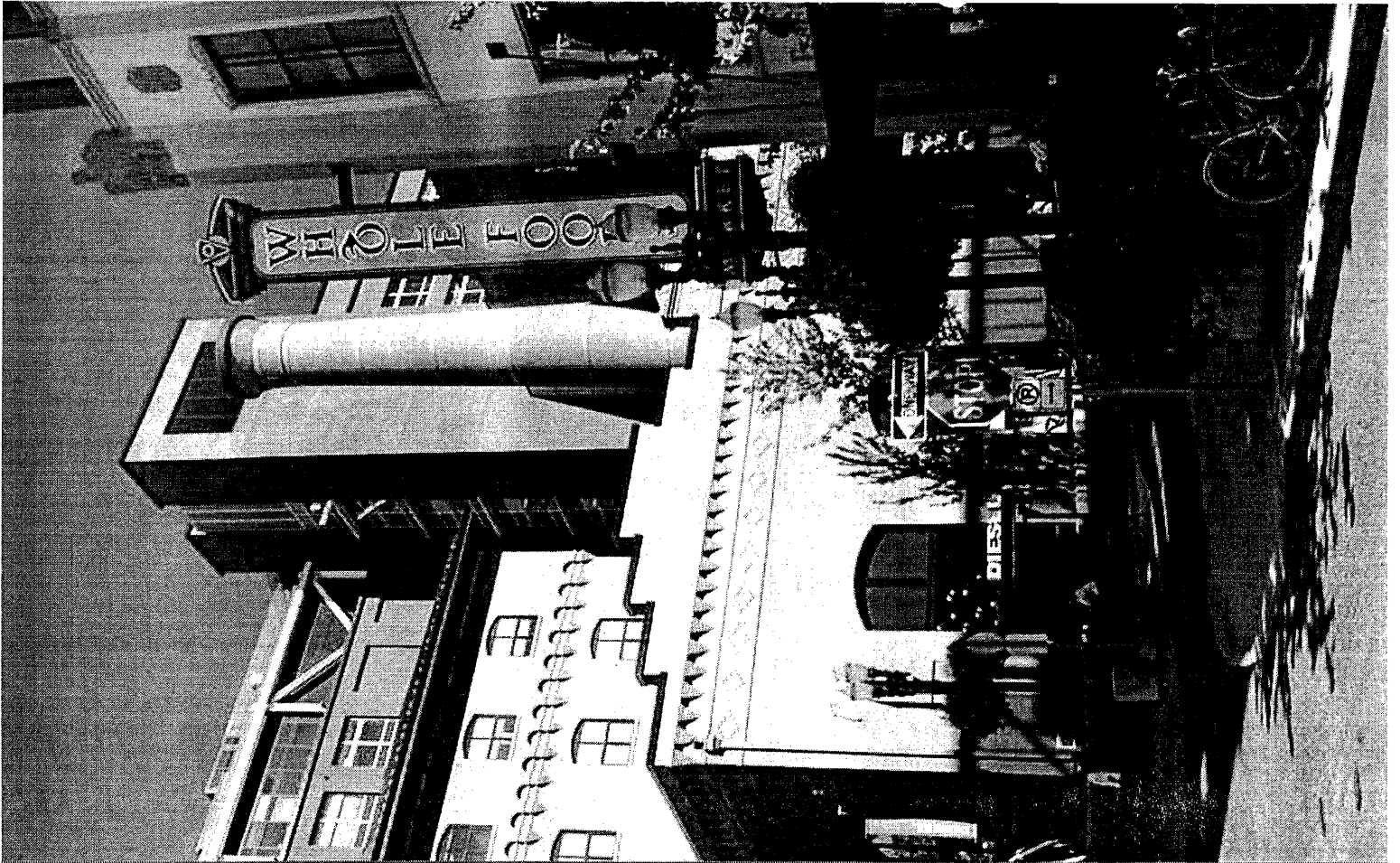
SUNSET GORDON SITE

# Principles of Place

## Standards for Creating Vibrant, Inspiring and Sustainable Places

Gerding Edlen exists to do one simple thing: to create vibrant and inspiring places where people can work, learn and live. We believe that people are increasingly interested in living more meaningful lives. We are, too. Creating places that offer fresh air, foster creativity and incorporate art and culture help us achieve this goal.

To that end, we work with the best and brightest researchers, architects, designers, engineers and contractors to create compelling residential, educational and commercial places. We specialize in challenging projects that require a delicate balance of diplomacy, artistry and science. Whether the project is mixed-use, office, retail, educational or residential the following Principles of Place guide us each step of the way.



# Principles of Place

## Table of Contents

FOREWORD	02
1.0 BUILD COMMUNITY	05
2.0 CREATE INVITING SPACES	06
3.0 MINIMIZE CARBON FOOTPRINT AND ENERGY DEPENDENCE	08
4.0 CONNECT PEOPLE AND BUILDINGS TO NATURE	10
5.0 ENCOURAGE TRANSPORTATION ALTERNATIVE	12
6.0 CRAFT THE FIRST 30 FEET	14
7.0 INSPIRE COMMUNITIES WITH ART	17
8.0 MAKE 20-MINUTE LIVING REAL	19
9.0 INTEGRATE SCHOOLS AND NEIGHBORHOODS	20
10.0 PRESERVE SYMBOLS THAT MATTER	22
GERDING EDLEN PROJECTS REFERENCED	24
ACKNOWLEDGEMENTS	26

## Foreword

In 1998, we wanted to transform a dilapidated warehouse in Portland's emerging Pearl District into our new company headquarters. We approached several developers in Portland, but all of them passed—except one: Gerding Edlen. Bob and Mark were intrigued by our vision of creating a workplace designed, first and foremost, to foster creativity of the Wieden + Kennedy team. The project posed significant challenges, but the experiment was a huge success. The entire experience demonstrated that the folks at Gerding Edlen are truly brave, and willing to take anything on.

