

May 11, 2010

UW looking to grow in South Lake Union

By JON SILVER
Journal Staff Reporter

The University of Washington Board of Regents recently agreed on a plan that could more than double the size of its South Lake Union medical campus.

Three new buildings would total more than 560,000 square feet and cost \$516 million to build and equip. They would be constructed on the block bounded by Mercer Street, Eighth Avenue North, Republican Street and Dexter Avenue North.

This is the third and final phase of a renovation and construction program that began in 2003 and is expected to finish in 2020. The first phase, completed in 2004, involved renovation of a 100,000-square-foot research building on a neighboring block. Two more projects, a 166,000-square-foot research building and a 100,000-square-foot office building, were completed in the second phase in 2008. UW also has 60,000 square feet in a lab building at Republican and Terry Avenue North.

University officials say they are facing a space crunch. According to a planning document, the UW has no extra research space on the main campus, the existing South Lake Union buildings are fully booked and the demand for space is expected to continue growing.

The new buildings will be built one at a time. The first, a 180,000-square-foot lab building, has a total budget of \$165.6 million. Its underground parking and infrastructure will also serve the next building to be built.

Construction for Building 1 is scheduled to begin in July of 2011 and finish in the spring of 2013.

UW has negotiated a ground lease with Vulcan, which owns the property. Financing will be through a nonprofit corporation set up by the National Development Council, which will sell 503(c)(3) bonds to raise revenue, then lease the building back to the UW for 45 years.

The university has until 2015 to decide whether to develop the other two buildings. If it doesn't go through with them, it can direct the nonprofit corporation, Washington Biomedical Research Properties III, to cancel the ground lease for the part of the property that's still undeveloped.

If UW does develop the remaining buildings, plans call for a 180,000-square-foot lab building that would cost a total of \$153 million, and a 200,000-square-foot lab building that would cost a total of \$197.7 million. Construction on Building 2 would begin by the end of 2017 and finish by the spring of 2018, and construction on Building 3 would begin by the end of 2019 and finish by the spring of 2023.

The final building will have its own underground parking, which will be integrated with parking for the first two buildings.

A city design review board will hold an early design guidance meeting for the first two buildings at 6:30 p.m. on June 2 at the Queen Anne Community Center, at 1901 First Ave. W.

Jon Silver can be reached by email at jsilver@dj.com or by phone at (206) 622-8272.