

SOUTH LAKE UNION



Presented by Ada M. Healey, Vice President, Vulcan Real Estate
ULI Fall Conference – Trading Space for Place



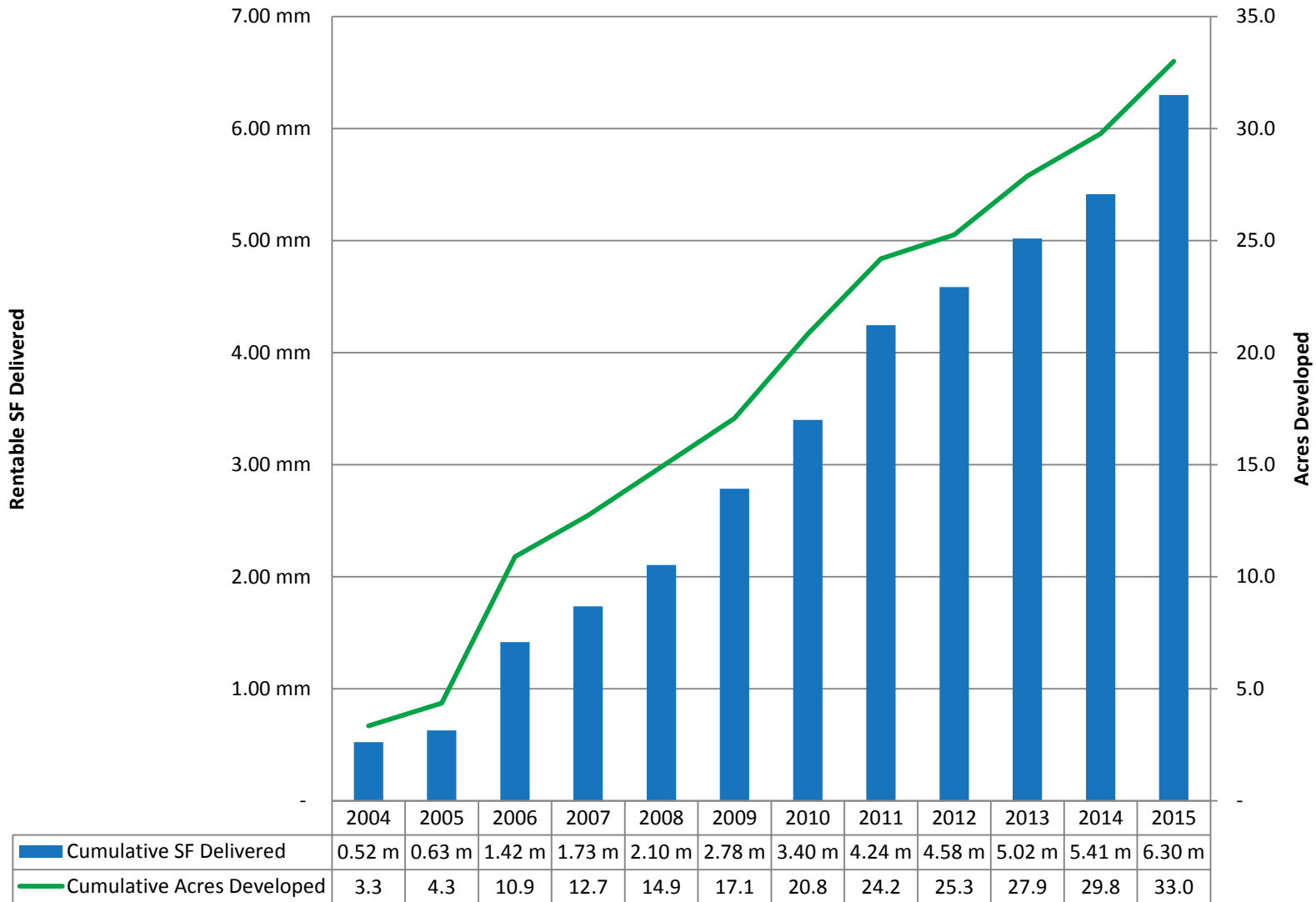
VULCAN REAL ESTATE

10-YEAR DEVELOPMENT TRACK RECORD IN SEATTLE'S SOUTH LAKE UNION NEIGHBORHOOD

- › 6.3 million SF of commercial, life sciences research, retail and multi-family (1,367 units) developed
- › 5 landmark buildings preserved and incorporated into new projects
- › 10 public/private partnerships with government entities
- › 34 land-use permits secured without appeal
- › 4 alley vacations
- › 2 skybridges
- › 5 amendments to zoning code



Vulcan South Lake Union Development History



› In 2004 South Lake Union is designated as an “**URBAN CENTER**”

› Vulcan identified four goals that served as a framework for our development efforts in South Lake Union:

- › ECONOMIC ENGINE
- › MIXED-USE
NEIGHBORHOOD
- › TRANSIT AND
PEDESTRIAN FRIENDLY
- › SUSTAINABILITY



I CREATE A NEW
ECONOMIC ENGINE
TO GENERATE JOBS
AND TAX REVENUE

WHAT WE DID



COMMERCIAL IN SOUTH LAKE UNION

- › South Lake Union is home to many innovative companies that are comprised of leaders in technology, life sciences, global health and business
 - 9.1 M SF commercial today
 - 5.3 M SF commercial under construction
 - 5.3 M SF commercial planned



SOUTH LAKE UNION COMPANIES



Northeastern University



The Seattle Times

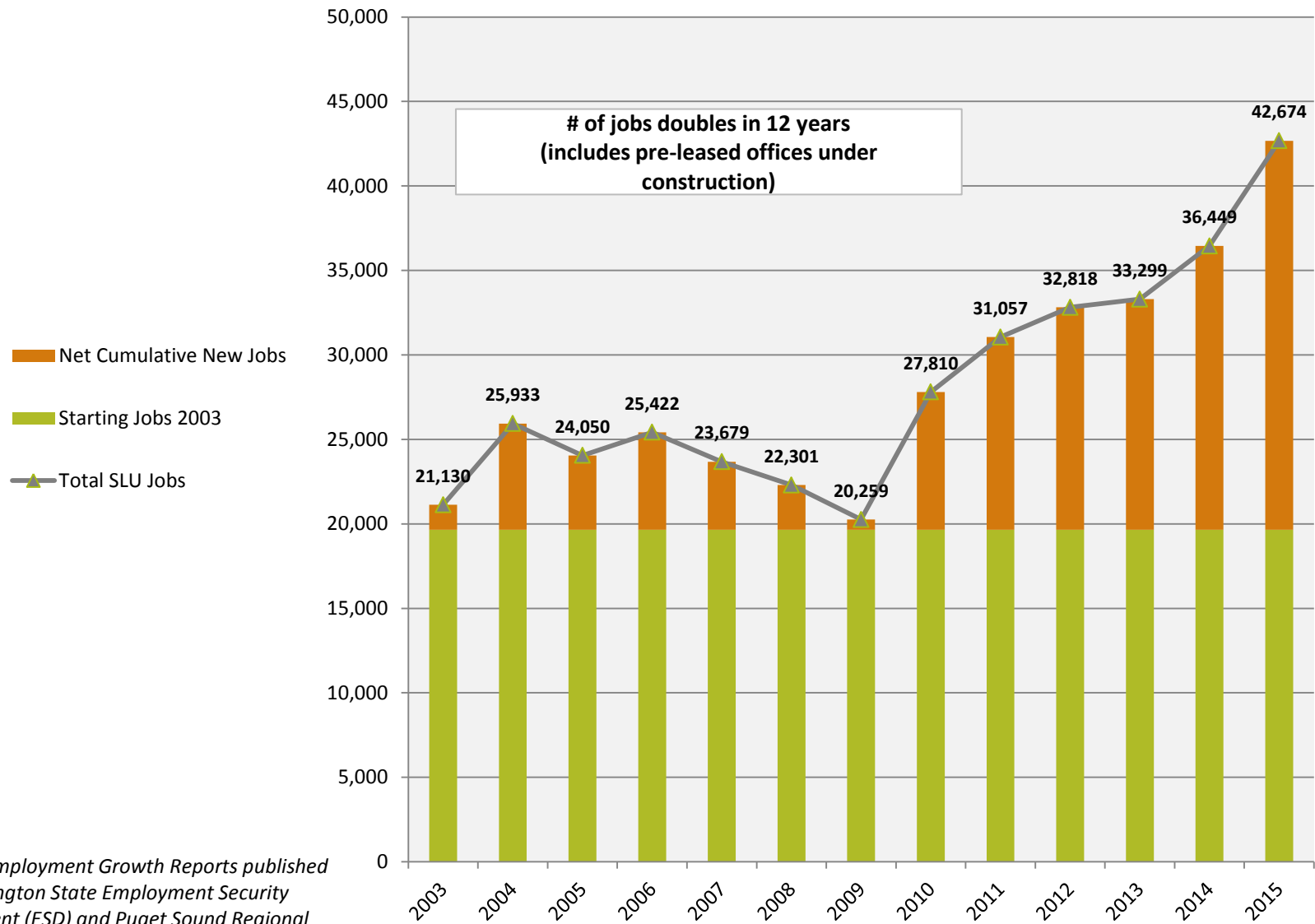


UW Medicine

wework

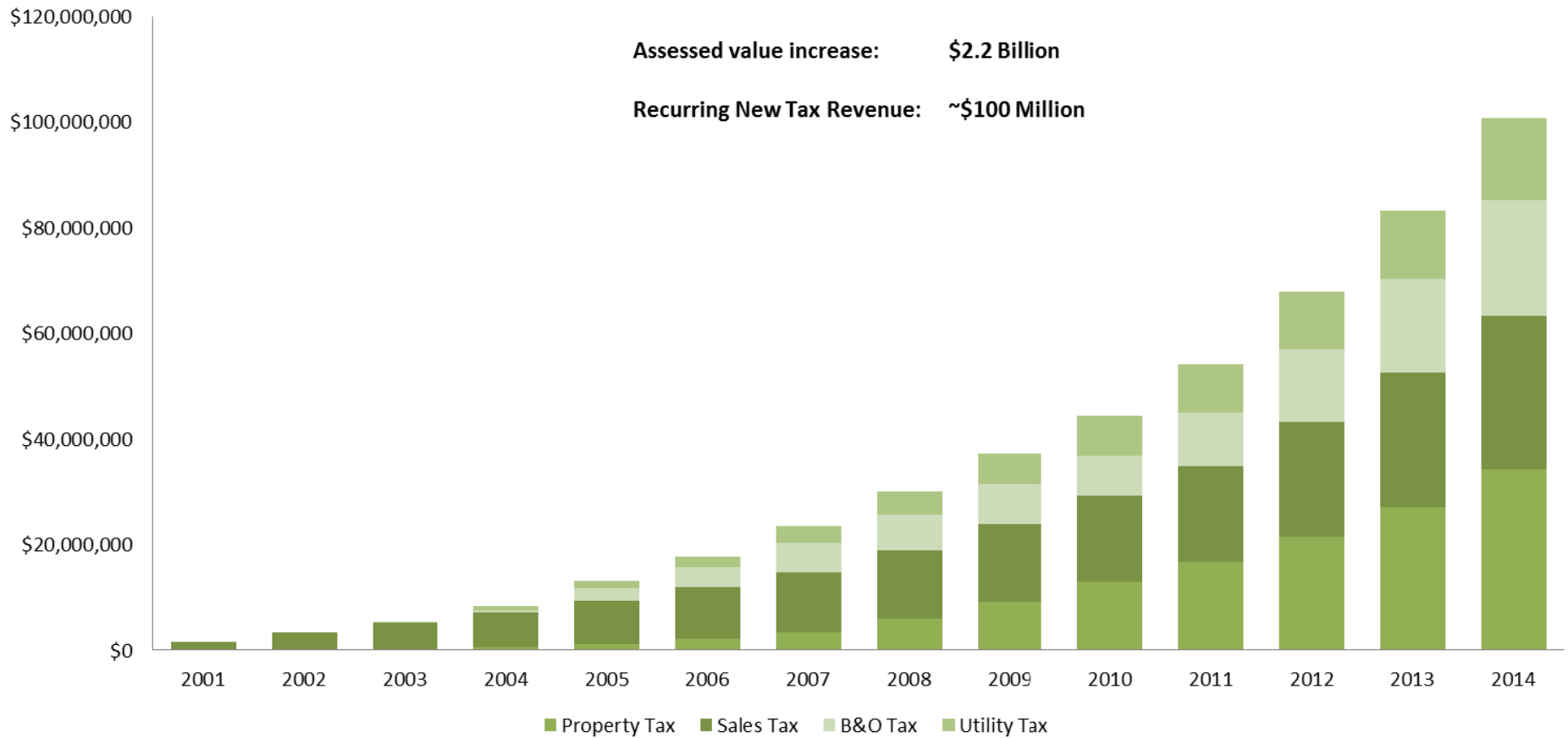
WPP

South Lake Union Job Growth



Source: Employment Growth Reports published by Washington State Employment Security Department (ESD) and Puget Sound Regional Council (PSRC)

Cumulative New Recurring Tax Revenue to City General Fund Generated by Development in SLU 2001 - 2014



Source: Berk Consulting, Vulcan Real Estate

SUBSTATION / NETWORK

- › New substation/network will provide reliable and predictable power, serving the emerging needs of the North Central Seattle area (South Lake Union, Uptown, Denny Triangle, and First Hill)
- › City has invested \$62 million of the \$236 million project budget in site acquisition, design, and environmental review and remediation
- › Project schedule:
 - 2012 - 2014: Substation Site Clean-up, Design & Planning
 - 2012 - 2014: SEPA Review
 - 2015 - 2020: Construction of Substation, Distribution Network & Transmission Line



