



THE SEATTLE MARKET REVIEW

Compiled by The Seattle Times Company Strategic Research Department



MARKET HIGHLIGHTS

Labor Market: Washington No. 8 in U.S. job gains in the past year

Retail Market: Urban-friendly Target opens in downtown Seattle

Regional Development: \$230M renovation of Sea-Tac Airport north satellite gets green light

Travel: The tourists, and their money, are back in Seattle

Economy: Venture capital more than doubles in Washington State

Real Estate Market: King County home prices up 7 percent from last year

Area Stores Opening

- Destination Maternity opening store at Pacific Place
- Goodwill store opened in South Lake Union (Seattle) on July 26
- Evolution Fresh to open in Downtown Seattle
- City Target opens (Downtown Seattle)
- Moksha coming soon to Bellevue Square
- Grub to open on Queen Anne Avenue North
- Veggie Grill to open two Seattle locations
- Regent Bakery & Café to open on Capitol Hill

Area Stores Moving/Renovation/other

- Bartell headquarters moving to West Seattle

Area Stores Closing

- N/A

Seattle population grows 2% in a year: Seattle's population grew by nearly 2 percent from 2010 to 2011, and the city now has 620,778 people. Three-quarters of all Western communities are adding population these days. [According to research by On Numbers](#), the research division of American City Business Journals, in 2,308 Western cities, towns and villages, 1,749 places grew between April 2010 and July 2011, the latest period for which official figures are available.

Source: *Puget Sound Business Journal*, August 9, 2012

http://www.bizjournals.com/seattle/morning_call/2012/08/seattle-population-grows-2-in-a-year.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-09

Washington State becomes first to offer voter registration via Facebook: Facebook just isn't about browsing photos of friends. A new initiative in Washington state actually might have a higher purpose: Allowing citizens to register to vote. The Associated Press [reports](#) that the Secretary of State's Office next week plans to launch a new effort whereby individuals can register to vote.

Source: *geekwire.com*, July 17, 2012

<http://www.geekwire.com/2012/washington-state-offer-voter-registration-facebook/>

Seattle area ranks No. 9 in private-sector pay; Silicon Valley No. 1: The Seattle area ranks 9th among 938 metropolitan areas nationally in salaries paid to private-sector workers, according to a new analysis of Census Bureau data by On Numbers, the research division of American City Business Journals. Private-sector pay in the Seattle-Tacoma-Bellevue area averaged \$55,000, On Numbers reported Thursday.

Source: *Puget Sound Business Journal*, July 19, 2012

http://www.bizjournals.com/seattle/blog/techflash/2012/07/seattle-area-ranks-no-9-in.html?ana=e_du_pub&s=article_du&ed=2012-07-19

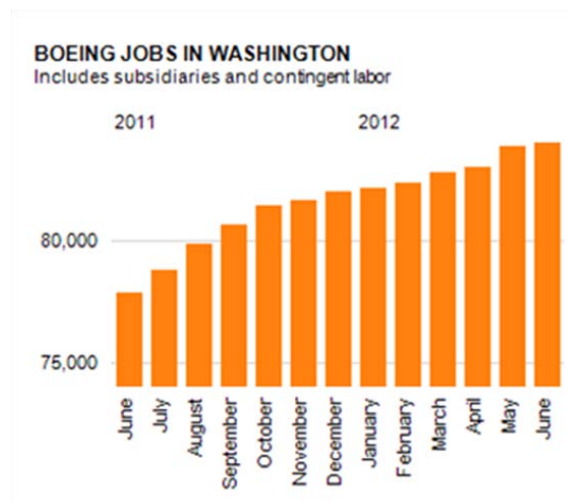
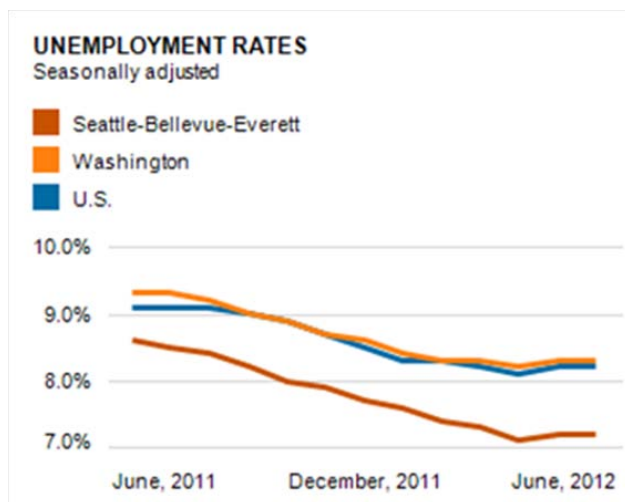
Seattle: No. 5 city in U.S. for dining out: Seattle is the No. 5 city in the country for dining out at restaurants, based on the highest density of restaurants in a city. San Francisco topped the list, with 39.3 restaurants per 10,000 residents, and Seattle was No. 5, with 24.9 restaurants per 10,000 residents, according to [informal research done by online real estate company Trulia.com](#).

Source: *Puget Sound Business Journal*, August 2, 2012

http://www.bizjournals.com/seattle/morning_call/2012/08/seattle-no-5-city-in-us-for-dining.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-02



LABOR MARKET



Teens struggling to find a job this summer: Farwa Fatima Sheriff, 17, of Issaquah doesn't go in cold — "begging," as she put it — to ask for a job anymore. "That just seemed so desperate, just going in," Sheriff said. "But that is what I did, and that didn't really work out because a lot of places just weren't hiring." Teenage job-seekers between 16 and 19 years old have been hit especially hard since the recession, U.S. Bureau of Labor Statistics data show. The national unemployment rate was 7.6 percent for adults last month, while 26.5 percent of teens looking for work couldn't find a job. And the teen unemployment rate is more than 7.5 percentage points higher than in June 2007, compared with less than 4 percentage points higher for adults.

Source: The Seattle Times, July 18, 2012

http://seattletimes.nwsour.com/html/businesstechnology/2018719583_teenunemployment19.html

State's unemployment rate flat at 8.3 percent: Washington's unemployment rate remained flat in June at 8.3 percent, while an above-average 10,200 jobs were added, according to Washington's Employment Security Department. The state's workforce has grown by more than 10,000 jobs for two months in a row. Over the last 12 months the average job growth was 7,316. "We're gradually building momentum on the job front," said Mark Berreth, an economist for the department. "We've now regained more than half the number of jobs we lost during the recession." Since unemployment hit its peak rate in February 2010, the state has added 111,400 jobs, approximately half of the 205,000 jobs lost since February 2008.

