

Unico lays out plan to turn Pioneer Square office buildings into housing (Images)

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Unico Properties on Tuesday announced a redevelopment plan that would bring major changes to Seattle's Pioneer Square neighborhood.

The Seattle-based investment company is proposing to rehab three historic buildings that Unico calls the Grand Central Block. The plan includes converting the upper floors from office space into 132 market-rate apartments. This would entail adding up to four floors to the Grand Central Building and two to the Buttnick Manufacturing Building. The third asset is the City Loan Building.

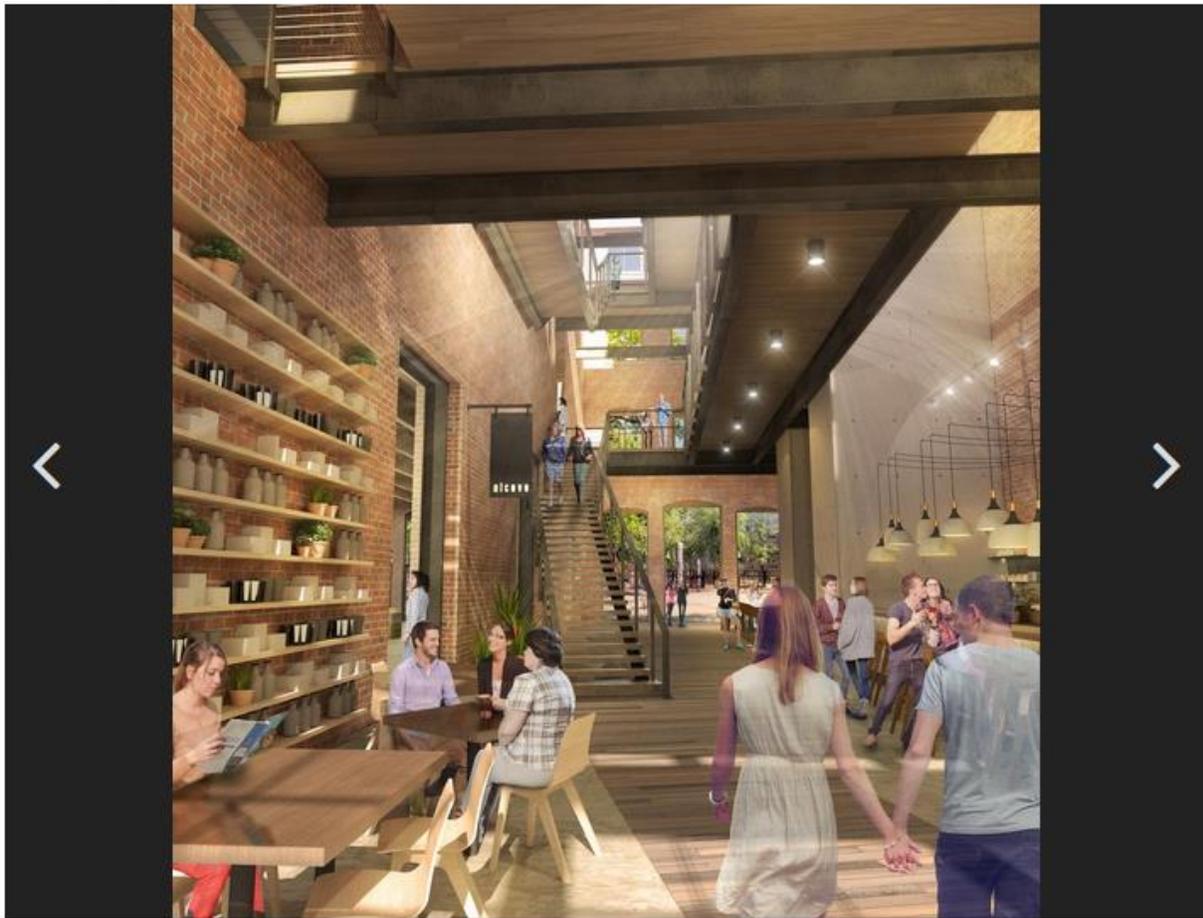
Grand Central Block

1 OF 3 THUMBNAILS



GRAHAM BABA ARCHITECTS RENDERING

Unico Properties wants to redevelop the three buildings that make up the Grand Central Block in Pioneer Square. The block is on the east side of First Avenue South between South Washington and Main streets. The company wants to add up to two floors to the Buttnick Manufacturing Building (seen here in the foreground) and up to four floors to the Grand Central Building (in the background).



GRAHAM BABA ARCHITECTS RENDERING

The block's third building is the City Loan Building, where Unico is proposing to add this interior walkway from First Avenue South to Occidental Square Park.



GRAHAM BABA ARCHITECTS RENDERING

This illustration shows the redeveloped Grand Central Block from Occidental Square Park.

Unico acquired the half block between First Avenue South and Occidental Square Park about two-and-a-half years ago for \$26.6 million, according to public records, and wants approval of its plan from the city's Pioneer Square Preservation Board.

Pioneer Square is in the midst of a renaissance with tech and other companies such as [Weyerhaeuser](#) moving in. A Colorado company is planning [a multi-million dollar renovation called RailSpur](#) two blocks south of the Grand Central Block. New apartment buildings have gone up and the [more than \\$50 million Gridiron condo project is under construction](#).

Unico's plans include other changes to the early 20th-century buildings: seismic upgrades and installing new fire-life-safety, mechanical, electrical and plumbing systems. They'll also modify the retail façade next to Occidental Square Park by adding a covered porch to the eastern side of the Grand Central Building. The company is proposing adding a passage through the City Loan Building to improve the pedestrian connection from First Avenue South to the park.

Unico isn't sharing the project's estimated cost. It hired Seattle-based Graham Baba Architects to design the project.

Redevelopment of historic properties is complicated, especially when a developer wants to add floors. It requires not only permission from the preservation board but also buy-in from the community. Unico is forming a committee of neighborhood people to help guide the project.

Unico President and Chief Investment Officer [Jonas Sylvester](#) said the project will not pencil without additional floors.

"The unreinforced masonry buildings are in serious need of rehabilitation," he emailed. This plus the other needed upgrades require additional rentable area to cover the costs. "Without that additional income, these buildings, and others like them, will continue to deteriorate over time."

Sylvester added that incentives like tax credits and property tax breaks would not cover the project cost.

The timing of the redevelopment depends on the the city's approval process. Unico's goal is to complete the rehabilitation in late 2019 or early 2020.

Unico last year unveiled its [rehabilitation of another Pioneer Square property, the Smith Tower](#). In downtown Tacoma, Unico [is turning the historic Washington Building office into apartments](#).

Marc Stiles covers real estate for the Puget Sound Business Journal.