

# ULI Case Studies

Sponsored by

**Allen Matkins**  
CHALLENGE. OPPORTUNITY. SUCCESS.

## The Rose



*The Rose is a mixed-income community focused on affordability, sustainability, and health. A rendering of the community garden in the northeast corner of the site.*

### PROJECT SUMMARY

The Rose is a 90-unit mixed-income apartment project, part of a multiphase redevelopment project that includes 47 affordable units and 43 market-rate units in a two-building configuration. The Rose is also an example of an ambitious effort to build sustainably, and the developer has set out to meet many of the stringent sustainability standards of the Living Building Challenge within three to five years of opening. Unlike many sustainable buildings, the Rose kept overall construction costs generally in line with comparable affordable housing projects. The Rose succeeds at balancing the aspirational requirements of green building with the need to be cost-efficient and replicable across the affordable housing industry.

The Rose is a joint development of Aeon and Hope Community and is the fourth phase of the South Quarter project that began in 2001. When complete, the overall development will add a total of 216 apartments to a formerly blighted intersection in Minneapolis. The project is the first in the South Quarter to include a relative balance between affordable and market-rate units in a mixed-income approach.

The developers also set out to build a sustainable project, and they invested time and effort in understanding the latest green building techniques and strategies. Aeon; Hope Community; architect and interior designer Meyer, Scherer & Rockcastle (MSR); contractor Weis Builders; the University of Minnesota Center for Sustainable Building Research; and sustainability consultant PLACE spent

### QUICK FACTS

#### Location

Minneapolis, Minnesota

#### Project type

Multifamily rental housing

#### Site size

2.3 acres

#### Land uses

Multifamily housing, affordable housing

#### Keywords/special features

Mixed-income housing, sustainable development, green building, healthy place features, Living Building Challenge

#### Website

[www.aeonmn.org/properties/rose/](http://www.aeonmn.org/properties/rose/)

#### Project address

1920 & 1928 Portland Avenue  
Minneapolis, Minnesota 55404

#### Developer

Aeon  
901 Third Street North, Suite 150  
Minneapolis, Minnesota 55401  
[www.aeonmn.org](http://www.aeonmn.org)

#### Codeveloper

Hope Community  
Minneapolis, Minnesota

#### Owner

Franklin Portland Gateway Phase IV Limited Partnership  
Minneapolis, Minnesota  
[www.aeonmn.org](http://www.aeonmn.org)

#### Architect

Meyer, Scherer & Rockcastle Ltd.  
Minneapolis, Minnesota  
[www.msrdesign.com](http://www.msrdesign.com)

significant time researching and collaborating on the sustainable design of the building.

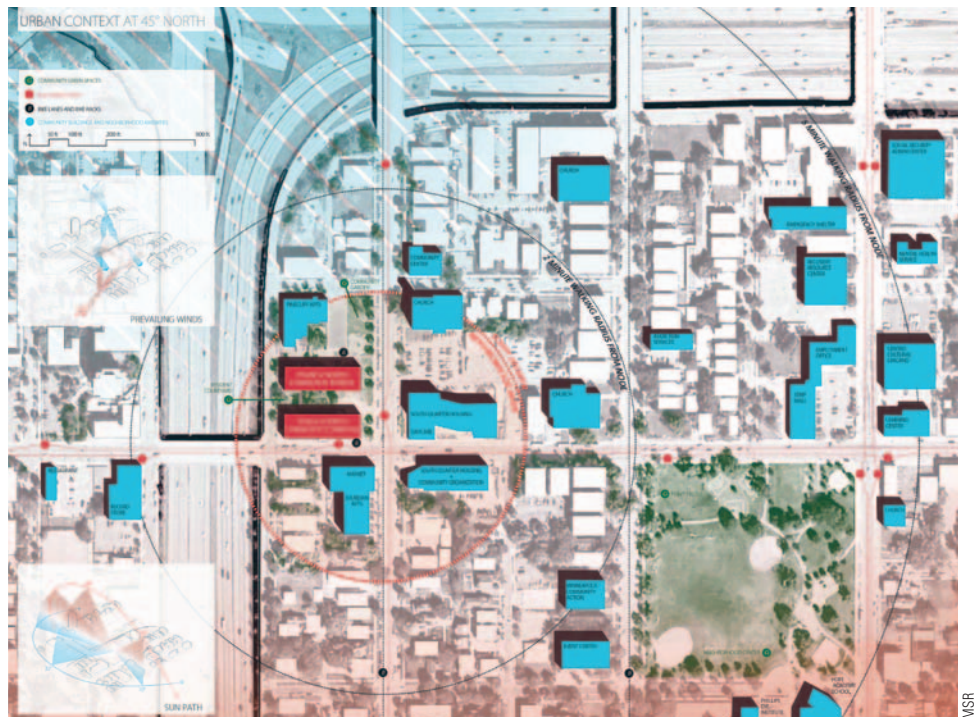
Aeon was formed in 1986 as Central Community Housing Trust, with a goal of replacing affordable apartment units lost as a result of construction of the Minneapolis Convention Center. Aeon's mission from the beginning has been to create high-quality affordable housing with long-term stability in mind. At present, Aeon owns and manages nearly 2,400 apartments in the Twin Cities metropolitan area. Hope Community focuses on developing affordable housing and public spaces that include a community center, playgrounds, and gardens. Hope Community partnered on all four phases of the South Quarter project and also owns and manages multiple affordable apartment properties in the immediate area around the site.

