

what's news

HOUSING MARKET

Is the Housing Market Tanking in DC? Or are there types of projects that are still a go?

"Housing sales are psychological. We have good job growth overall, and we have all of the good market fundamentals for a strong housing market. The buyers are on the sidelines because of the media coverage. Some good news has started to appear, and the buyers are starting to return," says Patrick Phillips of Economic Research Associates.

"We're seeing a hot niche market in transit-oriented development units under \$400K per unit," says Laurence Caudle, Director of Housing at Hickok Cole Architects. "And the houses developers to look at neighborhoods that both purchasers and owners might not ordinarily consider."

Sales Still Strong in DC Market if the Product Looks Right: What We're Seeing...

- Whenever a developer can provide a unit under \$400K, the sales are still strong.
- Stick-built multi-family housing that has modern architecture - "urban chic on a suburban budget"
- Use of materials designed to reflect traditional design vocabulary in a contemporary way



- Smaller units: Barely any dining rooms, market value created by larger kitchens. "The whole notion of luxury as a given is no more evident than in the kitchens," says Phillips.

A Case in Point: The Dakotas

"Bring the product in at a good price point, provide value, with access to Metro and keep the costs down, then the units will sell well in this market," says Phillips. It doesn't hurt that 70,000 commuters pass the site each day and that the city is redesigning an intersection to accommodate the development and provide access to commuters.

The project will total nearly 900,000 sf of new development (600 residential units & 100,000 sf of retail). Located in an established single family home area with a relatively low crime rate. With the exception of one restaurant and a grocery store over the Maryland border, there is no substantial retail in the area.

"The target market segments are generally young professionals that tend to be first-time home buyers in emerging urban markets. The median age ranges from 30-39 and they tend to prefer eclectic neighborhoods" an ERA report states. ERA applied lifestyle statistics to the housing market, reviewing such groups as enterprising professionals, metro renters, trendsetters, city lights, metropolitan, and exiles.

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Non-Profits in the Housing Market: Teaming with Private Developers

A YMCA project in an up and coming neighborhood represents a trend in developing housing between non-profits and private developers. The YMCA (the largest non-profit community service organization in the US) has an abundance of land, often locked inside extremely high rent neighborhoods, and while frequently well-located, built to a lower density than current zoning standards would allow. The dilemma of these organizations is how to maintain its facility and "unlock" the underlying value of the property. The answer, increasingly, is to join forces with a real estate developer and develop a mixed-use project. In the case of one YMCA in Washington, DC, the program is to build a new 50,000 sf facility, complete with indoor pool and gymnasium, with six stories of residential space above and ground floor retail. This approach allows the YMCA to remain in its current location, own a brand new facility (as a condominium) and allows the developer to build 276 units of housing above.

Trading in Another Way: Gains Greater Density & Sparks High Design

The developer gave 33,000 sf of the site's FAR to the District for a new, single-room occupancy transitional housing facility for a nonprofit agency. To gain back some of the FAR, the developer received an additional 25 in height for its market-rate (\$200-400) condos. [Another HCA project involving public/private joint development.]

The developer sees the 60 set-back of the market-rate building not only as a clear delineation between the two buildings, but as an opportunity for a deep garden space that makes the market-rate building appear as a "hidden jewel."



READING THE PLANNING TEA LEAVES

A Proactive or Reactive Step in Development?



In a changing real estate market, is the level of master planning an indicator of a coming market surge, or simply the last seat available in the real estate version of "musical chairs"?

Hickok Cole Architects currently has ten planning projects "on the boards," ranging in size from 1.65 acres to over 100 acres, and its principals, Michael Hickok and Yolanda Cole, are scratching their heads.

A flurry of land sales over the last two years was driven by a strong real estate market and generated much land planning work. The cycle of land purchase, planning and entitlement, design and construction can be interrupted at any point. Some developers buy raw land, add value by planning the site and securing zoning approvals, then sell the newly entitled land to a "bricks and mortar" developer. If the market goes soft in the process, someone may be left without a seat at the table.

