

ULI Case Studies

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The Rise



The Rise is a mixed-use project just south of downtown Vancouver, British Columbia, with 92 townhouses and flats in an open-air arrangement sitting on top of three stories of large-format retailers and smaller streetfront shops.

PROJECT SUMMARY

The Rise is an exemplary model of transit-oriented, central-city development that successfully mixes large-format retail uses with smaller shops and housing in a well-resolved mid-rise form. Grosvenor Americas' mixed-use, residential-over-retail building is located just south of downtown Vancouver, British Columbia, on Cambie Street, a major north-south arterial road and transit route. The building occupies an entire 2.3-acre block and includes 92 rental live/work units above 200,000 square feet of retail space, a one-acre fully internalized truck court and waste/recycling area, and three levels of underground parking with 520 retail and 121 residential parking stalls. The retail component includes three large-format stores, each situated on its own floor. Smaller streetfront shops line two sides of the building. The residential component sits on the roof of the retail podium in an open-air townhouse and flat configuration with units surrounding a functional, shared, grass-covered courtyard and community garden.

QUICK FACTS

Location

Vancouver, British Columbia, Canada

Project type

Mixed use—two uses

Site size

2.3 acres

Land uses

Retail, multifamily housing, underground parking

Keywords/special features

- Rental housing
- Live/work residential
- Pedestrian-friendly design
- Urban infill
- Transit-oriented development
- Green roof
- Large-format retail
- Public art

Website

www.therisevancouver.com/

Project address

455 West Eighth Avenue
Vancouver, British Columbia V5Y 3Z5
Canada

Developer

Grosvenor Americas Ltd.
Vancouver, British Columbia, Canada
www.grosvenor.com

Development partner/co-owner

Manitoba Civil Service Superannuation Board
Winnipeg, Manitoba, Canada
cssb.mb.ca

Architect

Nigel Baldwin Architects Ltd.
588 West 17th Avenue
Vancouver, British Columbia V5Z 1T5
Canada

The Rise is an urban infill, residential-over-retail building located next to downtown Vancouver, British Columbia. The site was originally occupied by a car dealership, but international developer Grosvenor saw the potential for the company to expand into a dynamic, rapidly growing urban market. Its primary retail tenants are three large-format stores: Home Depot, Save-On-Foods, and Winners/HomeSense. Save-On-Foods is a western Canadian chain of grocery stores; Winners/HomeSense is the Canadian operation of international retailer TJX Companies, best known in the United States for TJ Maxx and Marshalls. All three retailers typically operate large, one-story buildings surrounded by surface parking in suburban settings. However, at The Rise, the stores are stacked one on top of the other in a dense, urban environment that has increasing pedestrian activity.

Above these stores are 92 live/work townhouses arranged around a rooftop courtyard and garden. Wrapping two sides of the project at the street level are smaller shops that serve to animate and activate the street, creating a vibrant pedestrian experience. To accommodate

the heavy volumes of freight deliveries necessary for the three large retail tenants, the project has a fully internalized truck court and waste/recycling area large enough to accommodate ingress and egress for trucks up to 72 feet long and eliminate the need for off-site maneuvering. The space is large enough for four trucks to concurrently unload freight and exit without disrupting the access for other users of the truck court or the street activity surrounding The Rise.

The Site

Over the past 30 years, Vancouver has grown rapidly. High-rise towers have substantially changed the skyline downtown while nearby areas have seen densities increased by mid-rise infill projects. Cambie Village, which stretches from West Fifth Avenue to West 25th along Cambie Street, is one of these areas.

