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IDAHO BUSINESS REVIEW

2018



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# Skyline reflects a changing valley

By Anne Wallace Allen

What a difference seven years has made. In 2011, office construction in Boise and elsewhere in Idaho was at a standstill. Many workers left the state, or trained for other careers. But things turned around fast after the Gardner Company took a gamble at the corner of Boise’s Eighth and Main in 2012. Gardner replaced the infamous Boise Hole with a 390,000-square-foot 18-story tower on a corner that had been vacant for 25 years. Eighth and Main’s success seemed to spark a chain reaction. Local Construct, a Los Angeles firm, got to work renovating the historic Owyhee Hotel into a mixed-use project, adding 36 condos, 45,000 square feet of office space, retail, meeting and banquet space, parking, and a ground-floor restaurant. That project opened in 2014. Gardner bought the U.S. Bank building nearby and turned the downtown parking lot across the intersection from Eighth and Main into the Clearwater Building, with offices for Clearwater Analytics, Boise State University’s Computer Science Department, convention center meeting space, and an underground bus terminal for Valley Regional Transit. Gardner is now working on more office space and a hotel on a nearby downtown block known as Parcel B. Meanwhile, Kount, a homegrown cybersecurity company with 100 employees, plans to renovate and move into a 35,000-square-foot, four-story office building variously known as the Langroise Building, John Alden Building and 10th and Main. And this winter, the J.R. Simplot Company

is completing the move of 800 people into its huge newly constructed headquarters at Ninth and Front streets. The complex includes one 265,000-square-foot building and an annex with 60,000 square feet including a cafeteria, auditorium, laboratories and a rooftop greenhouse for Simplot’s plant sciences division. Meanwhile, as St. Luke’s Health System moves into the spacious Washington Group Plaza complex on the east side of the downtown area, the tenants there will be looking for space elsewhere in town. And that’s just downtown Boise. Nearby, Boise State has been an office space industry unto itself, completing work on its 118,890-square-foot College of Business and Economics building in 2012, finishing the 40,107-square-foot Alumni & Friends Center building that includes offices, and starting work this year on a Fine Arts building nearby. In Idaho Falls, the Idaho National Laboratory has thousands of square feet of new office space planned, and Oppenheimer Development is working on a mixed-use office development at the gateway to that city. Chobani, Glanbia, Clif Bar, and other big companies in Twin Falls have all constructed office space as part of their new construction and expansions. And in Meridian, a large office development is underway at the 75-acre Ten Mile Crossing site. Benefits administrator AmeriBen became the first tenant at Ten Mile Crossing in August upon completion of its new, two-story, 76,000-square-foot office. Human capital management company Paylocity will

fill 64,000 square feet, and Horrocks Engineering will take another 12,900 square feet in a five-story second building finishing up in June. It was a tenant’s market in 2011, and now, despite all the new construction, it’s something of a landlord’s market, especially when it comes to Class A office space. Real estate brokers in Boise say many of the tenants they’re working with are existing companies that are growing larger and are leasing space neighboring their existing locations. They expect many companies to stay put while they assess the market and look for ways to include parking for staff. You’ll learn about the Idaho office market and more in this issue of Square Feet. Staff writer Teya Vitu talks in detail about the large-scale plans at Ten Mile Crossing, and in another piece he delves into the downtown parking challenges that come with denser office development. Staff writer Sharon Fisher looks at how planners are tackling the issue of public transit. We recently received confirmation from the U.S. Census that Idaho is the fastest-growing state in the nation. Idahoans are witnessing an extraordinary period of expansion and change. In the more urban areas, the physical manifestation of that change is the office space where some of the state’s most energetic thinkers and doers work to move the state forward. Anne Wallace Allen is the editor of the Idaho Business Review.

## IDAHO BUSINESS REVIEW

Volume 3 No. 4 January 19, 2018

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The IDAHO BUSINESS REVIEW [ISSN 8750-4022] is a newspaper of general circulation published weekly. Subscription is \$129 annually. (Includes Idaho sales tax for Idaho residents.) The IDAHO BUSINESS REVIEW is an Idaho Corporation doing business at 950 W. Bannock St., Suite 1100 #1136, Boise, ID 87302. Periodical postage paid at Boise, ID. Send address changes to IDAHO BUSINESS REVIEW, P.O. Box 8866, Boise, ID 83707.

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## Table of Contents

Skyline reflects a changing valley	3
Ten Mile Crossing brings office buildings to wide-open space in Meridian	4
To park or not to park, that is the question CCDC wants people to ponder	5
Planners: Valley can’t build its way out of congestion	6
Looking to the future in office design	8
Experts: parking is starting to affect Boise’s downtown office market	8
The year of the renewal	9
OATI Microgrid Technology Center unlike any other	10
Portland forges new program for affordable commercial space	11
Portland team close to breaking ground on cross-laminated timber building	12
How to stay OK with OSHA	12
Short of office space? A steel shipping container can serve in a pinch	13
School bathrooms suddenly problematic	14
Take control of construction litigation costs	14
Unique office building takes shape in North Portland	15
People	15

**ON THE COVER:** Luke Breneman with Forte Construction Services cuts top and bottom track to be installed in the stairwell of a building that is being constructed in the Ten Mile Crossing office development on Dec. 14. *Photo by Glenn Landberg.*



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# Ten Mile Crossing brings office buildings to wide-open space in Meridian

By TEYA VITU  
*Idaho Business Review*

Ten Mile Crossing is the Treasure Valley’s first taste of what has become commonplace in the metropolitan U.S.: multi-story office buildings far from the downtown core.

Ten Mile Crossing and neighboring Ten Mile Creek are a collaboration between local developers Brighton Corp. and Gardner Company on the first large mixed-use development to the Interstate 84 and Ten Mile Road interchange.

In another way, Ten Mile Crossing is not at the suburban fringes but right at the center of the Treasure Valley’s population center – if not precisely by today’s count then in the future as Meridian, Nampa and Kuna swell into one population mass.

“That’s exactly our vision,” said Mark Cleverley, project manager and director of leasing at Gardner Co. “People love the location of it right in the middle of the valley, off the freeway. You’re 15 minutes from the airport, 20 minutes from downtown and 10 minutes from Nampa.”

The Ten Mile Road interchange, opened in 2011, is still mostly a no-man’s land, halfway between Eagle Road in Meridian and Garrity Boulevard in Nampa with neither city quite yet built out to this middle point.

Ten Mile Crossing/Creek presents the first sizeable project for what is considered the most expansive, undeveloped, urban freeway interchange acreage between Portland and Salt Lake City.



A look at the AmeriBen building, completed in August, at the Ten Mile Crossing office development in Meridian in December.

Benefits administrator AmeriBen became the first tenant at Ten Mile Crossing in August upon completion of its new, two-story, 76,000-square-foot office. Human capital management company Paylocity will fill two-and-a-half stories or 64,000 square feet and Horrocks Engineering another 12,900 square feet in the five-story second building finishing up in June.

Construction at the 75-acre Ten Mile Crossing site started in September 2016. The project has been a work in progress with substantial changes since then.

The Paylocity building increased from two stories to



Photos by Glenn Landberg

Luke Breneman with Forte Construction Services cuts top and bottom track to be installed in the stairwell of a building in the Ten Mile Crossing office development in December.

five stories, now with 127,000 square feet.

“With Paylocity, we were going to build just what they needed,” Cleverley said. “The economy drove us to building more. There’s people looking for space. The market is becoming tighter and tighter for Class A office space.”

Brighton Corp. originally planned to move its offices into the Paylocity building but has shifted to the third building with 79,000 square feet on four floors. Brighton and Gardner only decided to move forward on a third office building at the end of October, set to break ground in February, he said.

At neighboring Ten Mile Creek, 45 acres has been added to the now 100-acre retail and residential companion to the office-oriented Ten Mile Crossing. Residential was originally part of the mixed-use vision for Ten Mile Crossing but now has shifted entirely to Ten Mile Creek.