Many believe this surge in planning is the commencement of the next land development cycle in the Washington metropolitan area. Others disagree and believe that the planning and entitlement processes are only efforts to sell the land, even at a break-even price. The answer lies in where the industry is in the market cycle and who will be left owning the land when the next change occurs. Predicting development cycles is like reading tea leaves... it depends on what you want to hear.

Planning projects "on the boards": (partial list)

- **L'Enfant Plaza Redevelopment in Washington, DC**
Mixed-use development combining office, retail, residential, hotel and the new National Children's Museum.
- **The Dakotas in Washington, DC**
Residential and retail development totaling nearly 1 million square feet in three phases.
- **Lee Development Site in Downtown Silver Spring, Maryland**
Feasibility study of a 1.65 acre site for mixed-use development including Bioscience Music Hall, office space, residential and hotel space, and structured parking, totaling 600,000 sf.
- **Commonwealth Centre at Westfields in Chantilly, Virginia**
Masterplan for a 150-acre site for six office buildings and a retail and hotel complex, totaling 1.4 million sf.
- **Victory Center in Alexandria, Virginia**
Phased masterplan for 1,046,000 sf renovated existing office space and new office buildings. Site fulfills security set-back requirements for prospective government tenant.



PASSION FOR DESIGN



At Hickok Cole we view our practice as one that strives toward a balance of "Great Design, Great Management and a Great Place to Work." Each of these elements is important to the success of the firm, and each supports and leads the other such that everyone can participate in furthering our #1 goal: Great Design. For instance, our project management tools and processes make us more efficient, which in turn gives us more time to spend on design. Our design-oriented culture nurtures talent from within the firm and attracts new talent, thereby giving us the ability to do great design. And on it goes.

The environment of our office supports our goal of Great Design. It immerses our employees in design and provides daily project awareness. Glass box conference rooms where team chemistry occurs are comfortable and inviting spaces which open into the main circulation path, offering our designers a gallery of ever-changing displays of project presentation boards and design sketches.

"Our Design Committee works to ensure great design on every project, and at the same time, it strives to maintain a high level of enthusiasm from every person in the office. From the recent college graduate to the experienced architect facing 18 months of construction, the committee's goal is to bring opportunities for design to everyone. The Design Committee has sponsored in-house events such as a Holiday

Ornament design competition using our new laser cutter, brought in an original expert to do an interactive lunch time presentation, and held behind sketching seminars to explore new rendering techniques. The result is an atmosphere that fosters and keeps everyone in touch with the art of architecture," says Hickok Cole's Rob Holsbach.

In an effort to strengthen our design muscles, various in-house exercises take place. In a sketch exercise, we asked anyone interested in participating to go out and sketch Georgetown's C & O Canal. Aligned, we made photocopies of their work, cut them up, and during a lunch session, asked the group to produce collage with the unique textures and colors made-out of the parts of different drawings.

The result is an atmosphere that fosters and keeps everyone in touch with the art of architecture.

We have also set up an in-house design competition that includes a cross section of architects with different experiences, skills, and talents. Each contributes to the design by helping to provide a high-energy solution based upon the open dialogue that comes from shared ideas and team expansion. The synergy of diverse talents combined in

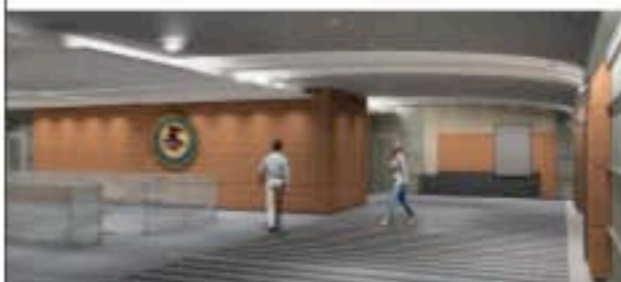
this manner ultimately creates a clear and cohesive vision that inspires the boxes and ends with great design.