Source: The Seattle Times, July 18, 2012

http://seattletimes.nwsour.com/html/businesstechnology/2018713905_jobs19.html

Auburn warehouse will lay off 97: Universal Lumpers, headquartered in Aurora, Colo., said Thursday it will shut down its operations in Auburn on September 24, laying off 97 employees, according to the state Employment Security Department. The employees, called "lumpers," load and unload groceries from 18-wheelers into Safeway warehouses in six states, but will lose its Auburn contract in September. Universal Lumpers also works for Safeway in Spokane and 10 other warehouses from California to Texas. Universal's human resources manager, Rebecca Fairchild, said she doesn't know the name of the company replacing them in Auburn or whether they will hire any of the laid off employees.

Source: The Seattle Times, July 19, 2012

http://seattletimes.nwsour.com/html/businesstechnology/2018728238_lumpers20.html

Thales Avionics laying off 42 in Seattle as it moves division to New Jersey: Thales Avionics said it will be laying off 42 people in Seattle as it moves a division to New Jersey. Thales Group designs and develops technologies in aerospace, space, defense, security and transportation. It is one of two suppliers of in-flight entertainment systems for Boeing's 787 Dreamliner. According to its website, Thales has 68,000 employees in 50 countries and 19 offices in the United States.

Source: The Seattle Times, July 16, 2012

http://seattletimes.nwsour.com/html/businesstechnology/2018702969_thaleslayoff17.html

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King County's June jobless rate was 7.2 percent: King County's unemployment rate was 7.2 percent in June, down from 8.7 percent a year ago, the state Employment Security Department said Tuesday. Snohomish County's rate was 8.3 percent, an improvement from 9.9 percent in June 2011. Pierce County's rate was 9.1 percent, also down from 9.9 percent a year ago. The county figures are not seasonally adjusted. The department said that on a non-adjusted basis the statewide jobless rate was 8.2 percent, while the adjusted number reported last week was 8.3 percent.

Source: *The Seattle Times*, July 25, 2012

http://seattletimes.nwsourc.com/html/business/technology/2018761679_countyjobs25.html

Seattle's low-wage workforce is barely getting by: Rob Nyberg gets scared sometimes. When cash is short and the rent is due, he wonders if the jobs he cobbled together over the past couple years are enough. Nyberg washes dishes two nights a week at Sutra, a vegetarian restaurant in Seattle's Wallingford neighborhood, DJ's when he can and watches children for friends, among a growing list of part-time jobs. Until recently, he worked a few days a week at a frame shop that, before the recession, provided him with a full-time job and financial stability. The new jobs don't pay well, but Nyberg is grateful for them. "Right now, I'm fishing — trying new things — and perhaps one of them will turn into something bigger," says the 46-year-old yoga student who tends to see the bright side, even of a busted economy.

Source: *The Seattle Times*, July 29, 2012

http://seattletimes.nwsourc.com/html/pacificnw/2018718155_pacificpbottomrung29.html

Washington No. 8 in U.S. job gains in past year: By adding 53,000 new jobs between June 2011 and June 2012, Washington state was eighth in the U.S. in the number of new jobs created in that time. Forty-four states and the District of Columbia managed to expand their employment bases during the past year, [according to research by On Numbers](#), the research division of American City Business Journals, which used the latest figures from the U.S. Bureau of Labor Statistics. Leading the way is California, which had hemorrhaged more than 1 million jobs between 2007 and 2011. California launched a significant turnaround by adding 279,100 nonfarm positions between June 2011 and the same month in 2012. Three other states have added at least 100,000 jobs since mid-2011: Texas (up 231,800), New York (up 136,900) and Ohio (up 100,000).

Source: *Puget Sound Business Journal*, August 14, 2012

http://www.bizjournals.com/seattle/morning_call/2012/08/washington-no-8-in-us-job-gains-in.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-14

Washington state unemployment rate rises to 8.5%: Washington state, [which had the 14th-worst unemployment rate in the U.S. in June](#), saw its jobless rate rise from 8.3 percent to 8.5 percent in July. That's still better than the unemployment rate in July 2011, which stood at 9.3 percent. The national unemployment rate was 8.3 percent for July 2012. In the Seattle-Bellevue-Everett area, the July unemployment rate rose to 7.5 percent from 7.2 percent a month earlier. State officials said Washington gained 5,000 jobs last month, with much of the July job growth in the "other industries" sector. The state lost the most jobs last month in the professional and business services sector. Officials attributed the rise in the unemployment rate to a decline in the total workforce and an increase in the number of unemployed people who are looking for work.

Source: *Puget Sound Business Journal*, August 16, 2012

http://www.bizjournals.com/seattle/morning_call/2012/08/washington-state-unemployment-rate.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-16

Washington state retail job growth 10th-best in U.S.: By adding 5,600 jobs in the retail job sector, Washington state had the 10th-highest growth in the country for that sector. [According to research by On Numbers](#), the research division of American City Business Journals, the number of retail jobs in Washington state rose to 317,500 in June from 311,900 in June 2011. California led the country with a gain of 25,600 retail jobs since June 2011, followed by New York (up 23,300), Florida (up 16,700), Texas (up 15,600), Ohio (up 15,000) and Georgia (up 10,100).

Source: *Puget Sound Business Journal*, August 16, 2012

http://www.bizjournals.com/seattle/morning_call/2012/08/washington-state-retail-job-growth.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-16

Washington state sheds nearly 15,000 government jobs: Only two other U.S. states — Texas and California — shed more government jobs in the past year than Washington state. Washington state shed 14,700 government jobs from June 2011 to June 2012.

