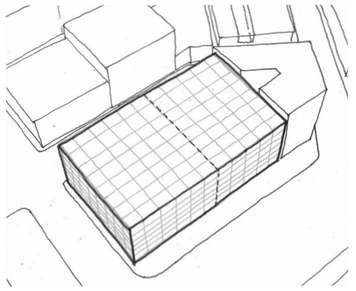
THE POLSON & WESTERN BUILDINGS OFFICE-TO-RESIDENTIAL CONVERSION STUDY

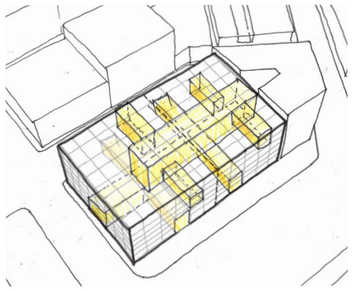
As one of Seattle's most defining neighborhoods, Pioneer Square is known for its eclectic architecture, its socio-economically diverse population, and its support of small local businesses. In order to continue to flourish and grow even more resilient, Seattle's urban core must support a diverse mix of use and demographics. With a post-pandemic surplus of vacant offices, particularly in the older building stock, this project provides the opportunity to ensure that future, and to re-envision our city at multiple scales – the human, block, and neighborhood.

This proposal celebrates the cellular grid of the Polson Building's timber structure by converting each bay into a residential unit, while carving out a shared, central courtyard. Rooted in the DNA of good design, this approach embraces access to light and air, and recognizes the neighborhood as a holistic community, rather than just a series of plots. What's more, it speaks to both housing inequality and the climate crisis by adapting the existing building stock, and urges us to unlearn the bad habits of the past. This idea is not new, but it is transformative.

