



## 232-unit apartment project proposed in Sellwood By: Chuck Slothower

NBP Capital LLC is proposing to build in Sellwood a 232-unit apartment building – the largest project yet in the development pipeline for the Southeast Portland neighborhood.

An early assistance request for the project at 7119 S.E. Milwaukie Ave. was published Monday by Portland’s Bureau of Development Services. The public notice indicates that NBP Properties is planning to build a four-story structure with basement storage at the site of a former Boys & Girls Club building. The Portland developer purchased the 1.2-acre block in June for \$8.825 million.

“We are excited about the project and we engaged the best design and architecture teams, both locally and out of state, to ensure we bring an exceptional product to the market,” NBP Capital managing member Lauren Noecker Robert stated in an email message. “At this point, we are not deep enough into the programming to discuss specifics, but the opportunity to provide something that is well-received by the Sellwood community is our top priority.”

The architect is listed as Jennifer Nye of William Wilson Architects. Path Development LLC is listed as the owner.

Portland has seen strong demand for apartments, particularly in close-in neighborhoods like Sellwood. The project joins a parade of recent multifamily projects in the area, said Gary Winkler, a broker with ABR Winkler Real Estate Services.

“There’s a lot of stuff happening over there, where houses are being knocked down and apartments are going up to increase density,” he said.

The neighborhood now has more than 900 units in the development pipeline, said David Schoellhamer, chairman of the Sellwood-Moreland Improvement League’s land use committee.

“We’re having quite a bit of construction activity at present and we’re taking on a lot more units, and this is the largest project,” he said. “With all of that construction, there’s obviously a lot of concern.”

Residents are concerned about traffic and parking congestion, and nearby business owners are increasingly concerned about access, Schoellhamer said.

NBP has agreed to meet with the neighborhood association, also known as SMILE, at a Sept. 7 general meeting, Schoellhamer said.

SMILE has requested that the city’s Planning and Sustainability Commission create a design overlay zone to allow for a greater voice in the area’s development. To this point, the commission has not been supportive, Schoellhamer said.

“There’s going to be more growth, there’s going to be more development, but we want to keep what we consider the historic charm of the neighborhood,” he said. “It’s sort of a difficult balance to strike. It’s a desirable neighborhood to live in, but if too many people live there, it’s no longer desirable. That’s the difficulty a lot of neighborhoods in Portland are having.”

The existing Boys & Girls Club building is one story, encompassing nearly 25,000 square feet. The nearby Galaxie Apartments, at 7420 S.E. Milwaukie Ave., is also four stories, the same height as NBP proposes, but has only 76 units.

Other recent projects in the neighborhood include Brooklyn Yard, with 46 units at 4780 S.E. Milwaukie Ave., and Spokane 13, a four-story project from local developer Vic Remmers at Southeast 13th Avenue and Spokane Street.

Portland had a vacancy rate of 3.5 percent during spring 2016, according to Multifamily NW, an association of apartment owners. Vacancy rates have remained below 4 percent since 2010.

The sales market for apartment buildings remains brisk, although there is some indication of recent cooling.

The median price per unit fell in July to \$100,250, down 2.4 percent from a year earlier. The median capitalization rate was 5.55 percent, down from 5.95 percent a year earlier, according to CoStar.