Source: *Puget Sound Business Journal*, August 17, 2012

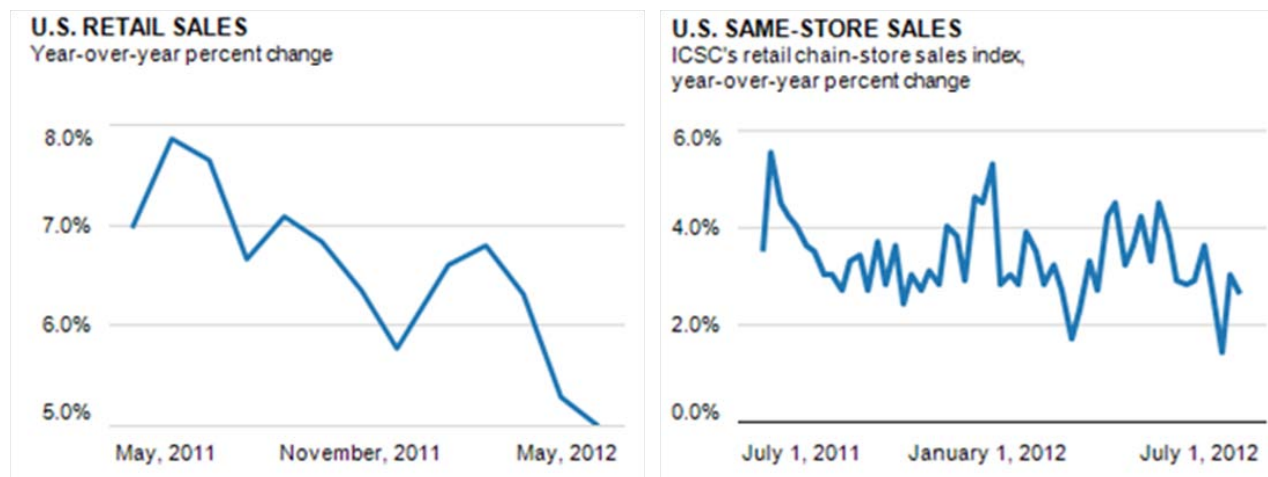
http://www.bizjournals.com/seattle/morning_call/2012/08/washington-state-sheds-nearly-15000.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-17



Do good for yourself.



RETAIL MARKET



Destination Maternity opening store at Pacific Place: Destination Maternity, a Philadelphia-based apparel chain for expectant moms, will open a store on the third floor of Pacific Place in downtown Seattle on Aug. 16. The 4,000-square-foot store will replace A Pea in the Pod in Pacific Place and soon-to-close Motherhood Maternity at Westlake Center. Both brands are owned by Destination Maternity. (See figure A, page 12)

Source: The Seattle Times, July 19, 2012

http://seattletimes.nwsourc.com/html/business/technology/2018728203_bdigmaternity20.html

Goodwill store to open in SLU on Thursday, July 26: Calling all treasure hunters, bargain shoppers and those with one-of-a-kind style: The region's newest Goodwill store is opening in the heart of South Lake Union, and it promises to be filled with plenty of thrills for those who dabble in (or devoted to) the art of thrifting. Located at 411 Westlake Avenue, the doors of this thrift shop are set to open at 10 a.m. on Thursday, July 26. Katherine Boury of Seattle Goodwill says the rotating selection at the new South Lake Union store is sure to tempt the neighbors. "The merchandise assortment will appeal to both the budget and fashion-conscious with a specific emphasis on men's and women's apparel, women's accessories and home and office decór," said Boury. "South Lake Union is a vibrant neighborhood and we want our merchandise to meld with that lifestyle." (See figure B, page 12)

Source: [discoverslu.com](http://www.discoverslu.com), July 18, 2012

<http://www.discoverslu.com/features/goodwill-store-to-open-in-slu-on-thursday-july-26/>

Starbucks opening 3 new Evolution juice stores: Starbucks Corp. already conquered the coffee market. Now it wants to mix it up with fresh juices. The Seattle-based company on Friday will announce the opening of three new Evolution Fresh Inc. juice stores, in addition to the one it opened earlier this year. Starbucks is also expanding distribution of ready-to-drink bottles of Evolution juice in supermarkets and other stores to capitalize on the rapidly growing market for premium juices. The move is just Starbucks' latest push to move beyond its cafes at a time when the company is facing growing competition from fast food chains that serve specialty coffees. (See figure C, page 12)

Source: The Seattle Times, July 20, 2012

http://seattletimes.nwsourc.com/html/business/technology/2018729468_apusstarbucksevolution.html

Urban-friendly Target to open this week in downtown Seattle: At the new Target store in downtown Seattle, you won't find plastic backyard pools, large dining-room tables and dog-food bags that weigh as much as 20 pounds. But you will find inflatable air mattresses, pub-style tables and 8-pound bags of dog food to save a little space. Target, the mass merchandiser known for selling trendy-yet-affordable goods to suburban families, now has its sights set on a growing number of urbanites. On Wednesday, Target will debut a smaller, more urban store called CityTarget in downtown Seattle, a block from Pike Place Market in the Newmark residential tower. (See figure D, page 12)

Source: The Seattle Times, July 23, 2012

http://seattletimes.nwsourc.com/html/business/technology/2018729175_target22.html

New Restaurant "Moksha" Coming Soon to Bellevue Square: Earlier this year [Ristorante Luciano went out of business](#) on Bellevue Way within Bellevue Square. At the time it was rumored that Ristorante Luciano's location would be taken over by Spice Route, an Indian restaurant that currently has a location within Bellevue's Crossroads area.

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Recently a sign has appeared within the window of the space advertising “Moksha” with messaging stating, “A new restaurant coming soon!” There are no further details on Moksha, or what type of restaurant it will be.

Source: *downtownbellevue.com*, July 19, 2012 (See figure E, page 12)

<http://www.downtownbellevue.com/2012/07/19/new-restaurant-moksha-coming-soon-to-bellevue-square/>

Veteran restaurateur brings Grub to Upper Queen Anne: Veteran neighborhood restaurant maker [Sharon Fillingim](#) helped launch [Le Reve](#), the popular French bakery and café on Seattle’s Queen Anne Avenue North. Now she’s about to open a nearby place of her own. Grub, Fillingim’s latest venture, will be a 38-seat bistro serving breakfast, lunch and dinner at 7 Boston St., in the spot that formerly housed Ototo Sushi. The food will be what she calls American fusion, including Asian, Spanish and French flavors. (See figure F, page 12)

Source: *Puget Sound Business Journal*, July 26, 2012

http://www.bizjournals.com/seattle/blog/2012/07/veteran-restaurateur-brings-grub-to.html?ana=e_du_pub&s=article_du&ed=2012-07-26

Ram International growing by three restaurants this year: A new Ram Restaurant & Brewhouse opened in Federal Way this week and another one is scheduled to open this fall, next to the Tulalip Resort and Casino in Tulalip, near Marysville. That will make three new Rams this year, including one that opened recently in Wilsonville, Ore. There are 10 in the Puget Sound area. This 2012 surge will push the total of restaurants owned by Lakewood-based [Ram International](#) to 32. The group has six distinct brands, most of them casual, full-service restaurants with a combination family/sports bar atmosphere. (Not pictured on map, New Federal Way location so 20 miles, new Tulalip location North 40 miles)

Source: *Puget Sound Business Journal*, July 27, 2012

http://www.bizjournals.com/seattle/blog/2012/07/ram-international-growing-by-three.html?ana=e_du_pub&s=article_du&ed=2012-07-27

Veggie Grill plans two Seattle locations: California-based vegetarian restaurant chain Veggie Grill said it plans to open two Seattle locations, in South Lake Union and in University Village. It will be the first two Washington state locations for the chain, which has eight locations in California and two in Oregon. The South Lake Union location is expected to open later this month and the University Village location is expected to open in early fall. (See figure G, page 12)

