

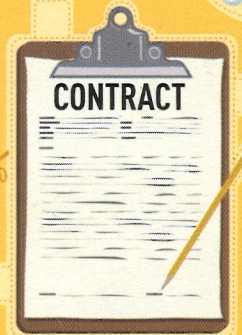
# METROPOLIS

ARCHITECTURE < CULTURE > DESIGN

December 2004



**ARCHITECTS:  
HOW TO  
FIND THE PERFECT  
DEVELOPER  
HIRE  
YOURSELF**



Iceland's Geo-Thermal Spa  
John Hockenberry's  
Universal Kitchen



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# HOW TO BE YOUR OWN DEVELOPER

ARCHITECTS: FRUSTRATED WITH REAL-ESTATE DEVELOPERS AND THEIR MAINSTREAM TASTE? HERE'S HOW TO SKIP THE MIDDLE MAN AND BUILD YOUR OWN PROJECTS.

By Brian Libby



BOX AND ONE LOFTS  
PORTLAND, OR  
KEVIN CAVENAUGH

**THE BOTTOM LINE:**

After purchasing property in inner Portland, Cavanaugh designed and built his own mixed-use loft building. Pictured above: his successful ground-floor tenant, the Noble Rot wine bar.

## LESSON 1

IT'S NEVER TOO EARLY TO START, OR DON'T BE AFRAID TO EMPTY YOUR OWN DUMPSTER



see **REFERENCE** page  
for further information

So you're an architect who has grown frustrated at having brilliant plans turn into mediocre buildings. Maybe you've worked with developers who think contemporary design doesn't move enough product. Perhaps a few too many contractors have dumbed down your inspired palette of materials under the pretense of "value engineering." Or maybe you're just tired of always building buildings for somebody else. Have you ever considered becoming the developer of your own architectural projects? *Metropolis* has tapped the expertise of five young architects who have done just that. With a few easy lessons from these pioneers, you too can become master of your design domain. [www.metropolismag.com](http://www.metropolismag.com)

Three years ago 34-year-old Portland architectural intern Kevin Cavanaugh was getting discouraged trying to work his way up the ladder of a large firm. "I realized that even if an ideal client arrived to hire us, I wouldn't be the shoulder that got tapped to work on the project," he recalls.

Then Cavanaugh got an influential pep talk from his wife. "She said to me, 'How much harder is it for you to do what your clients do? You should just hire yourself.'" Cavanaugh soon began sending lunch invites to some of the developers he'd sat across the conference table from at work. "I'd say, 'What's a pro forma? What does cap rate mean?' I think they thought it was kind of cute."

Before long Cavanaugh had taken out a loan, procured a site, and begun construction on a three-story mixed-use building with retail below and housing above. At just \$107 a square foot, the palette was rough: concrete floors, Sheetrock, and roll-up glass garage

doors. But Cavanaugh used this to his advantage, designing with a poetic simplicity that earned critical praise and attracted what would become the city's hottest wine bar.

When the contractor's budget came in too high, Cavanaugh spotted an \$8,000 line item for hauling off debris. I said, 'I'll do that,'" he laughs. "At first the contractor said, 'No, you can't.' And I said, 'This is almost not going to be a project. If you want it to be a project, I'm going to do that.' So I had an old beat-up Chevy truck, and every Friday I'd cruise over and fill it up with all the debris."

Today Cavanaugh has gone on to design and build a second mixed-use project that won an AIA/Northwest and Pacific regional design award last year, earning praise for simultaneously promoting high-density development and doing it with affordable elegance. A third and fourth project are in early design stages. Who says youth is wasted on the young?



## LESSON 2

MODERN DESIGN SELLS—JUST DON'T GO CRAZY



### TEN MUSEUM PARK

MIAMI, FL

OPPENHEIM ARCHITECTURE + DESIGN

#### THE BOTTOM LINE:

*Architectural features such as the spacious modern interiors (right) and views overlooking Biscayne Bay (below) contributed to the high-rise's success. The units were sold in just eight days.*



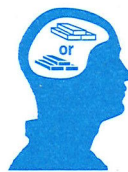
Chad Oppenheim is another up-and-coming architect who has leapfrogged his peers by complementing design skills with a development role. But whereas Cavanaugh focuses on small self-funded boutique projects, Oppenheim recently designed and developed a 50-story residential tower called Ten Museum Park, which has helped revitalize downtown Miami. "We sold units for prices that were considered high for Miami Beach, and this was a run-down neighborhood," Oppenheim says. "Everyone was shocked." Now developers are imitating his projects.

But the reason South Floridians were willing to move off the beach into Ten Museum Park couldn't be copied: Oppenheim's design—think Richard Meier with a touch of *Arquitectonica*, his former employer. Despite Modernism's long history in Miami, developers thought faux Mediterranean historicism would sell better. Oppenheim proved them wrong. "You try to operate on the furthest edge of the spectrum, where the design is pushed as far as it can be without jeopardizing profit," he explains. "And it's proven true repeatedly that the extra design time and consideration for creating beautiful lifestyles pays off."