## The Site and Background

In the early 2000s, the Central Community Housing Trust (which changed its name to Aeon in 2007) partnered with Hope Community to create a master plan to redevelop four corners of a blighted intersection of Portland and Franklin avenues in south Minneapolis, less than one mile south of the central business district. The resulting development was called the South Quarter, and the first three corners were redeveloped between 2003 and 2008 with 126 mostly affordable apartments, a limited amount of ground-floor commercial space, and the headquarters for Hope Community.

The final phase of the South Quarter project includes both the Rose as well as the renovation of Pine Cliff, a 30-unit apartment building on the northwest corner of the block. Aeon purchased Pine Cliff out of foreclosure in 2001 as part of its plan to revitalize the area, but this case study deals primarily with the Rose.

The immediate neighborhood around the 2.3-acre site consists of mostly single-family homes and apartments, a large proportion of which were built 100 years ago or more. Located immediately south of downtown Minneapolis, the area suffered disinvestment from post-World War II until the 1990s, although redevelopment projects in the last two decades have added both housing and employment. Freeways border the north and west sides of the neighborhood, and a pair of one-way streets, including Portland Avenue adjacent to the site, generate significant automobile traffic.



*The Rose within the larger South Quarter site and neighborhood.*

## Development Process and Financing

Site acquisition and financing challenges delayed the start of construction by a couple of years. Aeon assembled 13 parcels for the Rose site, including some that were contaminated and required remediation. One acquisition was a small nonprofit organization that Aeon helped relocate and develop a new building on an adjacent block.

The master plan for the South Quarter was developed more than a decade ago; since then, elected officers at the city and neighborhood

levels have changed. Minor modifications to subsequent phases, such as the elimination of commercial space originally planned for the Rose, have been met with acceptance overall, as the project still meets the intent of the original plan to redevelop a blighted corner with new affordable and market-rate housing. These changes were mostly brought on by market or economic forces that evolved from the original vision for the area.

Aeon began applying for funding starting in 2010 and did not get to full funding until 2014. In 2011 and 2012, the Rose received financing from a variety of sources—including city,

*Rendering of courtyard and north building of the Rose at night.*





county, regional, and state governments and philanthropic foundations—that allowed it to move forward (see project information section for details on financing sources and funding levels).

A Metropolitan Council (regional government) grant assisted with place making, including sidewalk reconstruction, stormwater management, and site acquisition. Hennepin County provided environmental remediation funding and awarded the project a transit-oriented development grant.

The Minnesota Housing Finance Agency (MHFA), through the city of Minneapolis, awarded federal low-income housing tax credits to the project using the 9 percent program. U.S. Bank's Community Development Corporation, based in St. Louis, is the tax credit investor for the project. U.S. Bank had experience lending to mixed-income projects and was comfortable that market-rate units at that location would succeed. U.S. Bank's Minneapolis office provided the construction loan.

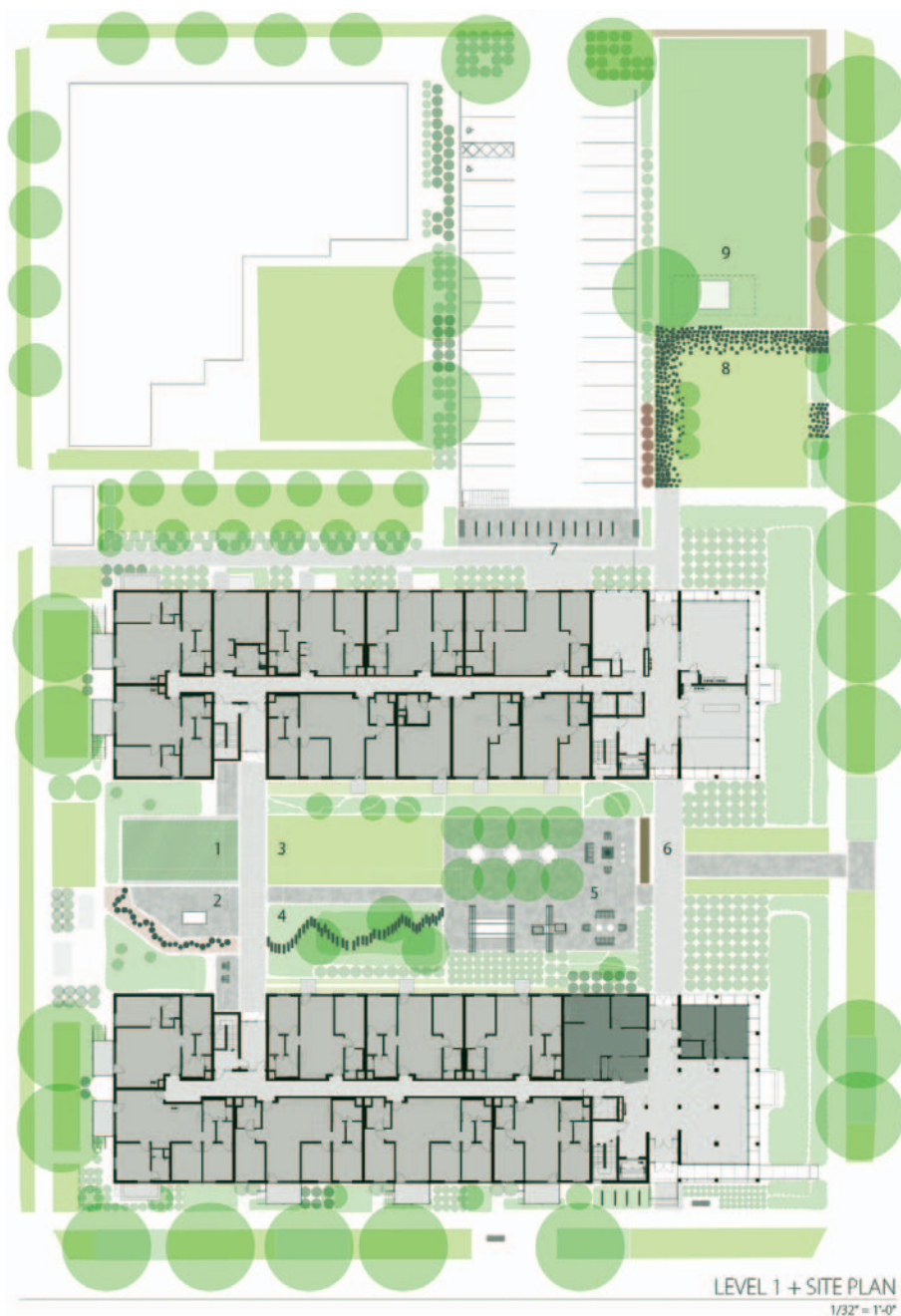
During the financing process, changes in interest rates and shortened loan terms, together with rising construction costs, resulted in higher development costs than were originally expected. To fill the resulting \$2 million gap, Aeon raised additional dollars through a capital campaign. Construction began in September 2014.