II DEVELOP A MIXED-USE NEIGHBORHOOD FOR ROUND-THE-CLOCK- ACTIVITY

WHAT WE DID

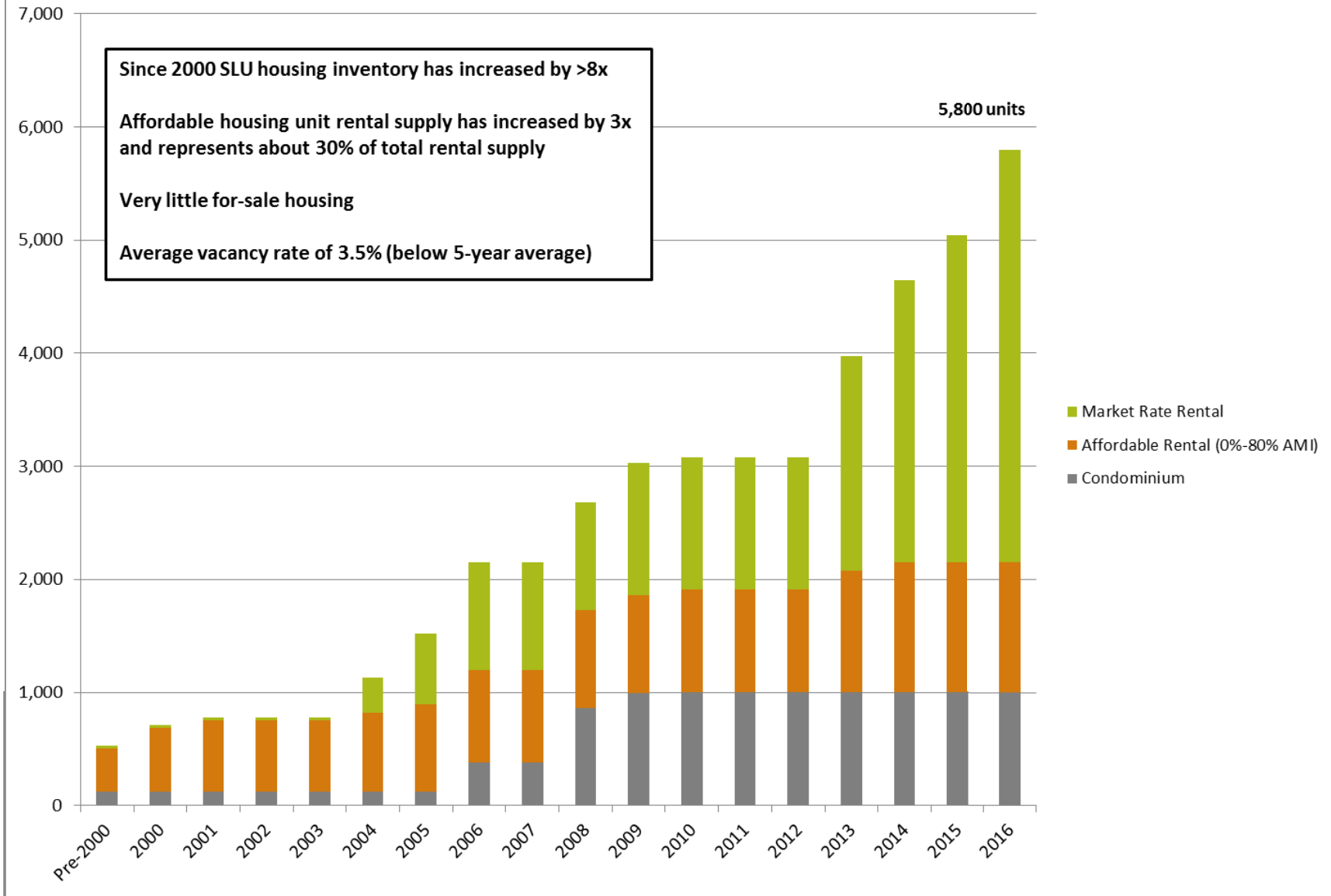


RESIDENTIAL IN SOUTH LAKE UNION

- › 10,200 housing units
 - › 5,800 apartment and condominium homes completed or under construction
 - › 4,400 more residential units planned in 17 projects