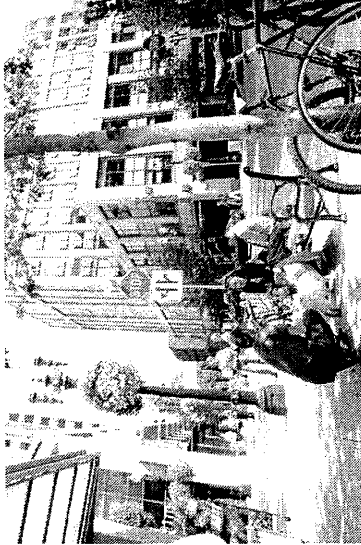
**Dan Wieden, Founder, Wieden + Kennedy**

# Build Community

The simplest things are the most profound. With every potential project, we start by considering place. What is the neighborhood like? Is there an opportunity to create a great place? How can we add to the community and knit ourselves into the fabric of the neighborhood? What are the growth trends? What does this community need? Does it feel right? Can we create something greater than just a building? Only when the right variables are in place do we begin to think about creating a socially, economically and environmentally sustainable building.

When we build in cities like Portland, Los Angeles, Bellevue, Salt Lake City and Phoenix, we spend a great deal of time learning about peoples' needs and the neighborhoods in which we build. We study modes of transportation, demographics and municipal objectives, and immerse ourselves in the physical, social and economic aspects of the community. We evaluate how we can serve people who will live and work in our buildings as well as the community at large. Only after we have explored these issues do we begin to discuss uses, building concepts, massing, forms and shapes. An understanding of how all of these elements work together is essential to creating an environment where people can thrive.

Our mixed-use residential towers in downtown Los Angeles have been successful because we saw the potential of a great place that others overlooked

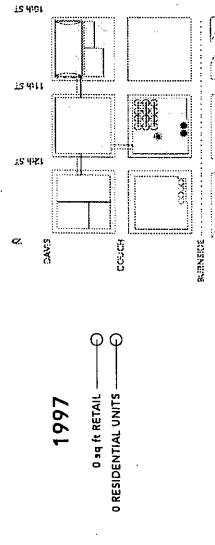
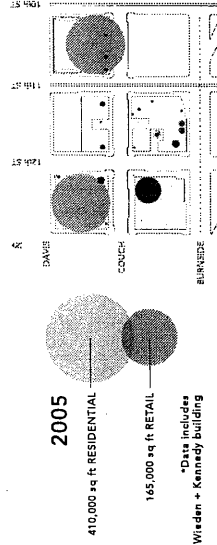


UNDERSTANDING PEOPLES' NEEDS AND THE NEIGHBORHOODS IN WHICH WE BUILD IS ESSENTIAL TO CREATING INSPIRING, SUSTAINABLE PLACES LIKE THE BREWERY BLOCKS IN PORTLAND, OREGON.

Diagram 1 RESIDENTIAL AND RETAIL Principles of Place

RESIDENTIAL  
RETAIL

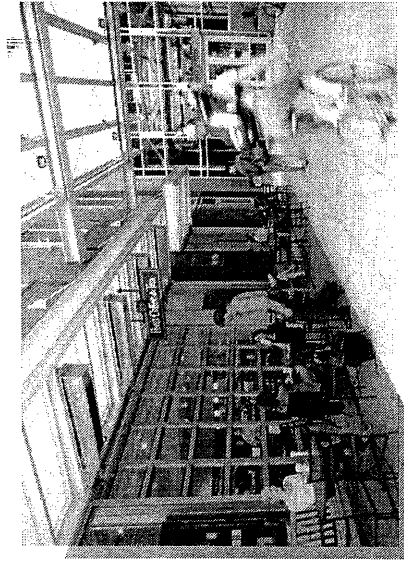
The five-block Brewery Blocks development in Portland, Oregon was once a desolate neighborhood. Now it features significant retail and residential space to meet the needs of urban dwellers.



## Create Inviting Spaces

Well-designed public spaces invite people to gather and connect with each other in meaningful ways. The public squares in many European cities are good examples. People-watching, strolling, meeting with friends, special performances—all of these activities take place in welcoming spaces available to everyone in the community.

One of the most interesting facets of what we do is engineering the transition between public and private spaces. So often these realms are viewed as separate from each other, or black and white. Instead, we celebrate the gray. We think of these spaces between public and private as front porches or thresholds, and we've created a rich toolbox to help make great gray spaces.



THE CAFÉ SEATING AREA AT FEET'S COFFEE AND TEA IN PORTLAND'S BREWERY BLOCKS NEIGHBORHOOD ACTS AS A WELCOMING TRANSITIONAL SPACE BETWEEN THE STREET AND OFFICES INSIDE



PUBLIC SQUARES IN EUROPEAN CITIES INVITE PEOPLE TO GATHER AND CONNECT WITH EACH OTHER IN MEANINGFUL WAYS

The entry to our office building in the Brewery Blocks (a five-block, urban mixed-use neighborhood in downtown Portland) is a great example of these tools in action. A glass volume of a coffee shop flanks the entry to a glass covered outdoor mini-plaza that leads to the office entry. The transition from public to private is clear because the pavement surface gives way to concrete pavers. On the right side is the historic brick cellar building, which we restored for office use. The coffee shop has glass roll-up doors, so it becomes a permeable space when the weather is nice, energizing the plaza. The main office building entry is clearly defined by its own vernacular. By thoughtfully linking public and private spaces, gray areas like these contribute to the social and economic vitality of communities.

