

# IDAHO BUSINESS REVIEW

## Portico Office Tower project resumes in Meridian - Construction Review

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by Brad Carlson

Construction of the six-story, 132,000-square-foot Portico Office Tower has resumed in The Portico at Meridian development, at Eagle and Franklin roads, Meridian.

The project stopped last winter. A round of construction financing was delayed amid financial market turmoil. Funding for the restarted, \$26 million project is coming from Gardner Ahlquist Development and a financial institution.

Gardner Ahlquist decided not to winterize the building for continued construction, and sought new bids from subcontractors and suppliers to take advantage of the downturn in the market, said Sherry Schoen, director of leasing and marketing for Gardner Ahlquist.

Project general contractor Engineered Structures Inc. (ESI) will lease two floors of the building. Gardner Ahlquist is working on a purchase-and-sale agreement involving two floors of the building, and is negotiating several tenant letters of intent to occupy first-floor space.

Gardner Ahlquist and ESI plan to seek Leadership in Energy and Environmental Design certification of Portico Office Tower from the U.S. Green Building Council. After doing substantial evaluation of the project, they decided to seek a LEED Gold certification instead of the Silver certification envisioned previously, she said.

"We are very pleased with the steady leasing activity at The Portico," Schoen said. "Deals are certainly taking longer to get done, but we are still pressing forward and making them happen."

Portico at Meridian includes two 80,000-square-foot medical office buildings. St. Luke's Health System exercised an option to purchase the east building, Schoen said. In the west building, the first floor is leased to St. Luke's, and Saltzer Medical Group recently occupied the second floor. Gardner Ahlquist is negotiating several tenant letters of intent for spaces on the third and fourth floors of the west building, she said.

Portico fits well with Meridian's desire for a core of health-related services, technology and advanced education in this part of the city, Schoen said.

Smashburger plans to open a restaurant in a multi-tenant retail building in Portico, Schoen said. Buffalo Wild Wings and Chronic Taco also chose Portico for their first Treasure Valley locations, and Gardner Ahlquist is negotiating with other restaurants that would be new to the Treasure Valley, she said.

"It is great to see new franchisees continuing to enter the Idaho market," she said.