South Lake Union Housing Units



VIBRANT & AUTHENTIC RETAIL MIX: BOTH LOCAL & NATIONAL RESTAURANTS AND RETAILERS



SOUTH LAKE UNION RETAIL & RESTAURANTS



III

PROMOTE A TRANSIT AND PEDESTRIAN FRIENDLY NEIGHBORHOOD

WHAT WE DID





\$590 MILLION

INVESTED IN INFRASTRUCTURE TO MAKE
CITY/NEIGHBORHOOD MORE PEDESTRIAN,
BICYCLE AND TRANSIT FRIENDLY

- PUBLIC TRANSIT
- NEW ROADWAYS
- NEW PARKS & OPEN SPACE
- NEW SUBSTATION & UNDERGROUND NETWORK



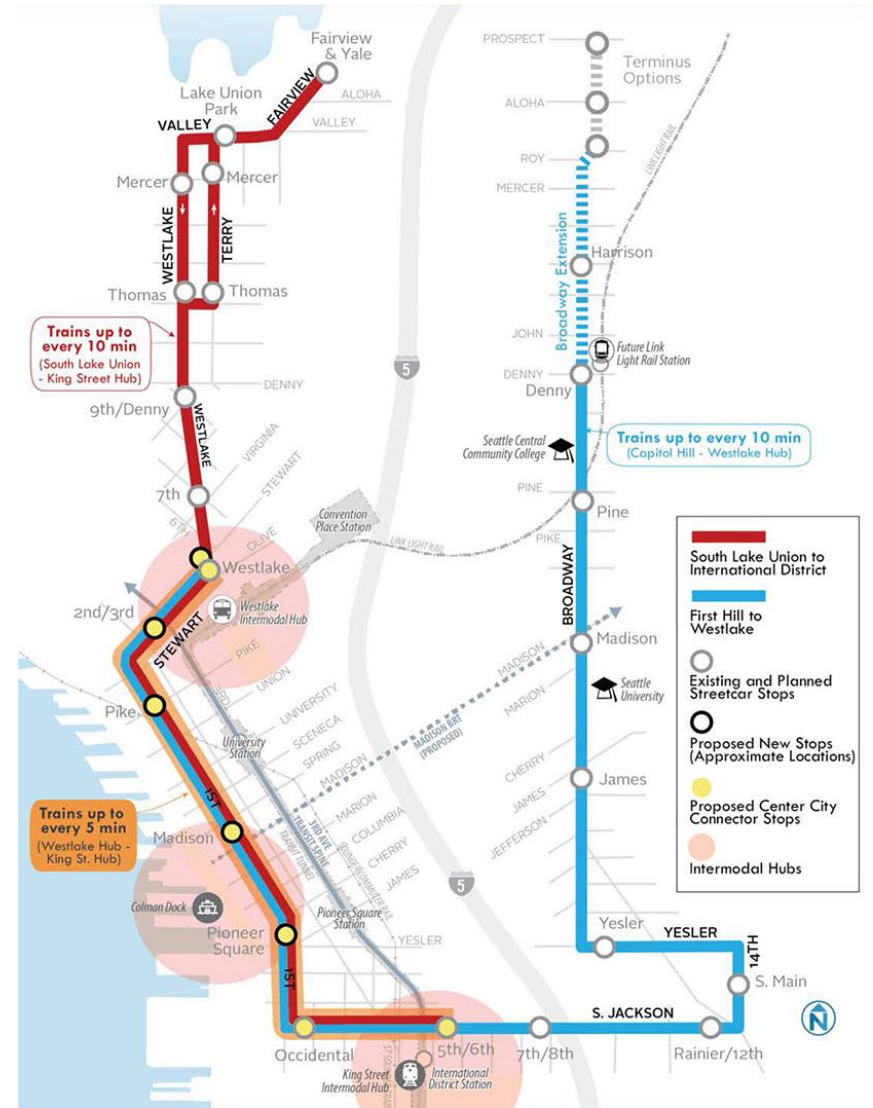
STREETCAR

\$52 MILLION

- The Seattle Streetcar line opened in December 2007
- Streetcar cited as major impetus for businesses deciding to locate in the neighborhood
- Carries 3,000 riders each week-day
- Peak hour operations subsidized by area employers as a result of employee demand

STREETCAR NETWORK

-) Provide new urban mobility options to enhance the city and regional transportation system
-) Expansion underway:
 - First Hill line (blue line) under construction, completion Q1-2015
 - In July 2014 the city council approved a resolution adopting the First Avenue Streetcar, that will connect the South Lake Union and First Hill lines, as the city's preferred option along with funding to study the line