“That’s the life of a developer,” said David Turnbull, CEO at Brighton Corp. “You have to be flexible. You have to be able to accommodate tenants as they come along. The most exciting thing about the planning for multi-story office is you are hoping you can get off the ground. We have 1,000 employees moving out there right off the bat. That prompted us to move forward with multi-tenant faster than we thought.”

Turnbull expects to break ground on a 240-unit apartment complex in January or February on a pair of what he calls “120-plexes” – four-story structures at Ten Mile Creek. Construction on that acreage is already under way since early October on a Primary Health Medical Group clinic, and he anticipates three retail buildings will be

completed by the end of 2018.

The 6,300-square-foot Primary Health clinic is scheduled for a late March opening, and Turnbull expects the apartments to be ready for tenants in mid-2019.



Paylocity will fill two-and-a-half stories of this five-story office building slated for completion in June at Ten Mile Crossing.

“We’re in talks with people (for the other retail pads),” said Turnbull, who expect four or five retail pads for Ten Mile Creek.

## Ten Mile Crossing is just getting started

Brighton Corp. and Gardner Co. are 50/50 partners on Ten Mile Crossing and Ten Mile Creek. Independent of each other, both are major players in the Treasure Valley.

Gardner has built Idaho’s tallest office building, Eighth & Main, as well as Library Square in Nampa. The company is now is at work on Pioneer Crossing, a hotel-office-restaurant project in downtown Boise. Brighton built Boise Research Center, C.W. Moore Plaza, Idaho Independent Bank and now is building the mile-square Paramount subdivision in Meridian and several other housing developments.

At Ten Mile Crossing, Brighton owned the land and installed the infrastructure while Gardner is recruiting tenants and building the office buildings.

The first three buildings will offer 282,000 square feet. The master plan for the Ten Mile Crossing calls for 10 office building with 1.5 million to 2 million square feet of space in the next seven to 10 years, Cleverley said.

“Our goal is to have five or six buildings, 500,000 to 700,000 square feet in two years,” he said.

Ten Mile Crossing likely will not have homes, but a hotel is in the plans.

“If we have a large retailer come to us, great,” Cleverley said. “We have had great interest in office space. That’s the direction we have gone. We’ve had a couple grocery stores look and a big retailer look at our site.”

Okland Construction of Salt Lake City is the general contractor on the Paylocity and third buildings, and ESI of Meridian was the general contractor on the Amer-



Photo by Glenn Landberg.

A view from one of the buildings going up at the Ten Mile Crossing office development.

iBen building. Larson Architects of Garden City is the architect on the retail, and Babcock Design of Salt Lake City and Boise is the architect on the office buildings. Rocky Mountain Companies of Boise is the general contractor of Primary Health. Tuttle & Associates of Salt Lake City is the architect of the apartments.







# Planners: Valley can't build its way out of congestion



A Valley Regional Transit bus in downtown Boise.

By SHARON FISHER  
*Idaho Business Review*

By 2040, the Treasure Valley is supposed to have more than 1 million people, according to estimates from the Community Planning Association of Southwest Idaho, or COMPASS, compared with the 669,830 it was estimated to have had as of April. How will they get to work?

One of the key tenets of Boise's Transportation Action Plan is the acknowledgment that the city can't build its way out of congestion, said Daren Fluke, Boise's comprehensive planning manager.

Consequently, a number of regional agencies are working on ways to encourage people to get to work other than by driving alone in their cars – or single-occupancy vehicles, to use the industry parlance. And residents want that, according to Boi-



Daren Fluke

se State University's School of Public Service second annual Treasure Valley Survey. Nearly three quarters of all respondents said their community could use more mass transit options, and 34 percent said they would like to see public transportation as a public spending priority.

Additional transit options do more than reduce traffic. They also make it easier for people who can't drive, such as the disabled, new refugees, or others who can't afford cars, to work. In one Nampa neighborhood, 20 percent of residents said they had difficulty getting to the places they needed to because of transportation concerns, said Karla Nelson, a community planner for the city of Nampa.

The problem is how to pay for it. Idaho is one of only two states – the other being Mississippi – that doesn't have a

## Boise State University School of Public Service survey

Boise State University's School of Public Service released its second annual Treasure Valley Survey Oct. 19. The survey asked 1,000 adult residents of Ada, Boise, Canyon, Gem and Owyhee Counties for their opinions on a variety of topics, including economic development, employment, housing, taxes and public spending priorities.

Nearly three-quarters of all respondents said their community could use more mass transit options – a 7 percent increase from the previous year -- and 34 percent said they would like to see public transportation as a public spending priority, the highest of the several transportation options listed, survey authors said.

When asked what the Treasure Valley's top transportation priority should be, 29.9 percent said commuter rail and 23 percent said bus routes. Respondents were also asked to rate, on a scale from 1-7, how difficult or easy it is for them to get to a particular place, with 1 being very difficult and 7 being very easy.

Some places were found to be quite easy for Treasure Valley residents to get to; for example, about three-fourths of respondents rated grocery stores, healthcare facilities, and entertainment and recreation as either a 6 or 7. However, only about one-half of respondents found access to educational or employment opportunities equally easy to get to, Boise State reported.

Access to social services and community resources fared least well. Only 40 percent of respondents rated access to social services or community services as either a 6 or 7; 41 percent rated access to social services as a 3, 4, or 5.

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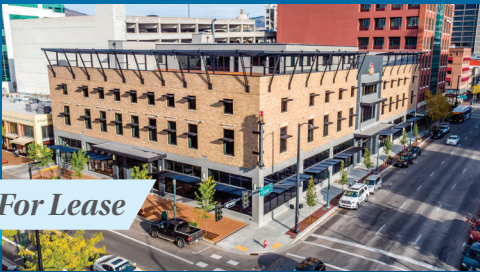
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Kelli Badesheim

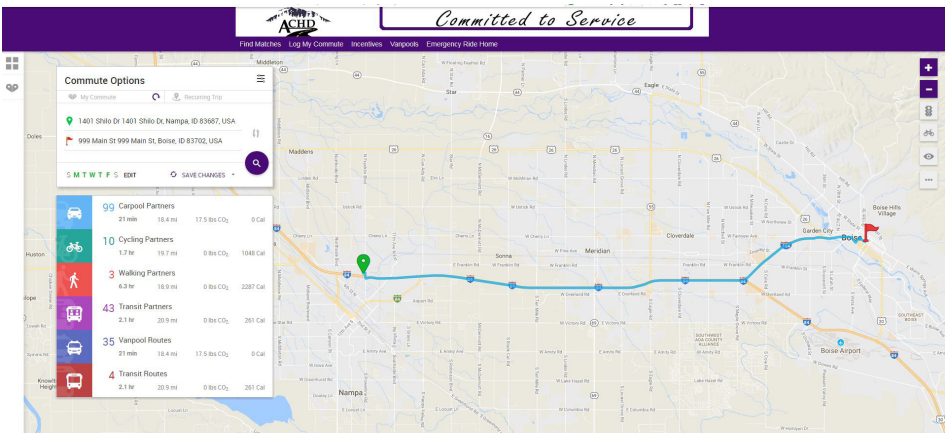
dedicated funding source for public transit. “We’re really hamstrung by the Legislature not allowing us to ask our citizens to fund this another way,” Fluke said. Other than resort cities, Idaho cities and counties are not granted local option taxing authority, which would let residents vote to tax themselves to pay for projects such as public transit. Boise contributes \$7 million – the largest amount of the Treasure Valley cities — toward the ValleyRide fixed-route transit service. “That \$7 million comes from the General Fund, which is a competitive place for money,” because it also funds services such as police, fire, and parks departments, Fluke said. “By the time those three are paid for, there’s not a lot of money left.” And that’s true for cities throughout the Treasure Valley. In Canyon County, for example, there is federal funding – on the order of \$700,000 to \$1 million – that ValleyRide can’t get because there aren’t enough local dollars to provide the required match, said Kelli Badesheim, executive director of Valley Regional Transit or VRT, the Meridian-based governing body that operates ValleyRide.