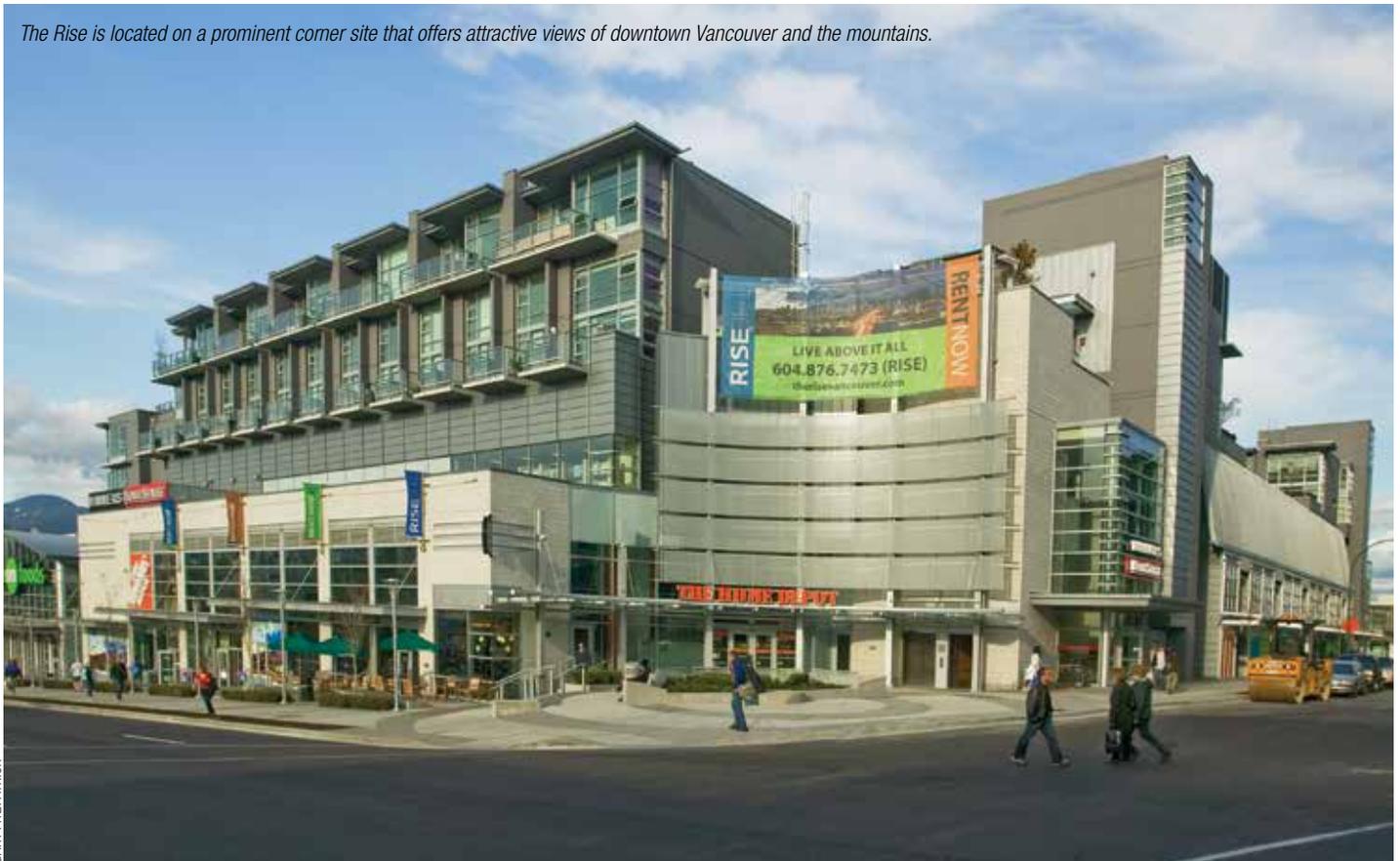
The Rise—located in Southeast False Creek at the northern end of Cambie Rise at the corner of Cambie Street and West Eighth—is a 20- to 25-minute walk from downtown. Just one block south is Broadway, a main east-west thoroughfare and home to many vibrant shops, hotels, and office buildings. The Canada Line's Broadway/

City Hall station is a block south of the project at the corner of Cambie and Broadway. The nearly 12-mile-long Canada Line is a fully automated light-rail transit line. According to TransLink, Vancouver's regional transit authority, the line had an estimated ridership of more than 136,000 people per day in June 2011.

Vancouver is one of the few major cities in North America without a major highway running through its center. Instead, large arterial roads such as Granville Street, Knight Street, and Cambie Street bring people into and out of downtown. In addition, from Coal Harbour to the Fraser River, the 16-station Canada Line of Vancouver's TransLink SkyTrain system travels underground for most of the length of Cambie Street, connecting downtown Vancouver to the airport and the city of Richmond.

Even though the six-lane Cambie Street is a main thoroughfare, much of its length is characterized by wide sidewalks, green boulevards, streetfront retail space, and multifamily housing. South of West 12th, Cambie is lined predominately with pre-World War II apartment buildings and one-story retail strips, although these strips are giving way to mixed-use retail

The Rise is located on a prominent corner site that offers attractive views of downtown Vancouver and the mountains.



GARY FITZPATRICK

buildings topped by residential space. In this area, the streets intersecting with Cambie are lined mainly with single-family houses. City Hall, located at West 12th and Cambie, marks a change in the level of density. North of West 12th, Cambie Village has much higher densities and many more mid-rise, mixed-use buildings. A large medical complex that includes institutions such as Vancouver General Hospital and a University of British Columbia satellite campus is located a block from Cambie along West 12th Avenue.

In addition to the car dealership, the 2.3-acre block on which The Rise sits was originally home to a sporting goods store and small computer repair shop. A rare commodity in the city, it was one of the last large underdeveloped blocks—and even more uncommon, the block was not bisected by an alley or city-owned right-of-way.

To the north of the site are a Best Buy and a Canadian Tire store located in a multitenant urban retail configuration with the entrances to both stores fronting Cambie. To the west of the site across Cambie is a low-rise strip of retailers and restaurants. Sitting diagonally across from The Rise on the west side of the Cambie and West Eighth Avenue intersection are a Whole

Foods supermarket and London Drugs, which are part of the Crossroads mixed-use development comprising a retail podium with two mid-rise office and residential towers sitting above it. The block to the south of The Rise includes a Wendy's restaurant, a surface parking lot, a mid-rise residential-over-retail building, and a stretch of one-story retail shops. The area east of The Rise has long been characterized by light-industrial uses with a very limited residential presence.

The site incorporates a significant slope along Cambie, presenting both challenges and opportunities for the developers.