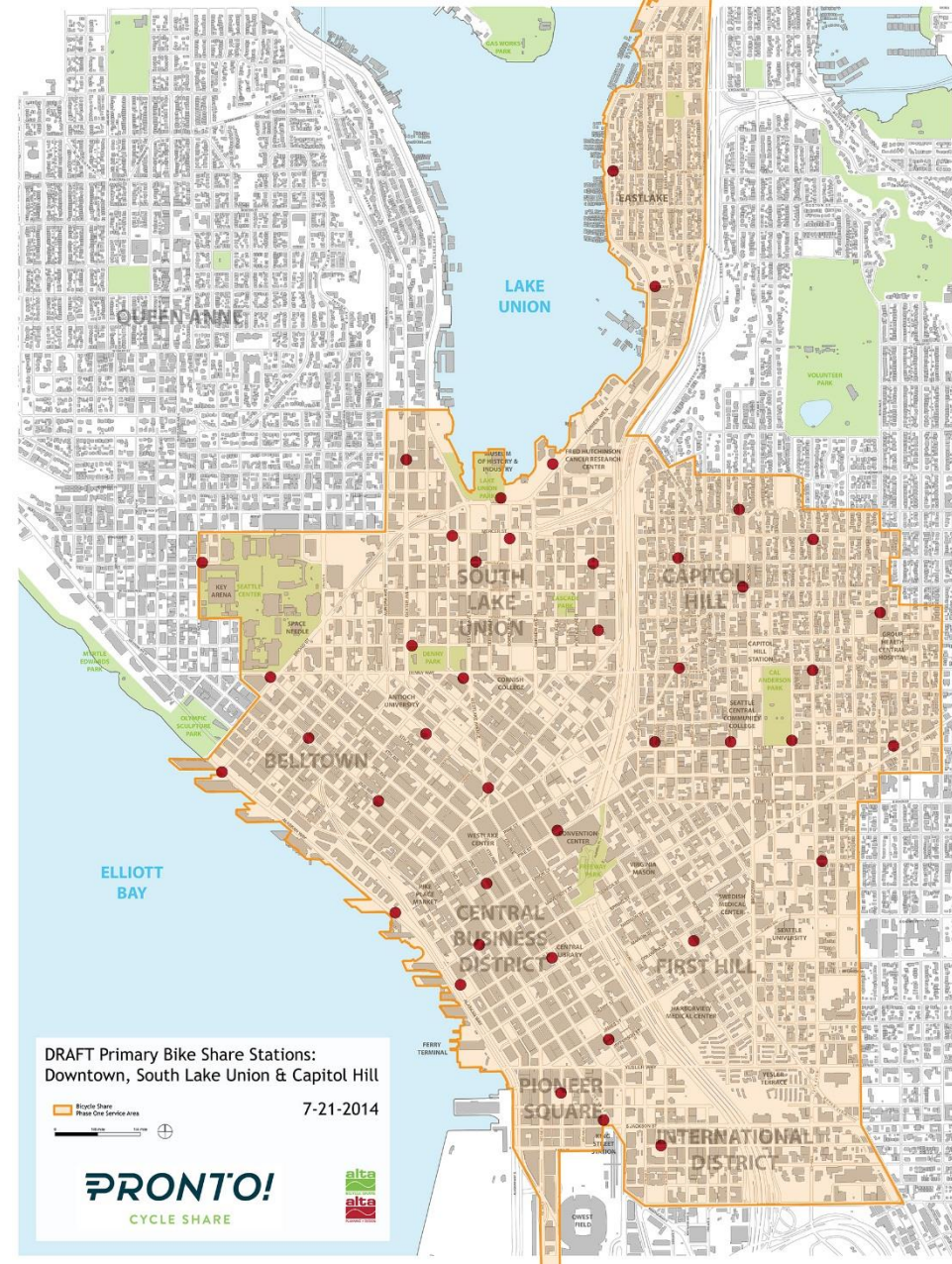




- › The two-way Mercer East project (complete) widened Mercer Street for 6 blocks, between Interstate-5 and Dexter Avenue
- › Improves neighborhood access, pedestrian and bicycle safety
- › Mercer West (under construction) will extend 2-way Mercer for another mile to the Elliott Bay waterfront

PRONTO BIKE SHARE

- › Seattle's first bicycle-share network opens in September 2014 with 50 stations, including pilot locations in South Lake Union
- › 500 bicycles will serve the initial territory, including South Lake Union, University of Washington, Eastlake, Capitol Hill, First Hill, Belltown, downtown, Pioneer Square and the Chinatown International District



IV

CREATE A NEW MODEL FOR SUSTAINABILITY

WHAT WE DID



VULCAN GREEN DEVELOPMENT

- › Delivered 16 LEED-certified buildings contributing to South Lake Union becoming the first LEED-certified neighborhood plan in Washington State
- › Retained and incorporated five historic buildings into new developments
- › Partnered with Seattle Public Utilities to build the Swale on Yale, a treatment system that will greatly improve the quality of stormwater runoff entering Lake Union



