



# Making the Case & Keeping Costs in Check

August 2020 • Janelle Leafblad, PE • Regional Director, WoodWorks

# Reduce Risk

## Optimize Costs

- Guiding discussions between:
  - Designers (architects & engineers)
  - Builders (general contractors, estimators, fabricators & installers)
  - Owners (developers & construction managers)
- Lots of reference documents

## Mass Timber Cost and Design Optimization Checklists

WoodWorks has developed the following checklists to assist in the design and cost optimization of mass timber projects.

The *design optimization* checklists are intended for building designers (architects and engineers), but many of the topics should also be discussed with the fabricators and builders. The *cost optimization* checklists will help guide coordination between designers and builders (general contractors, construction managers, estimators, fabricators, installers, etc.) as they are estimating and making cost-related decisions on a mass timber project.

Most resources listed in this paper can be found on the WoodWorks website. Please see the end notes for URLs.

**First Tech Federal  
Credit Union –  
Hillsboro, OR**  
ARCHITECT:  
Hacker  
ENGINEERS:  
Kramer Gribben & Associates,  
Equilibrium Consulting  
CONTRACTOR:  
Swierkot



**Download Checklists at**  
**[www.woodworks.org](http://www.woodworks.org)**

[www.woodworks.org/wp-content/uploads/wood\\_solution\\_paper-Mass-Timber-Design-Cost-Optimization-Checklists.pdf](http://www.woodworks.org/wp-content/uploads/wood_solution_paper-Mass-Timber-Design-Cost-Optimization-Checklists.pdf)



# Mass Timber Cost & Design Optimization Checklists

## Overview

### Pre-Design Checklist:

- ☑ Design & Builder Team
- ☑ Cost Estimating Considerations
- ☑ Contractual Considerations
- ☑ Design Goals
- ☑ Contact WoodWorks

### Avoid:

- Design-bid-build

### Consider:

- CM at risk
- Design-assist
- IPD
- Design-build

Potential Benefits	Project Goal ✓	Value Add ✓
Fast construction		
Aesthetic Value (Leasing velocity/ premiums) Healthy Building / Biophilia		
Lightweight structure		
Labor shortage solution <ul style="list-style-type: none"> <li>• small crews</li> <li>• entry level workers</li> </ul>		
Just-in-time delivery (ideal for dense urban sites)		
Environmentally friendly (low carbon footprint)		
Healthy forests/ wildfire resiliency & support rural economies		

# Seattle Mass Timber Tower: Detailed Cost Comparison

## Fast Construction



- Textbook example done by industry experts
- Mass timber vs. PT conc
- Detailed cost, material takeoff & schedule comparisons

“The initial advantage of Mass Timber office projects in Seattle will come through the **leasing velocity** that developers will experience.”