Senior Graphic Designer, Sarah Bart, stresses the importance of running the competitions as true projects and says, "I photograph and document each entry for presentation to the office. It gives incentive to the participants, knowing that their work will be displayed in a professional manner for our clients and their peers to see."

"One of the key activities that supports our culture of design is our internal peer review process. At the core of this process is our belief that good ideas can come from anywhere. Our Design Committee is responsible for setting up internal pin-ups and for assigning peer reviewers from outside the project team to select projects. The team prepares a presentation appropriate to the phase of design, and then presents it to the reviewers. The reviewers then critique the project within the parameters (issues, concerns, challenges) set-out by the project team and offer possible solutions. These comments are collected by a member of the committee and forwarded as a summary to the project team for their consideration. In this way, we bring as much talent as possible to the table and extend design dialogue deep into the firm. Not only does the team learn from this process, but those present also have the opportunity to hear a variety of ideas which may then influence their own work. Participating in these reviews is one of my favorite things I do as a principal of the firm," says Yolanda Cole.

SECRET CLEARANCE

Private Sector Scrambles to Meet Federal Government's Highly-Secured Facilities Demands



When the General Services Administration (GSA) procures office space for its federal government tenants from the private real estate sector, developers often scramble to meet the demands for the varying levels of secured spaces.

In the Victory Center project, the developer, Jones Lang LaSalle, and the design team at Hickok Cole Architects, worked with their consultants to create an innovative design that would position the developer ahead of the competition for a possible future GSA tenant.

The design enabled the developer to head in a number of highly secure directions all at the same time.

GSA, DOD, DOJ, US Army, CIA and FBI all have specific requirements that cause private sector real estate developers to struggle with the decision of which standard to meet for the optimal result. GSA procures much of its clients' space through the Solicitation for Offers (SFO) process, leaving the specific security requirement for any large tenant a mystery until the SFO is issued. Each SFO

contains different provisions - frequently a patchwork of requirements taken from various agencies, making matters more difficult. A developer is left waiting until the SFO is issued before moving into design with their particular building, unless an existing office building in their portfolio happens to already meet GSA's request.

If the developer builds to suit for a particular GSA client, and if the developer is successful in securing a ten-year lease from a security-conscious government tenant, then what will

happen at the end of that ten-year lease? Suppose the current tenant decides to move to another facility, or outgrow its current home? If the developer designed the building to satisfy the unique needs of one particular tenant, they may not satisfy the security requirements for the next tenant. Hickok Cole Architects has developed a few solutions to this ponderous situation.



CLEAR VISION. STRONG LEADERSHIP.



A great firm requires clear vision and strong leadership. Vision gives a company its reason for being, its core values and defines its passions. Leadership provides a company with inspiration and energy, and nurtures its talent. Here's our breakdown of leadership positions:

Principals

Michael E. Hickok, AIA
Yolanda Cole, AIA, LEED*AP

Associate Principals

Mark Arnold, RA
• Steve Baker, AIA, LEED*AP
• John Bisch, Chief Financial Officer
• Chuong TH. Cao
• Laurence Caudle, AIA, Director of Housing
• Jim Greenwell, AIA, IDA, Director of Interior Design

Senior Associates

Annie McCall, IDA, LEED*AP
• John Murray, AIA, LEED*AP
• Susan Pelczynski, IDA, LEED*AP, Assistant Director of Interior Design
• Paul Quast, AIA
• Sean Wayne, AIA

Associates

• Love Anderson, AIA, LEED*AP
• Jeff Ashline
• Robert L. Holzbach, AIA
• Holly Lannihan, RA, LEED*AP
• Jack E. Mavroski, AIA, LEED*AP
• Vega Overby, IDA, LEED*AP
• Chris Sniatak, IDA

* Indicates recent promotion

HICKOK COLE PROJECTS

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THE WATERGATE

Location: Washington, DC
Project Size: 187,000 sf, 167 parking spaces
Developer: Monument Realty LLC
Status: Bid and negotiation

**REVISED
BACK TO HOTEL?**

- Designed to be Washington's only world-class residential building, a modern extension of the iconic 1960s Watergate Hotel and Embassy complex with expansive views of Potomac River.
- Innovative unit plans designed to take the greatest advantage of views through floor-to-ceiling exterior glass.