Our community-building efforts in South Waterfront (a mixed-use, riverfront development in Portland) include engaging residents and local experts in a visioning process to determine ecological, economic and social sustainability goals for the neighborhood.

## Minimize Carbon Footprint and Energy Dependence

3.0



According to the U.S. Green Building Council, buildings account for one-third of energy use, 30 percent of greenhouse-gas emissions and 30 percent of raw material use in the U.S. today. If we can reduce the environmental impact of a building and the people who live in it by 50 percent, we can significantly improve the quality of life for everyone. Minimizing carbon footprint and decreasing dependency on oil are fundamental to our sustainability goals.

Carbon footprint measures the impact of human activity on the environment in terms of the amount of harmful greenhouse gases produced and measured in units of carbon dioxide. To reduce the carbon footprint and energy dependence in all of our buildings, we build with innovative water- and energy-conserving features: rainwater harvesting, daylighting, solar panels, energy-efficient appliances and more. We recycle the vast majority of demolition and building materials, use recycled content (such as wheat board and low-VOC-emitting materials) and provide residents with eco-friendly cleaning supplies, among other strategies.

We are passionate about urban development because it has less of an impact on the environment than other kinds of development. Building within existing infrastructures is inherently

more sustainable than creating new ones, and dense urban developments require less land and other resources than new suburban homes and other buildings serving a comparable number of people. In addition, people who live in dense urban areas tend to use less fuel because they don't drive as much. We also encourage the development of alternate forms of transportation that help reduce carbon footprint and dependency on foreign oil, such as walking, biking, streetcar and the bus.

At first glance, some of our ideas seem unconventional: utilizing photovoltaics, wind turbines, ground-source heat pumps and fuel cell technology, to name a few. We spend countless hours researching and developing alternative technologies. Some methods don't live up to our expectations, but most meet or surpass them. Whatever the outcome, each experience gives us an opportunity to learn and use this knowledge in other applications. For us, every idea is worth considering, we keep learning every day.

More than 25 of our projects are designed to LEED (Leadership in Energy and Environmental Design) certification.

Our goal is to reduce energy consumption in our buildings by 50 percent in the next two years. We aim to have our buildings producing energy within five years.

In its Guide to America's Best New Development Projects, the Sierra Club named the Brewery Blocks one of a dozen cutting-edge projects that have positively transformed communities.

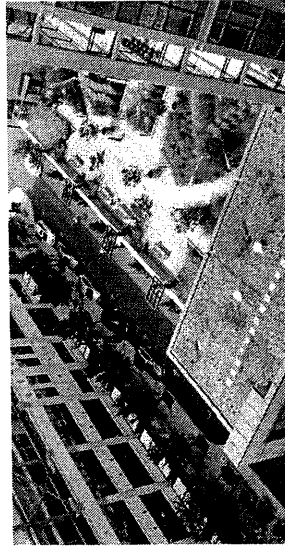
To minimize our contribution to global warming, we purchased 227 metric tons of carbon credits to offset our 2005 work-related travel. These credits will be used for local causes such as downtown parks

## Connect People and Buildings to Nature

4.0 

There's a growing awareness in our culture of the benefits and importance of nature to our well-being. We all need opportunities to enjoy the outdoors. Whether it's a park, waterfront trail, boat ride or the sight of an osprey fishing in the river, these experiences are a part of us. If we remove them from our lives, we diminish who we are and what we can accomplish.

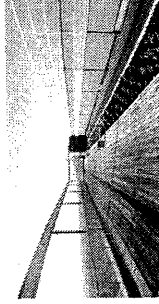
We believe that bringing more nature into urban environments is essential to improving quality of life for people in the community. Ideally, everyone in our buildings would have access to



AN ECOROOF AND A ROOFTOP GARDEN ON THE LOUISA IN THE BREWERY BLOCKS HELP SUPPORT LOCAL ECOSYSTEMS AND BRING NATURE INTO THE CITY.

a park or other green space within a 20-minute walk. In addition to attracting people, these spaces appeal to birds and other species that enrich our everyday experiences.

The Bellevue Towers, for example, will share an eco-landscaped terrace, outdoor communal spaces and Cascade Mountain views. The South Waterfront is connected to nature by way of the river, ecoroofs, walking trails, views from buildings, a central park and other urban green spaces. Restoring native and adaptive plant



THE COPENHAGEN ENERGY BUILDING IN COPENHAGEN, DENMARK OFFERS CITY DWELLERS A NATURAL OASIS WITH A ROOFTOP DECK AND GARDEN.

life to support local ecosystems is another way we bring nature into the urban environment. For example, the garden streets at South Park (a new urban living project in downtown L.A.) incorporate a series of planters to collect sidewalk and street runoff and help keep harmful chemicals out of ground water. This project isn't going to change the world, but our intention is to demonstrate a different way of doing things in L.A.

The South Waterfront development features 60,000 square feet of planned ecoroofs, terraces and green space that give people places to gather and also handle storm water runoff in a sustainable way.