## Design

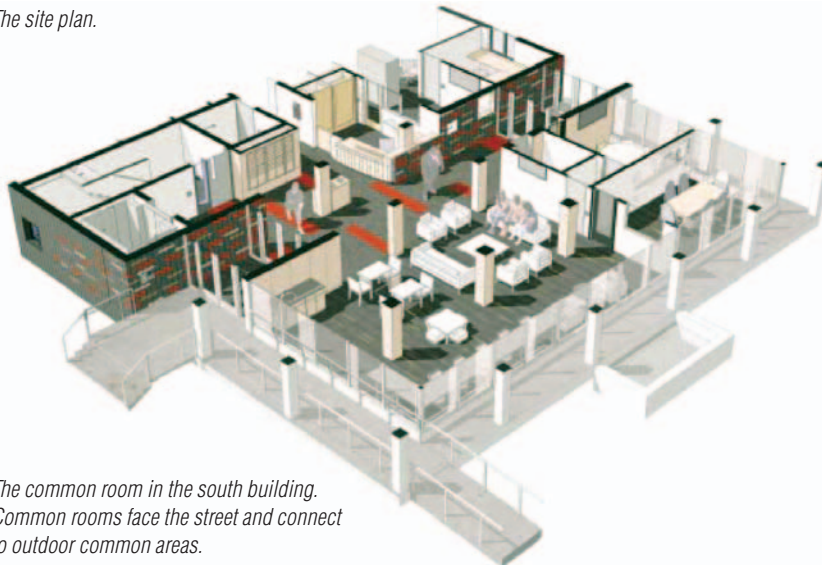
The project consists of two four-story buildings aligned in an east–west layout. Maximizing solar gain was a priority in the arrangement and alignment of the buildings. Between the two structures is a courtyard with several outdoor amenities for tenants. The buildings are separated by enough space so that even in winter months the north building has solar access.

Solar thermal panels are arrayed on the south side of each building and provide 35 percent of hot water needs. The rooftop will likely be used for either additional solar thermal panels or possibly solar photovoltaic cells for electricity generation.

The courtyard between the two buildings includes a lawn, a play area, a play surface that meets Americans with Disabilities Act standards, a rain garden, a patio with grills, a fire pit, and seating. A playground is located between the north building and the existing Pine Cliff building, and a 5,000-square-foot



*The site plan.*



*The common room in the south building. Common rooms face the street and connect to outdoor common areas.*

community garden occupies the northeast corner of the block.

Underground parking is provided, accessed by a ramp and entrance on the north side of the north building. The underground parking connects both buildings, and its footprint forms a C-shaped area. Surface parking is also provided in the northeast quadrant of the block.

The Rose also includes a fitness center, a yoga studio, and resident lounges. The common room is on the ground floor of the south building facing the corner of Portland and Franklin avenues, and the fitness and yoga studios—as well as community space—are on the east end of the north building facing Portland Avenue. The location of these interior amenities adds views of public space, and extra attention was given to maximize visibility by using floor-to-ceiling glass. Units include porches, and units on the ground floor are accessible from either the sidewalk or the courtyard.

The overall program includes eight efficiency units, eight one-bedroom units, 57 two-bedroom units, and 17 three-bedroom units. Market-rate and affordable units are indistinguishable with regard to finishes and appearance. They are generally interspersed throughout both buildings, and any clustering is due to similarities with unit size and the need for stacking identical layouts above each other. For example, all three-bedroom units are affordable and all one-bedroom units are market rate, and

some of these units are adjacent to each other for efficiency. However, some two-bedroom units will alternate between being rented as affordable and market rate, as they are interchangeable.

## Sustainability Features

The Rose is one of the most ecologically sustainable buildings in Minnesota and one of the most sustainable affordable apartment projects in the United States. It is designed to be 75 percent more energy efficient than the 2007 American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) standards for the region. Sustainable building in the upper Midwest is challenging because of weather extremes that include tropical heat in the summer and subzero temperatures in the winter.

Phase III of the South Quarter project, the Wellstone, opened in 2008 and contains several green features including a solar thermal system for hot water heat, a rain garden, and on-site treatment of all stormwater. The Rose incorporates these features as well, including treatment of 75 percent of on-site stormwater. However, because energy-efficient design has evolved rapidly in recent years, Aeon is using a much wider range of tools at the Rose, as compared to the Wellstone, to achieve significantly better results.