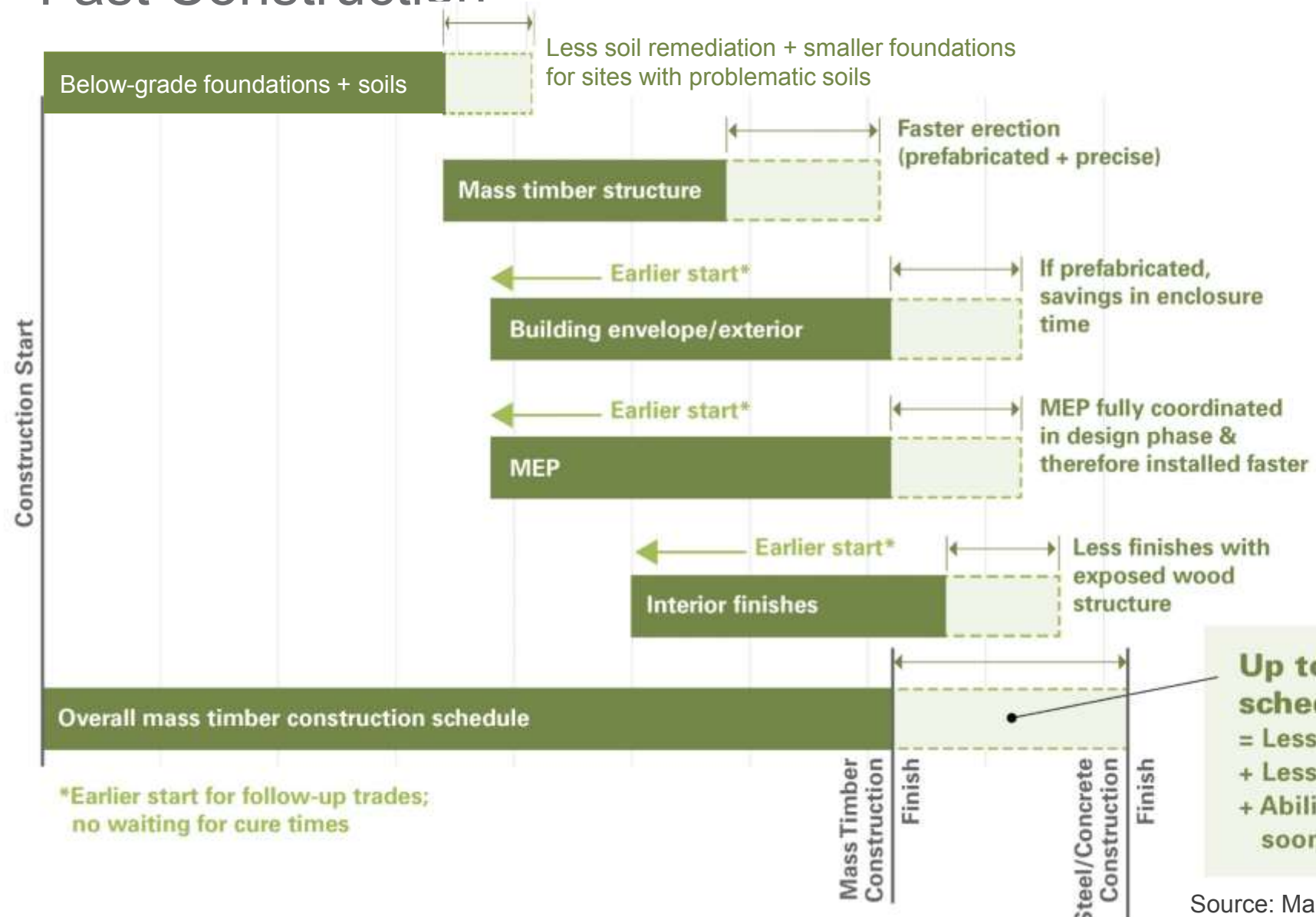
- Connor McInnis, Colliers<sup>1</sup>

**Download Case Study:**

<http://www.fastcpp.com/wp-content/uploads/181109-Seattle-Mass-Timber-Tower-Book.pdf>

# Compressing the Typical Schedule

## Fast Construction



Look for these potential  
\$\$ schedule savings  
with **mass timber** in  
comparison to steel  
and concrete.

Up to 25%  
schedule savings  
= Less carrying costs  
+ Less GC overhead  
+ Ability to lease/occupy  
sooner



# Schedule Examples

## Fast Construction

Example Timeframes for Mass Timber Projects					
Project	Stories	Area	Type	Time to Erect the Mass Timber Structure	Overall Construction Schedule
First Tech Credit Union <i>(Swinerton<sup>8</sup>)</i>	5	150,000 sf	Office	12 weeks	14 months
Candlewood Suites at Redstone Arsenal <i>(Lendlease<sup>9</sup>)</i>	4	62,700 sf	Military hotel	16 weeks	12 months
Seattle Mass Timber Tower <i>(DLR Group hypothetical case study<sup>10</sup>)</i>	12	305,000 sf	Mixed-use office and hotel	24 weeks	18 months

# Candlewood Suites: Military Hotels

## Labor Shortage Solutions



### Redstone Arsenal:

- 37% faster overall<sup>2</sup>
- 40% fewer construction workers<sup>2</sup>
- Trained unemployed veterans

### Prefab Assemblies:

- Bathroom Pods
- Facades
- MEP Racks

Developer, Asset Manager, Design Builder: Lendlease  
Locations: Redstone Arsenal, Huntsville, Alabama



# Leading Office Developer Embraces Mass Timber

T3 = Timber, Transit & Technology



Photos: Ema Peter; MGA



## IV (HT)

- 6 stories wood over podium
- 220,000 sf
- *Finance & Commerce* reports:
  - **\$25 to 50 million** project cost<sup>3</sup> (2016 completion)
  - **\$87 million** purchase price (May 2018 sold to LaSalle)<sup>4</sup>

Location: Minneapolis, MN  
Architect: Michael Green Architecture, DLR Group  
Structural Engineer: Magnusson Klemencic Associates  
Mass Timber Engineer: StructureCraft

# Leading Office Developer Embraces Mass Timber

## T3 Minneapolis



Photo: WoodWorks

Location: Minneapolis, MN  
Architect: MGA | Michael Green Architecture, DLR Group  
Structural Engineer: Magnusson Klemencic Associates  
Mass Timber Engineer: StructureCraft