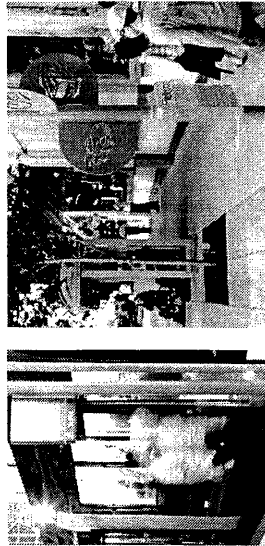
AN OLD TORPEDO BOAT HANGAR IN HILMAN, DENMARK WAS TRANSFORMED INTO A KAYAK LAUNCH AND THE TORPEDO HALL APARTMENTS, HELPING TO CONNECT PEOPLE TO NATURE.

## Encourage Transportation Alternatives

5.0

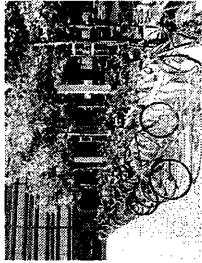
Choice is a cornerstone of our culture, yet many communities offer only limited transit choices. Those who step outside of their comfort zone realize how empowering it is to have transit options. These people are healthier, happier and more engaged in their communities. They're more likely to have meaningful encounters with other people and their surroundings while walking or using public transportation than they would have riding alone in their cars. As foreign-based petroleum becomes more expensive, it's even more important to create opportunities for people to commute without cars. We can't ignore the auto, but we can encourage people to use alternate forms of transportation by making it as convenient and easy as possible.

The residents at South Waterfront have a variety of ways to commute, including an innovative aerial tram, streetcar, bike paths and Flexcar.



ENCOURAGING ALTERNATIVE MODES OF TRANSPORTATION—FLEXCAR, THE PORTLAND STREETCAR AND OTHERS—IN COMMUNITIES IN WHICH WE BUILD MAKES THEM BETTER PLACES TO LIVE.

We work closely with policymakers and organizations (government, neighboring and private parties, environmental organizations and others) to promote alternative transportation and smart growth strategies for cities and regions in which we develop. For example, at South Waterfront in Portland, residents can take a brief aerial tram ride to reach Oregon Health & Science University (OHSU) and take the streetcar to shopping, restaurants and cultural events in central downtown. In many of our developments, we provide Flexcar services to residents who need a car only occasionally. We're also planning a public bike hub at the foot of Portland's Hawthorne Bridge, a major



IN COPENHAGEN, DENMARK, BICYCLE PLANNING IS AS IMPORTANT AS PUBLIC TRANSPORT. MANY PEOPLE COMMUTE BY BIKE AS A RESULT, DECREASING THEIR RELIANCE ON CAR AND OIL AND ENHANCING QUALITY OF LIFE.

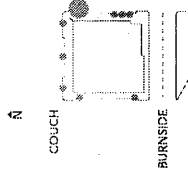


Fig. 1

● BIKE RACKS

Increasing the number of bike racks in the Brewery Blocks encouraged commuters to leave their cars at home.

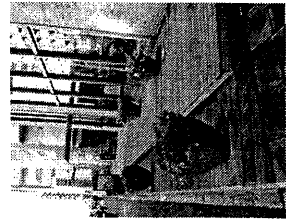
jogging, walking and biking gateway to the city. In the Brewery Blocks, we helped double the number of transit stops (including the streetcar), in addition to offering Flexcar. Our L.A. buildings are just a few short blocks from the downtown Metro line. Transportation options in all of these communities make them better places to live.

## Craft the First 30 Feet

6.0 

Maybe it's a result of our chaotic lives, but most people don't look above their shoulders. This isn't an invitation to ignore the middle and upper reaches of buildings, but an opportunity to pay special attention to their bases—especially the first few floors and the way the building is woven into the surrounding fabric. Creating an engaging first 30 feet makes the street interesting and appealing to people who live, visit and work.

We are very aware of the importance of creating exciting pedestrian environments. This takes different forms with each project. In the Brewery Blocks, we decided from the beginning that we needed retail to activate the streetscape. We considered where retailers might want to place their entryways and we encouraged individualized canopies and awnings. This approach allows retailers to merchandise their products in unique ways. It also breaks up the scale of the building, lends unique character to different parts of the street and animates the streetscape.



COLORFUL PLANTERS ADD VISUAL INTEREST AND CONTRIBUTE TO AN ENGAGING FIRST 30 FEET IN THE AMOTESANDO SHOPPING DISTRICT OF TOKYO.

To make the street more inviting, we added comfortable benches with backs on curb extensions, facing toward the buildings (as opposed to the street) and anchored them with planters to provide a sense of place and community. On a nice day, people rest, converse or read a book. People of all ages are engaged. New



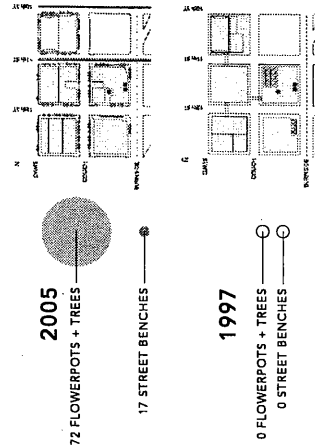
A. COMFORTABLE BENCHES FACING TOWARD BUILDINGS AND ANCHORED BY PLANTERS PROVIDE A SENSE OF PLACE AND COMMUNITY.  
 B. INDIVIDUALIZED RETAIL CANOPIES AND AWNINGS ALLOW FOR UNIQUE MERCHANTS AND CHARACTER, WHILE BREAKING UP THE SCALE OF BUILDINGS AND ANIMATING THE STREETScape.

parking was concentrated in underground garages to avoid interrupting the streetscape. Collectively, efforts like these create active and engaging neighborhoods that attract more people and enhance economic and social sustainability.

