

Kitchen Kaboodle space finds tenant

Consulting firm ICF moves into empty building

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The long empty Kitchen Kaboodle space in downtown Portland reopens June 1 as the new home to ICF International Inc.

ICF, a Fairfax, Va.-based technology consulting firm, will

move 30 employees into a newly created 12,000-square-foot office space at 615 S.W. Alder St.

The Schlesinger Companies transformed Kitchen Kaboodle's second-story retail spot into a modern office space after signing ICF as a tenant on Dec. 23, 2010.

Schlesinger broke ground on Feb. 1.

The property, renamed "Sixth Avenue Center," also offers street-level retail space. No leases have been signed, though Schlesinger officials said the company is in discussions with prospective tenants.

Josh Schlesinger, vice president, declined to release the

cost of converting several small retail spaces into a single modern office, but said it was "significant."

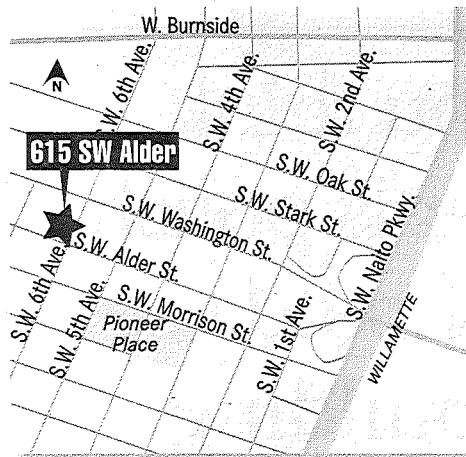
The property has been empty since October 2008 when Kitchen Kaboodle, an upscale kitchenware retailer based in Hillsboro, moved out. The retailer still operates five stores in the Portland area.

Schlesinger Co. originally developed the three-quarter block project in 1997 and has owned the property since 1935. It previously developed the Marriott City Center hotel and a public parking garage on the block.

For its new tenant, Schlesinger removed the escalators that

At 12,000 square feet, the deal ranks as one of the larger new office leases recently signed in the Central Business District.

once took Kitchen Kaboodle shoppers to the second-story business. The floors were filled in and a tenant lobby was added



on the Southwest Alder side.

Because a restaurant once occupied the corner, the space has a venting system that could accommodate another restaurant, though Schlesinger is open to all retail users.

The Portland Business Alliance praised the project, saying it activates a space that has been dark for too long. PBA downtown retail advocate Cori Jacobs hopes a restaurant will move in and spark more redevelopment in the immediate neighborhood.

Urban Works Real Estate is marketing the site to prospective users.

The centrally located space, adjacent the Portland Transit Mall on Southwest Sixth Avenue, should have little trouble landing a top-tier tenant, said Dean Wier, a retail broker with Norris & Stevens Inc.

"I think this is one of the best

remaining retail vacancies in downtown Portland," he said.

ICF International provides technology consulting services. The company reported first quarter income of \$7.7 million on \$194.7 million in revenue, or 39 cents per share. It projects 2011 revenue of \$865 million.

In March, ICF signed a five-year, \$36.5 million contract to support the U.S. Environmental Protection Agency's Energy Star Program with technical and analytical support.

Portland-based Schlesinger Cos. is a family owned company that operates a number of commercial properties in Portland and Vancouver, Wash. Its Star Park LLC manages and operates more than 10,000 parking stalls.

At 12,000 square feet, the lease is one of the largest new deals signed in the Central Business District in the first quarter, according to CoStar Group, a real estate data tracking firm.

The largest new deal was Wells Fargo Advisors' lease of nearly 26,000 square feet at KOIN Center.

Eight of the quarter's top 10 deals involved companies remaining in their current quarters rather than moving to new space.

The vacancy rate for Class A space in downtown Portland was 7 percent at the end of the first quarter.

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