PLACEMAKING – BUILDING A COMMUNITY

WHAT WE DID



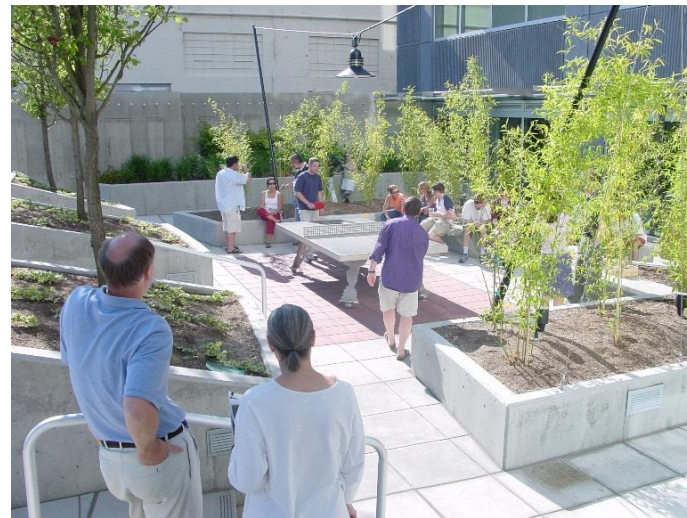
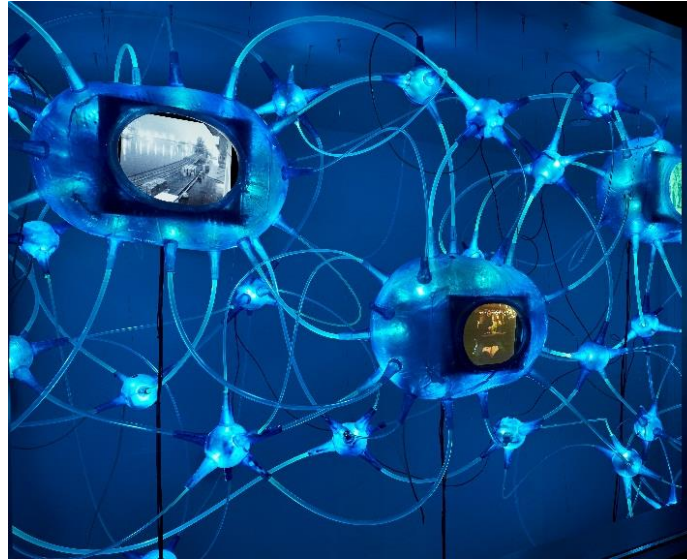
PARKS AND OPEN SPACE

- › \$34 million investment in neighborhood parks
- › Public plazas
- › Off leash areas
- › Farmers Market



PUBLIC ARTWORKS

- › 18 public artworks have been installed in South Lake Union as Vulcan Real Estate's public art program