Fig. 2

- FLOWERPOTS + TREES
- STREET BENCHES

Street benches, flowerpots and trees help activate the streetscape in the Brewery Blocks.



## Inspire Communities with Art

Beyond making us feel good, art improves our buildings and the communities in which we build. Without it, life is less inspiring. We seek ways to increase access to the arts in all our projects. Many of our buildings feature visual art elements in building facades, lobbies, landscape amenities and surrounding parks. In our buildings, we hope the artistry is evident in the way they are put together; we strive for outstanding design in all of our projects and view architecture (if done well) as art. In addition to the built environment, we support the performing arts in the communities in which we build.

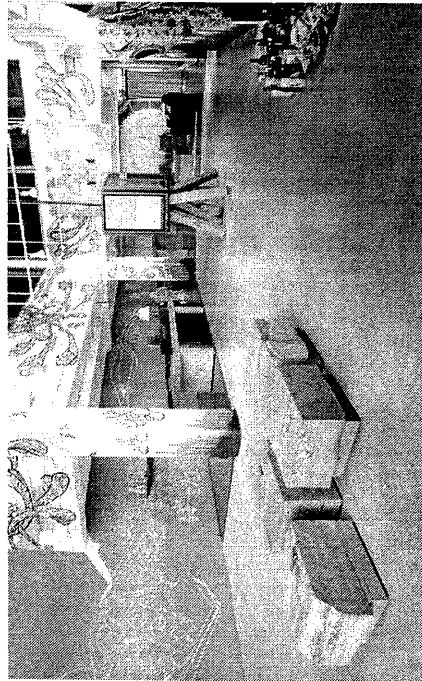
The Brewery Blocks exemplifies our commitment to building community with art. To ensure that the neighborhood has a significant connection to the arts, we facilitated the redevelopment of the historic Armory into a performing arts center that is home to Portland Center Stage. Everything about the project embodies art: the engineering and architecture blend history and technology, linking past and present; several small theaters accommodate multiple performances; and additional gathering and learning spaces promote creative interaction of the community. The theatre will be a cultural and creative hub for the Brewery Blocks and the entire city. It will also stimulate economic development of the neighborhood.

We donate generously to the arts, including Oregon Ballet Theatre, Portland Center Stage, Portland Northwest College of Art, The Portland Institute for Contemporary Art, the Oregon Symphony and the Portland Art Museum.

Our South Park project in L.A. is the first residential development to be involved in the Community Redevelopment Agency's one percent for art program, which funds on-site public art projects, cultural facilities and more.



PUBLIC ART, SUCH AS THIS EXHIBIT IN MALMO, SWEDEN, INSPIRES PEOPLE AND IMPROVES BUILDINGS AND COMMUNITIES.



THE B STREET GALLERY IN DOWNTOWN PORTLAND, OREGON SERVES AS BOTH A SALES OFFICE FOR THE CIVIC FOUR CONDOMINIUM PROJECT ON NEARBY WEST BURNSIDE STREET, AND A GALLERY EXHIBITING WORK BY LOCAL ARTISTS.

# Make 20-Minute Living Real

Imagine being able to do all of the necessary and enjoyable things that make life great within 20 minutes of your home. The magic of cities is that they have the potential to provide most things people need for inspired living—open spaces (planned and natural), grocery stores, workplaces, libraries, events, public and private schools—within a concentrated area. Less time spent in transit means more time for family and friends, leisure activities and other meaningful experiences.

We strive to make 20-minute living a reality in communities in which we develop. Twenty minutes on foot is ideal, but 20 minutes by transit, bike or even auto is a reasonable goal. For South Waterfront residents, 20-minute living will include offices, housing, restaurants, shops, recreation and opportunities to enjoy nature. Residents, doctors, researchers and businesspeople will also have easy access to OHSU's Center for Health & Healing, and its clinics at the main campus, as well as access to central downtown Portland via the streetcar.

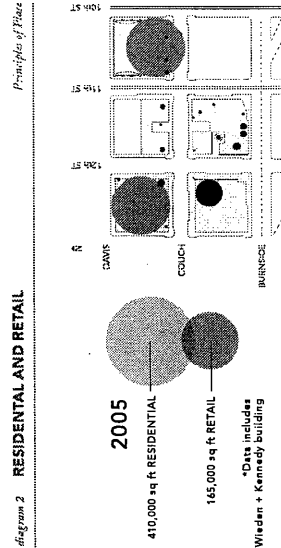
L.A. was ready for 20-minute living. One of our first residential buildings sold out in only seven and a half hours.

In the Brewery Blocks, we created 20-minute living with a mix of housing, offices, retail, places to experience art and convenient, alternative transit options.



Diagram 2 TOKYO IS ONE CITY THAT OFFERS 20-MINUTE LIVING, PROVIDING MOST THINGS PEOPLE NEED FOR INSPIRED LIVING WITHIN A CONCENTRATED AREA.

Twenty-minute living improves well-being and increases opportunities for unexpected, enriching social interaction and encounters with our surroundings.