### IV (HT)

- 20' x 25' grid
- 2x8 NLT spanning 20 ft
- MEP mains routed around core w/ a shorter bay spacing & shallower beam
- Timber erection:
  - 2.5 months total
  - 9 days per 30,000-sf floor
- **Foundation \$ savings:**
  - 30% lighter than steel
  - 60% lighter than conc<sup>5</sup>



# Tenant Build Outs – Potentially Lower Costs

## Starting with Aesthetic Value of Structure





# ULI Report: The Business Case for Healthy Buildings

## Healthy Building/ Biophilia

### Global Wellness Real Estate Industry:

- \$134 billion industry in 2017
- 6.4% annual increase since 2015
- \$180 billion industry by 2022

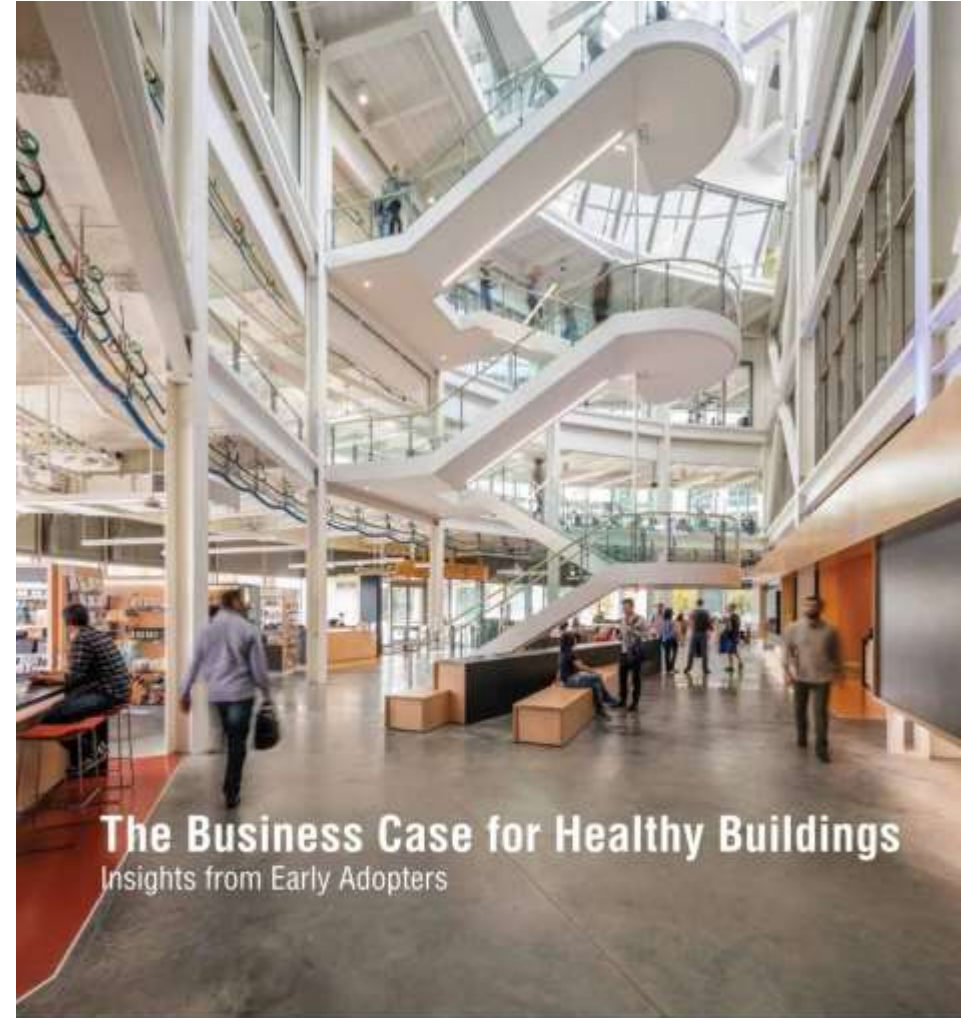
### Healthy Bldgs ROI (Survey of 200 Canadian Bldg Owners):

- 46% easier to lease
- 28% command premium rents
- 38% of those who reported value in healthy bldgs said they are worth 7% more than conventional ones

### Millennials:

- 78% say workplace quality is important
- 69% would trade other benefits for good workplace

**“Health and wellness-focused environments...can help reduce company operating costs and increase revenues and profits.”**



# Employee Retention

## Healthy Building/ Biophilia

Cost of losing an employee  
(assume: \$33/ hr):

\$ 1,000 termination

\$ 9,000 replacement

\$15,875 lost productivity

**\$25,875 total**

Sources by Terrapin Bright Green:

- *Economics of Biophilia*, 2012
- *14 Patterns of Biophilic Design*, 2014  
(includes list of testing citations)