Aeon hopes to attain Net Zero Energy Building Certification from the Living Building

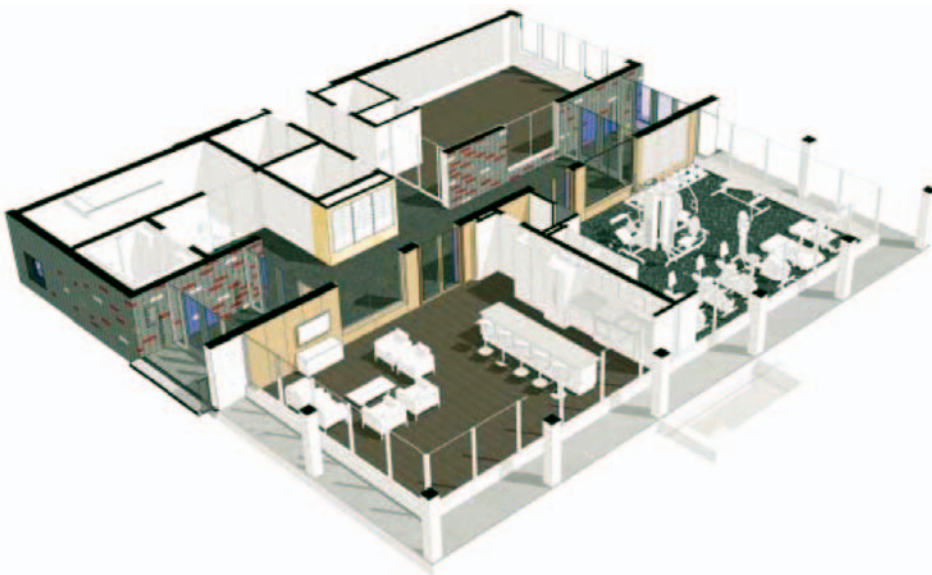
Challenge (LBC) within the first three to five years of operation. Focusing on seven performance areas—site, water, energy, health, materials, equity, and beauty—the LBC is a trademark of the International Living Future Institute, and its goal is socially just, culturally rich, and ecologically restorative development. Aeon project managers call the LBC “LEED on steroids,” and they are seeking certification of version 2.1, which can be attained only after 12 continuous months of occupancy.

Examples of how the Rose capitalizes on the seven performance areas of the LBC are as follows:

- **Site:** The Rose is located on an infill site in the core city.
- **Water:** Stormwater cisterns with a combined 500 cubic feet capacity will collect rainwater on site for irrigation.
- **Energy:** The Rose hopes to be net zero through energy-efficient design, including electrical generation that is either on site or purchased from a solar farm.
- **Health:** A fitness center, at least one bi-cycle parking stall per unit, and the Hope Community garden will be provided on site.
- **Materials:** Energy-efficient, recycled, and healthy materials will be used.
- **Equity:** More than half of the units at the Rose are affordable, including seven units for residents who have experienced long-term homelessness and 15 Section 8 units where tenants pay 30 percent of income for rent.
- **Beauty:** Attention was paid to high-quality design of the building and interior finishes that do not differentiate between affordable and market-rate units.

**Water use.** Monitoring water use generally presents a challenge because the typical multifamily unit draws from more than one “stack” for kitchen and bathroom use, for example. Moreover, the same stack typically serves multiple floors. Thus, it is difficult to monitor retroactively. The Rose includes separate meters for each unit, which will allow for individual monitoring and charging for use.

Aeon has found that water use goes up dramatically if tenants not only have water included in their rent but also have free access to laundry. Thus, to reduce water consumption,



*Community and fitness space and the yoga studio in the north building. Amenities provide residents with some of the features expected in market-rate multifamily housing.*



individual units do not have washers and dryers; instead, laundry rooms are included on every floor.

Design and engineering go only so far. Therefore, to reduce overall water consumption, tenant education is planned following occupancy. At Phase III of the South Quarter project, Aeon reached out to tenants with a water management pilot program. Aeon has allocated \$75,000 for similar efforts at the Rose and is analyzing strategies for implementation once occupancy begins in October 2015.

**Water retention and reuse.** A series of underground cisterns totaling 500 cubic feet will collect rainwater and store it on site. This graywater will be used for irrigation. LBC favors treating and reusing wastewater on site, but this is difficult to achieve in the Twin Cities metro area. Aeon considered doing so, but because of the significant costs and code hurdles, it decided to allocate resources elsewhere.

**Building envelope.** Although a good deal of attention is given to solar heat, photovoltaic generation, and water management, the building envelope creates the greatest reduction in

energy use. ASHRAE's 2007 regional baseline is 111,000 Btu per square foot per year, and the Rose achieves a 75 percent reduction from that total. Of that total, 58,000 Btu is achieved within the building envelope, including its walls, windows, and roof. The project team, including Weis Builders, carefully considered dozens of materials, wall systems, and window types and measured them against each other to find the sweet spot in performance between upfront cost, long-term energy and cost savings, and ability to be replicated. In the end, an appropriate balance was struck that held construction costs to just over \$250,000 per unit. This figure is higher than, but still relatively comparable to, costs for other recent affordable housing projects in the Twin Cities.