JACK KENT COOKE FOUNDATION

Location: Lansdowne, VA
Project Size: 20,000 sf

- "Manor House" concept designed for heavily wooded site.
- Organization modeled on American version of performance-based Rhodes Scholarship.
- Oshma van Sweden & Associates partners with Hickok Cole Architects.



250 M STREET, SE

Location: Washington, DC
Project Size: 10,948 sf retail
189,832 sf office
104,267 sf parking

Project Type: New mixed-use development
Developer: William C. Smith & Company
Status: In design

- Designed as a gateway to future Canal Park and Southeast DC.
- Green roof terraces.
- Mixed-use development, retail & office.
- Considering Silver LEED® Certification.

ART NIGHT 2006



One night each October, Hickok Cole Architects transforms its studio into the coolest art gallery to hit Georgetown. The architecture firm teamed with Washington Project for the Arts (WPA/C) to host this event. Over 50 local artists showcased their work. With 50% of the proceeds from all work sold, the event raised \$30,000 to further WPA/C's mission: to promote and present experimental exhibitions, programs and performances that benefit local residents.

Left: Mike Hickok and Yolanda Cole present a check to Kim Ward, awarding WPA/C with \$30,000 earned just that night from the purchase of artwork.



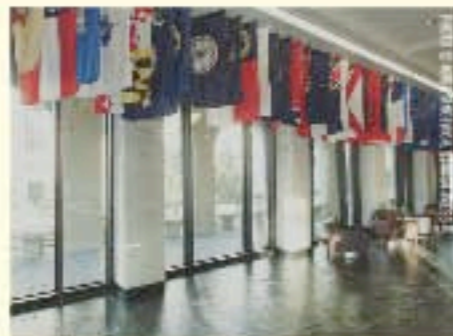
Above (l to r): Yolanda Cole, AIA, LEED*AP, Principal; Paul Greenhalgh, President & Director, Corcoran Gallery of Art; Rebecca Gentry, VP of Institutional Advancement, Corcoran Gallery of Art; Kim Ward, Executive Director, WPA/C; and Michael E. Hickok, AIA, Principal



COLUMBIA CENTER

Location: Washington, DC
Project Size: 415,000 sf
Project Type: Office building with ground-floor retail and below-grade parking
Developer: Monument Realty LLC
Status: Under construction

- Coming out of ground.
- Four-story jewel box atrium acts as "living room" to add vibrancy to 15th Street.
- Flexible, custom light fixtures for lobby designed to suggest bamboo.
- Featured twice in *The Washington Post's* Kids Post.



RESERVE OFFICERS ASSOCIATION

Location: Washington, DC
Project Size: 25,000 sf
Status: Under construction

Where the press meet the politicians.

- Complete renovation of Minuteman Memorial building
- Nonprofit serves all branches of uniformed service.
- Co-founded by Harry S. Truman.
- Extensive use during election years for press conferences.
- Directly across from US Capitol.



HIGHLAND PARK

Location: Washington, DC
Completion: 2007
Project Size: 37,000 sf interiors
Developer: Donatelli Development

Housing market ALIVE and well in DC.

- Target the right market sector: young, urban professionals.
- 18' tall color changing LED walls, hanging Aermis bubble chairs and translucent resin stairway.
- Pearlcent white lacquered wall panels throughout the lobby, with splashes of colorful, modern furniture.
- Retro-modern interior featuring a lounge with a 500 gallon reef tank.