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East side faces close-in conundrum

The once-industrial district is now a neighborhood in transition

The close-in east side of Portland has a conundrum. After a century as the gateway to one of the city's quadrants, it still has not found a signature name. People have tried names such as the Eastside Design District, or even Stone District. Some just call it Close-in Eastside.

Whatever name ends up sticking, the close-in east side is at a crossroads. Like the Pearl District of 10 years ago, this traditionally industrial neighborhood now houses a mix of tenants reflecting an area in transition. One of the most recent and high-profile tenants is the architectural firm Group Mackenzie, at the foot of the Hawthorne Bridge. Having recently moved into the former Holman Building near the Oregon Museum of Science and Industry, the high-profile architects find themselves the new kids on the block. They share space with some old-time companies that have been around for years, like the 35-year-old Custom Stamping, which occupies space in three buildings near Southeast Ninth and Main.

Recent additions to the district include the renovated Grand Central Building, which will undoubtedly enhance the night-club scene along Southeast Morrison and Belmont streets. There's also the Green Dragon Bistro & Brewpub, which will feature the first onsite brewery and distillery of its kind in the area. The old Washington-Monroe High School is being renovated, and a former cereal mill is now the Olympic Mills Commerce Center — 142,000 square feet of creative workspace. A bakery, dance studio and the Lippman Co. party store share Water Avenue with restaurant Clarklewis and the Q Center that serves Portland's LGBTQ community.

These newer operations are drawn by inexpensive lease rates, creative, funky buildings and an energy that some feel no longer exists in the Pearl District. So where does this leave the manufacturing and distribution firms that have called Southeast Portland home for the last 100 years? Many of the older industrial tenants have relocated to areas such as Clackamas, Airport Way and Vancouver. The sad truth is that close-in eastside industrial buildings simply weren't designed to accommodate modern industrial tenants.

A typical over-the-road truck with a 53-foot trailer and tractor can no longer maneuver to most of the industrial buildings in the neighborhood. Also, some of the old models for distribution that call for multi-floor buildings are no longer functional given current pallet sizes and types of freight. This has left many of the older industrial buildings either vacant or dead. Companies left behind are primarily distribution- or home improvement-related businesses, such as tile, marble and plumbing supply showrooms.

The zoning for much of Southeast Portland remains general industrial, which allows for industrial and distribution uses, but there's enough wide room

Many larger companies have their sights set on Southeast



EASTSIDE CHANGES

Scott Maclean

Portland, but space is scarce and prices are climbing higher by the day. The city has recognized the importance of the jobs that are created by close-in eastside industrial tenants and has worked to preserve the zoning.

At the same time, the possibility of new tenants could be attractive to both area commerce and the city. With excellent freeway access and its proximity to downtown Portland, the close-in east side has all the potential of the Pearl District.

Recognizing a quandry, the city has modified the industrial zoning from Third Avenue to the Willamette River to allow for creative uses, such as Group Mackenzie's move-in. However, many worry a blanket rezoning for mixed-use in the area could

open up a "Southeast Waterfront" can of worms.

Much of Southeast Portland does not desire to be the next Pearl District with high-rise condominiums but rather an area that offers affordable space for artists and industrial tenants alike. If close-in eastside zoning becomes the same as what's used in the Pearl District, some fear we'll see nothing but residential towers, effectively pricing out the other manufacturing and creative uses mentioned previously.

The challenge the city has is making the most of these older industrial buildings. If it properly modifies the zone to spur rede-

velopment, it will create more Portland jobs in the design and research fields while creating space for artists in this area. If this evolution continues, we will see buildings like the Grand Central and Olympic Mills properties redeveloped for the next round of creative uses. With the streetcar on the way and already-excellent bike access to the east side, the city has a wonderful opportunity to take advantage of the location and change the face of Portland labor and industry.

Scott Maclean has been an industrial broker for NAI Norris, Beggs & Simpson since 1996. Contact him at 503-273-0321.

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for this upcoming CREW-Portland Event!!!

Monthly Luncheon

"Grand Central Building- From a retail hub in the 1930's to playing a major role in economic development of the Central Eastside Industrial District." The story about the restoration and redevelopment of a historic Portland Landmark into a new urban center. Hear about the newest concept in dining and entertainment - The Grand Central Bowl!

Thursday, August 9, 2007, 11:45 AM - 1:15 PM
Multnomah Athletic Club - SW 19th & Salmon

**Please check in at front desk upon arrival as the MAC is a private club

Guest Speaker:

John Plew, Principal - FORESIGHT Development & Real Estate

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ON THE BOARDS

"On the boards" is a weekly roundup of projects in the pipeline that will shed light on some of Oregon firms' best-but-below-the-radar design work. Submissions from Oregon and Southwest Washington architectural and engineering firms are encouraged. Please include: firm name, project name, location and description, projected or actual completion date, firm project team and overall project team, additional details of interest to the architecture, engineering, and design community and a phone number and e-mail address for a project contact (for DJC purposes; will not be published). High-resolution renderings or photographs may also be submitted. Please e-mail all submissions to ontheboards@djcOregon.com. For more information, e-mail ontheboards@djcOregon.com or call 503-802-7225.

MONDAY
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