Source: *Puget Sound Business Journal*, August 2, 2012

http://www.bizjournals.com/seattle/morning_call/2012/08/veggie-grill-plans-two-seattle-locations.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-02

Bartell headquarters moving to West Seattle: Bartell Drugs said Thursday it will move its headquarters to West Seattle after 23 years in the Georgetown area south of downtown. The 58-store chain, which has about 100 headquarters employees, will occupy 32,000 square feet at the West Seattle Corporate Center at 4025 Delridge Way S.W. The offices were built in 1991 as the headquarters of Services Group of America, but it moved to Arizona in 2006. In a statement, Bartell Vice Chairman and Treasurer Jean Bartell Barber said the West Seattle location offers upgraded fiber optic capabilities, convenient parking and easy access to major roads and mass transit. (See figure H, page 12)

Source: *The Seattle Times*, August 10, 2012

http://seattletimes.nwsourc.com/html/business/technology/2018883023_bdiqbartell10.html

Nordstrom to speed up Rack store openings: In the midst of a tough economy, upscale retailer Nordstrom appealed to cost-conscious consumers by doubling the number of discount Rack stores over the past four years. That worked so well that Nordstrom now plans to again double its Rack chain by the end of 2016. The Seattle-based retailer said Thursday it’s accelerating the pace of Rack store openings based on the business’ strength and the availability of “quality locations.” It plans 24 new Racks next year, on top of the 15 planned this year. Nordstrom, which made the announcement as part of its quarterly earnings report, said there likely will be more than 230 Racks by the end of 2016, up from 110 today. In a conference call with analysts, President Blake Nordstrom was asked if the Rack’s expansion might damage the company’s reputation with full-price shoppers. He said he had yet to see any sign of a backlash.

Source: *The Seattle Times*, August 9, 2012

http://seattletimes.nwsourc.com/html/business/technology/2018886147_nordstrom10.html

Baked goods take center stage at Regent Bakery & Café on Capitol Hill: A new restaurant opening on Capitol Hill hardly counts as news. But a Chinese restaurant, the offshoot of a long-established Redmond eatery that has such a techie following one of its cakes inspired a reward in the video game Portal? Now that’s intriguing. In Portal, the cake is a lie, but at Regent Bakery & Café the cakes, buns and other pastries are the real deal — consistently good and made with quality ingredients. It’s the cafe side that feels like a chimera. By my third visit, wildly erratic meals left me frowning like an Angry Bird, an expression not unlike that of the server who, when I declined an offer to box up the remains of my lunch, grimaced and said, “I guess those oysters really were kind of weird.” (See figure I, page 12)

Source: *The Seattle Times*, August 3, 2012

http://seattletimes.nwsourc.com/html/restaurants/2018834274_cicero03.html



REGIONAL DEVELOPMENT



Leasing activity picks up in advance of Target's new downtown Seattle store: Target Corp.'s 96,000-square-foot CityTarget store opens July 25 at 1401 Second Ave., but already the Minneapolis-based retailer appears to be changing leasing activity in the immediate vicinity. More landlords are touting the new store when wooing prospective tenants. Other national discount chains are looking in the neighborhood, and some retail spaces in that part of downtown are getting multiple bids. (See figure D, page 12)

Source: Puget Sound Business Journal, July 20, 2012

http://www.bizjournals.com/seattle/print-edition/2012/07/20/leasing-activity-picks-up-in-advance.html?ana=e_ph

New Center for Impact and Innovation inks lease at Pioneer Square's historic Masins furniture building: For nearly 80 years, the Masin family sold couches, tables and other fine-furniture from its Pioneer Square location. But now, following the closure of the store last fall, a new type of entrepreneurial undertaking is coming to the quirky space at 220 Second Avenue South. The Center for Impact and Innovation, a newly-formed joint venture of HUB Seattle, Bainbridge Graduate Institute and Social Venture Partners, are splitting the building, GeekWire has learned.

Source: geekwire.com, July 19, 2012 (See figure J, page 12)

<http://www.geekwire.com/2012/hub-seattle-finds-home-pioneer-square-hopes-create-social-entrepreneurial/>

Bothell, McMenamins forge \$7M redevelopment deal: The City of Bothell has closed a roughly \$7 million deal with Portland-based brewpub operator McMenamins to renovate an Art Deco school campus in downtown Bothell into a 70-room hotel, spa, pub, restaurant and cinema. The Anderson School property is part of some 25 acres of surplus property that the City of Bothell is selling to encourage redevelopment of its downtown district. The 5.4-acre parcel is located three blocks north of the intersection of State Routes 527 and 522. It includes five buildings totaling 65,597 square feet, including the main school building, the cafeteria, a gym and locker rooms, a pool building and some shop and classroom space. (See figure K, page 12)

Source: Puget Sound Business Journal, July 23, 2012

http://www.bizjournals.com/seattle/blog/2012/07/bothell-mcmenamins-forge-7m.html?ana=e_sea_rdup&s=newsletter&ed=2012-07-24

\$230M renovation of Sea-Tac north satellite gets green light: Seattle-Tacoma International Airport's north satellite is set for a \$230 million renovation after the Port of Seattle Commission gave final design approval for the project Tuesday. The port will work closely with Alaska Airlines — which will soon be the only tenant in the north satellite — on the project. Renovations include infrastructure and seismic upgrades; a refurbished main concourse with more natural lighting and open areas as well as charging stations for passengers, better WiFi reception and expanded concessions; a rooftop Alaska Airlines lounge; and an addition of three aircraft gates. (See figure L, page 12)

Source: Puget Sound Business Journal, July 24, 2012

http://www.bizjournals.com/seattle/news/2012/07/24/230m-renovation-of-sea-tac-north.html?ana=e_sea_rdup&s=newsletter&ed=2012-07-25

Controversial "deep green" building moves forward: Brooks Sports' proposed "deep green" Seattle headquarters at the foot of Stone Way North cleared a big hurdle Wednesday. Rebuffing charges that the building isn't green enough to warrant special treatment, the Seattle City Council's land-use committee voted to effectively give developer Skanska USA an extra 20 feet of height in return for the project's environment-friendly design.