Development and Approval Process

Having had success in the the urban Vancouver area with projects such as TIME in North Vancouver and 5955 Balsam in Kerrisdale, international developer Grosvenor was looking for more opportunities in the region. Grosvenor is a privately owned business that has developed and managed property in London for more than 300 years. With goals of diversification, globalization, and environmental stewardship, Grosvenor now has many properties in North America and Asia in addition to the United Kingdom.

As part of the company's strategy to acquire sites in highly desirable urban locations, Grosvenor Americas took immediate interest in The Rise site and targeted it as an off-market opportunity, completing the purchase in 2001. Simultaneously, the western Canadian grocery chain Save-On-Foods was exploring opportunities to expand in this submarket. Having previously partnered with Grosvenor, Save-On-Foods was keen to locate at the as-yet-undeveloped site.

Once Save-On-Foods committed to the project, the general development concept for the site took shape rapidly. The team initially looked to the Canadian Tire and Best Buy stores north of the site for development cues. Despite the name, Canadian Tire sells not only tires, but also a wide range of housewares, garden supplies, and sports gear. Together, the two businesses demonstrated that large-format retailers could be attracted to urban environments and succeed there.

The site was zoned C3A, which under Vancouver's discretionary zoning system allows for significant increases in density and height for projects that meet city goals and guidelines. In the case of The Rise, the base floor/space ratio (FSR) was 1.0 and the base height was

SITE CROSS SECTION



30 feet, but through cooperation with the city, the developer could increase the FSR to 3.0 and the height to 90 feet.

Grosvenor opted for the higher density and initially created a “stacked retail” plan. Save-On-Foods would be located on the lowest level, with its entrance oriented to Cambie Street at West Seventh Avenue; the second level would be built with the intention of attracting another large retail tenant to the site (though the second floor instead could be converted into multiple medium-sized retail spaces if needed); and the third level would be home to an array of restaurants and entertainment venues that could capitalize on the sweeping views of downtown Vancouver and its surrounding mountain range.

However, in order to attain the density bonus, the city and Grosvenor conceived a residential component scheme instead of restaurants on the top level, and inclusion of smaller streetfront retailers, a green roof, and contemporary design. Grosvenor then hired architect Nigel Baldwin to reshape the project. Baldwin brought to the team broad knowledge of residential design, municipal planning collaboration, and the design of eye-catching mixed-use buildings.

The city required that the residential units be positioned as live/work spaces so that future tenants would know they were moving into an area with industrial uses and expect the nuisances that can come from them. The live/work designation also brought with it a constraint: city regulations allowed maximum occupancy of only two people per unit.

In addition to the requirements necessary to increase the FSR, the city required that all freight deliveries occur on site and within the building to minimize disruption on surrounding streets.

The project’s plan continued to evolve through a series of public meetings, negotiations with the city, and the involvement of the Vancouver Urban Design Panel (UDP). An unusual feature of the Vancouver design process, the UDP is an independent panel of architects and design professionals who act independently of the planning department, making recommendations to improve the design of new construction. Though not compulsory, the panel’s recommendations are taken very seriously by both the city and developers.

Before starting construction on The Rise, Grosvenor decided initially to hold the 92 live/work residential lofts in rental tenure—unusual

for new development in Vancouver. Ultimately, the benefits of controlling the entire site exceeded the C\$20 million in additional value Grosvenor would have received by selling the units. However, the apartments were stratified as condominium units within an “air space parcel” subdivision to allow for flexibility of future sales of the units. With high-quality finishes, the lofts rent for C\$2.20 to C\$2.30 per square foot per month.

While the overall public participation process ran smoothly, the development team had to take into consideration the Cambie Street view corridor and the views of neighboring buildings. Cambie Street has a designated view cone: the view expanse looking to the north from Cambie widens the closer one approaches downtown. The taller stories of The Rise could not obstruct the view cone. In addition, the residents of a mixed-use condominium building south of The Rise on West Eighth were concerned that the new building would exceed the height limit and block their views of downtown. To address concerns, the design team used computer simulations and took measurements from residents’ units to confirm that blocked views would not be an issue.

The final plan approved by the city was for the project to consist of three large-format retailers. Save-On-Foods would be located on the first retail level with a main entrance at the corner of West Seventh and Cambie. The second retailer would be located on the floor above Save-On-Foods. Thanks to a considerable gradient on Cambie Street, this second retail space would also be at street level, at the corner of West Eighth and Cambie. The third large-format retailer would sit on top of the second with a streetfront entrance also at the corner of West Eighth and Cambie, with direct elevator access from the public plaza. This entrance would also lead to a set of escalators. Sitting atop the three-story retail podium would be the residential units arranged in two- and three-story buildings.

Financing

Early in the development process, the Manitoba Civil Service Superannuation Board became a development and equity partner with Grosvenor by acquiring a 35 percent ownership interest in the project. Manitoba was involved in previous developments with Grosvenor and was looking to expand the real estate weighting of its investment portfolio.