Lack of public transportation is costing commuters money

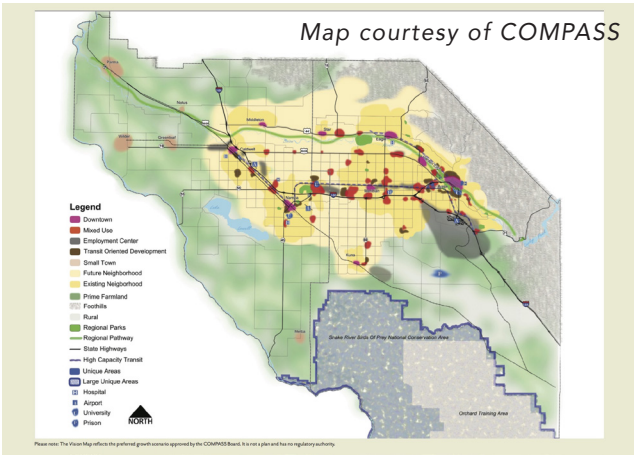
The thing is, residents are spending money on transportation anyway, said Stephen Hunt, VRT’s principal planner. While the Treasure Valley spends \$15 million on public transit, it spends \$1.5 billion annually on the operation and maintenance of cars, he said. For people who don’t want to be car-dependent, the options boil down to ValleyRide, Commuteride, walking, or riding a bicycle, said Matt Stoll, executive director for COMPASS, in Meridian. COMPASS is the metropolitan planning organization for Ada and Canyon counties, which coordinates long-term transportation plans for the region. VRT’s update to its Valley Connect plan, Valley Connect 2.0, is due to go the board in January, get public comment, and then be

finalized by April, Badesheim said. “The main difference is that it’s actually going to have scenarios,” she said. VRT wants to demonstrate the gap between where it is today, and where it should be to achieve the levels it should have by 2040, she said. Boise is also working on other bus alternatives within city limits such as its proposed downtown fixed guideway (rail) station, as well as a State Street rapid transit bus line, a five- to seven-year construction project that is starting as soon as this month at Veterans Memorial Parkway, Fluke said.

Commuteride, a division of the Ada County Highway District, has for two years provided the website MyCommuterCrew.com, which lets people enter their typical commuting routes and find commuting alternatives, said Kathleen Godfrey, Commuteride marketing outreach. Commuteride is also working with more than 100 Treasure Valley companies on customizable subsites that let people share rides with others, sometimes in the same organization, such as St. Luke’s Health System or Boise State University, she said. Within each company, Commuteride tries to find an employee transportation coordinator to promote transportation options, such as through subsidies and other incentives, she said. The service has 2700 users. For pedestrians and bicyclists, Boise and Nampa are each working on projects to improve access, such as making crossings safer. Such projects give commuters options, Fluke said. “What transit is about is helping give people freedom to move throughout the region to fully live their lives,” Badesheim said. “If it requires you to own your own vehicle to participate in society, that says something and comes at a real cost to everyone who wants to participate.”



A screenshot from Ada County High District's Commuteride website showing available transportation options.



The Communities in Motion 2040 Vision, created by the Community Planning Association of Southwest Idaho, illustrates the COMPASS preferred growth scenario for the Treasure Valley, specifically Ada and Canyon counties. The vision includes new housing and jobs along transit corridors and major activity centers with a strong focus on maintaining the region’s recreation and open space areas.

If Boise had the transit funding of comparable cities

If Valley Ride could get the same level of funding as comparable cities like Spokane, Wash., Tucson, Arizona or Madison, Wisc., what could it do?

Stephen Hunt, principal planner for Valley Regional Transit, laid out some possibilities:

- 9 or more “frequent corridors” that would have buses every 10 to 15 minutes, at least during peak periods, and operating until at least 9 pm, with some operating until 10 pm or midnight. These corridors could include Fairview, Vista, Overland, State, Cherry, Nampa-Caldwell, 16th Ave., and Garrity
  - Express services that connected Caldwell, Nampa, Meridian, and Boise along 44, Chinden, and I84, also every 15 minutes at least during peak periods, and supported by park-and-ride lots
- “There’s every reason to believe it could be done here within five to ten years if the funding were to be made available,” he said.

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By Jeremy C. Jeffers

# Looking to the future in office design

What do you think of when you hear the term “office?” What image flashes through your mind? I believe for most of us, the answer is based on our own experiences from our careers, or from visiting an office that has left an impression that may be positive or negative.

An office is not a static layout in which one size fits all. Office design today is dynamic, and fluctuating based on recent design thinking and awareness that our work place is an environment that is healthy. It is a place we enjoy walking into every day. It optimizes our potential for production, creativity, and happiness.

In the design of an office, there should be no “one size fits all” philosophy. The imitation of the Google open office is not always a good thing. If an employee is an introvert, working in such an open environment is a torment. Sometimes, private office space is necessary for office functions which require confidentiality.

In a recent article in Inc., Jeff Pocheban, president, Strong Project, Inc. wrote, “With the onslaught of open-office trend articles and latest technologies, sometimes we forget the considerations of what makes for great, classic, authentic office designs. The deeper foundations of a company’s culture are sacrificed for the new and shiny, and fast design is mistakenly favored over thoughtful layouts and high-quality furniture and thoughtful layouts.”

Is there a need for privacy, or is open, creative collaboration a priority? Creating a great work space that emphasizes and promotes the company brand and provides comfort for that company’s employees requires team work, attention to, research with the company’s branding specialist, and consideration of the company culture that is to be built. A checklist should include:

1. Focus on the psychological comfort of the employee.
2. Not sacrificing brand identity for discounted finishes, fixtures, and furniture.
3. Review the materials that will be used.

4. Choose designers and suppliers whose stories resonate with you.
5. Measure your workspace needs for effective planning.
6. Keep movement and wellness in mind and invest in the employee’s physical well-being.
7. Not jumping on the open office trend if it is not right for your employees.

*“The imitation of the Google open office is not always a good thing. If an employee is an introvert, working in such an open environment is a torment.”*

We must also be careful of those design elements that may be disguised as cutting edge, but are overused and out dated. Examples of type of design trends include reclaimed wood, providing too much fun or gimmicky attractions, providing non-office furniture like bean-bag-chairs, standing or walking desks which only add to office fatigue, and as what one article stated, “Stop imitating Google.”

The goal of today’s office design is to go beyond creating a building that is sustainable and energy efficient, and to work with the occupants for which we are designing the spaces. Our intent should be to make employees more efficient, productive, and inspired. Today’s emerging office design trends are grounded on the principle of attracting and retaining great people.

There are numerous articles available that share the do’s and don’ts of office design. A trend identified as “Biophillic Design” has emerged from technology changes, a focus on

the human factor, and environmental and energy awareness.

To call this a trend is not completely accurate, as biophilic design is a philosophy founded upon our innate connection with nature and natural elements. This design concept extends beyond the office building type, and has become a tipping point that could be considered a design best-practice. Examples of biophilic features include green walls, plants, natural woods or stone, and any material that mimics the natural world. We, as a species, have divorced ourselves from nature. We spend more time now indoors at home and at work, and experience more commute time in our daily lives. Nature has never been more important than it is today. As a result, we are missing the basic benefits of our needed exposure to nature.

The core features of biophilic design include scattered or clustered varied vegetation, overlooking landscapes, blurred boundaries between indoors and outdoors, dynamic and diffused light, natural scents, proximity to water, the use of natural and local materials, and providing shelter or privacy. The benefits of biophilic design may include reduced employee absenteeism, improved health, increased feeling of well-being, improved productivity, increased employee engagement, reduced stress levels, and reduced fatigue.

Sometimes our perception of new concepts is merely a reinvention of something past. The organic architecture movement of the early 20th century was developed around these theories. What we see today are the technologies, means, and methods to take the best of these practices and make them better. As businesses become aware of the scientific research into mental and physical benefits to their workforces, and of their increased profitability due to sustainability and improved building performance, the more important biophilic design will become in the future of office design.

*Jeremy C. Jeffers, AIA, CSI, CDT is president-election of the American Institute of Architects - Idaho.*

## Experts: parking is starting to affect Boise’s downtown office market

BY SHARON FISHER  
Idaho Business Review

Office space in metropolitan Idaho continues its steady growth, according to industry reports.

