

Portland, Oregon  
Development Opportunities

## CASCADE STATION

**C**ascade Station is a 120-acre parcel located at the southwest corner of the intersection of Interstate 205 and Airport Way and within the Airport Way Urban Renewal Area (Airport Way URA). The property is owned by the Port of Portland but leased out to Buyers under long-term (99-year) ground leases.

In 1999, a proposal came together for the development of much of the Port's property by the Airport (known as the Portland International Center) with a mix of retail, hotel and office uses. Perhaps more importantly to the City and the Port, the plan also included extending light rail through the property, directly to the airport terminal. PDC helped finance both the infrastructure improvements and the light rail construction to the tune of approximately \$28 million.

In February 1999, City Council adopted the 1999 Cascade Station/Portland International Center Plan District, which essentially established the zoning for the proposed development. The 1999 Plan District provided guidelines regarding allowable development rights and design standards for development of the property. However, the Plan District did not allow large format retailers (over 60,000 square feet) which proved to be a fatal flaw as the smaller retailers would not commit to locate there without one or more major anchors. As a result, the light rail was completed (which has been an enormous success), however, the remaining land sat empty for the following six years.

On February 17, 2005, the 1999 Plan District was amended with the intention of reviving development interest at Cascade

Station. Development rights for the property were modified to allow, among other uses, up to three large-format retailers. Shortly thereafter, IKEA committed to locate at Cascade Station and immediately thereafter, a parade of retailers signed up including, Best Buy, Golfsmith and many others.



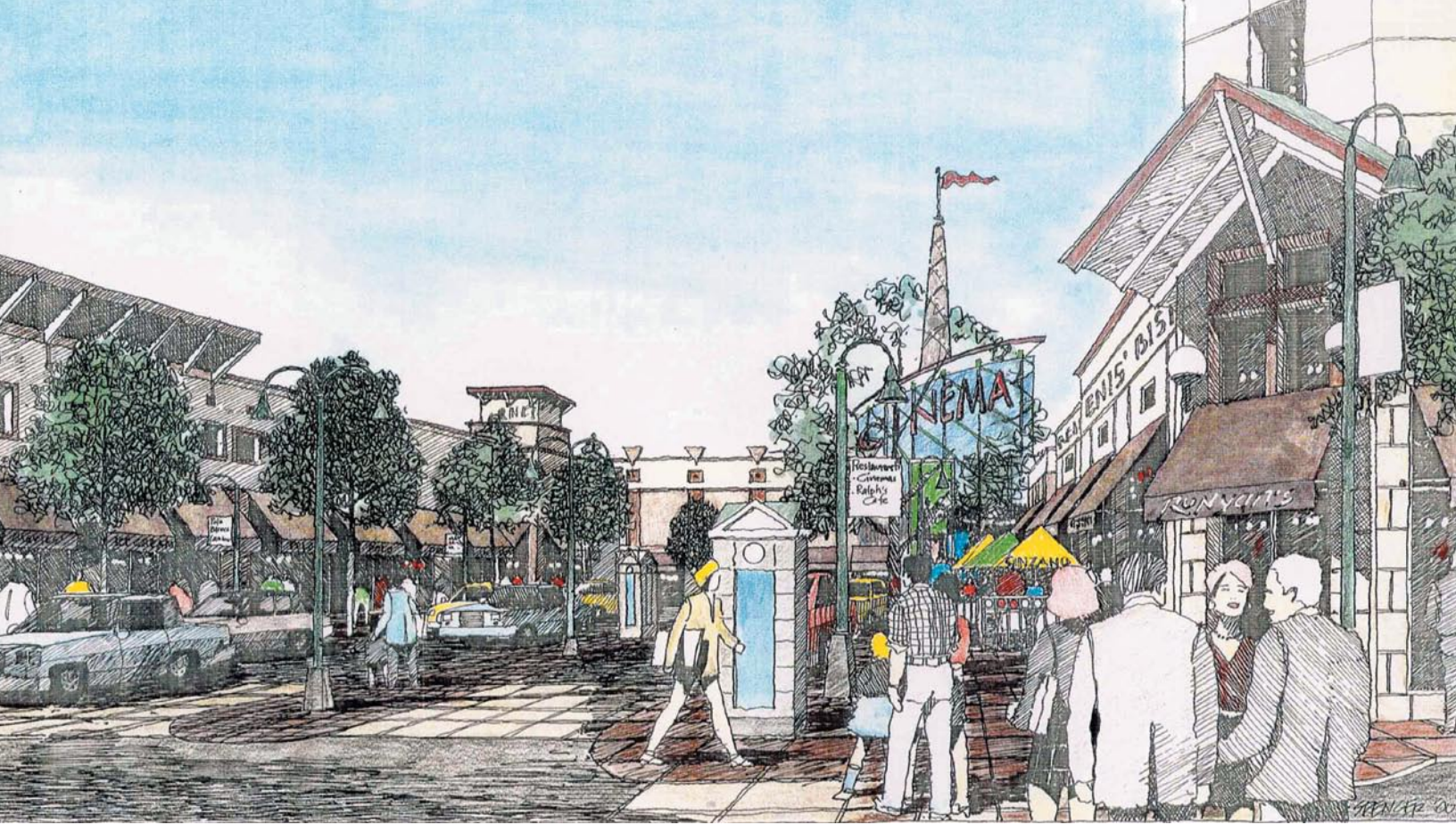
*IKEA Grand Opening at Cascade Station*

*Investing in Portland's Future*

**PDC**  
PORTLAND DEVELOPMENT COMMISSION

222 NW Fifth Avenue • Portland, OR 97209  
tel: 503.823.3200 • fax: 503.823.3368

[www.pdc.us](http://www.pdc.us)



Construction of the IKEA store and the entire retail center commenced in August 2006. IKEA opened on July 26, 2007 and is being followed by the rest of the shopping center as each individual retail space is finished. In addition to the retail developments, one hotel is under construction and two other hotels and two new office buildings are in for permits. Additionally, about eight restaurants are planned or under construction.

Three hotels have committed to Cascade Station. The first, the Aloft Hotel, is a Starwood brand and is under construction next to one of the two light rail stations. The second and third, a Hyatt Place and a Marriott Residence Inn, will be underway early next year. Finally, two office buildings totaling approximately 145,000 square feet are now being permitted with construction to start this winter.

PDC acquired the development rights to 36 acres of the land at Cascade Station, in the form of a long term Ground Lease, in 2006 as part of the restructuring of the Cascade Station project. This land is zoned for office or hotel uses and cannot be used for retail except as may be ancillary to the office building. PDC is marketing this property through the Portland Office of the Grubb & Ellis Company and PDC has financial incentives available to office buyers that meet its employment wage guidelines (basically, firms whose average wage in the office meets or exceeds twice Oregon's minimum wage).

Learn more about PDC and this redevelopment project at [www.pdc.us](http://www.pdc.us).

**For further information, contact:**

Bruce Allen, Senior Development Manager  
Portland Development Commission

(503) 823-3357  
[allenb@pdc.us](mailto:allenb@pdc.us)

David Squire, Executive Vice President  
Grubb & Ellis Company

(503) 972-5505  
[david.squire@grubb-ellis.com](mailto:david.squire@grubb-ellis.com)