Polson and Western Buildings
Warehouses built in 1910

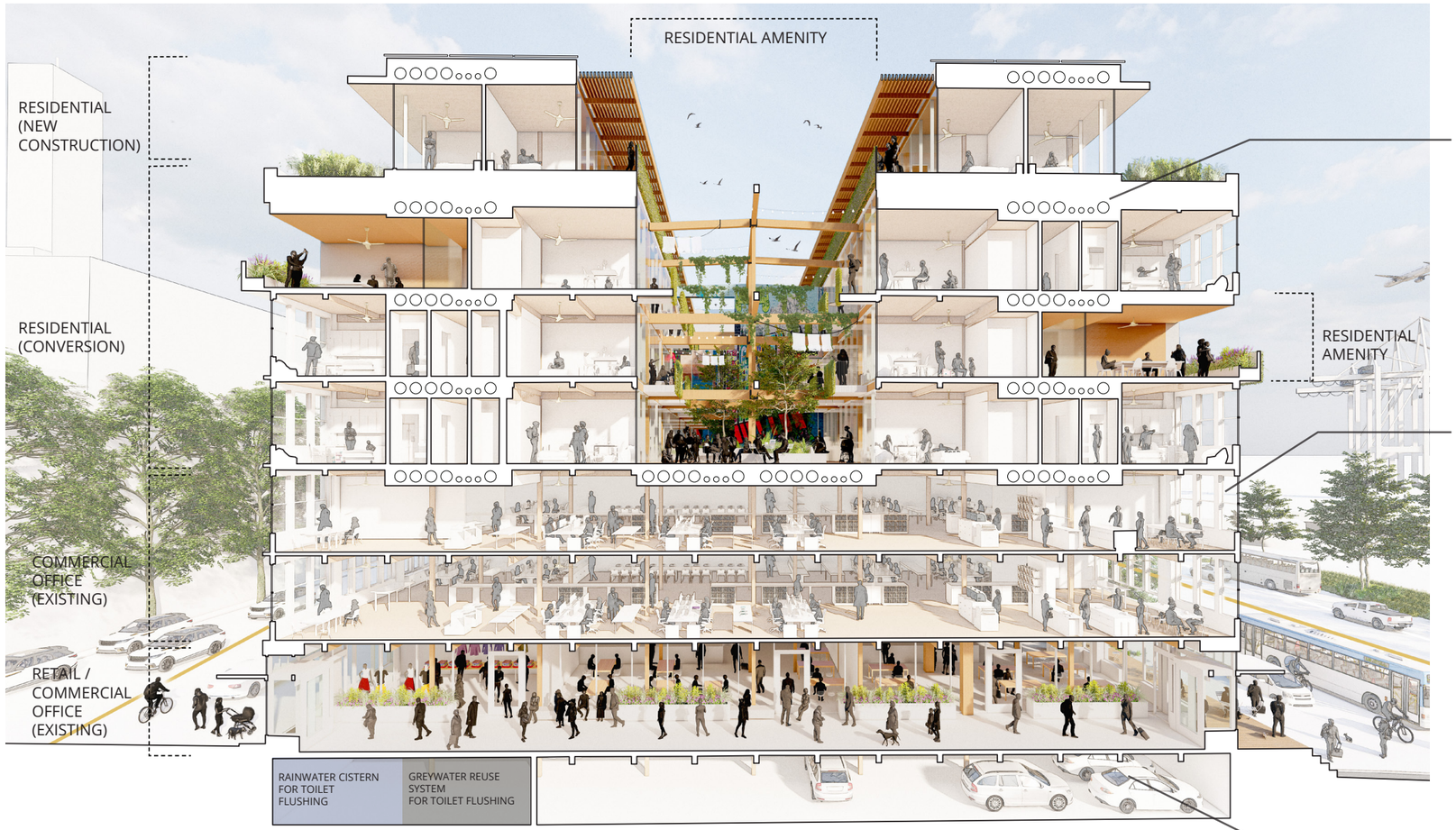


Cellular structure of warehouse



Carving for access to light & air

Collective Urban Form- Multiple buildings facilitating transformation of use



Sustainable Strategies:

- PV PANELS AND PANELS OFF-SITE TO ACHIEVE NET ZERO
- ALL ELECTRIC HVAC
- RE-PURPOSE EXISTING DUCTWORK AND HYDRONIC PIPING DISTRIBUTION SYSTEM
- ENHANCED MECHANICAL FILTRATION
- OPERABLE WINDOWS
- IMPROVED ROOF AND WALL INSULATION
- REDUCTION IN EMBODIED CARBON FOR INTERIOR MATERIALS AND FINISHES
- WATER EFFICIENT PLUMBING FIXTURES THROUGHOUT
- RAIN WATER CAPTURE AND GREY WATER REUSE
- BATTERY STORAGE SYSTEM FOR BUILDING RESILIENCE
- BIKE PARKING

A new front door to a residential lobby opens to Alaskan Way- activating the western building facade to the newly improved public waterfront.

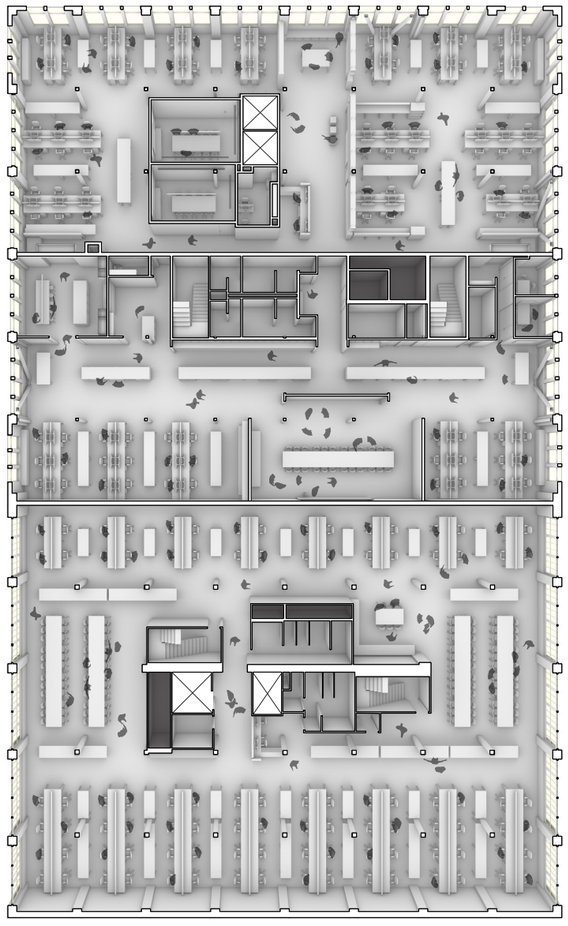
A central courtyard is carved out of the center of the block to provide light and air to residential units. The timber structure is maintained as a spatial remnant of the historic warehouse use.