Source: The Seattle Times, July 25, 2012. (See figure M, page 12)

http://seattletimes.nwsourc.com/html/business/technology/2018772528_skanska26.html

Kilroy pays \$187M for Bellevue tower: Los Angeles-based Kilroy Realty has bought downtown Bellevue's 24-story Skyline Tower for \$187 million, according to county records. Kilroy said last month that it had a tentative deal to buy the office tower, at 110th Avenue Northeast and Northeast Fourth Street, from Beacon Capital Partners of Boston. The transaction is the second-largest in King County so far this year. (See figure N, page 12)

Source: The Seattle Times, July 25, 2012

http://seattletimes.nwsourc.com/html/business/technology/2018767649_skyline26.html

PS Business Parks buys 212th Business Park in Kent Valley for \$37.6M: Glendale, Calif.-based PS Business Parks Inc. has purchased 212th Business Park in Kent for \$37.6 million from CBRE Global Investors. The 958,000-square-foot industrial park is situated on 52 acres. At the time of the sale, it was 52.3 percent occupied with 13 tenants.

Source: *Puget Sound Business Journal*, July 25, 2012 (See figure O, page 12)

http://www.bizjournals.com/seattle/news/2012/07/25/ps-business-parks-buys-212th-business.html?ana=e_du_pub&s=article_du&ed=2012-07-25

Bellevue office park sold for \$78.7 million: Bellevue's QBE Corporate Campus, once known as Unigard Park, has been sold to a California investment fund for \$78.7 million. The 9-building complex in the Overlake area sits on 46 acres but currently is 38 percent vacant. The buyer is KBS Strategic Opportunity REIT of Newport Beach, Calif.

Source: *The Seattle Times*, July 31, 2012 (See figure P, page 12)

http://seattletimes.nwsourc.com/html/businesstechnology/2018818370_qbe31.html

City Center Bellevue sold for \$229M: American Assets Trust, a San Diego-based real estate investment trust, said it has agreed to purchase the 27-story City Center Bellevue for approximately \$229 million. "We are extremely pleased with the pending acquisition of City Center Bellevue and our eventual entry into this highly constrained market," American Assets president and CEO John Chamberlain said in a statement this week. (See figure Q, page 12)

Source: *The Seattle Times*, August 2, 2012

http://seattletimes.nwsourc.com/html/businesstechnology/2018836502_bvuecitycenter03.html

Vacant lot next to Macy's garage in Seattle sold for \$22M: The long-vacant lot next to the Macy's parking garage in downtown Seattle has been sold to a national apartment developer. According to King County property records, Avstar Seattle LLC sold the half-block site to Equity Residential for \$22 million on Tuesday. The property is located on the east side of Second Avenue between Stewart and Pine Streets. (See figure R, page 12)

Source: *Puget Sound Business Journal*, August 1, 2012

http://www.bizjournals.com/seattle/blog/2012/08/vacant-lot-next-to-macys-garage-in.html?ana=e_du_pub&s=article_du&ed=2012-08-02

UW plans development above light rail station: The University of Washington may build transit-oriented apartments, shops or office space above an underground light rail station planned in Seattle's University District. The project depends on property sales needing the approval of the Sound Transit board and the UW regents. [The Seattle Daily Journal of Commerce reports](#) the transit agency will hold a public hearing Thursday on selling the air rights. A building could rise up to 65 feet high on the site. (See figure S, page 12)

Source: *The Seattle Times*, August 8, 2012

http://seattletimes.nwsourc.com/html/localnews/2018873958_apwauwlightrailstation.html

38-story tower proposed at Second and Stewart: Developers have approached Seattle city planners about building a 38-story tower downtown at Second Avenue and Stewart Street. The lower floors of the 440-foot tower would be a hotel and the top 27 floors would have 367 apartments or condos, according to a thumbnail description submitted to the Department of Planning and Development. The project also would have five levels of underground parking.

Source: *The Seattle Times*, August 8, 2012 (See figure T, page 12)

http://seattletimes.nwsourc.com/html/businesstechnology/2018878185_mja09.html

Schnitzer's last Denny Triangle property up for sale: After a three-year hiatus, Seattle developer Schnitzer West is putting its lone remaining Denny Triangle property up for sale again. The empty, five-story building at Eighth Avenue and Stewart Street, once Watermark Credit Union's headquarters, could be renovated for a new user, said Dan Ivanoff, Schnitzer's managing investment partner. Or it could be torn down to make way for a 40-story apartment tower, or something else. (See figure U, page 12)

Source: *The Seattle Times*, August 13, 2012

http://seattletimes.nwsourc.com/html/businesstechnology/2018912095_watermark14.html

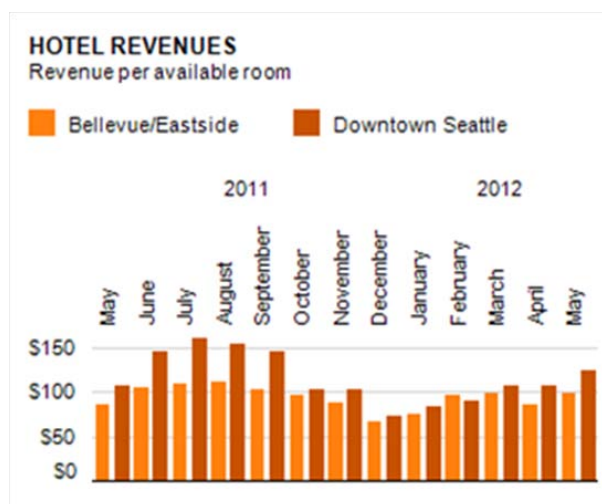
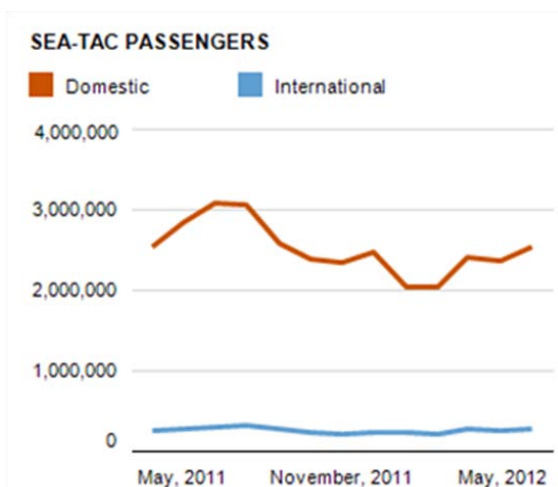


Seattle Media Maven

Need some help navigating the Seattle media scene? Check out our blog, Seattlemediamaven.com, for the latest Seattle insights.