One of Grosvenor’s financial goals for development of The Rise was to remove various risks. This involved using fixed-price construction and consulting contracts, as well as carefully structuring the loan financing. From Bank of Nova Scotia, Grosvenor secured a C\$71 million construction loan, which would be converted into a ten-year term loan with a forward, fixed interest rate of 6.10 percent, 180 basis points above the then-current ten-year Government of Canada bond yield. The loan required 40 percent equity, which was split 35/65 between Manitoba and Grosvenor. The construction loan interest was set to the Canadian prime rate at the time (6 percent). At the time of development, the loan-to-cost value was 65 percent.

Grosvenor had a hold-and-own strategy for The Rise, with the expectation that rents would generate revenue (projected at a 6.8 percent yield on cost before debt service). In addition, it planned for a 19 percent return on cost. The three large-format retailers alone were expected to account for 63 percent of the value. The preleasing requirement for the take-out loan was that all three large-format retail spaces be leased.

Planning and Design

The Rise is a transit-oriented, inner-city development that mixes large-format retail space with smaller, street-facing shops and rooftop live/work rental studio townhouses in a mid-rise form. The project turns the traditional shopping center inside out by animating city streets and relying on them to provide access and circulation paths among all levels and all stores. Above, a community of live/work lofts is oriented to the new, elevated “ground” plane formed by the retail podium’s two-acre roof. Also on site is a fully enclosed one-acre truck court and waste/recycling area designed to handle the freight needs of the large-format retailers.

Design goals. The Rise’s design goals were the following: to accommodate the requirements of current and future retail tenants large and small; to create an attractive and distinct residential identity; to meet the city’s goals and guidelines for the site; and to respond to neighbors’ concerns about loss of views, compromised privacy, and light pollution.

The city’s urban design philosophy—called “Vancouverism”—is based primarily on urban writer and activist Jane Jacobs’s notion of livable,

active, naturally supervised streets. To obtain the city's permission to triple the project's density, The Rise's design would need to reflect Vancouverism—and the city's requirements were extensive and specific. A 1980s-era urban design study established as a goal transformation of the east side of Cambie into a processional pedestrian connection between City Hall and False Creek. It called for 25-foot setbacks to broaden the public realm and 90-foot-high street walls intended to define the street. The zoning guidelines for The Rise strongly encouraged small-scale, neighborhood-supportive retail uses lining Cambie and West Eighth Avenue and provision of appropriate public open spaces.

Retail design. To meet the city's streetscape goals, the design of The Rise minimizes the potentially deadening effect that large retail boxes can have on streetscapes by wrapping the larger retail spaces in a skin of smaller shops and restaurants. The design also minimizes the impact of service entrances, exits, and mechanical louvres. Capitalizing on a 20-foot grade differential between West Seventh and Eighth avenues, two levels of large-format retail have direct grade access from the street. The third level is served directly by elevators and escalators from the street.

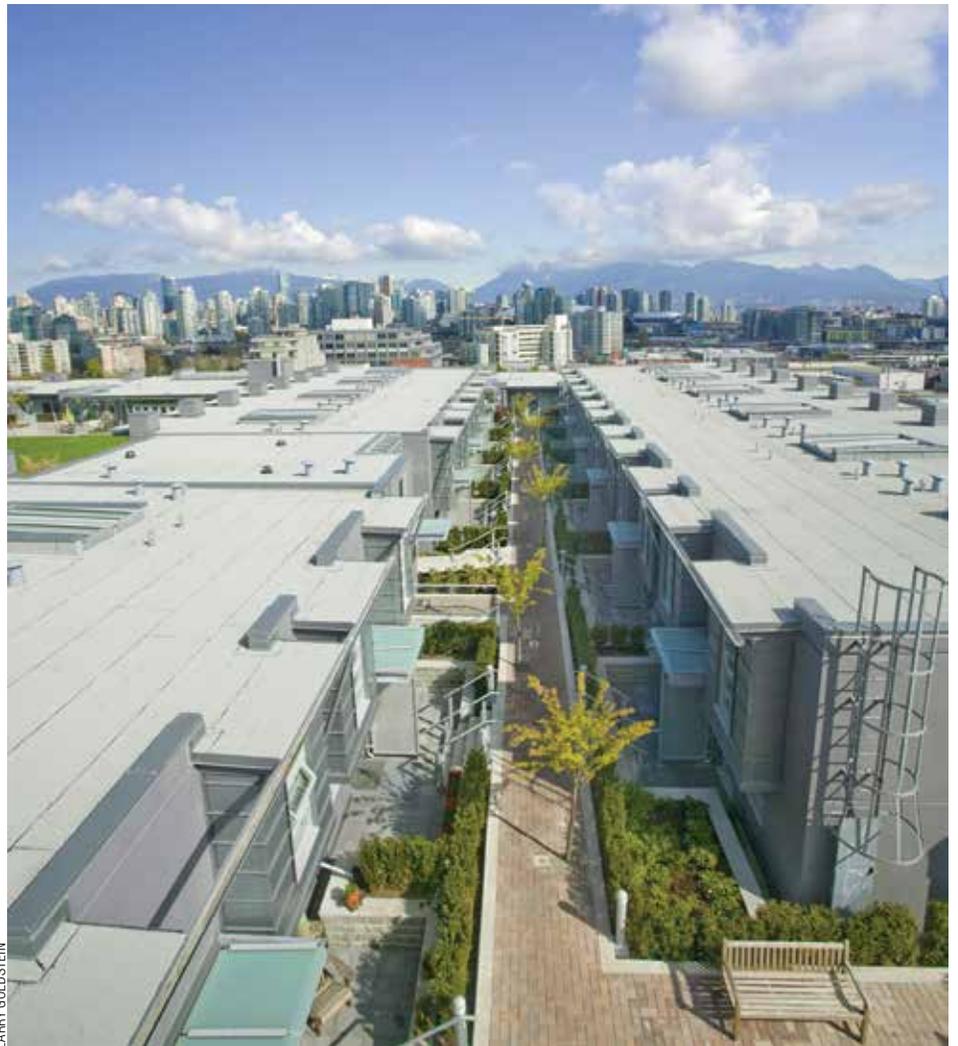
Save-On-Foods is located on the lowest retail level with a ground-level, main entrance on Cambie and West Seventh. This location makes its storefront and entry pavilion—a branded architectural feature common to all Save-On-Foods stores—a prominent landmark for evening commuters heading home from downtown. On the middle level sits Home Depot, with two street-level corner entrances along West Eighth Avenue—one at Cambie and the other at Yukon Street. A circular plaza with park benches punctuates the Cambie and West Eighth corner while providing a welcoming street presence for Home Depot. The top retail floor is occupied by Winners/HomeSense. Usually separate stores, Winners and HomeSense coexist seamlessly as one store in The Rise. The store's main entrance is on West Eighth and Cambie, near the entrance for Home Depot. A double-height entry pavilion contains escalators that lead customers directly from street to store.