# 55 Southbank: Add Vertical Density over Existing Bldgs

## Lightweight



Location: Melbourne, Australia  
Architect: Bates Smart  
Engineer: Vistek

- Existing building constructed to accommodate future 6-story concrete addition
- Owner wanted 220 key hotel addition:  
**6-stories conc = no deal**  
**10-stories wood = deal<sup>6</sup>**
- Research shows  $\frac{1}{4}$  of urban buildings in the world are strong enough to carry additional floors of wood<sup>7</sup>
- Low embodied carbon footprint



# Fully Prefabricated: North America's First DLT Office

111 East Grand



Image: Neumann Monson Architects courtesy of Ryan Companies

## IIIB

- 4 Story
- 64,000 sf
- First DLT office in the US
- 1<sup>st</sup> spec office in Des Moines in over a decade<sup>8</sup>
- Superstructure all prefabricated for fast erection.
- Lateral system – precast concrete walls & core

Location: Des Moines, IA  
Architect: Neumann Monson  
Structural Engineer: Raker Rhodes  
Mass Timber Engineer: StructureCraft

# Fully Prefabricated: North America's First DLT Office

111 East Grand



## IIIB

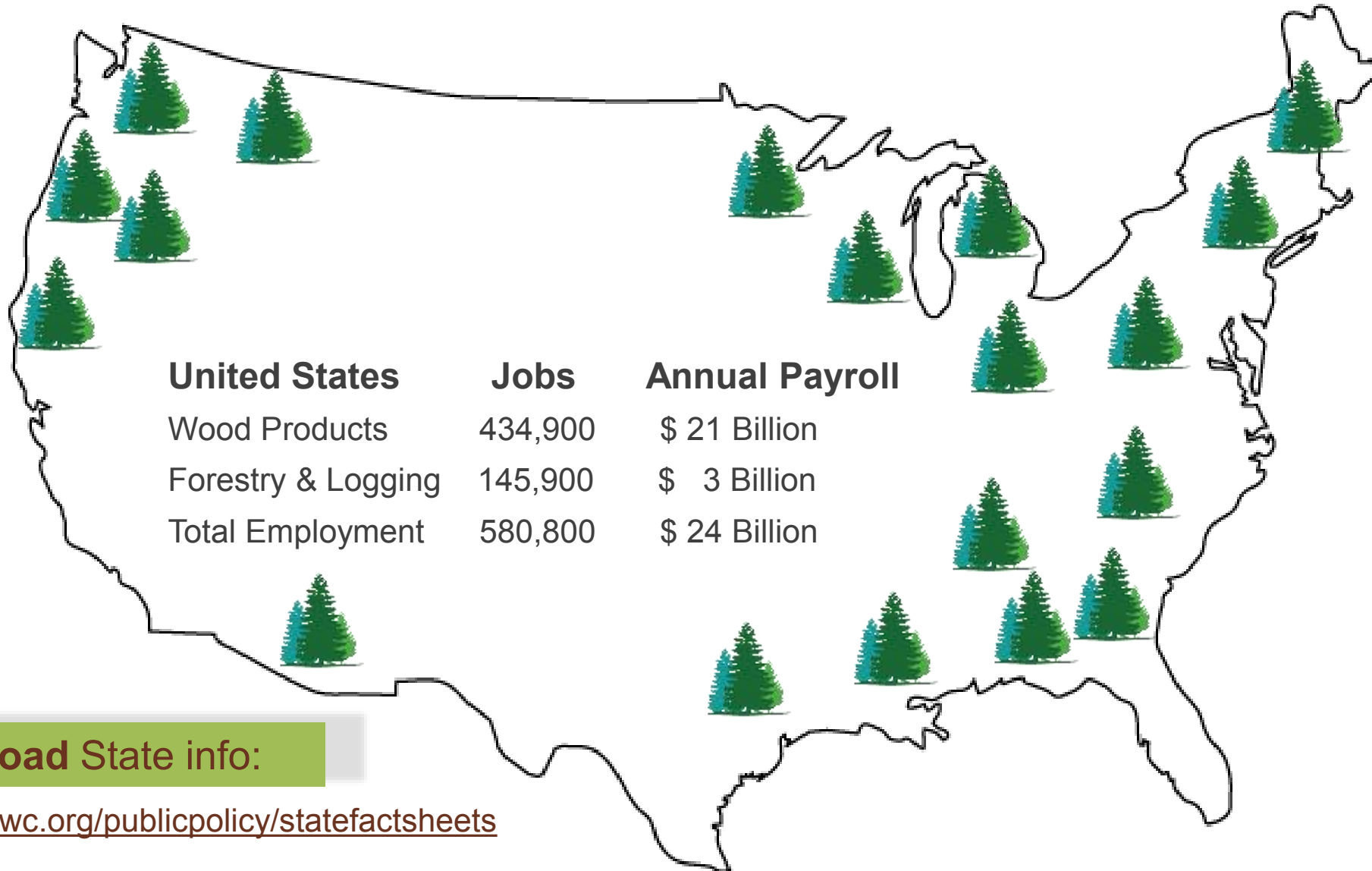
- 20' x 25' grid
- 2x8 DLT spanning 20 ft
- 40' x 6'-4" DLT panels
- Glulam beams & cols