TRAVEL MARKET



The tourists, and their money, are back in Seattle: Tourism supports 51,000 jobs in King County, according to one study. Seattle is one of the top 25 tourism markets in the country. This is the time of year when I am rarely out on a sidewalk downtown without a tourist asking for directions. I'm happy to give them, and as he or she walks away I think, "I get to live here!" That's not just Seattle Smug. I've lived in cities all over the country, including San Diego and Denver. Nothing tops this one. These encounters are a reminder, too, that although the Puget Sound region is known for software and airplanes, tourism is big business. The good news is that it is recovering from the recession. So far this year, most of the sector's measures are back to pre-recession levels. The downturn hit tourism late here, as it did other industries, but the damage was significant. Hotels, restaurants and destinations saw business fall between 18 percent and 20 percent in 2009. Now, said Tom Norwalk, president and CEO of Seattle's Convention and Visitors Bureau, "We have rebounded incredibly strongly."

Source: *The Seattle Times*, July 21, 2012

http://seattletimes.nwsourc.com/html/iontalton/2018728232_biztaltoncol22.html

Cruise ships must cut air pollution, including on Seattle-Alaska sailings: The gleaming white Sapphire Princess docked in this deep-water port this month, unloading its passengers and taking on 2,600 more guests headed first to Glacier Bay and eventually to Vancouver, B.C. Every day of that trip the cruise ship — whose website invites passengers to see Alaska's "pristine landscapes" — will emit the same amount of sulfur dioxide as 13.1 million cars, according to the Environmental Protection Agency, and as much soot as 1.06 million cars. But starting Aug. 1, the Sapphire Princess and every other large ship traveling within 200 miles of the coasts of the United States and Canada will have to burn cleaner fuel. (Many cruise ships bound for Alaska depart from Seattle; others leave from Vancouver.)

Source: *The Seattle Times*, July 23, 2012

http://seattletimes.nwsourc.com/html/travel/2018752948_webcruisespollution23.html

Alaska Air tops expectations, doubling profit: Fuller planes and higher fares meant fatter profits for Alaska Air Group. The Seattle-based air carrier said Thursday it earned \$67.5 million in the second quarter, more than twice its profit in the same period last year, as strong growth in passenger revenues more than offset higher fuel prices. Adjusted for Alaska's extensive fuel-price hedging program, the company's profit worked out to \$1.53 a share, two cents above the consensus Wall Street estimate. Revenue was \$1.2 billion, a 9.3 percent increase.

Source: *The Seattle Times*, July 26, 2012

http://seattletimes.nwsourc.com/html/business/2018777872_alaska27.html

Are park-and-pay lots in commuters' future? As the cars overflow from Sound Transit park-and-ride lots, the agency's leaders are considering whether to charge users a daily fee. Supporters hope a fee would encourage more people to carpool, bike, walk or ride a bus to the lots, freeing slots for others, making the most of limited pavement. There isn't a specific proposal, and no changes are planned until at least 2013, although a staff report mentions \$2, \$3 or \$4 as a possible daily charge. When transit-board members delve into the details this fall, they'll have to balance any gains in income and efficiency against the risk of turning away people who want to ride. Crowding is particularly dire in the south suburbs, where the lots are overflowing, but the trains are nowhere near capacity. Long before 9 a.m.,

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commuters can't know if they'll find room until they drive up. Some surrender and continue driving to work. Room has run out at the Lynnwood bus hub, too, and not just in Sound Transit-owned lots. King County Metro's park-and-ride spaces are 100 percent filled at White Center, Northgate, South Bellevue, South Kirkland, Bear Creek and Redmond.

Source: The Seattle Times, July 24, 2012

http://seattletimes.nwsources.com/html/localnews/2018763016_soundtransit25m.html

Holland America to boost Alaska cruise sailings: [Holland America Line](#) plans to increase its departures to Alaska by 8.5 percent and its guest capacity by 6 percent in the 2013 season, [the Seattle-based cruise line company announced](#). The increase will come from doubling the number of departures of the ms Amsterdam on new seven-day roundtrip sailings from Vancouver, British Columbia. "Increasing our capacity in Alaska means that Holland America Line will offer nearly 1.6 million passenger days in the 2013 season," [Richard Meadows](#), executive vice president, marketing, sales and guest programs at Holland America, said in a statement. "These itineraries have always been among our most popular, and Amsterdam's new seven day departures will allow us to bring more guests to Alaska and show off the natural beauty of this part of the world."

Source: Puget Sound Business Journal, July 26, 2012

http://www.bizjournals.com/seattle/news/2012/07/26/holland-america-to-boost-alaska-cruise.html?ana=e_du_pub&s=article_du&ed=2012-07-26

ANA inaugurates daily Seattle-Tokyo flight: All Nippon Airways is inaugurating a daily nonstop flight from Seattle to Tokyo with a ribbon cutting and ceremonial sake barrel opening in Seattle. The festivities take place Wednesday at Sea-Tac Airport. All Nippon Airways is launching the service with the Boeing 777, but it plans to switch to the new 787 in October. Delta Air Lines and United Airlines also fly between Seattle and Tokyo's Narita airport.

Source: The Seattle Times, July 25, 2012

http://seattletimes.nwsources.com/html/businesstechnology/2018765215_apusnewanaflight.html

BNSF Railway says it will spend \$106M in Washington this year: [BNSF Railway](#) Co. said it will spend \$106 million in Washington state this year on railroad projects. A big chunk of the money, the Fort Worth-based railroad said, will be spent on construction of a new lead to access the [Port of Longview](#). The railroad added it will spend money on 1,020 miles of track surfacing and undercutting work, and replace 56 miles of rail and about 178,000 ties. Across the U.S., BNSF said it will spend a total of \$3.9 billion on capital improvements.

Source: Puget Sound Business Journal, August 3, 2012

http://www.bizjournals.com/seattle/morning_call/2012/08/bnsf-railway-says-it-will-spend-106m.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-03

Horizon Air again tops in on-time performance in July: [Horizon Air](#) was the nation's best-performing airline for on-time performance in July, with 92.7 percent of its flights arriving on time. For the nation's larger airlines, sister airline Alaska Airlines topped the list, with its flight arriving on time 88 percent of the time, according to [Portland-based FlightStats.com](#). And Seattle-Tacoma International Airport was the nation's third-best airport for on-time departure performance for July, with an 85.5 percent performance. [Portland International Airport](#) was No. 1 at 87.12 percent and [Salt Lake City International Airport](#) was No. 2 at 87.07 percent. The national average was 74.82 percent.

Source: Puget Sound Business Journal, August 6, 2012

http://www.bizjournals.com/seattle/morning_call/2012/08/horizon-air-again-tops-in-on-time.html?ana=e_sea_rdup&s=newsletter&ed=2012-08-06

3 huge cranes delivered at Port of Seattle: Three huge cranes have been delivered to a Port of Seattle terminal. The 267-foot tall cranes were made in China by the ZPMC equipment company and delivered Wednesday by the heavy lift ship Zhenhua 23. The cranes will be installed at Terminal 18, which is run by SSA Marine. The port says the cranes can reach out 210 feet - able to handle the widest container ships in the world.