**Mechanical systems.** Another key aspect of energy reduction is the mechanical system. Aeon chose a variable refrigerant flow (VRF) system that is the first of its kind in the Midwest. It can operate in conditions as low as -32 Celsius and eliminates the need for supplemental baseboard heating. The VRF system will include an outdoor condensation wall located in

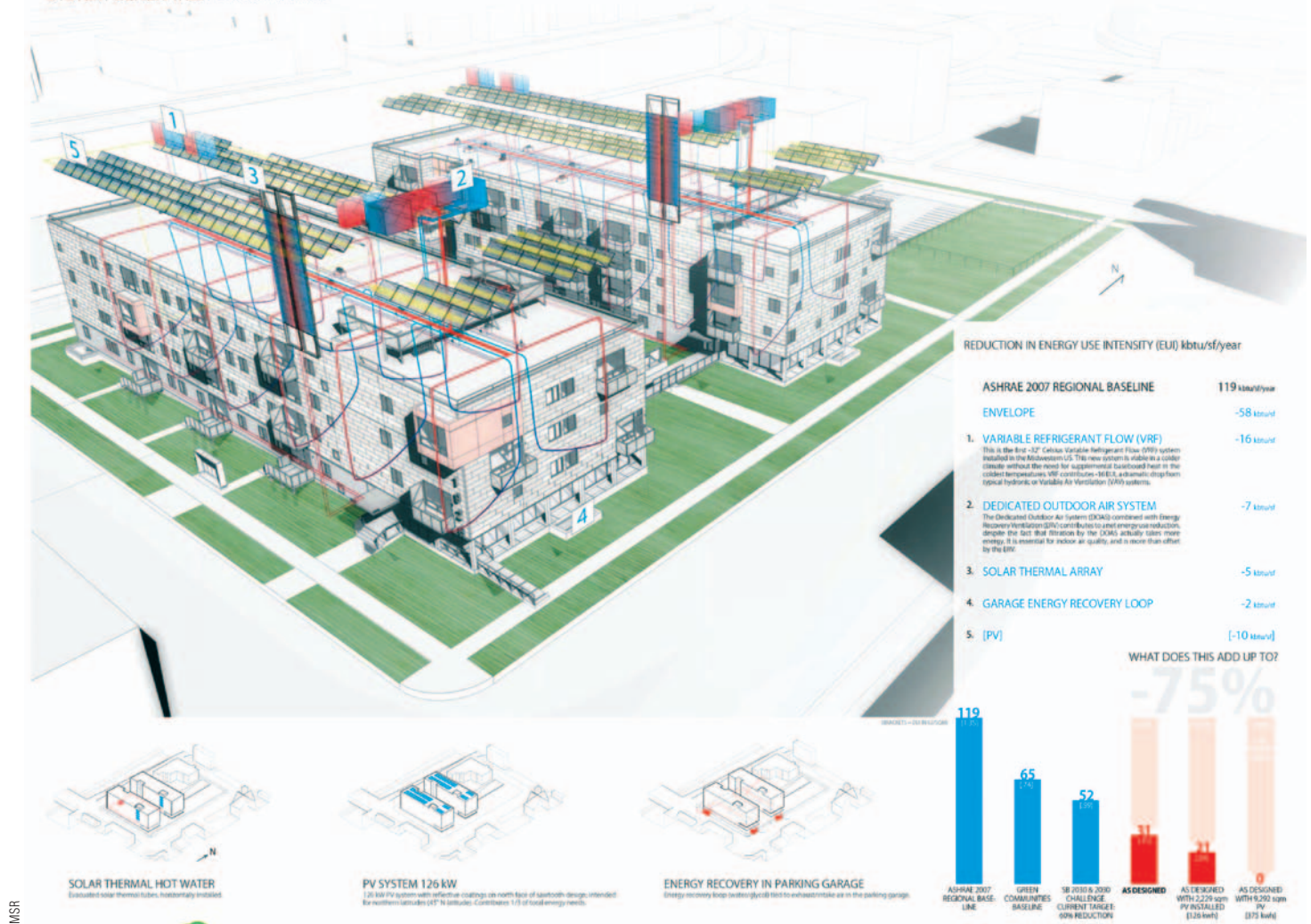
the courtyard. The wall will be a visible indication of how much energy is being used; when significant cooling is required in summer, the wall will drip, and when heating is required in winter, ice will form.

As a result of the very tight building envelope and VRF heating and cooling, Aeon also chose to use a dedicated outdoor air system as a backup system to ensure fresh air circulates in the building. The dedicated outdoor air system also greatly improves indoor air quality by sending the air through a highly refined system of filters. It is very important to provide high-quality indoor air to residents by removing local pollution caused by the project's location near two freeways and fronting two major thoroughfares.

**Building materials.** The project team conducted extensive research to identify building materials that are both energy efficient and healthy but also cost-effective. Wall systems and windows, for example, had to be similarly efficient so as not to outperform the other. In addition to obvious things like paint and flooring, other materials such as countertops and trim



*The Rose under construction in early spring 2015, with downtown Minneapolis in the background.*



Energy efficiency efforts focused on the building envelope, advanced heating and cooling systems, and a solar thermal array on the roof for hot water.

were chosen for their lower off-gases and toxins in an effort to keep tenants healthier.

Sustainable buildings commonly have very high construction costs per square foot, which is neither a sustainable nor replicable option in the affordable housing industry. The development team knew that many of the sustainable materials that could be chosen in pursuit of LBC 2.1 certification required considerable cost and that tradeoffs would be necessary. As a result, they spent additional time researching the most cost-effective and sustainable materials.

Specific examples of trade-offs made with the project include flooring in the living areas and bathrooms and countertops in the kitchen. In those cases, a basic material was preferred by lenders because of cost, but the basic materials did not meet the LBC 2.1 standards.

However, the cost of materials preferred by Aeon was prohibitive, despite the materials being approved by the LBC. In each scenario, a third choice was selected for a variety of reasons.

- The living-area flooring was chosen for its cost-effectiveness, durability, and ease of maintenance. The manufacturer of the product, however, is not willing to disclose whether it meets the LBC 2.1 standards, saying it might publicize trade secrets, which was a significant roadblock the design team faced in this process.
- Bathroom flooring that was not originally available before closing was offered by the contractor, but was negotiated at a very reasonable price. In this case, the manufacturer did disclose that the product meets the LBC 2.1 standards.

