

Seattle is "playing catch-up" to growing cities such as Portland and Vancouver, B.C., said Dean Jones, president of Realogics, a real estate marketing company in Seattle.

"The trend seems to be that the market is just growing into what it should have been a few years ago," Jones said.

Jones and seven other experts spoke as panelists at a Realtor symposium Tuesday night at Benaroya Hall, which showcased many of the new downtown projects. Close to 500 people got a look at models and a new three-dimensional "fly-through" animation showing the city's possible skyline in 2010.

One highlight of the symposium was 1521 Second Avenue, a 38-floor, 143-unit all-glass building scheduled to break ground next month between Pine and Pike streets. It's one of Jones' projects, and it's regarded as one of the flagship buildings of the Seattle pipeline expansion. Each unit in 1521 Second Avenue -- averaging \$1.7 million a pop -- will feature a "solarium" room with windows that fold away to create an outdoor veranda.

"It's the first project of its kind that has taken advantage of the new height limit," Jones said.

On May 12, the city extended the building height cap near the Market District from 240 feet to 400 feet. Similar changes elsewhere in the city opened the floodgates for construction of the new "tall and slender" buildings. The higher ceiling essentially lifts a voter-imposed cap from 1988, allowing denser and more economical residential development to handle future population growth. And developers are jumping in.

Like 1521 Second Avenue, many new buildings will feature sculpted tops to give them character, said Blaine Weber, principal architect at Seattle's Weber + Thompson architecture firm. Buildings cut square off at the top are not memorable like the Space Needle or Empire State Building.

"It's a chance to create a city," Weber said, "not just a bunch of boxes where we live."  
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Buildings like 1521 Second Avenue are luring people downtown. It's the baby boomer generation, mostly -- once children move out, people need less space in which to live, said panelist Kate Joncas, president of the Downtown Seattle Association. Younger professionals make up many prospective downtown buyers as well. Developers are targeting a range of incomes. New condos will cost from \$300,000 to more than \$2 million.

To meet demand, 10,000 new units are planned for 2010. But panelist Matthew Gardner, principal real estate analyst at Gardner Johnson in Seattle, said he expects 60 percent of that number to actually be built. Construction costs have reached "astronomical figures," he said, limiting development. From April 2005 to April 2006, the cost of copper tubing increased 71 percent, Sheetrock 24 percent, plastics 20 percent and concrete 12 percent,

he said. Labor costs are on the rise, and urbanization in China and post-Katrina rebuilding are sucking up the supply of building materials.

Nevertheless, housing demand is strong in downtown Seattle. Emerging neighborhoods such as Belltown, Denny Triangle and the Market District are becoming popular for downtown's culture and proximity to businesses. Right now, living downtown can be difficult. Without grocery stores or public schools, downtown residents must commute for even basic living needs.

All that's about to change, Joncas said. Infrastructure moves in when people move in; it's hard to say which comes first. "It's sort of a chicken and egg thing," she said.

It starts in October: Whole Foods Market will open a new location at 2200 Westlake Ave., a nearly finished condo complex on the edge of the Denny Triangle neighborhood. The prospect of bringing schools to downtown Seattle is less promising, Joncas said -- especially when Seattle Public Schools is considering closing many due to a money shortage. Most children who live downtown ride the bus to Queen Anne or elsewhere, she said. But schools aren't on most developers' minds. Families make up about 5 percent of downtown buyers, Jones said.

The rest are single people, younger professional couples and baby boomer empty-nesters.

Weber expects the pipeline expansion to rejuvenate more rundown areas of downtown, he said. San Diego's East Village neighborhood was transformed into an elegant and diverse area in just three years. "I see that happening here," Weber said, "but maybe even on steroids."

The Seattle expansion is more about building neighborhoods than building skyscrapers, said Kym Allen, director of public affairs at Nyhus Communications. "Over the next five years," Allen said, "we're going to be shaping our downtown for the next hundred years."