

Developer will add windows to Portland's Yard building; city will help pay



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The developers behind the new 21-story Yard tower at the east end of the Burnside Bridge in Portland say they will add up to 67 glass windows to the building in the wake of [revelations it differed significantly](#) from schematics approved by the city's design commission.

The City of Portland will cover most of the cost through fee refunds. The Bureau of Development Services missed the changes to Yard's design when it approved the project's building permit. The amount isn't clear, but a preliminary estimate in February projected the price of adding 100 windows at \$235,000, not including incidental costs, according to emails obtained by The Oregonian/OregonLive.

"As I understand it, we're not going to pay a majority of the costs," said Jeff Pickhardt, president at Hood River-based Key Development. Key is co-developing the building in conjunction with Portland-based Guardian Real Estate Services. Portland-based Skylab Architecture is the designer.

The emails show that while working to approve the building permit between April 2014 and September 2015, city officials warned Yard's development team on one occasion that changing the amount of "glazing," or glass windows, on the building's exterior would trigger a new design review. The project had previously won design approval in December 2013.

When the development team wanted to alter the windows at one point, a city land-use planner "made it very clear that because they were exceeding the height limit and changing the amount of glazing on the exterior, they would have to go through another design review if they intended to propose the changes," wrote bureau employee Alice Callison in a January 11 email.

But in its permit application, Skylab included a substantial reduction in the number of clear window panels. Skylab never brought the extent of the changes to the city's attention, bureau officials said, and the city missed it in approving the permit.

City officials knew about the discrepancy between the design approval and the building permit as early as last November, the emails show. Construction on the project began last summer. As the building rose, members of the design commission expressed concerns to bureau employees that the project differed substantially from the version they'd approved. City residents were also emailing the bureau, wondering why the building was darker than it appeared in architectural renderings.

Bureau employees began asking Skylab questions. Staci Monroe, a bureau land-use planner, calculated that the number of clear window panels had been reduced by 27 percent on the two larger sides of the tower and 34 percent on the two smaller sides. Skylab contends that the reduction in the area of glass is closer to 10 percent.

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The development team initially refused to add more clear windows to conform to the approved design, citing trouble complying with energy requirements, according to the emails. In early December, the city and Skylab began discussions about making changes to the more opaque glass at the top of the building.

The tenor of the conversation changed – and bureau director Paul Scarlett became involved – when The Oregonian/OregonLive began asking questions about the building in late December.

"Per Paul Scarlett's direction today we are looking for ways to get the tower glazing to be more consistent with what the Design Commission approved," Monroe wrote January 6, the day The Oregonian/OregonLive **published its initial story** on the matter. Bureau staffers began to hear from Portland Commissioner Dan Saltzman's office, and Saltzman, who oversees the bureau, eventually **called for a review** of the city's design-enforcement measures.

In early January, Monroe indicated in an email that "increasing insulation or changing the mechanical system" at the building might allow for more windows. Skylab and the city began considering **a trade-off analysis** whose software compares "the energy loss through a thermally inferior envelope with the energy saved with a superior mechanical system," according to its website.

In late February, Skylab offered to add 100 windows but wanted to know how much money the city would contribute to the redesign. Pickhardt said in a subsequent email that the development team did not save any money by reducing the amount of glass in the building.

This week, Pickhardt said he reached a deal with the city to add up to 67 windows to the building. The city hasn't committed to that figure. The bureau also will not require upgrades to Yard's mechanical system.

"We think that there is enough capacity in the existing mechanical system to compensate for the energy lost by switching to a more glazed exterior," said Rebecca Esau, a manager at the bureau, in an email.

When they submit for revisions to the building permit, the developers will have to show how the building would still meet the energy code with more windows, Esau said. She added that there are different ways to meet the energy code, and Yard could meet it using a different analytical method than the development team had used before.

Ross Caron, a bureau spokesman, said the question of why that different analysis wasn't used in the first place "isn't something the city can address."

The development team hopes to make the changes before the building opens this August.

The issue underscores the high level of focus and attention to detail required of bureau staffers at a time when Portland is experiencing a boom in development and is in the midst of a housing shortage. Yard has 284 apartments, 57 of which will be affordable to those making 60 percent of the area's median income – in exchange for 10 years of property tax breaks from the city. Rents in the affordable units will range from \$725 a month for a studio to \$916 for a two-bedroom apartment. (Rents in the market-rate units will range from \$1,500 for the cheapest studios to \$3,200 for the most expensive three-bedroom apartments.)

The project was particularly complicated due to its location, which was once slated for a Lowe's big-box store. The site – which the Portland Development Commission **agreed to sell to Key** for \$1.5 million about three years ago – is nestled right up against the north side of the Burnside Bridge. It sits above the city's East Side Big Pipe sewer project and is also next to the Burnside Skatepark, which the developers worked to improve through lighting and a water line for an eventual restroom.

"This project was by far the most complex project I have ever worked on. ... The amount of plan iterations were more than I can even count," Callison wrote in the January email. "The main building permit took me three weeks to issue. ... I can usually issue a building of this size in two days."

Skylab had to be very careful to design the project to avoid the Big Pipe and also meet the energy code. The result is a building that aligns diagonally with the downtown Portland grid across the river and provides rare views of the west-side skyline and all the Willamette River bridges from the Sellwood to the St. John's. On the other side of the building, Mount Hood, Mount St. Helens

and Mount Adams are all visible from the upper apartment units.

Portions of the project will also be open to the public, including a Tilt restaurant on the ground floor, a **spa complete with hot-springs-inspired soaking tubs** (residents will get a discount) and a landscaped podium that will be visible from the Burnside Bridge. Across Northeast Third Avenue, Skylab and Key are planning a commercial building with a bike-thru plaza and public green space.

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