- The order for kitchen countertops was also changed after closing and offered to the developer at a reasonable price.

These specific examples are important because they provide insight into the attention to detail paid by the entire development team to remain both aspirational and replicable. In each case, the most sustainable choice far exceeded a reasonable budget, but basic materials commonly found in affordable housing projects were insufficient for the LBC 2.1 certification. The results indicate a reasonable balance was struck.

**Solar thermal panels.** Aeon used solar thermal panels to generate hot water heat on Phase III of the South Quarter project; the developer is doing so again at the Rose. Solar thermal panels are located on the south-facing portions of the building.



**Photovoltaic cells.** An aspect of energy reduction still being analyzed for the Rose is generating electricity from photovoltaic cells. Because of the project's density, the Rose has only enough rooftop space to generate about one-third of the projected electrical need (126 kilowatts versus 300 kilowatts). As a result, Aeon is considering purchasing electricity from a solar farm near the Twin Cities. Doing so

would make the project net zero and could allow it to attain the LBC 2.1 certification. Aeon has indicated that this decision will be made by the end of 2015 and that it hopes the system will be in place by the end of 2016.

## Marketing and Management

Aeon will manage the Rose as part of its portfolio of nearly 2,400 apartment homes in the Twin

Cities. Marketing began May 1, 2015, and as of June 1 a significant interest list of more than 1,000 names already existed for the affordable units; many of those are from the interest list for the first three phases of the South Quarter project. There has been particularly high interest in the affordable three-bedroom units that are so scarce in the community. As of July 2015, Aeon was receiving interest in the market-rate units as well.

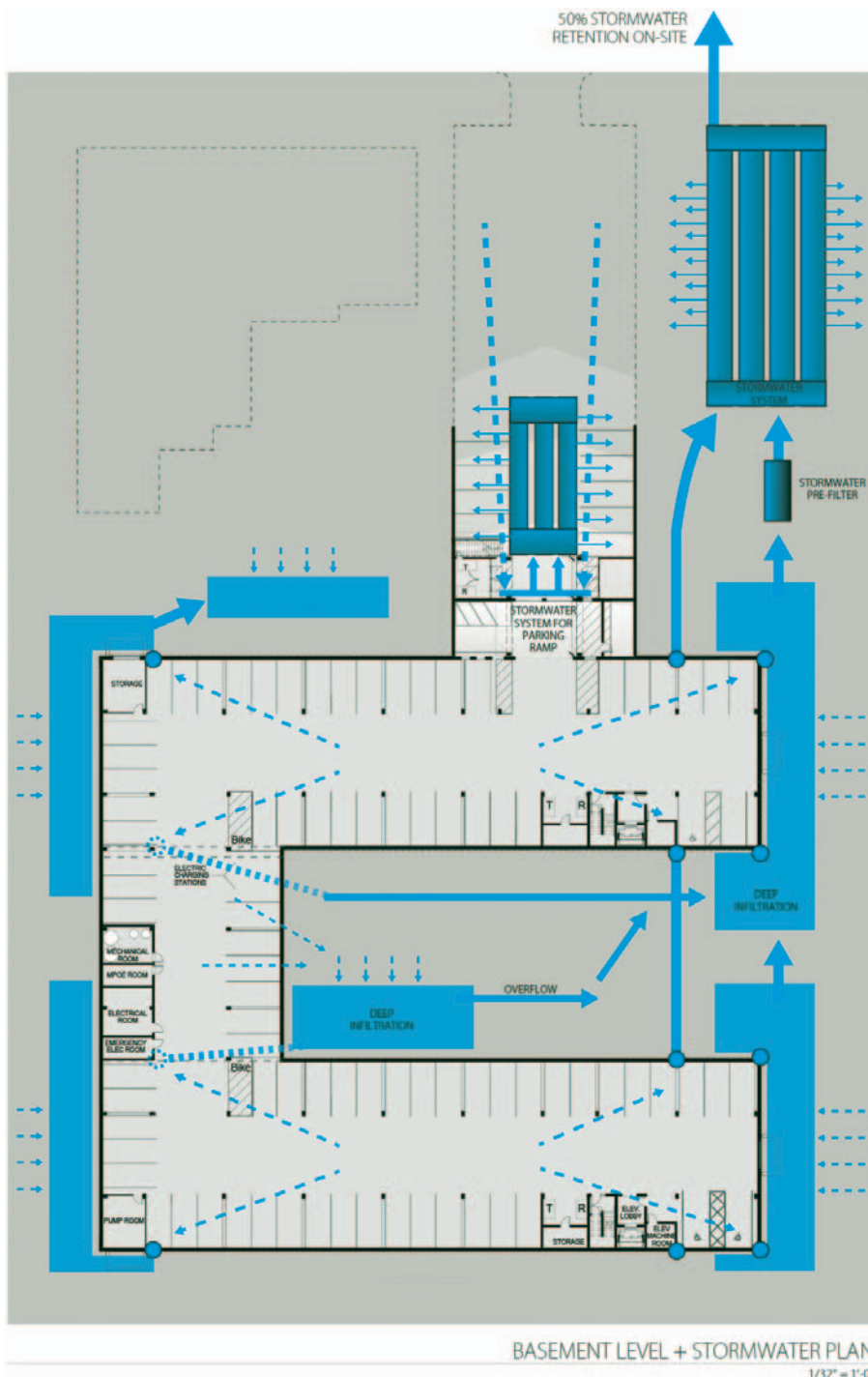
As noted, 43 of the units at the Rose will be market rate and 47 will be affordable. Earlier phases of the South Quarter project include a small percentage of market-rate units, and those units have performed well. Still, dedicating half of the units as market rate posed a challenge to many tax credit investors who typically do not dwell in market-rate units. Aeon and U.S. Bank, with market studies and evidence from previous phases, believe market-rate units will fetch at least \$1,600 per month for a two-bedroom unit, which is unprecedented for this corner that was blighted just 15 years ago.