At street level, small retail units front both West Eighth Avenue and Cambie Street. The



LARRY GOLDSTEIN

Sitting on the roof of The Rise are 92 live/work residences arranged around a courtyard with 18 garden boxes that allow residents to grow their own produce and flowers.



LARRY GOLDSTEIN

The Rise's residences have an open-air circulation pattern allowing access to each unit through one of three mews.

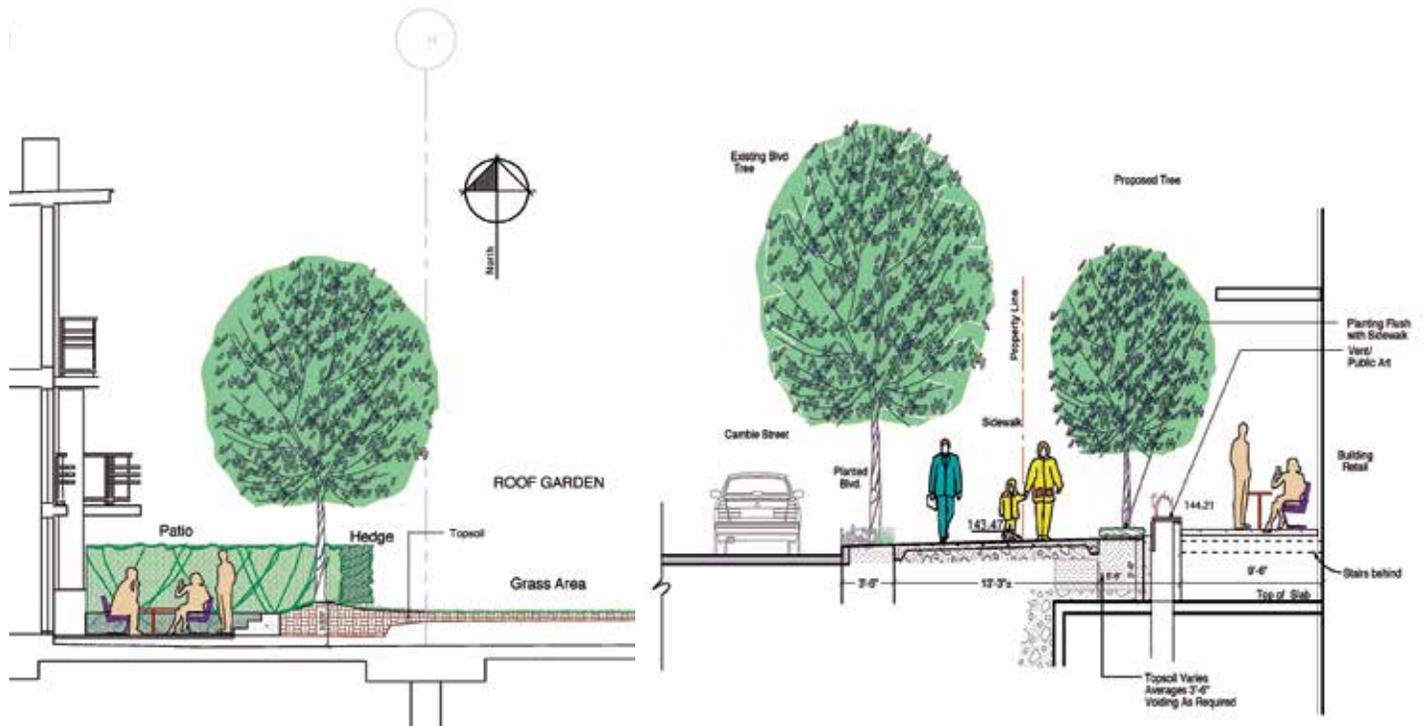
SITE PLAN

Site plan for the rooftop residential component.