Brokers say the growth they’re seeing is largely organic, made up of companies that already have a presence in the Treasure Valley and are expanding, said Scott Feighner, office services broker for Colliers International in Boise. As one company takes new space somewhere, another takes its place.



Scott Feighner

For example, while the third-quarter report from Colliers International indicated the office space market might have peaked, in December vacation home management company Vacasa said it would double the size of its Boise office by occupying 34,308 square feet of One Capital Center, the former J.R. Simplot office space. Rather than “slowing down,” Feighner characterized the market as “not as frothy as it was a year or two ago.”

Vacancy rates in the Treasure Valley are around 9 percent and dropping as of the most recent Colliers report. In fact, vacancy rates were lower in Canyon County than in Ada County, partly due to there being less space in Canyon County – 2,673,480 square feet compared with 21,187,382 square feet in Ada, Colliers reported.

Asking rates average \$15.28 per square foot in Ada – ranging from a low of \$11.88 in the Central Bench to \$19.19 in Southwest Boise – and \$14.24 in Canyon, ranging from \$9.90 in Northside Nampa to \$19.04 at the Idaho Center, Colliers reported. The December report from Thornton Oliver Keller Commercial Real Estate showed an 8.84 percent vacancy rate, 417,300 square foot absorption for the year, and a 242,200 square foot increase.

One factor helping determine office growth? Parking.

“It can add from \$4 to \$5 per foot per year in operating costs for downtown parking,” said Al Marino, a partner at Thornton Oliver Keller in Boise. Moreover, the open floor plan layout preferred by many technology companies results in more employees per square foot of office space than private offices, he said. Parking is one reason Paylocity is building its facility in Meridian and moving from Boise, he said.

In fact, Meridian has seen a lot of growth, with the third-quarter Colliers report showing absorption of 105,670 square feet and a 75,950 increase. Two of the largest office parks in the Treasure Valley – El Dorado and Silverstone – are at the Eagle Road interchange, while other buildings are being constructed at Ten Mile Crossing at the Ten Mile interchange. In addition to offering ample parking, Meridian is closer to the center of the population in the Treasure Valley, Marino said.

Next year, the valley is likely to see more of the same, Marino said, noting Idaho was recently named the fastest-growing state in the nation. “We’re going to continue to see companies and people come to our valley for all the reasons they have been: Lower cost of operations, good energy cost, the quality of life, and the quality of the workforce,” he said. “That’s going to continue.”

In eastern Idaho, conditions are similar. In Idaho Falls, parcels of up to 1,000 square feet and from 1,001-2,500 square feet have higher vacancy rates, of 27 percent and 38 percent respectively, but as parcel size increases, vacancy decreases – all the way to 3 percent for parcels of more than 10,000 square feet, according to the third-quarter report from Thornton Oliver Keller. However, vacancies in larger parcels did increase overall multi-tenant vacancy from 13.9 percent to 14.1 percent in the quarter, the company noted, adding that 85 percent of vacant office space was 5,000 square feet or less. The northern region of the city had the largest overall vacancy rate, with 20.7 percent, while the western region had the smallest, at 10.3 percent.

Idaho Falls is also seeing more construction. The Oppenheimer Development Corp.’s 38,400-square-foot The Broadway office/retail project is underway downtown, and Premiere Eye Care of Eastern Idaho and Prime Healthcare are each moving into new buildings. Altogether, year-to-date net absorption rate in Idaho Falls was 1,700 square feet as of the third quarter, with an average rent per square foot of \$12.



Photo by Glenn Landberg

Korey Jensen with Forte Construction Services installs a piece of top track in the stairwell of the Paylocity building in Meridian. Broker Al Marino said Paylocity chose to build at the Ten Mile Crossing development in part because of the available parking there.





# The year of the renewal

By Bill Beck and Greg Gaddis

When it comes to office and industrial space, there’s no question: Right now it’s a landlord’s market in Boise.

This is in stark contrast to conditions back in the Great Recession, when tenants ruled the world of commercial space.

Back then, vacancies in some areas of the Treasure Valley were in the high teens and business growth was slow. Businesses were closing and the number of Idahoans with jobs had dropped from a peak of over 750,000 in 2007 to fewer than 700,000 by 2009, according to the Bureau of Labor Statistics.

Landlords, seeing the shrunken pool of potential tenants, were highly motivated to attract businesses to their too-empty buildings. They offered low rents and incentives like free rent for the first few months and generous tenant improvement allowances. Companies had many available options and landlords understood this and got aggressive in courting new occupants to their buildings. All this has changed.

Nowadays, Idahoans are working – over 825,000 now – and starting businesses. Businesses are growing and coming to Idaho. Office and industrial vacancies in the area have dipped into the single digits. We haven’t seen a market this tight for a decade...maybe ever. Rents are increasing and concessions are dropping.

We are advising our tenant clients to take a look at their facility situation early. Starting early gives tenants a chance to understand what they’re dealing with in this landlord market and scour limited availability for a space that could work. It also gives them time to see a tenant improvement construction project through when they find a space that needs work.

And when we say early, we mean EARLY: Starting the process two years before a lease expires could give a business the best chance for a favorable lease.

Looking into our crystal ball, we’re predicting most businesses will choose a lease renewal instead of relocating in

2018. There just isn’t that much available space out there, and what is available may not be in the best location or may not be workable in its current configuration. It may have a bad layout, low ceilings, few windows or run-down finishes.

And even if a remodel could fix a space’s shortcomings, in this market the landlord will probably not pay for all of it.

In 2017, we worked with a mental health clinic that had been growing for years, going from 11 clinicians in 2010 to 32 by early 2017. They were operating out of two spaces – including two waiting areas – separated by a corridor. Many of the offices were windowless.

Noticing this growth, we met with them two years early and we started evaluating options. As is becoming all too common, we couldn’t find anything in the right part of town or in the right price range.

Fortunately, by starting early, we were able to do a build-to-suit. We found a developer with a great site and a helpful architect. By designing exactly what the client needed, we ended up with a very functional plan with no wasted space. Even with today’s rents and construction costs, the proposal fit the client’s facility budget. The client moved in in late 2017 under a lease-to-own agreement.

Build-to-suit arrangements are uncommon in this area, but so is speculative construction. The reason is construction costs are simply too high and tenants are not used to paying the necessary rents for new space... until now, there has always been plenty of move in ready, affordable space.

There are a few reasons for those high costs. One is a labor shortage – we lost a lot of construction workers to the North Dakota oil fields and other industries when construction volume tanked during the Recession – and another is materials costs. As Dave Wali of Gardner Co. mentioned in a recent speech to brokers, we’re paying 12 percent more for materials here than they are in Salt Lake

City due to added transportation costs. Additionally, hurricanes in 2017 left behind over \$200 billion in damage, driving up demand for materials and labor. California’s fires are factoring in there, too.

In order to finance a new office building, in many cases landlords would have to charge \$25 to \$27 per square foot. Tenants currently pay an average of \$22 per square foot for downtown Class A office space.

Before developers can build, financiers are requiring 60 to 75 percent of the building pre-leased, and that is just not happening at the necessary rents. There are a few notable exceptions such as the new buildings built for T-Sheets, Ameriben and Paylocity, but we don’t anticipate those price points becoming commonly acceptable in the near future: The area’s growth is solid, but our demand is not powerful enough to command that high of a price for real estate for most commercial tenants.

We’re interested to see what happens with current projects in the pipeline. At least 3 developers have office projects planned downtown and there are an equal number of speculative industrial projects on the drawing board. If they can find tenants at a price that justifies the construction cost, that will be a good sign for future development.

But for now, with limited new product coming online and limited vacant, appropriate space, we’re expecting 2018 to be the year of the renewal. Tenants with leases expiring in the next year or two will continue to pay increasingly high prices for existing space and they will see fewer concessions than in years past. So a word to the wise: Start early and use the professional services of commercial real estate advisor who works for your interests, and to your benefit.