**Just-in-time delivery**  
ideal for tight sites and urban locations

Location: Des Moines, IA  
Architect: Neumann Monson  
Structural Engineer: Raker Rhodes  
Mass Timber Engineer: StructureCraft

# Wood Products

Increase Forest Value & Support Rural Economies

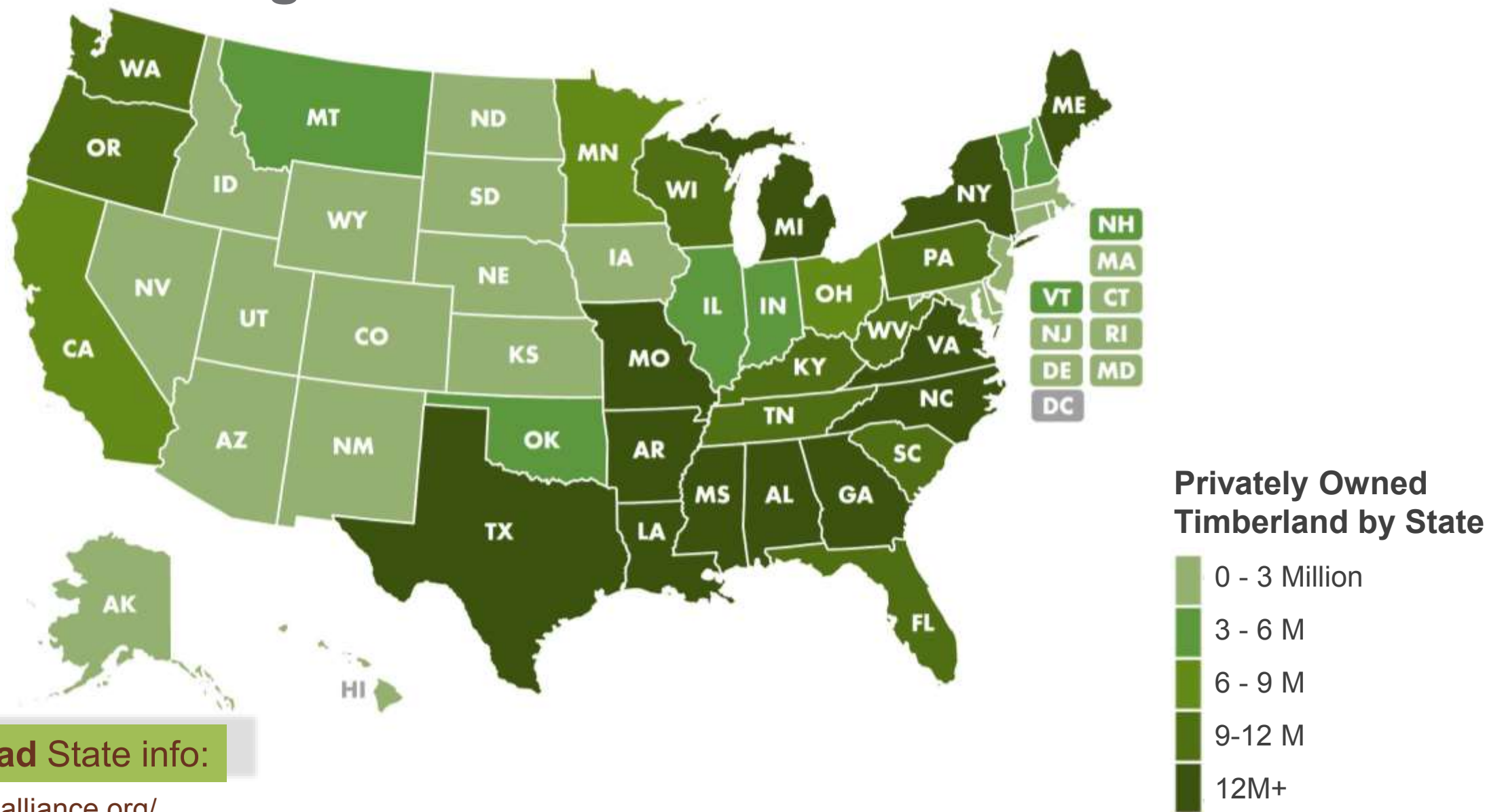


**Download State info:**

<https://www.awc.org/publicpolicy/statefactsheets>



# Private Working Forests



**Download State info:**

<https://nafoalliance.org/>

# Carbon Storage: Wood = 50% Carbon (dry weight) Environmentally Friendly



Image: Kaiser + Path



Image: Lever Architecture

# Mass Timber Cost & Design Optimization Checklists

## Schematic Design

### SD Design Optimization Checklist:

- ☑ Material Optimization/ Grids
- ☑ System Coordination
  - Acoustics/ Vibration
  - Fire Resistance
  - Structural
- ☑ Finish Quality