The Rose will offer a wide range of affordability. Seven of the units will be reserved for households experiencing homelessness and 15 of the three-bedroom units will be Section 8, with tenants paying 30 percent of their income for rent. Of the 47 affordable units, 21 will be affordable to households earning between 50 and 60 percent of area median income. The rents for the units will range from \$636 for a 522-square-foot efficiency unit up to \$1,560 for a two-bedroom, market-rate unit.

## Observations and Lessons Learned

Architecture fees were nearly double the normal fees for a project this size as compared to the allowable architecture/engineering fee cap of about 3 percent, per MHFA fee schedules. However, Aeon is already working with MSR on additional housing projects, and architectural costs are expected to be closer to MHFA norms on those projects as the architects apply knowledge and experience gained from work on the Rose. Aeon views these higher costs at the Rose as pioneering costs that will benefit future projects that will likely achieve as good as or even better performance.

A theme that was repeatedly touched on by representatives from Aeon and MSR was the



*The basement level and stormwater plan. Rainwater from the entire site drains into rain gardens. Overflow is filtered in stormwater systems under the garden and parking area before draining.*



*Rendering of the Rose in winter. The cold climate was a major challenge to achieving energy efficiency goals.*

balance between replicable and aspirational projects. A noteworthy proportion of projects that receive the LBC or even LEED certification are singular projects that often have a large budget. This funding allows for materials and systems that result in a high cost per square foot for construction. The project team, while aspiring to create a groundbreaking sustainable project, worked exhaustively to ensure that the project could be replicated elsewhere. In particular, state housing agencies that allocate tax credits are vigilant to keep costs down and at reasonable levels. Aeon and MSR are committed to sharing lessons learned and discussing their processes to help other developers and designers build better buildings—especially in the upper Midwest and other cold-climate areas that have unique climatic challenges.

As the Rose nears completion, Aeon aspires to attain LBC Petal certification and to make the project net zero energy. Perhaps more important, the project is financially and ecologically sustainable, and the sustainable features at the Rose can be replicated on future projects by Aeon and other affordable housing project developers.

Committed to long-term sustainability, Aeon and MSR believe strongly that the sustainable features at the Rose can be replicated. If net zero is not achieved with the Rose, it could well happen with an Aeon project in the future. Nonetheless, the Rose is arguably one of the most sustainable apartment buildings in Minnesota and maybe the United States. The lessons learned with the Rose can be applied to future buildings.

## OTHER PARTICIPANTS

### Contractor

Weis Builders  
Minneapolis, Minnesota

### Commissioning agent

Questions and Solutions Engineering  
Chaska, Minnesota

### Consultants

University of Minnesota Center for Sustainable  
Building Research  
Minneapolis, Minnesota

### PLACE

Minneapolis, Minnesota

### Interviewees

James Lehnhoff, director of housing  
development, Aeon  
Gina Ciganik, vice president—housing  
development, Aeon  
Rhys MacPherson, project manager, MSR  
Paul Mellblom, principal, MSR



## PROJECT INFORMATION

### Development timeline

Site purchased	Various
Planning started for four-phase project (the Rose is fourth phase)	2001
Primary funding application for the Rose	2010
Construction financing arranged	Fall 2014
Construction started	September 2014
Leasing started	May 2015
Project completion	Scheduled for October 2015

### Gross building area (GBA)

Use	Building area
Residential	139,815 sq ft
Parking	32,772 sq ft
Total GBA	172,587 sq ft
Total parking spaces	90 underground/29 surface

### Land use plan

Use	Site area (sq ft)	Percentage of site
Buildings	36,570	36
Streets/surface parking	11,000	11
Landscaping/open space	52,656	53
Total	100,226	100%

### Residential information

Unit name/type	Number of units	Unit size (sq ft)	Typical rent
<i>The Rose</i>			
Unit 1—one-bedroom Type B	8	657	\$1,120
Unit 2—efficiency Type B	7	522	\$636–650
Unit 3—three-bedroom Type B	3	1,178	\$1,049–1,148
Unit 4—three-bedroom Type B	13	1,272/1,302	\$1,049–1,148
Unit 6—two-bedroom Type B	3	989	\$826–1,560
Unit 7—two-bedroom Type B	6	985	\$826–1,560
Unit 8—two-bedroom Type B	15	977/1,007/1,025/1,055	\$826–1,560
Unit 9—two-bedroom Type B	30	947	\$826–1,560
Unit 10—efficiency Type A	1	522	\$636–650
Unit 11—three-bedroom Type A	1	1,178	\$1,049–1,148
Unit 12—two-bedroom Type A	3	947	\$826–1,560
<i>Pinecliff</i>			
One-bedroom unit	18	650	\$743
Two-bedroom unit	12	857	\$826–877
<b>Total</b>	<b>120</b>		

The Rose unit types	Affordable	Market rate
Efficiencies	8	0
One-bedroom	0	8
Two-bedroom	22	35
Three-bedroom	17	0
<b>Total</b>	<b>47</b>	<b>43</b>

## Development cost information

### Site acquisition cost

Acquisition	\$3,988,115
Demolition	\$123,370
Carrying costs	\$1,344,278
Subtotal	\$5,455,763