*Bill Beck founded Tenant Realty Advisors in Boise in 2000. He has expertise in lease, purchase, and sale negotiations and has represented hundreds of clients in commercial transactions ranging from 1,000 to over 72,000 square feet. Greg Gaddis, also of Tenant Realty Advisors, has completed more than 1,500,000 square feet in transactions.*



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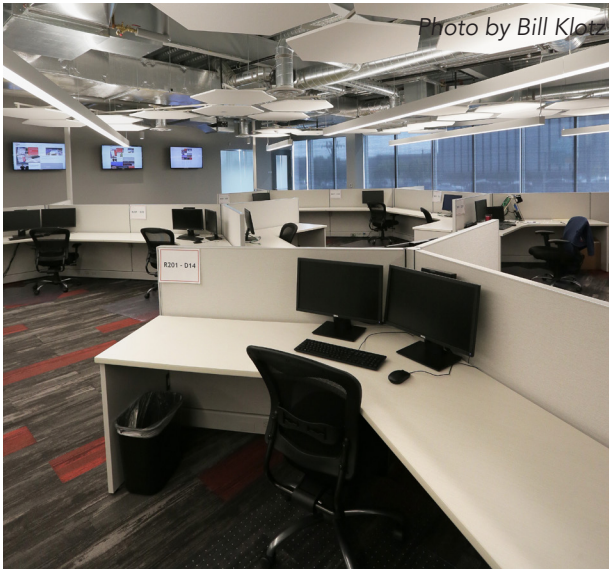
Occupancy: 50 percent

Lease Rates: \$28-\$29 per square foot (gross)

Owner: Open Access Technology International Inc. (OATI)

Architect: Pope Architects

Engineer: Dunham Associates



The second and third floors of the Microgrid Technology Center are occupied by OATI's data center staff. This photo shows a work area on the second floor.



The OATI office building offers employees a social gathering space.

The OATI Microgrid Technology Center features exterior lighting that is a nighttime beacon on the I-494 strip in Bloomington.

The Class A office building is its own microgrid, complete with a natural gas power plant, energy storage, solar panels and wind turbines. It's a bit of an energy beacon at night, too, when portions of the five-level building on the I-494 strip in Bloomington are bathed in different colors.

The 100,000-square-foot building will be leasing the top two floors to outside tenants. The highly secure property could be attractive to "anyone that is interested in green energy and any type of IT firm," Heim said, noting Colliers International is handling leasing.

The first floor has conference and common areas, a fitness center and a large space devoted to housing the energy plant for the building, Heim said. The second and third floors are being occupied by OATI's data center staff. The surface parking lot has 280 spaces.

**Intriguing tidbits:** OATI is a developer of highly sophisticated software for more than 1,600 clients in the energy field. The company employs more than 1,000 people on three continents, the majority at its headquarters in northeast Minneapolis at 3660 Technology Drive.

The Bloomington microgrid will be OATI's second data center location in the Twin Cities. One of the software platforms it created, Grid Mind, will help operate the microgrid, Heim said.

Power for the building will be drawn from several sources,



The revolving door at the main entrance contains artwork that revolves with the door, a spiral sculpture and a hanging mobile.

including Xcel Energy, a 600-kilowatt combined heat and power natural gas plant on the first floor, a rooftop 150-kilowatt array of solar panels and two vertical access wind turbines (with room for more). Plans call for adding more solar at a nearby location in the future. Topping off the microgrid is a lithium ion battery that stores energy, Heim said.

By having its own microgrid, the technology center can offer tenants fixed prices for their energy consumption and uncommon resiliency. "We can power the whole building and several others in this neighborhood with this system for several days if the power goes out," said Heim.

**Property description: The OATI Microgrid Technology Center near Minneapolis is unlike any other office building in the United States, according to David Heim, OATI's chief strategy officer.**



A video wall welcomes visitors to the Microgrid Technology Center's lobby off of the main entrance.



A large portion of the first floor is devoted to housing the building's natural gas energy plant and energy storage.

Website: [www.oati.com/about/microgrid-technology-center](http://www.oati.com/about/microgrid-technology-center)



# Portland forges new program for affordable commercial space

**By Chuck Slothower**  
*BridgeTower Media Newswires*

The city of Portland is forging a new program to provide affordable commercial space in city-owned buildings. The Affordable Commercial Tenanting Program will offer leases below market rate and technical assistance to selected commercial tenants, with a preference for businesses owned by women and persons of color.

At first, the city is offering affordable commercial space in four buildings where projects managed by Prosper Portland are ongoing. The buildings are Alberta Commons in Northeast Portland, the Southwest 10th Avenue and Yamhill Street parking garage in downtown and two small buildings at Southeast 92nd Avenue and Foster Road in Lents: Oliver Station and Lents Commons.

In total, the available space represents at least 12,000 square feet – and likely more after the parking garage’s affordable retail space is determined.

Prosper Portland has received more than 30 applications for the program, said Alison Wicks, a project coordinator for the city agency. It’s accepting applications for the first three buildings; the 10th & Yamhill garage will open for applications at a later date.

The program has been a “long time coming,” Commissioner Nick Fish said. The city missed opportunities to maintain affordable commercial space during the most recent recession, he said.

“We were building very attractive affordable housing developments throughout the city, but we never viewed the commercial spaces

as a community asset,” Fish said during a City Council meeting last week. “In fact, in many ways, we got it completely wrong.”

Nonprofit housing developers were not able to effectively use the ground-floor commercial spaces in affordable housing developments, Fish said.

“It was not in their wheelhouse to know how to market it and sell it,” he said. “That was not their core expertise.”

Mayor Ted Wheeler said the program is emblematic of a recent refocus in mission at Prosper Portland, which in May rebranded (the agency was formerly the Portland Development Commission) to place a greater emphasis on equity and shared prosperity. In August 2016, Kimberly Branam was promoted to executive director. Seats on the agency’s board have turned over too.

“I’m thrilled with the new direction of Prosper Portland, and I think this is a great example of the direction we’re going to see Prosper Portland go under new leadership,” he said.

The program is in part a reaction to increased rental rates and scarce vacancies, Wicks said. But affordable commercial space is needed for businesses owned by women and persons of color in any economy, she said.

“Those are businesses that will consistently have barriers to entering into a retail space,” she said. “That’s something that even in a downturn would be exacerbated.”

Prosper Portland is looking to form an ongoing partnership with the Housing Bureau to provide affordable commercial space, said Kyra Straussman, Prosper Portland’s director of development and investment.

“What’s happening here is an innovation



Photo by Sam Tenney of the DJC

Below-market rate leases will be offered for some commercial space at Alberta Commons in Northeast Portland. Prosper Portland’s Affordable Commercial Tenanting Program will give preference to businesses owned by women and people of color for the leases, which will also be offered at two buildings in Lents and a downtown parking garage..

nationally, so it’s not like we have a lot of examples to run with,” Straussman told the City Council.

Alberta Commons will have about 5,100 square feet in total for four program participants, who will receive business coaching from Micro Enterprise Services of Oregon, a Portland nonprofit group.

Lents Commons will have 3,725 square feet of affordable commercial space, likely split between two tenants, Wicks said.

Oliver Station will have approximately 4,000 square feet of affordable commercial

space through an agreement with developer Palindrome Communities, likely divided by two to three tenants.

The downtown parking garage, which is on the verge of a major renovation, will have 21,000 square feet of commercial space, although it’s unclear how much of that space will be dedicated to program participants.

Prosper Portland is working with brokers on each project now, and is in discussions with prospective tenants, Wicks said. Tenant build-outs could begin in early 2018.

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# Portland team close to breaking ground on cross-laminated timber building

By **CHUCK SLOTHOWER**  
*BridgeTower Media Newsires*

The long-awaited Framework building is close to taking root in the Pearl District.

Portland developer Project^ plans to break ground in early 2018 on the 11-story mixed-use building. Framework will be the United States' tallest building to use cross-laminated timber – a factor that has led to a long development period.

"Most projects don't have an R-and-D phase," said Anyeley Hallova, a partner at Project^, "They just start designing and submit for their permit."

Construction is estimated to take 14 months from ground being broken.

The project recently took a leap forward when the city of Portland announced Framework had been selected as a recipient of a \$6 million Fast Start grant to provide affordable housing. Framework will include 60 apartments, all affordable at 60 percent of area median income. Home Forward, a Portland nonprofit, will own and operate the affordable units.