Source: The Seattle Times, July 25, 2012

http://seattletimes.nwsources.com/html/localnews/2018767285_apwaporportofseattlecranes.html

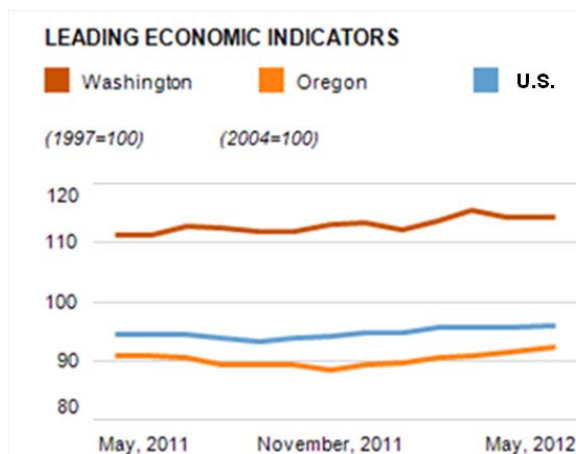
2 Washington transportation projects expedited by Obama: Two transportation projects in Washington state are among four projects that President Barack Obama says will be expedited under his "We Can't Wait" initiative. The Obama administration announced Monday that one of the projects on the list is the Columbia River Crossing, a \$3.5 billion plan to replace the Interstate 5 bridge and rebuild the freeway between Portland and Vancouver. The target date for completing permit and review decisions is August 2015. The other project is to provide faster train service on the southbound route from Seattle to Portland. The \$89 million Point Defiance Bypass project will reroute passenger trains to another existing rail line to avoid conflict with rail freight traffic. The date for finalized permitting and review decisions would be by the end of this year.

Source: The Seattle Times, August 20, 2012

http://seattletimes.nwsources.com/html/localnews/2018956180_apwatransportationprojects.html



ECONOMY



Seattle's inflation rate steeper than nation's in June: A Bureau of Labor Statistics report, released Tuesday, showed that the increasing costs of housing and gasoline in the past year helped to make Seattle's inflation rate in June more than 60 percent higher than the national figure. Prices in the Seattle-Tacoma-Bremerton area were up 2.7 percent in June from the year before, compared with a more modest increase of 1.7 percent nationwide.

Source: *The Seattle Times*, July 17, 2012

http://seattletimes.nwsourc.com/html/business/technology/2012071709242_inflation18.html

Amazon offers tuition benefit aimed at lowest-paid employees: As [Amazon.com](http://amazon.com) builds new distribution centers throughout the U.S., the Internet retailer wants its warehouse workers and even its customers to think of it as a generous employer. In a message on Amazon's homepage Monday, Chairman and CEO Jeff Bezos said the company has created a program to send some of its lowest-paid workers back to school to learn new skills. The announcement comes amid a rapid expansion of Amazon's global distribution network, which is to add at least 13 warehouses this year, bringing its total to more than 80.

Source: *The Seattle Times*, July 23, 2012

http://seattletimes.nwsourc.com/html/business/technology/2012072309773_amazonjobtraining24.html

Seattle average pay up nearly 5%; in Yakima it falls 5.17% : The average Seattle-area worker's salary increased nearly 5 percent from 2009 to 2010, rising to \$55,000 from \$52,500, while in Yakima, average salaries fell more than 5 percent during the same time, dropping to \$33,000 from \$34,800 a year earlier. That's according to [research by On Numbers](http://researchbyonnumbers.com), the research division of American City Business Journals, which found that San Jose led the nation's 100 biggest metros with a 12.3 percent increase in average pay, soaring to \$85,100 per worker from \$75,800 a year earlier.

Source: *Puget Sound Business Journal*, July 23, 2012

http://www.bizjournals.com/seattle/morning_call/2012/07/seattle-average-pay-up-nearly-5-in.html?ana=e_sea_rdup&s=newsletter&ed=2012-07-23

Venture capital more than doubles in Washington State: We had a feeling that it was going to be a blockbuster quarter on the venture capital front in Washington state as companies such as Donuts, Kona Medical, Avalara and SEOMoz reeled in big rounds. The money certainly was flowing in the second quarter with \$312 million invested in 32 companies, more than double the \$132 million that was invested for the same period last year, according to a [report by CB Insights](http://reportbycbinsights.com).

Source: *geekwire.com*, July 16, 2012

<http://www.geekwire.com/2012/venture-capital-funding-doubles-washington-state/>

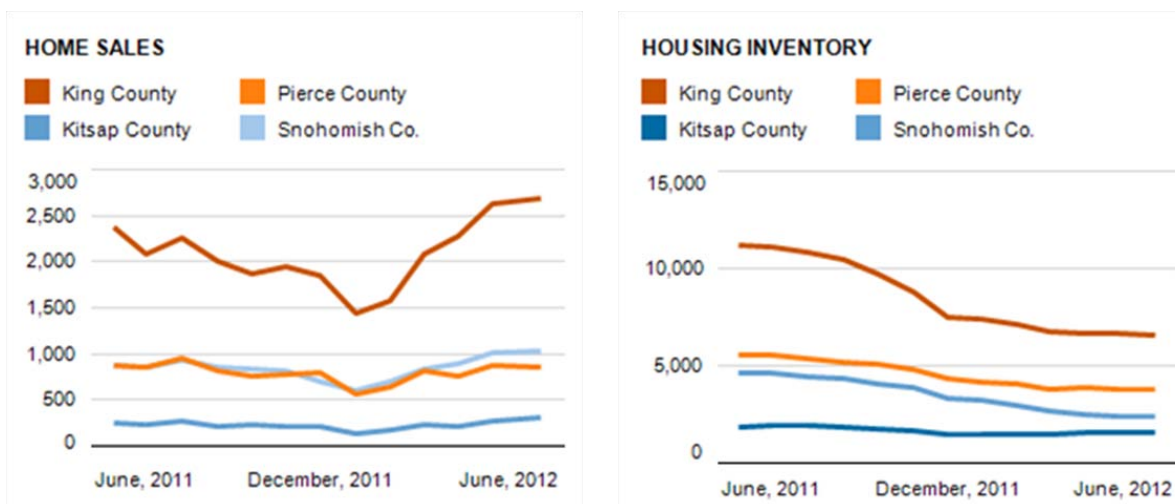
Top 50 Cities for Global Trade: It was American poet Walt Whitman who said, "A great city is that which has the greatest men and women." We couldn't agree more. It's the people - their attitudes, convictions, work ethic and culture - that make each city unique. And just as great men and women have varying personalities and "drivers," so do our nation's cities. Seattle ranked 6th, being one day closer to Asia than other U.S. ports, and sending air cargo via polar route have fueled metro Seattle's \$35.4 billion export boom.