But be careful your design isn't compromised. In San Francisco, for example, architect Nilus de Matran last year completed two live-work units in a simple, crisp style that ultimately netted the first-time developer a handsome profit—but only after he fought for the integrity of his design. De Matran, a friend and disciple of Zaha Hadid, found that when it came time to sell, real-estate agents wanted to paint his pristine white interior wild colors and stock it with gaudy furniture as a mock-up to potential buyers who couldn't use their imagination in viewing an empty space. "I was like, 'No way!'" he recalls. "When you've got a property sitting on a market and you're waiting for a buyer to come, it'd be easy to think they're right. But I had to listen to my instincts."

## LESSON 3

KNOW THY MATERIALS



During a recent telephone interview San Diego architect and developer Jonathan Segal was driving to a wood supplier to purchase 4-by-10 beams for use in a skylight on his current project. "I can quote you anything about a building's cost," Segal says. "And I think most architects wouldn't know half of that."

This is a lesson architects would be well served to learn regardless of whether they're developing buildings. Tired of battling the client and contractor when

your designs are abridged to cut costs? Then know the value of each material choice before you select it, and be ready to defend its value in tangible terms.

What's more, that knowledge can make the building process more cost effective. Segal has designed nearly 20 different projects in San Diego—from a sleek geometric waterfront building to the stunning cubelike Titan lofts—and he says a key to maintaining his streak of profitable projects with refined contemporary architectural form is often just eliminating needlessly wasted time.

"I was going through some old files the other day and came across a project where the contractor walked off the job," Segal recalls. "There were three five-inch-thick binders full of requests for information on the drawings. Now, doing my own projects, I'm on the site, and if someone says, 'What do I do here?' I say, 'Do this and this,' and we move on. It's not three days of going back and forth."

That said, an architect-developer need not be a cheapskate about materials, either. "On the contrary," Pasquarelli adds, "I think by understanding the bottom line, you can actually spend more to make a better building. It can increase the overall budget—but in a way that increases value."

### THE TITAN

SAN DIEGO, CA

JONATHAN SEGAL

#### THE BOTTOM LINE:

*Segal specified inexpensive stucco for less visible surfaces so that he could afford a raw steel finish on the facade (right). The interesting palette of materials heightened the building's appeal.*





WHEN THE TIME COMES TO DELIVER YOUR BEST SERMON TO THE BANKERS, IT WOULDN'T HURT TO GIVE THAT ALL-BLACK OUTFIT A REST FOR ONE DAY.

## LESSON 4

NO HABLE  
ARCHISPEAK



For years during the late 1990s, the five principals heading acclaimed New York architecture firm Sharples, Holden, Pasquarelli (better known as SHoP) had talked about developing a project of their own. "Having your own money at risk buys a lot of credibility," SHoP's Gregg Pasquarelli explains. "If you have new design ideas and methods, you should share in the risk, but you should also share in the reward."

Back in late summer of 2001, the architects lined up a bold project: conversion of a warehouse in downtown Manhattan's Meatpacking District (before the hookers moved out and most of the trendsetters moved in) into condominiums that would also include a six-story addition cantilevered over an existing building. But just one month before SHoP and codeveloper Jeffrey Brown (who helped the architects learn the building game from the client's side) needed to decide conclusively about whether to risk their life savings on the project, two jet planes crashed into the World Trade Center. "There was so much uncertainty, and none of the lenders wanted to make any decisions," Pasquarelli recalls. "New York was still on fire."

So when they went calling for a loan, relying on the standard building-trade language of clerestories and cornices, escrow and equity, just wouldn't do. Pasquarelli and company needed to share their vision. "We believed not only in the

neighborhood and the design, but that New York City was going to bounce back," the architect explains. "But most bankers are not in the business they're in because of their visionary or creative abilities. It takes extra effort to get people to understand what you're trying to do when it's not cookie-cutter."

In other words, like movies or other collaborative art forms, architecture requires communication skills to make a case for the funds that will foster unique projects. Too often, Pasquarelli and his fellow architect-developers agree, architects are bogged down in "archispeak," industry jargon that confuses outsiders—or at least doesn't inspire them.

"You have to spend a lot of time explaining what you're trying to do, especially if it's unconventional," Pasquarelli says. "You have to be able to communicate in ways that are not elitist and explain the complexities of a project and what a difference design can mean in resolving them."

So whether it's joining a cheesy public-speaking club like Toastmasters or practicing discourse with the family, even the best designers will find that the chance to make their brick-and-mortar dreams a reality is enhanced by their ability to communicate their vision. Oh, and while you're at it, when the time comes to deliver your best sermon to the bankers, it wouldn't hurt to give that all-black outfit a rest for one day.