The building's commercial areas will be financed separately, adding to the project's complexity.

Albina Community Bank and Beneficial State Bank have agreed to occupy office space in Framework and provide services to the low-income residential tenants. Other commercial tenants will include street-level retail and B-corporation businesses with closely aligned social missions.

The ground floor will feature include a tall-timber exhibit. The building's 11 floors will be topped by a roof deck.

Some other aspects of the project remain under wraps; Hallova declined to identify Framework's CLT supplier ahead of an official announcement.

Framework's high profile has brought plenty of media and industry attention. The project team has fielded questions from fellow developers, investors, manufac-

turers and government agencies interested in CLT technology, Hallova said.

"Every week we have somebody talking to us," she said. "I believe that there are quite a few projects that are in development or thinking about this technology."

The influential Atlantic magazine featured Framework and its designer, LEVER Architecture, in a feature for its December 2017 issue.

Framework's status as a highly visible timber project has attracted the ire of the concrete industry, which argues CLT technology lacks a proven safety record. A statement issued by the National Ready Mixed Concrete Association also took issue with Framework's timber-industry backing.

"The welfare of the local timber industry should play no part in the rationale of what is otherwise strictly a construction decision," stated Kevin Lawlor, spokesman for the concrete association's "Build with Strength" campaign.

Framework's materials underwent a stringent two-year testing process covering fire resistance, seismic strength and acoustics, Hallova said. Also, CLT buildings have a successful record in Canada and Europe, she noted.

Framework will be particularly earthquake resilient, Hallova said.

"We've actually gone above and beyond the seismic code and created a building that after a major earthquake ... would have little or no damage," she said.

The \$6 million grant from the city of Portland was only the latest grant the project has been awarded. Framework earned a \$1.5 million prize by winning the U.S. Tall Wood Building Prize from the U.S. Department of Agriculture, the Softwood Lumber Board and the Binational Softwood Lumber Council.

Framework has also received grants from the U.S. Forest Service, Metro, the Hewlett Foundation, the Harbourton Foundation, the Edwards Mother Earth Foundation and the Oregon Community Foundation.



Construction is slated to begin early next year on Framework, an 11-story cross-laminated timber building in the Pearl District. Walsh Construction will build the mixed-use project for developer project^.



## How to stay OK with OSHA

By **Cory Haller**

Construction projects, both big and small, pose a host of safety risks and challenges. Ask anyone who has ever swung a hammer and they will tell you that sometimes accidents on a jobsite are unavoidable. Construction employers, and in some cases project owners, are required to comply with a number of regulations designed to limit the probability and severity of jobsite accidents.

Following is a discussion of common violations, some recent regulatory changes, best practices for complying with OSHA regulations, and some dos and don'ts in the unfortunate event that an accident occurs.

The federal Occupational Safety and Health Administration, commonly known as OSHA, and its counterparts in states such as Oregon, Washington and California enforce a variety of rules intended to minimize the risk and severity of workplace accidents in the construction industry. Those rules, and enforcement priorities, often track the most common hazards, which include many present on construction sites. Of the 10 most frequent violations in 2017, the majority are relevant to construction employers, including those relating to fall protection, hazard communication, scaffolding, ladders and electrical – wiring methods.

In addition, OSHA has recently begun enforcing rules designed to minimize the risk posed by exposure to crystalline silica. This component of soil, sand, granite and other minerals can be inhaled by workers when they drill, grind or cut objects that contain it. In the construction industry, exposure can occur during many different activities, including sandblasting, jackhammering, rock drilling, concrete mixing and drilling, and brick and concrete cutting, to name a few. OSHA's rules impose exposure limits and require employers to implement engineering controls, require respirators when necessary, and limit access to high-exposure areas. For workers who face a heightened risk of exposure, employers may also be required to provide medical exams and training.

Also of note, OSHA and its state counterparts have recently begun implementing significant increases in maximum penalties for violation citations. The maximum penalty, applicable to "repeat" violations or violations categorized as "willful" or "egregious," is now \$126,749 – up from a previous maximum of \$70,000.

Although compliance with the numerous regulations addressing jobsite hazards can seem overwhelming and the threat of increased penalties intimidating, there are a number of best practices employers can follow.

First, employers should keep abreast of changes to regulatory requirements and regularly update their safety manuals and training programs to reflect those changes. Employers should also be sure to consistently enforce their safety rules and to document enforcement. Perhaps most significantly, if an employer is made aware of a safety violation, by self-inspection, an audit, or a complaint, it should promptly take the steps necessary to correct the issue and document the correction.

Employers may also want to consider conducting safety audits to ensure that they are in compliance with OSHA requirements, but this step should not be taken lightly. In some instances OSHA may be able to gain access to such documents and use them as evidence in an enforcement proceeding.

There are a number of steps employers can take to minimize the likelihood of a citation. First, as noted above, employers should develop and enforce a safety program that complies with OSHA regulations. Second, an employer should take appropriate action to control the flow of information in the time period following an accident and during the OSHA investigation. Employers need only provide documentation in response to specific questions and requests. Well-meaning efforts to open one's files to an OSHA inspector can result in unintended consequences, like additional violations and citations.

Using legal counsel to conduct internal accident investigations may provide the ability to assert the attorney-client privilege as it relates to some investigation materials, especially where employers work with the attorney to produce and review preliminary drafts so that unnecessary admissions can be avoided in documents OSHA is entitled to review. Finally, and most importantly, to the extent employers are required to answer questions or provide documents, they should be honest and forthcoming, and they should instruct their employees to do the same.

The task of maintaining a comprehensive safety program can be daunting, but it is necessary to minimize the risk of jobsite accidents, maintain productivity, and avoid the penalties and fines associated with OSHA violations. Fortunately, by following the best practices outlined above, construction employers can maximize their chances of meeting their OSHA obligations.

*Cory Haller is an attorney in Stoel Rives LLP's construction and design practice group. Contact him at 503-294-9468 or cory.haller@stoel.com.*

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Photos by Glenn Landberg.

Mike Power uses a grinder to finish cutting the hole for a window in a shipping container at Northwest Building Systems in Boise Dec. 12. The container will be converted into a portable office and leased out through Design Space Modular Buildings.

# Short of office space? A steel shipping container can serve in a pinch

By ANNE WALLACE ALLEN  
*Idaho Business Review*

The post-recession building boom has been kind to the portable building industry, which can deliver much-needed office space to a construction site or other location quickly and inexpensively.

The pace of Treasure Valley construction right now, with hotels and office buildings underway in several places, has portables flying off the lot at Design Space Modular Buildings, a portable building dealer in Boise. Design Space, based in Mission Viejo, Calif., has doubled its Boise inventory to 600 since 2012, said manager Steve Haynie.

"A lot of general contractors are booked out for six to 12 months, so if someone needs some office space, and they need it in the next three months, or one month, we can build them something they'd want to keep for a long time," he said.

Of course, portable buildings that are built to regular office specs also require the scarce commodity of construction workers. But portable companies have plenty of spare inventory on hand. Design Space's clients include HP, the Simplot Company, several school districts, the U.S. Forest Service, and the Zoo Boise.

Haynie said Micron called him up two years ago needing office space for 260 employees within the next few months. The company has since provided more than 30,000 square feet in portables.

"In a couple years, they'll have their own four-story building and we'll bring those back and they'll go back to someone else who needs space," Haynie said.

Portable buildings are popular with school districts, which must contend with fluctuating enrollments and low capital improvement budgets. They're also the subject of fierce criticism by parents and environmental groups who say the buildings are more likely to have poor ventilation and air quality, mold, and a host of other problems. A California study found the buildings had high levels of formaldehyde because of the widespread use of formaldehyde-containing materials and furnishings.

The Modular Building Institute (MBI) and the International Code Council (ICC) are the driving force behind efforts to accelerate the use of modular construction and eliminate barriers in the industry by developing a series of modular-themed guidelines and resources for code officials.