## Integrate Schools and Neighborhoods

20.0

Schools are the lifeblood of our communities, and education is a lifelong process. We believe in integrating schools (for all ages) and communities in a more effective way, approaching schools the way we approach commercial buildings. There's an opportunity to make education the center of what we do, instead of relegating it to the periphery.

We facilitate a connection between schools and the greater community to encourage learning and knowledge beyond the classroom. We promote ground level retail and other active space in educational buildings and exterior public spaces for everyone in the community. Our efforts include innovative student housing at Portland State University that promotes collaboration and learning by integrating classroom and common space into living and learning centers. OHSU's Center for Health & Healing at South Waterfront, an innovative health and wellness center that offers health-related classes for members, will become a hub of the neighborhood.



THE STUDENT HOUSING WE CREATED AT PORTLAND STATE UNIVERSITY (PSU) INCLUDES AN INNOVATIVE MIX OF HOUSING, CLASSROOM SPACE AND GROUND FLOOR RETAIL, ENCOURAGING COLLABORATION AND COMMUNITY INVOLVEMENT.

In addition, we provide financial support, create internships and serve on foundations of educational institutions. By participating in classrooms and acting as mentors, we become more educated about the needs of students, teachers and the community at large. In the true spirit of public/private partnerships that enhance communities, many of our higher education projects are done pro bono or at greatly reduced rates.

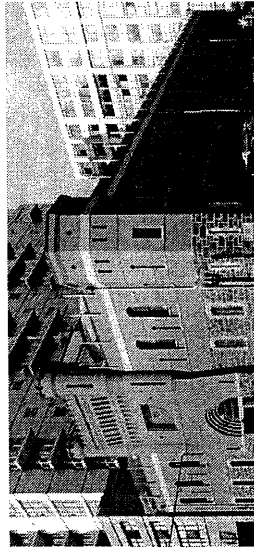


SELF ENHANCEMENT, INC. IS A NON-PROFIT ORGANIZATION WE SUPPORT THAT HELPS UNDERSERVED CHILDREN IN PORTLAND REALIZE THEIR POTENTIAL WORKING WITH SCHOOLS, COMMUNITY ORGANIZATIONS AND FAMILIES. SEI PROVIDES OPPORTUNITIES FOR SUCCESS WHILE CONTRIBUTING TO THE SOCIAL AND ECONOMIC SUSTAINABILITY OF THE COMMUNITY.

## Preserve Symbols that Matter

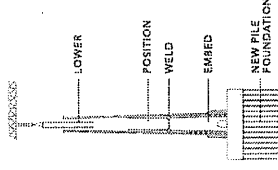
10.0 

The sameness of most American cities is pretty uninspiring. We need places with character—places with special features that differentiate one place from all the others. Historical elements, including distinctive buildings and symbols, are socially significant touchstones in communities. They're fundamental to the identity and character of a place; they make it unique. They provide people with a sense of identity, history and context for their own role in their community's story. Iconic elements act as landmarks for people outside the area, making it easier for them to find and engage in the community.



THE PORTLAND ARMORY (CIRCA 1891) IN THE BREWERY BLOCKS WAS TRANSFORMED INTO A PERFORMING ARTS CENTER FOR THE COMMUNITY. IT ALSO HELPS DEFINE THE IDENTITY OF THE NEIGHBORHOOD.

The historic, 100-foot tall brewhouse smokestack in the Brewery Blocks was the ultimate test of our resolve to preserve a historic icon. It was originally constructed of un-reinforced masonry, and its height, location and diameter (eighteen feet



**Fig. 7**  
**SMOKESTACK**  
The original brewhouse smokestack in the Brewery Blocks was preserved to provide the neighborhood with a sense of place. Twenty-foot-long pipe sections were lowered into the smokestack by crane, then positioned and embedded with concrete at its base.

at the base) made a seismic upgrade near impossible. We spent months evaluating strategies to save it. In the end, we carefully reinforced the smokestack with steel piles drilled into the new concrete at its base and 20-foot long sections of steel pipe. Seven hundred fifty thousand dollars later, the smokestack is a symbol of what the property was, historically, as well as what it has become: a vibrant community of restaurants, shops, offices and homes.

Preserving historic, iconic elements is not always economically feasible or practical, and sometimes it is simply impossible. But if the element in question—a brewhouse smokestack, a historic armory—is socially significant to the neighborhood or community, we strive to preserve it. Experience has taught us that this requires innovative solutions, collaboration with experts, community support and nimbleness in order to be successful. But in the end, the community wins.

Preserving historic, iconic elements is not always economically feasible or practical, but if they're socially significant to the neighborhood or community, we strive to preserve them.



Historic buildings in Toronto, Canada lend character and a sense of place to neighborhoods within the city.

## Gerding Edlen Projects Referenced



### South Waterfront Redevelopment Project\*

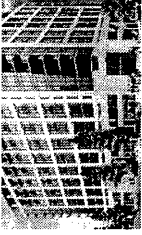
The 38-acre, mixed-use riverfront development in Portland, Oregon will include 250,000 to 300,000 square feet of storefront retail space, over 2,700 housing units in residential towers, Oregon Health & Science University's Center for Health & Healing and substantial green space. Residents will have multiple transit options, including bike paths, riverfront trails, an aerial tram and streetcar.