### SD Cost Optimization Checklist:

- ☑ Schedule Savings = Cost Savings
- ☑ Aesthetic Value
- ☑ Less Weight = Cost Savings
- ☑ Fabrication
- ☑ Shipping/ Trucking
- ☑ Installation & Labor



Select lateral system in SD!



# Large Mass Timber Buildings in the US: Southeast

## T3 West Midtown, Atlanta



Photo: StructureCraft



Photo: WoodWorks

### IV (HT)

- 6 stories Type IV over podium
- 205,000 sf
- DLT floors, glulam frame
- T3 Atlanta replaces concrete with steel braced-frame lateral system to keep up with **fast speed of mass timber erection**

Location: Atlanta, GA

Architect: Hartshorne Plunkard Architects + DLR Group

Structural Engineer: Magnusson Klemencic Associates

Mass Timber Engineer: StructureCraft

# Austin's 1<sup>st</sup> CLT Office: Built to Attract Millennial Talent

901 E 6<sup>th</sup> Street



Photo: Structurlam



## IIIA

- 5 Story
- 129,000 sf
- CLT & steel frame **hybrid**
- 14-ft Floor to ceiling heights w/ 9' windows
- "Leasing broker feedback... **CLT helped generate interest**, assisted in **faster leasing** and helped support **higher lease rates**."9

Location: Austin, TX

Architect: Thoughtbarn / Delineate Studio

Engineer: LEAP! Structures

# Mass Timber Cost & Design Optimization Checklists

## Design Development

### DD Design Optimization Checklist:

- ✓ Material Optimization/ Grids
- ✓ Hybrid Considerations
- ✓ System Coordination
- ✓ Fire Resistance
- ✓ MEP Systems
- ✓ Finish Quality
- ✓ Key Details

### DD Cost Optimization Checklist:

- ✓ Less Weight = Cost Savings
- ✓ Schedule Savings = Cost Savings
- ✓ Cost & Value
- ✓ Fabrication
- ✓ Installation & Labor
- ✓ Protection



Are there areas where you can specify industrial instead of architectural grade finish?



# Moisture Management Resources

## Keep Wood Dry & Schedule on Track

### Moisture Management Guide

(Light-frame & mass timber) **Download:**

<https://www.bchousing.org/publications/Wood-Construction-Moisture-Management-Guide.pdf>

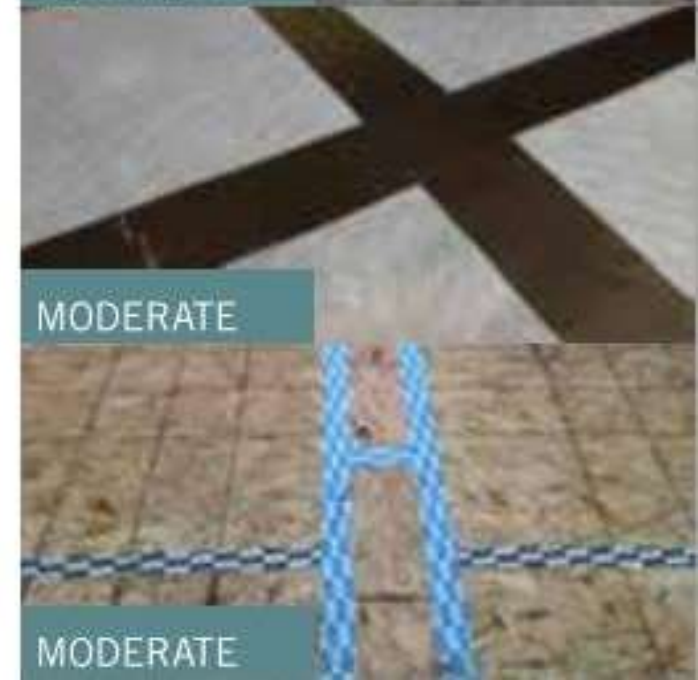
**Construction Phase Moisture Management,**  
Section 7.6 NLT Guide (Good Tips for all MT)