"The current content of the I-Codes and referenced standards must be updated to address the rapidly growing modular construction industry," said MBI Executive Director Tom Hardiman. "We are extremely pleased to be working with the ICC to help code officials become better informed on this off-site construction process."

The Modular Building Institute, a non-profit trade association for the huge modular construction industry, is calling for meetings between its members and the International Code Council, or ICC, to create building standards for modular buildings.

Haynie said modern portables are built to exactly the same building sustainability standards as other structures, and Idaho portables must be built to the higher standards that govern other Pacific Northwest states, because of the traveling that they tend to do. Even with improved



A shipping container that has been converted into an office rests on a trailer at Design Space Modular Buildings in Boise before being delivered Dec. 12.

building standards and environmental regulations, which Haynie said have doubled the price of his company's buildings in the last decade, the units are a bargain. It costs \$400 a month — plus \$300 for delivery and installation — to rent a 10-foot-by-44-foot office. Design Space even rents furniture. Steel shipping containers, which come in 20-foot and 40-foot lengths, are about \$250 per month to lease and \$20,000 to buy.

Portables generally come eight, 10, 12, or 14 feet wide, although Haynie's company is building a custom portable building for Idaho Central Credit Union that is 60 feet by 60 feet. About

five years ago, portable companies started adding steel shipping containers to their fleets. Most originate in Portland or Seattle, and are shipped to a Boise factory to be modified with framing, insulation, wiring, and lighting. The factory cuts windows in the container and adds an HVAC system. The containers sit on the ground without a foundation. And they're tough.

"They're wind- and water-proof, and you don't have to worry about snow loads," Haynie said.

They're also hard to steal.

"You can't just hook it up to a hitch and pull it away," he noted.

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# School bathrooms suddenly problematic

BY KENT HOHLFELD  
*BridgeTower Media Newswires*

Among the many issues that come up in educational facility projects, bathroom design typically hasn't been one. It is now.

"It is a sensitive issue," Soderstrom Architects principal Henry Fitzgibbon said. "We have been bogged down on this issue on a number of projects. We spend four or five meetings on this subject alone."

In an effort to meet privacy concerns, legal requirements and a growing desire to avoid singling out transgender students, architects are designing bathrooms to be gender-inclusive instead of gender-specific. While the issue largely is one for high school and university projects, it's now even popping up for elementary school projects.

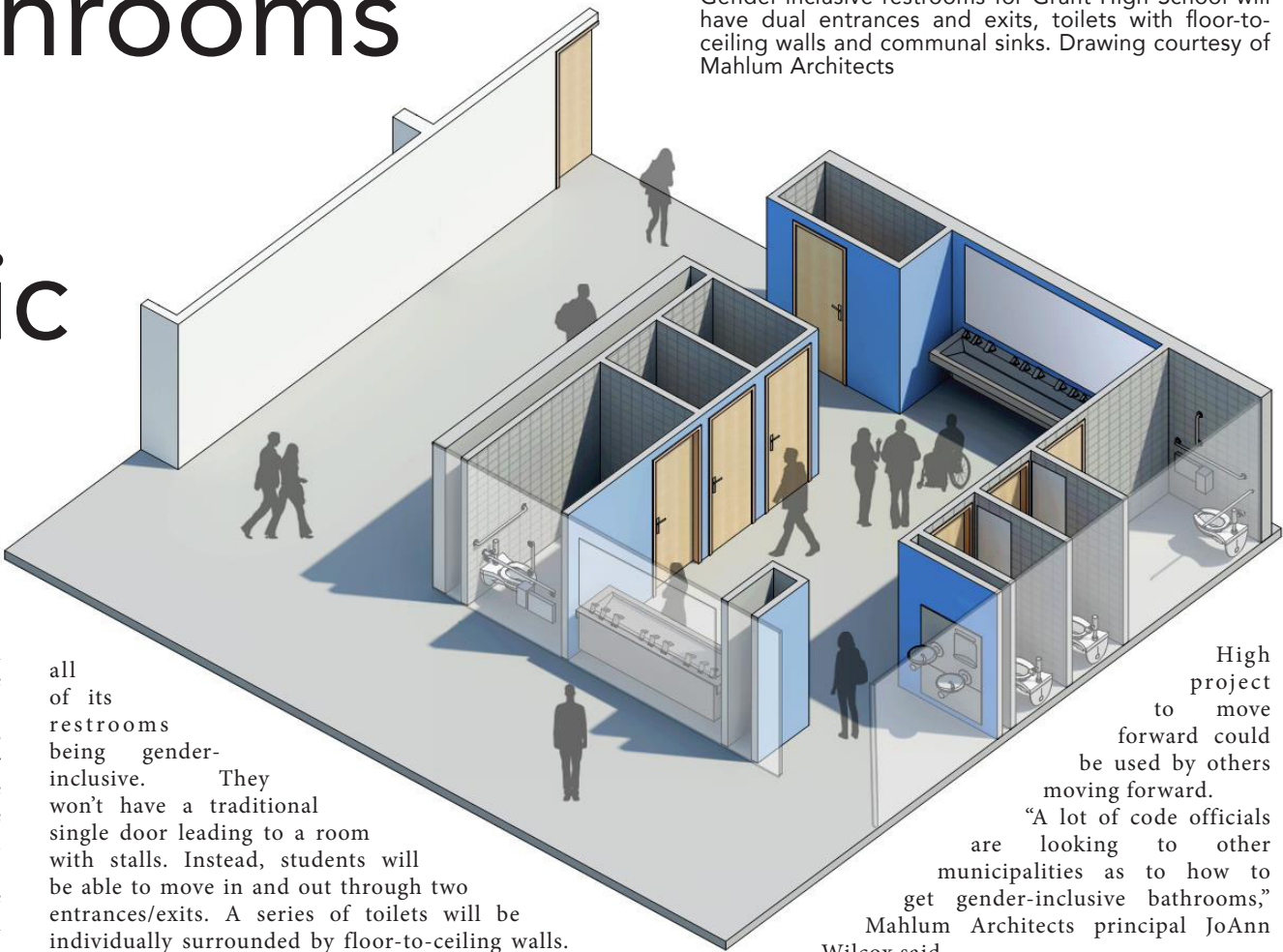
The most popular design method to accommodate changing needs is to create a series of toilets each surrounded by floor-to-ceiling walls. That is often combined with communal sinks.

"In the past, with the traditional designs, nobody even asked questions about the restrooms," Fitzgibbon said.

Dealing with the conflict between building codes and project goals is one of the toughest aspects of building gender-inclusive facilities. Most municipal codes specify a required number of restroom facilities and require them to be gender-specific. Meanwhile, state governments and clients are pushing toward facilities that are gender-neutral.

"It really needs to be incorporated into the building codes," Fitzgibbon said. "Right now, it puts the issue on the building official's desk."

Portland has been at the forefront of changing bathroom design. A renovation at Grant High School will result in



Gender-inclusive restrooms for Grant High School will have dual entrances and exits, toilets with floor-to-ceiling walls and communal sinks. Drawing courtesy of Mahlum Architects

all of its restrooms being gender-inclusive. They won't have a traditional single door leading to a room with stalls. Instead, students will be able to move in and out through two entrances/exits. A series of toilets will be individually surrounded by floor-to-ceiling walls. Communal sinks will be attached to walls in rows.

"It will be more of a pass-through design," Grant High School Principal Carol Campbell said. "It's more like your own private little restroom."

The design required a special consideration from the city of Portland that allowed the school to circumvent bathroom facility requirements. Rather than modify or change existing code, the city interpreted Mahlum Architects' design of small rooms as meeting the code in providing separate facilities.

"We worked with code officials," said Alyssa Leeviraphan, Mahlum Architects project manager for the Grant High School renovation. "Their response was that if you meet these requirements, you are meeting the code."

The interpretation that Portland used to allow the Grant

High project to move forward could be used by others moving forward.

"A lot of code officials are looking to other municipalities as to how to get gender-inclusive bathrooms," Mahlum Architects principal JoAnn Wilcox said.

A major component of bathroom design is the increasing desire to make sure transgender students are not segregated. That played into the decision to make all of the Grant High School bathrooms gender-inclusive rather than a mix including some gender-specific.