### The Brewery Blocks

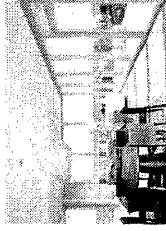
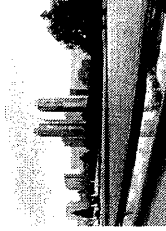
An historic brewery was transformed into a five-block, urban mixed-use development in downtown Portland, Oregon. The project features approximately 1.8 million square feet of combined urban retail, creative Class A office space and housing, in addition to a performing arts center and underground parking. In six years, we transformed a brewery that supported 250 workers into a vibrant mixed-use neighborhood with over 2700

\*Co-developed with Williams & Dama Development



### South Park\*

The first new urban living project in downtown L.A. in over 20 years includes five buildings (Elleven, Luma, Evo and the South Figueroa towers), with nearly 1,500 residential units, 22,500 square feet of pedestrian-level retail space and underground parking.



### Bellevue Towers

This pair of 42- and 43-story residential towers, located a few blocks from the Performing Arts Center Eastside in the entertainment district of Bellevue, includes nearly 550 units and 20,500 square feet of ground floor retail space.



### Portland State University, Broadway Housing

This project at PSU's downtown Portland campus includes 383 studio apartments for students, 20,000 square feet of retail space, 20,000 square feet of classroom space and Portland's largest eeroof (20,000 square feet).

## Acknowledgements

Great places are created through the heroic efforts of people in the private and public sector working together. From architects and investors to city planners and contractors, we would not exist without the great efforts of our partners. Thank you all for helping us realize our ambitious vision for creating livable, sustainable communities.

Thanks to Bob and Diana Gerding, our families and all of the employees of Gerding Edlen Development. Howard and Manya Shapiro, Vera Katz, Terry Hauck, Fred Payne, Peter and Julie Stott, Rick Saito, Tom Stein, CBD, Ankrom Moison, ZGF, Hoffman and Realty Trust. Thanks also to the City of Portland, Portland Development Commission, Portland Center Stage, OHSU, The Oregon Clinic, Tri-Met, City Center Parking, Dunn Carney, the City of Bellevue, the City of Los Angeles, Ryness, Jean Walcher, Metropolitan Group and Ziba Design. And we couldn't do what we do without Steve Sheppard, SKB, Grubb and Ellis, Cushman and Wakefield, Colliers, Lennar, Kennedy Associates, R&H Construction, Glumac, PAE, Interface Engineering, KPFF, FARM Advertising, Homer Williams and Dike Dame. We'd also like to thank PREM, John Tess, Pacific Gas Transmission, CNF, Alcatel, JW Northwest, The Columbian, Property Reserve, Equity Office Properties, The Housing Authority of Portland, Dan Wieden and the Wieden + Kennedy team, Dan Giustana, Whole Foods, the U.S. Green Building Council, Oregon Natural Step,

Portland Office of Sustainable Development, Joe DeJager, Bruce Kenny, the Oregon University system, Lease Crutcher Lewis, Titcor Title, Georgia Hughes, Pacific University, Jon Kellogg, Norris Beggs and Simpson, Pacific Real Estate Partners, CB Commercial, Capacity Commercial, Craig Winston and Piper Rudnick. We are also grateful for the collaborative efforts of Lehman, Geo Design, Group Mackenzie, Howard S. Wright Construction, Key Bank, Bank of America, J.P. Morgan Chase, Washington Capital, ULLICO, NEBE, Cigna, SERA Architects, Coldwell Banker Commercial Westmac, Mahlum, the CRA and City Planning Department of Los Angeles, Councilwoman Jan Perry, InFocus, Electric Lightwave, Interwest, Mayor Villaraigosa and Abe Farikas, Apollo, PFF, Stan Michota and Ken Reizes, Bob Thompson, Thomas Hacker and Associates, the late Robert Murase, Nathan Sasaki, Ramona Harrington, Brad Cloepfil, OTAK, Muivanny G2, Scott Lewis, Steel Rives, Perkins Coie, Skanska, Bullseye Glass and Walker Macy.

**Gerding Edlen Development**

1120 NW COUCH ST #600 PORTLAND, OR 97209  
503.299.6000

[www.gerdingedlen.com](http://www.gerdingedlen.com)  
[info@gerdingedlen.com](mailto:info@gerdingedlen.com)

© 2006



Build smart.

**ATTACHMENT C – COMMUNITY CONTEXT  
SUNSET GORDON MIXED USE  
5939 WEST SUNSET BLVD, LOS ANGELES, CA.**

Redevelopment Area: Hollywood Redevelopment Project Area

Community Plan Area: Central Hollywood

Council District: Council District 13

Project Area Description: The 1,107-acre Hollywood Redevelopment Project is located approximately six miles northwest of the Los Angeles Civic Center at the foot of the Hollywood Hills. It is the geographically largest project area in the City, and the most diverse in population and economic potential. The “Tinseltown” segment of Hollywood Boulevard attracts millions of tourists, and a growing number of regional entertainment seekers. It is becoming a significant generator of sales tax revenues and new jobs. The areas east of the Hollywood Freeway and south of Sunset Boulevard are primarily residential with great ethnic diversity, and a high percentage of low and very low income households.

Conditions at Time  
of Adoption:

The Hollywood Redevelopment Project area was found to contain the following conditions of blight:

- Economic stagnation characterized by a shortage of available industrial space for entertainment related uses, a decline in residential investment, shifting commercial uses and a shortage of first-class office space.
- Increasing density, including a low-income population that was growing at rates faster than the citywide average; in addition, conditions of high rates of unemployment, overcrowding, and substandard housing were present.
- Over-burdened circulation systems, inadequate public improvements and insufficient open

space. A 1981 parking study identified a shortage of approximately 4,500 parking spaces.