DURANTE KREUK LANDSCAPE ARCHITECTS



DURANTE KREUK LANDSCAPE ARCHITECTS



Cross sections of the roof garden (left) and the streetscape (right).

stores are a mix of local, national, and international businesses. The required 25-foot setback on Cambie allows patio spaces in front of each shop, ideal for outdoor dining and merchandising. The patios are arranged in a stair-step pattern to accommodate Cambie's slope. A landscape zone, separating the patio spaces and the sidewalk, contains a series of vents supplying air to the parking garage. The vents are covered by an art installation commissioned by Grosvenor that features metal grillwork shaped to mimic topographic sections of British Columbia's coastal mountains. The west half of West Seventh Avenue is animated by Save-On-Food's delicatessen and can accommodate outdoor seating. The corner of West Seventh and Yukon Street is the location of additional retail space that until recently was occupied by Home Depot's appliance department.

Public art. Grosvenor commissioned Vancouver artist Douglas Senft to create the original work *walking the line*—a functional and fully integrated work—for the fresh-air intake grates for the underground parking at The Rise. In Senft's words, "I am often interested in work that has a relational aspect or an element of engagement between the site and the viewer; in this situation, the parameters of the site were perfect to create a sculpture that was integrated throughout the site." The imagery was derived from the topography of the British Columbia coastline, and like the landscape that inspired this work, it is fully revealed by walking through the work.

Grosvenor has also commissioned local artists to animate the parking facility with murals. The first of these is on the west wall of the first parking level, depicting a tear-away image of the Canada Line, which runs directly behind the wall.

Truck court and parking. The enclosed truck court and waste/recycling facility occupies the east half of Save-On-Food's level. Tucked into the slope of the site, it is reached from Yukon Street, a designated truck route. As well as accommodating smaller service vehicles and two large compactors, its design allows four 72-foot-long trucks to park and turn around on site consecutively. Because it is on the same level, Save-On-Foods has direct access to the truck dock. Four freight elevators serve the remaining retailers.

Underground are three levels of parking for both customers and residents. Comprising six acres, they provide 631 parking spaces: 520

reserved for retail uses, one space for each of the 92 residential units, plus 19 additional spaces for guests of the residential tenants. The parking ratio is roughly 2.5 stalls for every 1,000 square feet of retail space. Parking spaces and aisle widths are generous by Vancouver standards, and combined with a large-span structural bay, the parking is designed to be a pleasant experience for retail customers. Two parking entrances are provided, one on Yukon Street and the other on West Seventh.

Residential design. The live/work component is made up of rowhouses sitting on top of the three stories of retail space. It has a distinct identity to differentiate it from the retail component yet is integrated into the street walls, with each side scaled to its context. The housing component's entry lobbies on West Eighth Avenue are clearly marked by their stair/elevator towers, which take visitors up to arrival courts planted with trees and clearly visible from the street at the building's southern corners. From there, residences are reached via open "mews" spaces and walkways crossing the central green. There are no hallways, no internal circulation, and all common spaces (with the exception of the gym and community room) are outside.

Units are arranged in a horseshoe pattern lining the east, west, and north sides of the property. On both the east and west sides, two rows of townhouses are placed opposite each other, creating the mews. These mews, planted with trees and hedges, are characterized by the front doors and staircases to each unit. The western rows rise three stories above the retail podium, with flats stacked on top of two-story units, generating the 90-foot-high street wall on Cambie that the city required. The eastern rows are two stories high, responding to the lower scale of Yukon Street.

In Vancouver's mild climate, this configuration has several benefits. Its use of space is very efficient and maximizes the FSR while maintaining height limits. It allows the residences to have two exposures, at least one of them quiet. It promotes cross ventilation and improves daylight exposure. Most of the one-bedroom-plus-flex-space live/work units are in two-story configurations, with some configured as double-height loft spaces. Single-story flats have higher-than-normal ceilings. Though some of the two-story units are narrow—only 12 feet wide—they benefit from their loft space and double exposures.



LARRY GOLDSTEIN



LARRY GOLDSTEIN



LARRY GOLDSTEIN

Residences are laid out in flat and townhouse configurations with one or two bedrooms. All units have private outdoor space in the form of either a patio or a balcony.

Residential development along the northern edge rises only one story above the retail podium, preserving the downtown and mountain views for the buildings south of the property. On this side, two more floors of residential units are located below the courtyard, at the same level as Winners/HomeSense. Reached by individual stairs from the courtyard, these lower units have unobstructed views of downtown and the mountains to the north while providing additional scale and animation to the West Seventh Avenue facade.

Located in the middle of the northern strip is the community room, with a south-facing glass wall looking onto the central courtyard. The community room is connected to the gym, which has north-facing floor-to-ceiling windows that provide residents broad, unencumbered views of the Vancouver skyline while they exercise.