It also helps respond to court decisions regarding concerns that certain students could be singled out.

"The conversations were about not creating an 'other' place," Campbell said. "We didn't want it to feel like there was a room designated for 'other' people. We wanted to make sure that there is no identifying way that people are singled out as 'other.' That was the main driving force."



## Take control of construction litigation costs

By Andrew Guess

Everyone knows litigation can be expensive, yet many construction professionals are unaware that some costs can be avoided via advance planning and more thorough organization and management of project information. If you think you may have left money on the table in a project – whether from an impact claim, delay claims or change order dispute – you're not alone. What if efficient dispute resolution, including litigation, could help you run a more profitable business?

It is always preferable to resolve differences with your partners through business negotiations rather than legal action. However, at times litigation is unavoidable. In my experience as a construction manager and litigator, the three types of information always in dispute are accounting, communications and project documentation. If you are not able to produce this information in a clear and organized way initially, your attorney will spend a considerable amount of time doing this for you.

If you are involved in arbitration or litigation or think it may be necessary to recover lost revenue, consider implementing these best practices related to project and information management to control litigation costs and accelerate the resolution process.

### Back up and manage communications data

Even relatively routine construction projects produce a tremendous amount of digital data, and the ease with which documents are created and edited has added to the volume significantly. This is all compounded by the growing amount of digital information stored across multiple platforms. The result: data organization is poor more often than not.

Managing the volume of data, understanding it, and knowing where it is stored and backed up is important.

For example, if you have 15 employees all using the same messaging application, and that data is stored and backed up every six months, then you can easily find it if necessary.

Consider employing these practices:

- Use a central server and prohibit the use of personal email accounts;
- Standardize email folders and sub-folders, and show employees the benefits of organizing email;
- Extend the practice of organizing hard files to all electronic data, including communications; and
- Use a company-wide text messaging application.
- Use a sophisticated and detailed Schedule of Values for every project

If you are using a Schedule of Values simply as a way to tabulate billings, either as a general contractor, subcontractor or owner, it provides insufficient data for litigation purposes. You need to know more than the current contract value and who has been paid what; you need to know the contract value at different times and who has been paid what at different times. A Schedule of Values aims to do this, yet more often than not it lacks critical information.

The SOV should be used as a tool, together with change orders, lien waivers and other project documentation, and should easily identify overruns before they become an issue.

### A detailed Schedule of Values should:

track the project to date and forecast the project to date,

- include billings to date, paid to date, unpaid balance by period, percentage complete, remaining balance, original contract balance, and changes to the con-

tract balance, by period and more, and

- be standardized by cost code (consider Associated General Contractors CSI Codes) while also fluid to accommodate changes or amendments.

A detailed SOV provides a snapshot of the entire project at a glance. From this, you can spot trends looking backward to forecast and avoid problems in the future. Actual progress versus amount billed and paid, compounded by disputed change orders, is where disputes typically arise; these issues can be resolved more quickly if the proper documentation is available, if not avoided altogether.

### It's in your control

Information related to construction projects is typically managed as efficiently as needed in order to get the project done. However, the information required for litigation purposes requires more precise organization. When disputes arise, litigators are paid litigator-level fees to find, organize, search and sort data as a starting point to legal work. The purpose of clear organization of information and documentation is to reduce the amount of time you will pay your attorney to develop your case or defense. It's the difference between throwing everything in a box and packing with purpose.

Managing construction projects with an eye on data and information management WILL reduce litigation costs. A contractor's control over litigation is still limited in many ways, but managing data on the front end is not one of them.

*Andrew Guess is a construction attorney with Jordan Ramis PC in Portland, Oregon. Contact him at 503-598-7070 or [andrew.guess@jordanramis.com](mailto:andrew.guess@jordanramis.com).*





Photos by Sam Tenney of the DJC

Juan Toro, a carpenter with Timberland Inc., takes measurements in preparation for installation of a fourth-floor CLT panel.

BY SAM TENNEY  
*BridgeTower Media Newswires*

A mixed-use office building taking shape in Portland, Ore. features a unique shape reminiscent of the iconic Flatiron Building in New York City. Flatiron PDX will consist of a ground-floor retail space and open office space on the upper floors. Works Progress Architecture is the designer of the six-

story structure, which Abbott Construction is building on a triangular lot at North Mississippi Avenue and Cook Street for developer Brandon Brown of Southern Miss LLC.

The building's first two floors are post-tensioned concrete slabs, with the upper four floors constructed of cross-laminated timber supported by glue-laminated beams. The CLT floors, sourced from Structurlam in British Columbia, Canada, will be topped with a three-inch slab of poured-in-place concrete.

# Unique office building takes shape in North Portland



Fernando Cazares, a carpenter with Timberland Inc., drills into a cross-laminated timber panel before it is placed.

Five concrete shear walls will provide lateral stiffness. The building's upper four office floors will each have a footprint of around 4,400 square feet, while the second-floor office space will measure around 2,400 square feet. The building also will feature a small parking garage at a half-floor below grade. The 12-month core-and-shell project is slated for completion in March 2018.



Crews with Timberland Inc. fly a fourth-floor cross-laminated timber panel into place.

## People



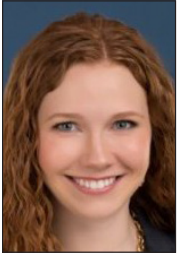
Kevin Cablik

**Kevin Cablik** has joined Paradigm of Idaho as a project manager. Cablik previously worked as director of development and construction manager for Atlanta based developer Paces Properties. He holds a bachelor's degree in building and construction from Georgia Tech.



Sean Schupack

He holds a bachelor's degree in political science with a minor focus in international relations from Boise State University.



Megan McNeese

**Megan McNeese** has joined the Boise office of WHPacific as a project engineer in the transportation group. Her past experience includes designing transportation infrastructure, program management, and engineering support in a General Engineering Consultant role.

McNeese is a licensed professional engineer in Idaho and Texas and earned a bachelor's degree in civil engineering from the University of Idaho. Megan has held leadership positions in Women Transportation Seminar and American Society of Civil Engineers Younger Member Forum.



Jeff Werner

**Jeff Werner** has joined T-O Engineers as transportation project manager. He previously served as project manager on Idaho Transportation Department and Ada County Highway District projects. Prior to that, Werner worked for HW Lochner and Washington Group International. In addition to Werner's transportation project management duties, he will help spearhead T-O's services using drones as a survey and video tool.



Mathew Graham

Graham has experience working on municipal sewer and water projects, sewer modeling, and related projects in the Fresno/Clovis area.



Zane Cradic

**Zane Cradic** has joined T-O Engineers Transportation Group as a new staff engineer. He holds a bachelor's in engineering from the Arizona State University. He spent the last few years working in materials testing and geotechnical engineering.



Mike Brown

**Mike Brown** and **Nate Jorgensen** have been promoted to the position of senior vice president in the Wood Products Division of Boise Cascade Company. Brown has worked at Boise Cascade for 18 years, starting his career in timberland resources before moving into various operational management positions within wood products. He now leads the manufacturing operations for the division. Brown holds a bachelor's degree in forestry from Australian National University and an master's degree in business administration from Cranfield University in the U.K.



Nate Jorgensen

**Nate Jorgensen** has 26 years of experience in the industry, with positions in engineering, product development, sales and operations. He joined Boise Cascade in 2015 as a marketing manager, and leads the engineered wood products sales and

marketing organization. Jorgensen holds a bachelor's degree in civil and environmental engineering from the University of Wisconsin and an executive education through Tuck School of Business at Dartmouth University.



Chanc Meyer

**Chanc Meyer** has joined HMM Engineering as a project manager at the Boise office. Meyer is a professional engineer with 12 years of experience in planning, design, and construction management of transportation infrastructure. He has a background in surveying and in farming in the Nampa area.



Patrick Boel

Boel is a licensed construction manager in Idaho and a LEED Green Associate. Prior to working at LocalConstruct, Boel was a project engineer with Andersen Construction managing projects in Idaho and California. He holds a bachelor's degree in construction management from Boise State University.

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