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Dan Neal's Coho Townhouses near the University of Oregon were designed to let a lot of light into the rooms.

Dan Neal will be testing new-found skills when he develops a just-proposed four-story apartment project at 19th Avenue and Kincaid Street in the south university neighborhood.

The project is next door to the site of a once-proposed seven-story apartment building (since shrunk to four stories) that had raised opposition among some neighbors.

Neal realizes that he, too, is likely to face fear and skepticism as he brings his new project forward. But he also has several things that may work in his favor.

Unlike the developer of the project next door, Neal has spent his adult life on Alder, Fairmount and Agate streets, a bike's ride away from his proposed development. He is a self-described "south Eugener".

He is considered a renaissance man by those who know him, a lawyer with the dual specialties of business and public defense. He may defend a client charged with drunken driving in the morning and set up a limited liability company in the afternoon — and then play a gig at Sam Bond's that night.

He is a singer-songwriter with two CDs to his credit, appearances at Luna, Cozmic Pizza and The Shedd and a presence on the Web as "Americana Dan: A recovering lawyer with a rock 'n' roll heart." (See: www.americanadan.blogspot.com.)

Neal, 55, became an accidental developer two years ago when he launched the first of his three apartment projects, the Coho Townhouses. But he was a real estate buyer long before that.

Neal bought his first university area property in the mid-1970s, when he put money down on a house to live in while he attended the University of Oregon law school.

He started his law practice in the 1980s — when real estate was severely depressed — and began picking up additional lots and buildings as he was able. Income-producing investments were on his mind, he said, not development.

"The properties that were available for the small down payments that I was able to accumulate tended to be then rather old and sometimes not very well maintained," he said.

Recently, Neal — and on some projects, partners — decided to raze and replace the aged rental properties. So Neal assumed yet another vocation: developer.

With one nine-unit apartment building done, another nine-unit project under construction and an 11-unit concept on the drawing board (for 19th and Kincaid), Neal says the job requirements are patience, perseverance and an unnatural level of organization.

"You're juggling many balls and if you drop one there will be consequences," he said. "The project will either be delayed or cost you more money — and if either of those things happens the project might not get off the ground."

Being a south Eugener, Neal said he was more interested in the creative aspect of development rather than finding the shortest route to the break-even point where the costs are satisfied and the profits emerge.

"It was exciting to be developing a project that represents you, that says something about your values and what's important to (you)," he said.

Neal said he values sustainability, so he put a large solar energy collector on the roof of the apartment building.

He chose metal-framed windows instead of the standard vinyl windows for both his completed Coho Townhouses and under-construction Steelhead Apartments, because vinyl creates poisons in its manufacture and disposal, he said.

"He's a sustainability-type person. He tries to do the right thing for everybody," said Jon Mattheisen, project manager with Essex Construction, the general contractor on two of Neal's projects. "You couldn't ask for a better owner on a project like this. He's not a developer. He's more than that."

Neal values design, so he hired architect Richard Shugar, who designed unusual buildings for the Steelhead project, with a succession of regular pleat-like protrusions along the sides. Along each side of each pleat he placed windows.

From inside the building, the result is bedrooms with light coming from two directions — like having corner apartments throughout the building.

“It takes a lot more framing material and a lot more labor to do all that. It’s a tremendous increase in the amount of work,” Neal said. “Those things cost money and it makes it more challenging for a developer to show a profit.”

Neal said he has found that a developer can’t scrimp elsewhere in the project to cover the cost of the environmental and design upgrades. Instead, he said, the construction budget must grow.

On his first two projects, Neal increased the construction budgets with the help of Eugene’s Multi Unit Property Tax Exemption.

The program waives property taxes for 10 years on apartment buildings (though not land) in downtown areas that can prove some public benefit, such as increasing the central city population or providing sustainable housing.

Over 10 years, Neal should get about \$150,000 in tax relief on each of his first two projects, the Coho Townhouses and the Steelhead Townhouses, each on East 14th Street. (Construction costs on those projects were in the vicinity of \$2 million each.)

But his next project, at 19th and Kincaid, will not qualify for the tax exemptions because it’s two blocks outside of the downtown/university perimeter where the inducement applies.

On several occasions, the majority of the Eugene City Council has refused to approve a university area proposal for the tax relief. The council majority argued that development in the university area is strong, so developers don’t need the incentives. And the city needs the tax dollars the projects generate.

Neal argues that the incentives can boost the type of projects developers can create.

Neal said he wants to include the photovoltaic system, the pricey design elements and dozens of other green features such as pollutant-free paints, but without the tax breaks, he’ll be forced to compromise.

“We’ll come as close as we can,” he said. “The areas in which it’s most tempting to compromise are going to a less expensive type of window. It’s hard to justify including PV panels. You can save small bits and pieces in a whole variety of areas — none of which cause me to feel especially good.”

Before building the new project, Neal will have to remove a 1915 era house on the corner lot. “I’m sure there are those who will be disappointed,” he said. “I want to see the house moved to another location so that it can remain part of Eugene.”

He plans to build a four-story apartment building that the south Eugene neighborhood will like, so he can repeat the favor he won with the Coho project in the west university neighborhood, he said.

“We very much like the idea of making these projects like something you might see in the Pearl District (of Portland) or in Seattle.

“I have many longtime friends who live in the surrounding vicinity where I myself have lived for so many years. I have every intention of coming up with a design which will blend in in a most appealing way. Any compromises made will not affect the aesthetic qualities of the project.”