### Hard costs

New construction	\$23,012,884
Rehabilitation	\$455,443
Subtotal	\$23,468,327

### Soft costs

Architect	\$1,129,000
Leasing costs/marketing	\$191,000
Surveys and soil borings	\$26,000
Sewer-water access charge	\$134,190
Appraisal fees	\$32,400
Commissioning agent/energy audit	\$68,700
Environmental assessments	\$31,577
Cost certification/audit	\$71,200
Market study	\$14,100
Tax credit fees	\$79,000
Furnishings and equipment	\$140,000
Legal fees	\$285,000
Relocation costs	\$64,933
Construction testing/utility relocation	\$114,769
Developer fee	\$1,959,000
Construction manager	\$117,945
Subtotal	\$4,458,814

### Financing costs

Hazard and liability insurance	\$165,417
Construction loan interest	\$600,000
Property taxes during construction	\$66,000
Minnesota Housing Finance Agency (MHFA) inspection fee	\$219,025
MHFA origination fees	\$124,250
Construction loan origination and due diligence	\$311,164
Low- and moderate-income rental (LMIR) mortgage insurance premium	\$33,413
Title and recording	\$125,000
Site maintenance/holding costs/property taxes	\$224,000
Government fees/soft cost contingency	\$59,759
Other financing/inspection fees	\$56,836
Subtotal	\$1,984,864

### Required reserves

Replacement reserves/subsidy reserve/Pine Cliff funds	\$355,397
Operating reserve	\$476,752
Subtotal	\$832,149

**Total development cost** **\$36,199,917**

**Hard costs per square foot** **\$136**

**Total development costs per square foot** **\$210**

**Total development costs per unit** **\$301,666**

**Total development costs without assumed debt\*** **\$289,682**

*\*Assumed debt from Pine Cliff was a noncash transaction that was both a source and a use with no impact on project costs.*



## Financing sources

### Debt capital sources

Minnesota Housing LMIR first mortgage	\$7,425,000
Minnesota Housing flexible financing for capital costs (FFCC) loan	\$764,603
Total	\$8,189,603

### Equity capital sources

Tax credit equity syndications proceeds	\$14,499,499
---	--------------

### Public sector capital sources

Minneapolis Affordable Housing Trust Fund (AHTF)	\$1,950,000
Minnesota Housing Economic Development & Housing Challenge (EDHC) funds	\$1,500,000
Met Council Livable Communities Demonstration Account (LCDA)	\$793,900
Hennepin County Housing and Redevelopment Authority (HRA) Transit-Oriented Development/Affordable Housing Incentive Fund	\$724,000
Family Housing Fund	\$400,000
Pine Cliff assumed debt	\$1,438,115
Total	\$6,806,015

### Other capital sources

Developer contributions	\$5,704,800
Deferred developer fee	\$950,000
Minneapolis Watershed Management Organization	\$50,000
Total	\$6,704,800

<b>Total financing sources</b>	<b>\$36,199,917</b>
--------------------------------	---------------------



## About the Urban Land Institute

The mission of the Urban Land Institute is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

Established in 1936, the Institute today has more than 34,000 members, representing the entire spectrum of land use and development disciplines. Professionals represented include developers, builders, property owners, investors, architects, planners, public officials, real estate brokers, appraisers, attorneys, engineers, financiers, academics, and students.

ULI is committed to

- Bringing together leaders from across the fields of real estate and land use policy to exchange best practices and serve community needs;
- Fostering collaboration within and beyond ULI's membership through mentoring, dialogue, and problem solving;
- Exploring issues of urbanisation, conservation, regeneration, land use, capital formation, and sustainable development;
- Advancing land use policies and design practices that respect the uniqueness of both the built and natural environment;
- Sharing knowledge through education, applied research, publishing, and electronic media; and
- Sustaining a diverse global network of local practice and advisory efforts that address current and future challenges.

**Patrick L. Phillips**, Global Chief Executive Officer

*The development of this case study was generously underwritten by the law firm Allen Matkins.*



## About Allen Matkins

Allen Matkins is a California-based law firm specializing in serving the real estate industry. The firm has more than 200 attorneys in four major metropolitan areas of California: Los Angeles, Orange County, San Diego, and San Francisco. Its core specialties include real estate, real estate and commercial finance, bankruptcy and creditors' rights, construction, land use, natural resources, environmental, corporate and securities, intellectual property, joint ventures, taxation, employment and labor law, and dispute resolution and litigation in all these matters.

**Michael L. Matkins**, Founding Partner

**Michael C. Pruter**, Partner

**David Osias**, Managing Partner

Funding for this case study was also provided by the ULI Foundation.

## ULI CASE STUDIES

The ULI Case Studies program highlights and showcases innovative approaches and best practices in real estate and urban development. Each case study provides detailed information regarding the ideas, plans, process, performance, and lessons learned for the development project. Each also includes project facts, timelines, financial data, site plans, photos, location maps, and online videos. The new ULI Case Studies program is the revitalization of a program begun in 1971. ULI Case Studies are offered as a ULI member benefit and via subscription for nonmembers. For more information, visit the ULI Case Studies website at [www.uli.org/casestudies](http://www.uli.org/casestudies).

### **Kathleen B. Carey**

Executive Vice President and  
Chief Content Officer

### **Dean Schwanke**

Senior Vice President,  
Case Studies and Publications

### **Sam Newberg**

Case Study Author

### **James A. Mulligan**

Senior Editor

### **David James Rose**

Associate Editor

### **Christine Stinson, Publications Professionals LLC**

Manuscript Editor

### **Betsy Van Buskirk**

Creative Director

### **Martin Schell**

Manager, Online Communications

### **Danielle Bilotta**

Online Communications

### **Deanna Pineda, Muse Advertising Design**

Graphic Design

© 2015 Urban Land Institute  
1025 Thomas Jefferson Street, NW  
Suite 500 West  
Washington, DC 20007-5201