The central courtyard is a 20,000-square-foot green area—mostly a lawn edged by deciduous trees and low hedges. At the south end

are 18 raised-bed garden plots where tenants can grow produce and flowers. Because no units are located along the south side of the roof, the courtyard has excellent sun exposure and a view of Vancouver's 1936, art deco–inspired City Hall.

Architecture/urban design. The building's facades are designed to mitigate the bulk of the project's fundamental shoebox massing. They also seek to allow a combination of vibrant, individual expression for major tenants and a sense of timeless permanence important to the urban scale and streetscape, establishing the project as a good place to live, work, and shop. The design strategy uses steel and glass at the retail corners, separated by sections of urban streetscape constructed in rhythmic bays of masonry frame. The three massive seismic cores for the project provide a third vocabulary, emphasizing vertical circulation and connection of the various uses to the street. On the roof, traditional residential features—balconies, corner windows, and rooftop architectural elements meant to look like chimneys—are emphasized to provide a finer scale and sense of “eyes on the street.”

An economical structure was key to constructing the project for a reasonable price. The large-bay concrete column/slab band structure efficiently accommodates parking and retail uses. The covered truck court facility was carefully configured to minimize the number of deep transfer beams. The concrete cross walls in the residential units span the structural bay below without transfers.

Sustainability. The Rise earns sustainability points not only because of what it is and where it is located, but also because Grosvenor maximized the density permitted on the site by focusing on massing, shared views, open space, livability, place making, and pedestrian mobility. The project triples the built density on a transit-served site. Its mixed uses allow for shopping, living, and working on site. The design targeted certification under the Leadership in Energy and Environmental Design (LEED) Core and Shell rating system, providing an inhabited, intensive green roof/community garden and live/work units with great indoor air quality and natural lighting. The project produced significant reductions in the following: energy use; greenhouse gas emissions; water use for residents and retail tenants, as well as for irrigation; stormwater run-

off; and construction waste, which was diverted for reuse whenever possible.

The development team designed The Rise's structure, circulation, and skin to ensure a long service life for the building. The retail floors are adaptable, both in terms of tenant mix and size and in the amount of daylight available. Rather than dedicate 400 linear feet of facade for shear walls, earthquake loads are transmitted through a tripod of compact service cores that contain stairs and elevators. The remaining facades use glazing systems that, even if opaque now, can be clear glazed later. Retail floors can be subdivided into much smaller tenancies, with provisions made for street access to each space. If necessary, a portion of the roof garden can be glazed to top a day-lit atrium serving smaller commercial uses below.

Marketing, Leasing, and Management

By all measures, The Rise has been a success for Grosvenor and its partners. Prudent management was applied at all stages to mitigate risks in an environment of escalating costs.

Save-On-Foods came on board very early in the process, so the most pressing concern in leasing up The Rise was finding tenants for the second and third levels. The site proved to be

very attractive due to the large floor plates and proximity to downtown. However, because each of the three tenants had special requirements that needed to be addressed in order for them to be successful at The Rise, the development team had to work with them to modify the spaces.

Save-On-Foods stores are easily recognizable in western Canada by the large, arching glass-and-metal facades that mark their entrances. This iconic feature was essential for Save-On-Foods. Home Depot required an oversized in-store freight elevator in addition to the three freight elevators in the loading dock in order to allow customers to move bulkier items directly to the underground parking and load them in their cars. Winners/HomeSense, being located on the third floor with less exposure to pedestrian traffic, required signs and design features to increase awareness by customers and direct them to the store.

An added benefit for the three stores was the opening of the Canada Line train station one block south at Cambie and Broadway. During The Rise's planning, the exact route and location of stations had not been determined. The construction timeline for both projects overlapped, with The Rise opening in February 2008 and the Canada Line starting service in late fall 2009. The Canada Line has greatly expanded the trade

Plan for ground level.



area for all retailers at The Rise. Within a year of the opening of The Rise, Whole Foods and London Drugs, located across Cambie Street at the Crossroads, also opened. Instead of these stores directly competing with the retail tenants at The Rise, the trade area for all the retailers strengthened as the retail node grew, creating greater synergies.

With a trade area of only a few blocks, the smaller retail shops were attracted to The Rise by its proximity to the Canada Line Broadway train station and the increasing density and vibrancy of the area. Smaller tenants include Starbucks, TD Bank, Change, Telus, a salon, a dentist's office, and other restaurants and specialty tenants.

Because the residential units only allow up to two people per unit, the potential tenants are primarily singles and couples without children. Residents range widely in age and include young professionals, some with children, who want to live near downtown. The Rise is an especially popular housing choice for medical professionals due to the proximity of the hospital complex located off West 12th and Cambie. To attract residential tenants when the project opened, the development team set up a leasing office in one of the West Eighth Avenue retail spaces. Leasing occurred at a brisk pace, with all 92 units leased within eight months. The Rise experiences very little turnover in residential tenants, with an average occupancy above 95 percent since initial project lease-up.