**Download:**

<https://www.thinkwood.com/products-and-systems/mass-timber/nltguide>

**Moisture Risk Management Strategies for  
Mass Timber (by RDH) Purchase:**

<https://www.learnbuildingscience.com/courses/ebook-mass-timber-moisture-risk>



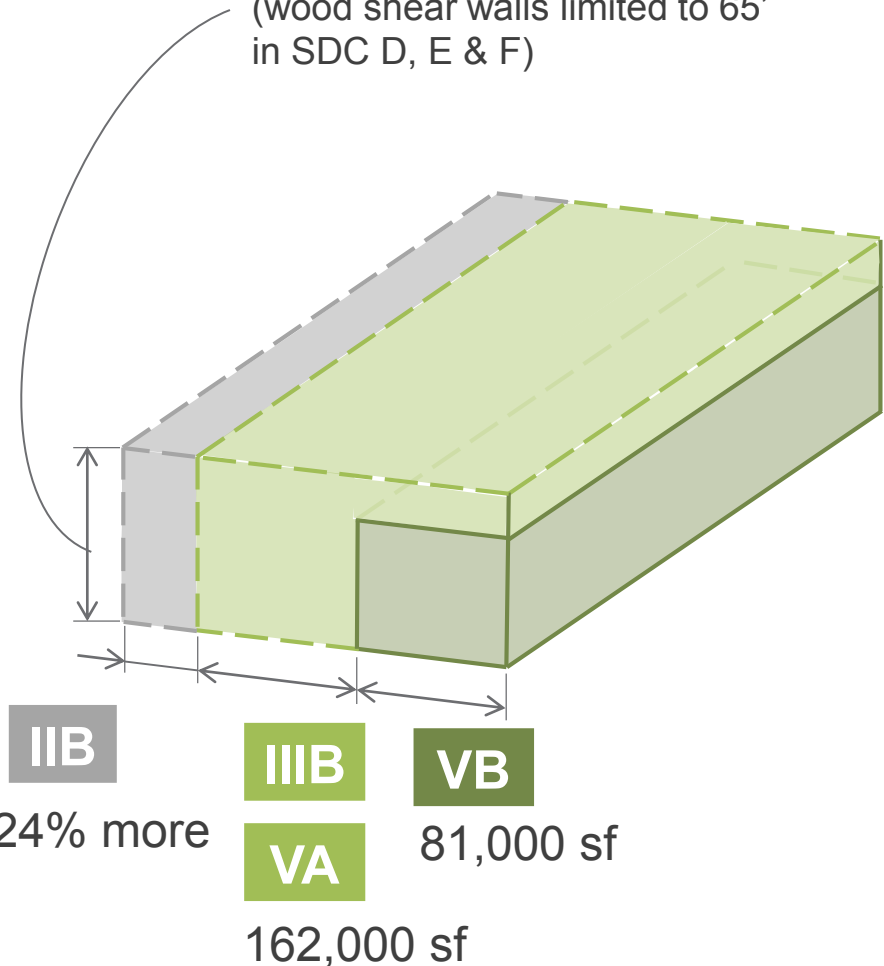
Panels protected until needed

Photo: Alex Schreyer

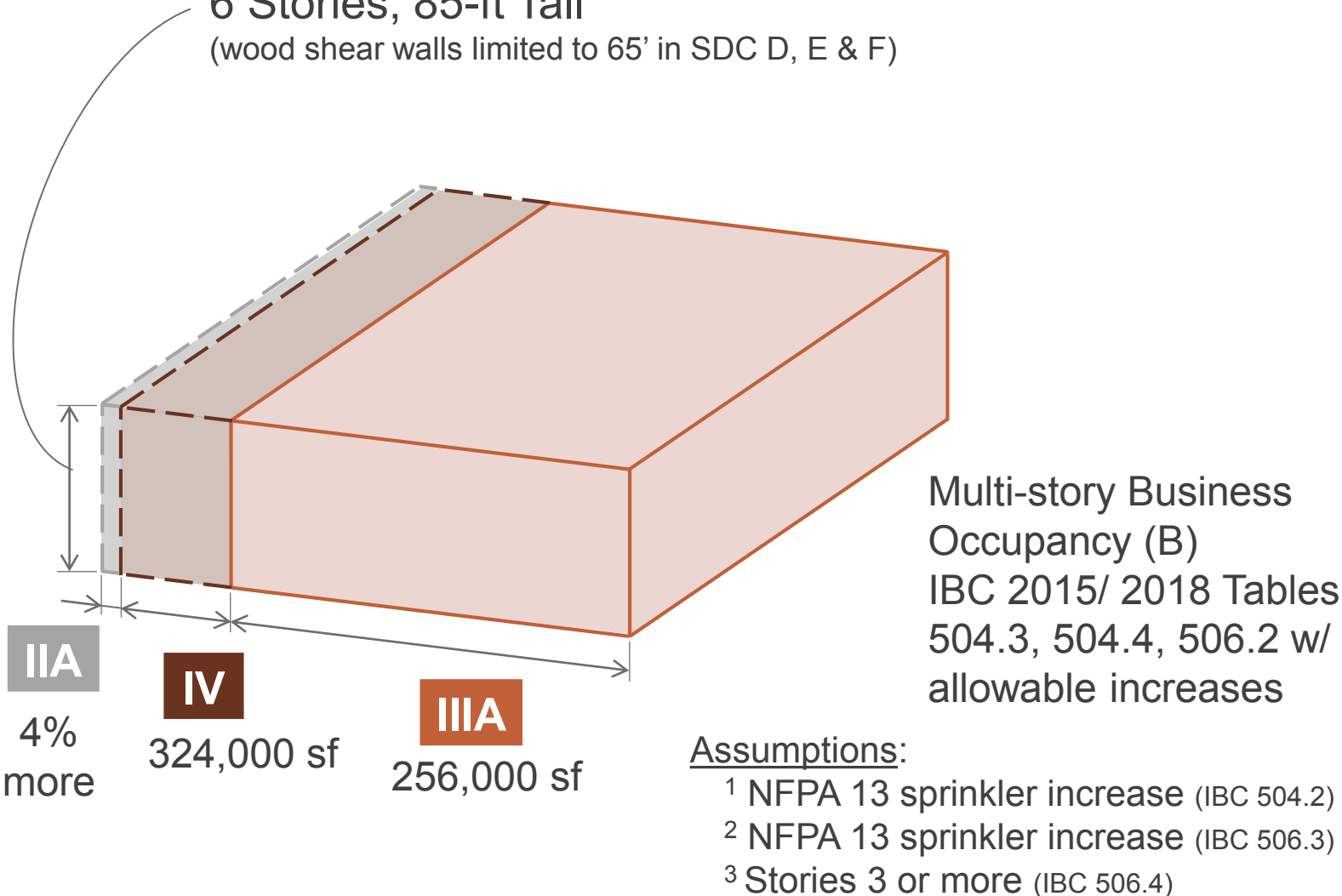
# You Don't Have to Start Tall! Wood Allows for Sizeable Buildings

Heights & Areas: 2015 IBC up to 6 Stories (Not incl. new tall wood provisions)

3-4 Stories, 60-75 ft Tall  
(wood shear walls limited to 65' in SDC D, E & F)



6 Stories, 85-ft Tall  
(wood shear walls limited to 65' in SDC D, E & F)



# Heavy Timber Revolution: California's Hip New Commercial Block

## ICE Block I



Photo: Bernard Andre

Location: Sacramento, CA  
Architect: RMW Architecture & Interiors  
Engineer: Buehler Engineering

### IIIB

- 3 Story heavy timber over podium
- 87,460 sf
- 20' x 24' grid
- 3x T&G decking

“The **building sold itself** because of its unique character. There really was no true competition in the market. **A lot of the credit goes to the fact that it is a timber building.**”

– Mike Heller, Heller Pacific





University

Adohi Hall, Univ. of Arkansas | Leers Weinzapfel Associates



Industrial

Univ. of Arkansas Library Storage | Perry Dean Rogers Architects



Multi-family

Carbon 12, Portland | Path Architecture | Photo: Andrew Pogue



Multi-family

INTRO, Cleveland | Harbor Bay Real Estate | Image Fiction



# ULI Article: Mass Timber's Expanding Presence in the Commercial Building Industry

<https://urbanland.uli.org/sustainability/mass-timbers-expanding-presence-in-the-commercial-building-industry/>

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Google Custom Search

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TRENDS

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ASIA PACIFIC

Urban Land > Market Trends > Mass Timber's Expanding Presence in the Commercial Building Industry

Mass Timber's Expanding Presence in the Commercial Building Industry

By Beth Mattson-Teig

January 23, 2020

Text Size: A A A

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The four-story, 110,000-square-foot (10,000 sq m) ICE Block I project in Sacramento was one of the first contemporary, timber-framed mid-rise structures in Northern California. (Heller Pacific/RMW architecture & interiors/Bernard André)

Developers around the world who were first movers on buildings that use mass timber for both structural and design elements are seeing a growing wave of projects lining up before them. The regulatory environment is adapting while the business model for use of mass timber is expanding across property types.



A 9-story LendLease coworking space in Brisbane at 25 King Street



An exterior image of Carbon 12 in Portland, Oregon.



# Questions?

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