ACTIVATING OPEN SPACE









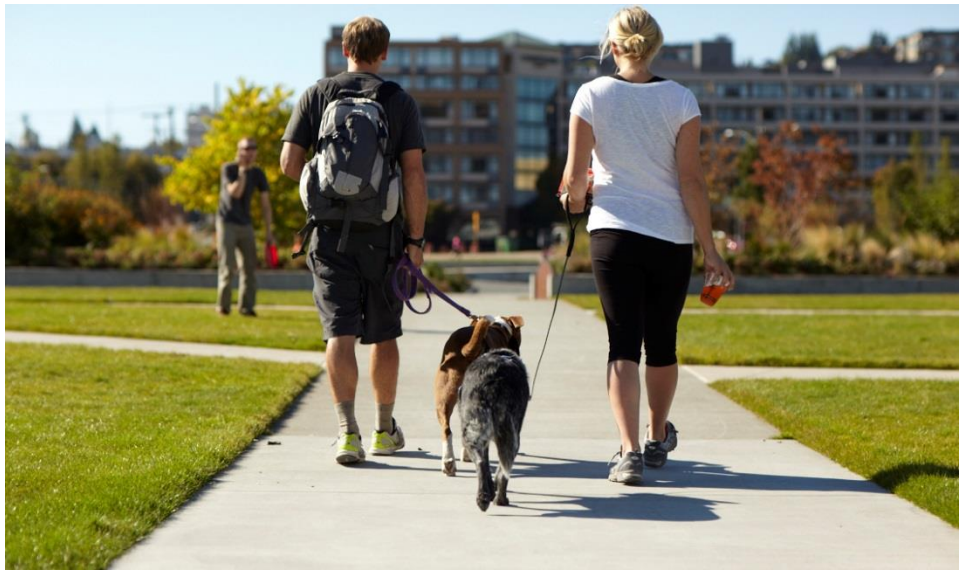




BUILDING A COMMUNITY



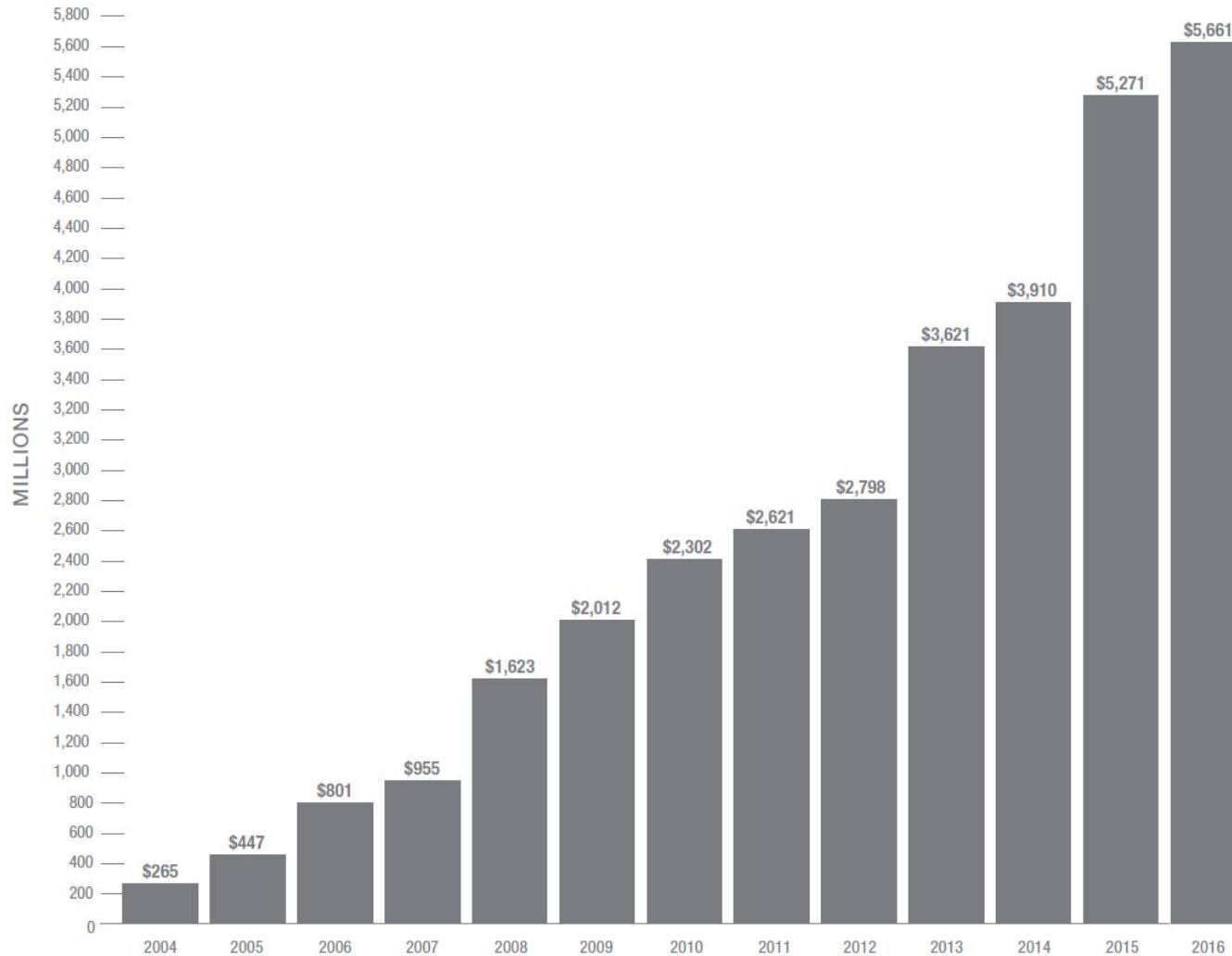




JUST ABOUT EVERYWHERE

SOUTH LAKE UNION

CUMULATIVE INVESTMENT



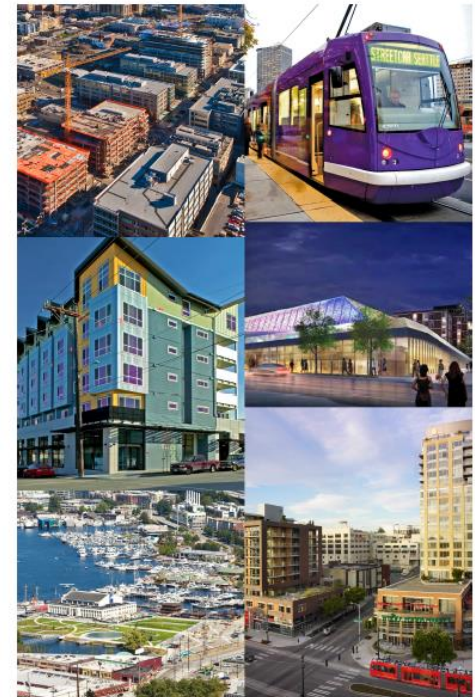
TOTAL INVESTMENT:

\$5.7 Billion

12,450,000 Square Feet

\$5.07B Development Projects

\$590M Infrastructure Improv.



SOUTH LAKE UNION TODAY

- › Mixture of housing, office, retail and services
- › Walkable neighborhood
- › Amenities incorporated throughout
- › Close proximity to quality public transportation

South Lake Union
2004 - 2014



7 MILLION

SF OFFICE AND LIFE SCIENCES SPACE

535,000

SF OF INTEGRATED RETAIL, RESTAURANTS
AND SERVICES

5,800

UNITS OF FOR SALE AND FOR RENT HOUSING

24

COMMISSIONED PUBLIC ARTWORKS

14

ACRES OF PARK IMPROVEMENTS

2.6

MILE STREETCAR LOOP

1

CULTURAL FACILITY: MUSEUM OF HISTORY AND INDUSTRY

SOUTH LAKE UNION



START EARLY, THINK BIG, WORK
TOGETHER, LOOK AHEAD