Performance

For Grosvenor and development partner Manitoba Civil Service Superannuation Board, The Rise has been a success and has exceeded their initial projections. Much of the value and revenue for The Rise was projected to come from the three large retail tenants, with the expectation that these tenants would be responsible for 75 to 80 percent of the revenue in rents. However, Vancouver's high demand for housing—even during an economic downturn—has only increased since the project opened. The residential component now accounts for 30 percent of project revenue. During the planning and financing stages, the total cost of the project was estimated at C\$110 million to C\$115 million. The estimated project value currently exceeds C\$146 million.

Observations and Lessons Learned

The Rise proves that there is a market for large-format retailers in dense, urban settings. The key to attracting these retailers is to offer them spaces comparable in size to what is available in less dense areas. Grosvenor was fortunate to have secured a 2.3-acre parcel near downtown unsubdivided and without an alley cutting through it. However, part of the project's success is attributable to its ability to provide the retailers what they needed while at the same time meeting city requirements and creating a housing alternative to the glass towers that define the Vancouver skyline.

The project is also exemplary in that it has been designed as a flexible structure that can evolve over time. Many retail tenants will likely change over a period of decades, and the building has been designed to accommodate this change. For a developer like Grosvenor, which holds a long-term perspective regarding its real estate assets, this was an important consideration and further contributes to the structural and market sustainability of the development.

Grosvenor senior vice president of portfolio management Glenn Barrick believes that developers need to think like retailers. This belief has permeated The Rise's retail design, from the one-acre truck court and recycling/waste handling facility to customer access to the parking facility, all retail levels of the development, and to all the retailers, shops, and services. The Rise's design involved more than simply stacking retail and residential uses on top of each other. The Rise's success, according to Barrick, is due to the ways in which the different uses are integrated and how the design allows the flow of customers (both on foot and in cars) and freight through the building. The success of any project is based on the sum of all the details, Barrick says. How they are assembled and integrated makes all the difference.

Grosvenor's geographical reach extends to cities in many parts of the world, but the company makes decisions locally, based on the detailed knowledge of its specialists on the ground. In the case of The Rise, Grosvenor maximized the density permitted on the site by focusing on massing, shared views, open space, livability, place making, and pedestrian mobility.

DESIGNERS, CONTRACTORS, AND CONSULTANTS

Landscape architect

Durante Kruek Landscape Architects
Vancouver, British Columbia, Canada
www.dkl.bc.ca

Interior design

False Creek Design Group
Vancouver, British Columbia, Canada
www.fcdgroup.com

Structural engineer

Jones Kwong Kishi
North Vancouver, British Columbia, Canada
www.jkk.com

Mechanical engineer

Cobalt Engineering Ltd.

Green building consultant

Resource Rethinking Building Inc.

OTHER RESOURCES

ULI videos

www.youtube.com/ULITV

AWARDS

ULI Global Awards for Excellence (2010)

ICSC Gold Award, Development & Design (2009)

ICSC Gold Award, Sustainable Design (2009)

ICSC Global Awards—Best of the Best, Honorable Mention (2010)

NAIOP Best Mixed Use Development (2009)

PROJECT INFORMATION

Development timeline

Site purchased	2001
Sales/leasing started	2003
Construction started	May 2005
Mortgage arranged	May 2006
Phase I completed	February 2008
Project completed	August 2008

Parking/loading information

Retail	520 spaces
Residential	121 spaces
Total spaces	641 spaces
On-site internal truck loading area	1 acre
Secure bicycle parking (residential and retail) and dedicated car-sharing stalls (4 spaces)	

Gross building area (GBA)

Use	Building area (sq. ft.)
Retail	200,094
Residential	84,564
Total GBA*	284,658

*Excluding parking and loading.

Note: Building includes a 20,000 sq. ft. rooftop garden and green roof.

Residential information

Unit type	Number of units	Unit size (sq. ft.)	Percentage leased	Typical rent
Townhouses	72	826–1,453	100	C\$1,700–C\$2,550
Flats	20	720–926	100	C\$1,900–C\$2,350
Total	92		100	

PROJECT INFORMATION

Retail information

Percentage of retail GLA occupied	100%
Annual rent range	C\$21.50/sq. ft. (anchors) to C\$95.20/sq. ft.
Average annual sales	Anchors: not available Commercial retail units (CRU): C\$1,101/sq. ft. (2013)
Average length of lease	Anchors: 16.7 years; CRUs: 7 years

Key retail tenants	Retail type	GLA (sq. ft.)
Home Depot	Home improvement	78,288
Winners/HomeSense	Apparel/home goods	61,500
Save-On-Foods	Food and drugs	44,553
Small retail tenants	Various	13,191

Financing Information

Debt capital

Lender	Bank of Nova Scotia
Loan amount	C\$71,000,000
Loan type	Convertible construction loan
Equity requirement	40%
Term loan length	10 years
Interest rate	6.10%

Equity capital sources	Ownership interest
Grosvenor Americas	65%
Manitoba Civil Service Superannuation Board	35%

Original pro forma development cost C\$110,000,000–C\$115,000,000

Current estimated value Over C\$146,000,000



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 30,000 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 urbanization, 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 Phillips, Chief Executive Officer

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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.

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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.

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