### THE PORTER HOUSE

NEW YORK, NY

SHoP ARCHITECTS

### THE BOTTOM LINE:

*When investors hesitated, SHoP's Pasquarelli engaged them in a conversation about the neighborhood's future. He listened to their concerns and then communicated his architectural vision in clear, accessible language.*



# LESSON 5

## REAL ESTATE FOR DUMMIES



**1010 PENNSYLVANIA  
SAN FRANCISCO, CA  
NILUS DE MATRAN/STAN TENG**

**THE BOTTOM LINE:**  
*An architect's intuition can sometimes be at odds with that of the real-estate broker. De Matran fought to keep the building's interior consistent with the simple stucco exterior (right).*

By now you've no doubt noticed the architect-developers cited here have almost exclusively built residential projects, with or without ground-floor retail added to the mix. The reason is that there's a multiyear social shift happening in America: people (especially empty-nest baby boomers) are returning to inner cities by the millions, and many are giving up their houses in favor of condominiums, lofts, and apartments. The reason Oppenheim, Cavanaugh, de Matran, Segal, and Pasquarelli have been successful not just from a design perspective but also financially is that they've paid attention to both macro and microeconomic trends. If that sounds appallingly unsexy for an architect, keep in mind that this knowledge allowed them to get their buildings built—and they're a lot nicer than what would have been put up by most of their traditional building-industry peers.

Despite the continuing demand for multiunit housing, there are other opportunities to be found. Maybe there's a former industrial area now full of artists that in a couple years will be ready for a few hip restaurants and companies. Or perhaps there's a centrally located inner-city neighborhood poised for revitalization with live-work spaces. It's not just a matter of choosing a building type but identifying what kind of architecture there's a need for in each city, neighborhood, or even block.

Like learning to swim, the hardest part, Segal says, is just to dive in: "People tell me it's too scary to develop your own projects. And I say, 'What you're doing is scarier to me. You're running a business. You've got a bunch of employees to worry about, clients calling you seven days a week. I think it's easier to do what I do.'"



# LESSON 6

## YOU'LL BE A BETTER ARCHITECT



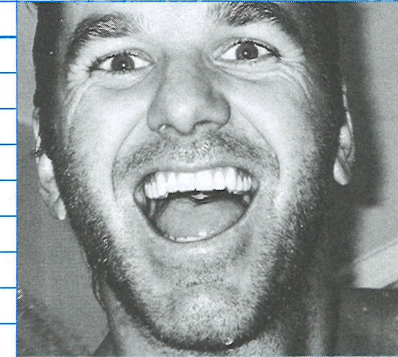
Business types like to talk about the bottom line, so here it is: for all the risk and uncertainty that accompanies developing your own projects, those who have done it

say they're more sensitive and imaginative designers for having controlled the process themselves. There's more room for experimentation, they argue, and for better monitoring of a design's execution.

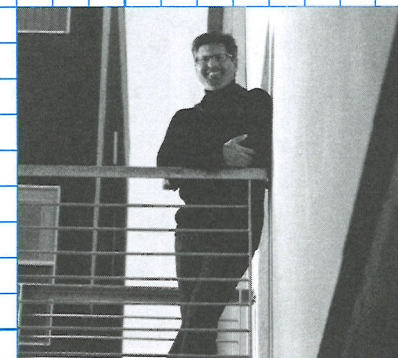
"We were the toughest clients we've ever had," Pasquarelli says. "You're really critical with yourself that everything you're doing is the best use of limited funds. But that's really when the value of architecture becomes interesting. You're able to forecast and model the relationships between zoning, design, and financial return and have that as a kind of fluid dynamic equation that you can be completely conversant with at both ends of the spectrum. You can solve problems with good design." □



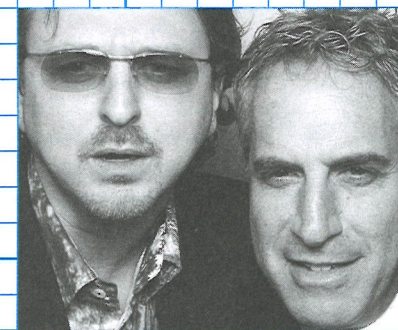
CHAD OPPENHEIM



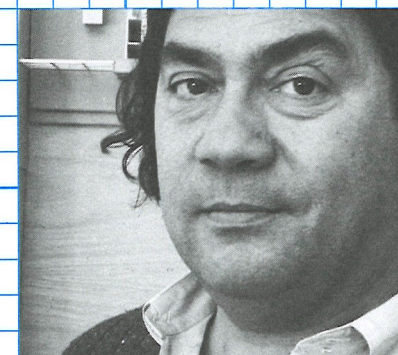
KEVIN CAVENAUGH



JONATHAN SEGAL



GREGG PASQUARELLI + JEFFREY BROWN



NILUS DE MATRAN