Operating as a microcosm of a diverse city, the proposal embraces a mix of uses within a singular structure. The three top levels are converted to accommodate a dense distribution of studio units to help satisfy the demand for workforce housing. In order to offset the lower lease rates of these units, two levels of office use has been maintained on the lower floors and an additional high-end penthouse structure has been added to accommodate the demand for family units.

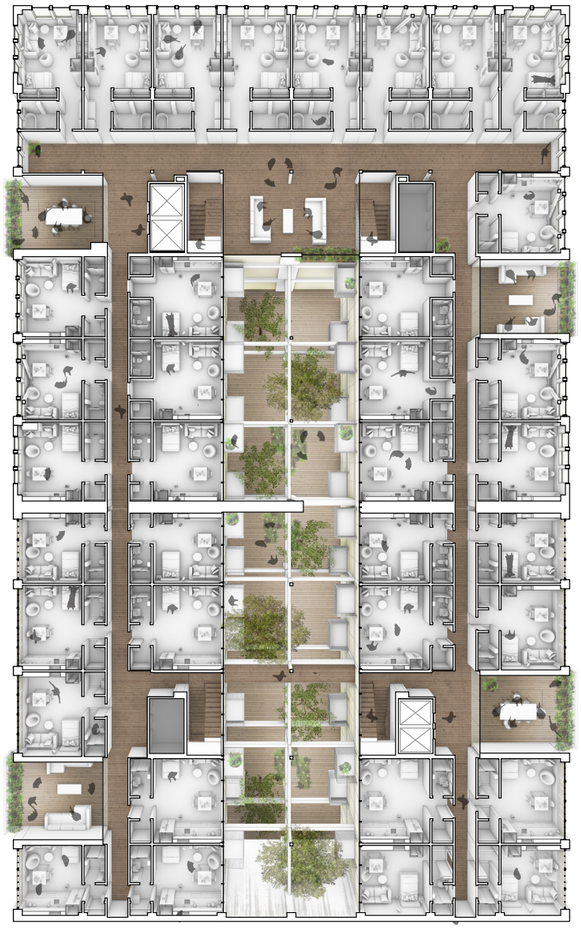
MILLER HULL

Stanley Real Estate
Polson & Western Buildings

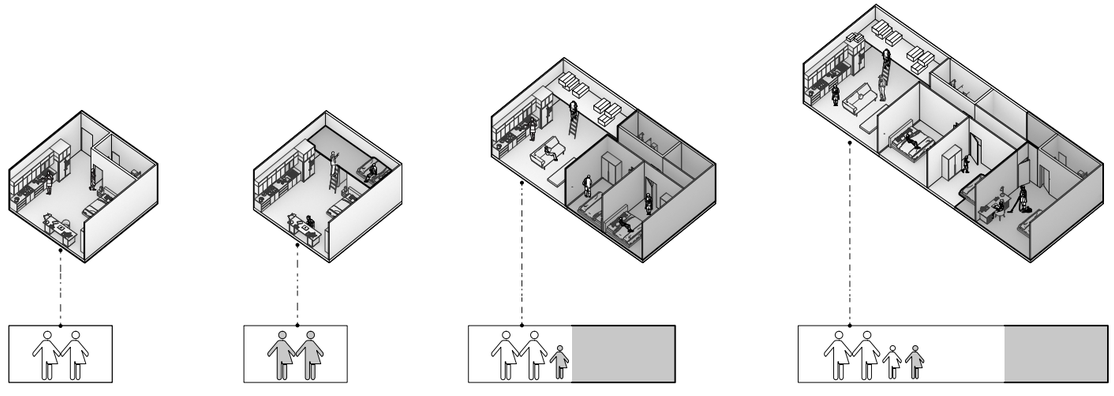
Seattle
Office of Planning & Community Development



Existing Office Plan



Converted Residential Plan



Unit Evolution Through Time

Potential Incentives

In order to support an adaptive reuse project at the scale of the Polson & Western Building and make this a viable venture, the City could explore offering the following incentives and/or policy changes:

1. Create a site specific 'opportunity zone' for the downtown core to attract investor capital, similar to those in the state of California. Primary tax benefits could include Capital Gains Tax Deferral and the Elimination of Taxes on Future Gains.
2. Similar to Calgary's Downtown Development Incentive Programs, the City could provide a grant for office to residential conversions, at a determined $/sf of improvement cost. The grant could come with stipulations of meeting sustainable performance criteria that helps the City towards meeting its Climate Action Plan goals.
3. Encourage 'Speed to Market' by streamlining the Entitlement Process and Permit Review process. Allow a straight to permit path, and assemble a specific task force within SDCI to expedite permit review and approval process.
4. Remove Development Impact Fees and Permit Processing Fees
5. Work with King County to develop a property tax relief program that reduces property tax on adaptive reuse projects that increase the housing stock in the downtown core.

ROM Costs

Total Hard Costs: $72,000,000

($525/sf costs to convert to residential)
($100/sf costs to update office space)

Total Soft Costs: $24,000,000

Total Project Cost: $96,000,000

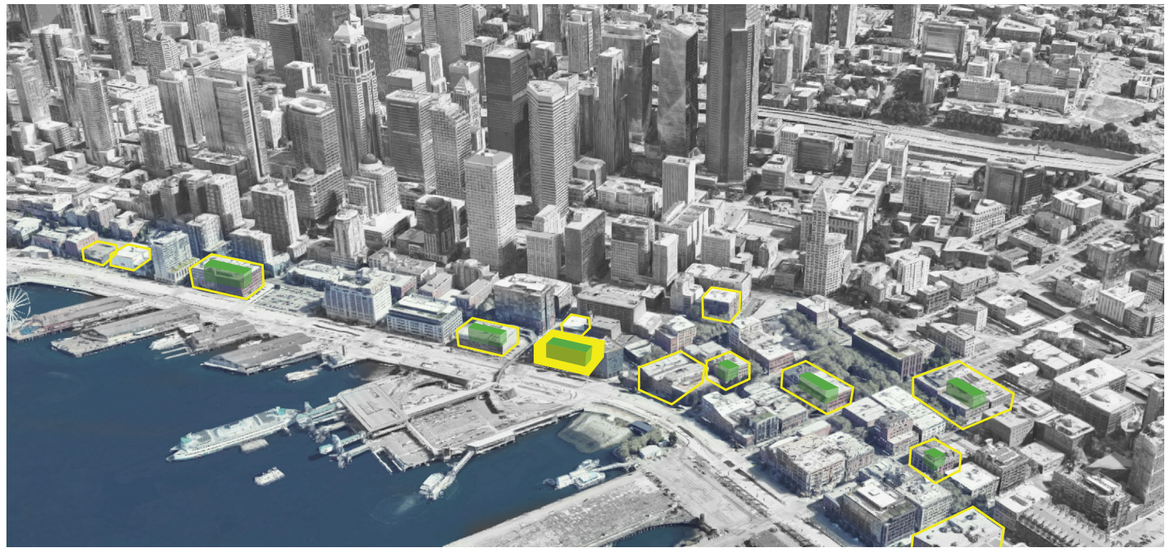
ROM of Potential Income/Rent

USE	LEVEL	SQ FT / UNIT COUNT (Leasable RSF)	PV INCOME (TOTAL/ YEAR)
Retail and/or Office	Ground Floor	20,000	$520,370
Office	Levels 2 - 3	49,000	$2,067,000
Residential - Workforce	Levels 4 - 6	51,300 (114 Units)	$2,325,600
Residential - High End	Level 7	11,000 (11 Units)	$583,300
Total Income			**$5,500,000**

ROM Summary

The ROM costs summarized above indicate a payback on investment based on the present value of money that is likely longer than current real estate investors would require. Potential incentives, such as those listed on the left, could shorten the payback period and make such an undertaking more appealing to developers and building owners.

The Ripple Effect



There are many other buildings in Seattle and beyond that are under-utilized and ripe for conversion. This proposal illustrates a strategy that is scalable, resulting in healthier and more resilient cities.