Source: *globaltrademag.com*, August 2012

<http://globaltrademag.com/2012/07/30/top-50-cities-for-global-trade/>



REAL ESTATE MARKET



Startup's hunt for new digs tough as office space drops: Peter Curran, president of tech startup Cirrus10, is looking for a new home for his Pioneer Square company. Unlike his gigantic tech brother, [Amazon.com](http://www.amazon.com), Curran isn't interested in the booming South Lake Union neighborhood. He just needs to upgrade to a better office but wants to stay in his current area with its proximity to public transportation. "Pioneer Square is a better transit hub," he said. But the stock of potential office space is dropping. According to three reports released in July, Seattle and Bellevue's markets for commercial office space saw the number of vacant offices go down in the second quarter of 2012.

Source: *The Seattle Times*, July 19, 2012

http://seattletimes.nwsources.com/html/business/technology/2018728630_officespacemarket20.html

Seattle home prices up 2.6% in May; second monthly rise in row: Seattle home prices rose 2.6 percent from April to May, in line with a national trend that lifted prices in all 20 metropolitan areas tracked by the closely watched Standard & Poor's/Case-Shiller home-price index. It was the second monthly increase for Seattle-area home prices after seven straight months of decline, putting local prices just 0.6 percent higher than they were a year ago.

Source: *The Seattle Times*, July 31, 2012

http://seattletimes.nwsources.com/html/business/technology/2018815173_homeprices31.html

Seattle Housing seeks non-profit partners to provide low-income replacement housing units: Working in partnership with the City's Office of Housing, Seattle Housing Authority is once again making available 50 [project-based rental vouchers](#) to qualified nonprofit organizations. The deadline to apply for these vouchers is Friday, August 31, 2012. The vouchers will make it possible for organizations selected to offer housing units to extremely-low-income residents, those with incomes below 30 percent of median income, for 40 years. "These vouchers are part of Seattle Housing Authority's commitment to maintaining and increasing the city's stock of low-income housing," said Lisa Cipollone-Wolters, director of rental assistance and housing advocacy, said recently. With the redevelopment of Seattle Housing Authority's family communities at NewHolly, Rainier Vista and High Point, low-income units have been "de-concentrated" from these areas and spread across the city. Early in the process, Seattle Housing committed to replacing all low-income units that were demolished through the redevelopments.

Source: *The Seattle Times*, August 2, 2012

<http://www.seattlehousing.org/news/releases/2012/50-project-based-vouchers/index.html>

King County home prices up 7 percent from last year: King County home prices rose 7.2 percent in July compared with one year ago, extending their streak of such gains to four straight months, according to statistics released Monday by the Northwest Multiple Listing Service. There were signs that June's fast pace of price increases had abated, though. The median price of single-family homes sold in July was \$375,250, a 1 percent drop from June. And the year-over-year increase of \$25,250, or 7.2 percent, was smaller than June's 10.1 percent jump.

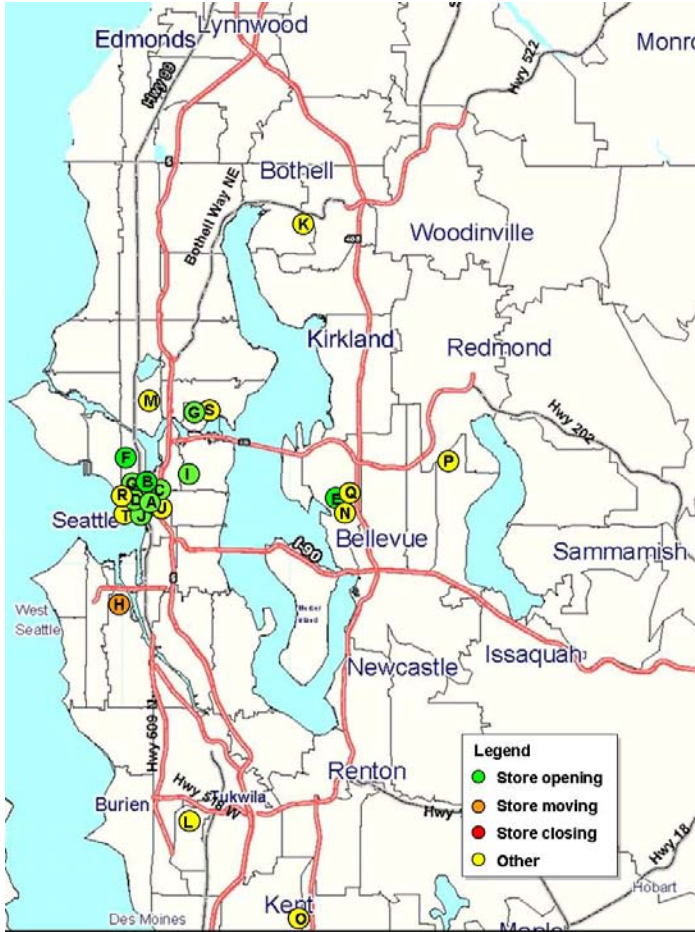
Source: *The Seattle Times*, August 6, 2012

http://seattletimes.nwsources.com/html/business/technology/2018860306_homesales07.html

THE SEATTLE MARKET REVIEW



MARKET REFERENCE MAP



- A. Destination maternity opens at Pacific Place
- B. Goodwill store opens in South Lake Union
- C. Evolution Juice opens in downtown Seattle
- D. City Target opens in downtown Seattle
- E. Moksha coming soon to Bellevue Square
- F. Grub to open on upper Queen Anne
- G. Veggie Grill plans two Seattle locations
- H. Bartell headquarters moving to West Seattle
- I. Regent Bakery & Café to open on Capitol Hill
- J. Center for Impact and Innovation to open in Pioneer Square
- K. Bothell, McMenamins \$7M redevelopment deal
- L. Sea-Tac North satellite renovation
- M. Brooks Sports deep green headquarters
- N. Kilroy pays \$187M for Bellevue tower
- O. PS Business Parks buys 212th Business Park in Kent Valley for \$37.6M
- P. Bellevue office park sold for \$78.7M
- Q. City Center Bellevue sold for \$229M
- R. Vacant lot next to Macy's garage sold for \$22M
- S. UW plans development above light rail station
- T. 38-story tower proposed Second and Stewart
- U. Last Denny Triangle property up for sale

Note: All articles have been sourced; however, they are edited for brevity. Most articles are linked online, and all articles are available on request.