- Irregular parcels which do not meet established planning and zoning standards or economic requirements for development existed throughout the area
- Fragmented land ownership.
- Lack of sufficient public classrooms and day care facilities.
- Homelessness, especially among youth, was increasing.
- Levels of crime were among the highest in the City.

### PROPOSED PROJECT OVERVIEW

Physical Site and Setting Description (Source: CRA Staff)	<ul style="list-style-type: none"> <li>- 40,000 square foot restaurant and surface parking lots.</li> <li>- North part of the site includes 8 units of multifamily residential.</li> </ul>																
Proposed Development Description (Source: CRA Staff)	Mixed-use development with for-sale residential, commercial office, and ground floor retail.																
Proposed Uses by Size (Source: Project Developer)	<ul style="list-style-type: none"> <li>- 300 units of for-sale condos – 60 units affordable to 120%-200% AMI.</li> <li>- 40,000 square feet of office space.</li> <li>- 15,000 square feet of ground floor retail.</li> <li>- 506 parking stalls.</li> </ul>																
Proposed Type of Users (Source: Project Developer)	<ul style="list-style-type: none"> <li>- 240 units of residential targeted to high wage earners.</li> <li>- 60 units of residential targeted to workforce households.</li> <li>- Commercial office targeted to post production entertainment and media companies.</li> </ul>																
Proposed Overall Project Cost and Sources of Funding (Source: Project Developer and CRA Staff)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2"><b>Total Project</b></td> </tr> <tr> <td>Conventional Debt</td> <td style="text-align: right;">\$127,000,000</td> </tr> <tr> <td>New Markets Tax Credits Debt</td> <td style="text-align: right;">\$ 12,000,000</td> </tr> <tr> <td>Equity:</td> <td style="text-align: right;">\$ 12,500,000</td> </tr> <tr> <td>Other Sources</td> <td style="text-align: right;"><u>\$ 7,500,000</u></td> </tr> <tr> <td><b>Total:</b></td> <td style="text-align: right;"><b>\$159,000,000</b></td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td><b>Projected net contribution of tax increment:</b></td> <td style="text-align: right;"><b>\$10,000,000</b></td> </tr> </table>	<b>Total Project</b>		Conventional Debt	\$127,000,000	New Markets Tax Credits Debt	\$ 12,000,000	Equity:	\$ 12,500,000	Other Sources	<u>\$ 7,500,000</u>	<b>Total:</b>	<b>\$159,000,000</b>	 		<b>Projected net contribution of tax increment:</b>	<b>\$10,000,000</b>
<b>Total Project</b>																	
Conventional Debt	\$127,000,000																
New Markets Tax Credits Debt	\$ 12,000,000																
Equity:	\$ 12,500,000																
Other Sources	<u>\$ 7,500,000</u>																
<b>Total:</b>	<b>\$159,000,000</b>																
<b>Projected net contribution of tax increment:</b>	<b>\$10,000,000</b>																

## DEMOGRAPHICS

(Source: US Census, 2000 and LA City Planning)

	Census Tract	LA City (2000 Census)
Population	42,981	3,719,310
Total Households	17,225	1,278,815
Percentage of Households Renting	85.4%	59.5%
Percentage of Households Owning	14.6%	40.5%
Average Household Size	2.51	2.91
Educational Level (HS Diploma or above)	44%	71%
Median Household Income for an individual	\$21,214	\$40,733

Note: Median Income is in 1999 dollars

## DISPLACEMENT

(Source: Project Developer and CRA Staff)

Businesses to be Displaced	
Number and type of Businesses	One restaurant
Number and nature of jobs	Primarily low wage retail and service. No unionized businesses, no living wage employers.
Housing Units to be Displaced	8
Residential Population to be Displaced	
Number of Households	8

## IMPACT ANALYSIS

(Source: CRA Staff)

1. The project is proposed to be built at a 4.5:1 FAR and will certainly generate new car trips and other impacts. These impacts are being assessed in the Environmental Impact Report ("EIR"), as are the potential mitigation measures for the proposed project.

Community benefits include:

- Tax Increment Generating

- Produces approximately \$10 million of new property tax increment over the life of the redevelopment project area.
- **Contributes to Core Industry Sector**
  - Commercial office component supports entertainment industry
- **Historic Preservation**
  - The Old Spaghetti Factory building to be preserved
- **Community Building**
  - 1/2-acre public park
  - Contributes to Livability – Creates Jobs Near Housing
  - Higher density near MTA Red Line
- **Improves Transportation**
  - Flexcar services onsite
  - Located walking distance from the Metro Red Line portal
- **Potential for Project to be a Trend Sending/Model Project**
  - Be the first development in Hollywood to be certified gold by Leadership in Energy and Environmental Design (LEED) using the standards developed by the US Green Building Council
- **Creates Good Jobs**
  - Commercial office component targeted at high-wage entertainment Industry jobs
- Leverage outside funding resources in addition to CRA/LA investment, such as New Market Tax Credits
- Comply with all other Agency policies, including policies on Living Wage and Prevailing Wage

2. Summary of non-mitigatable impacts:

None identified at this time. The EIR will identify these.

3. Summary of mitigatable impacts and proposed mitigation:

The EIR will identify these impacts and the proposed mitigation of each.