



King County

Department of Assessments

Accounting Division, Levy Administration

500 Fourth Avenue, ADM-AS-0727

Seattle, WA 98104-2384

APPLICATION AND CERTIFICATION OF SPECIAL VALUATION ON IMPROVEMENTS TO HISTORIC PROPERTY RCW Chapter 84.26

FILE WITH ASSESSOR BY OCTOBER 1

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<http://www.kingcounty.gov/assessor/>

FILE NO.:

Property Owner: Pine Street Owner II	Parcel No.: King County Assessor's # 863423-0010
Mailing Address:	
Legal Description: 300 PINE STREET CONDO PCT UND INT 27.26 COMMERCIAL UNIT 1	
Property Address (Location):	

Property is on: (check appropriate box) <input type="checkbox"/> National Historic Register <input type="checkbox"/> Local Register of Historic Places			
6749690-CN (Demo) 6753716-CN (Core & Shell) 6753717-CN (Level 2 Office Improvements)			
Bldg. Permit No.: See Above	Date:	Jurisdiction (City):	
Rehabilitation Started: 5/1/19	Date Completed: In Progress		
Actual Cost of Rehabilitation: \$ 21,068,905.54 Revised to 21,188,405.32			
Describe Rehabilitation: Core and shell improvements for floors Mezzanine, 1, 2, Basement and Sub-Basement. Tenant Improvements on same floors.			

AFFIRMATION

As owner(s) of the improvements described in this application, I hereby indicate by my signature I am aware of the potential liability (see reverse) involved when my improvements cease to be eligible for special valuation under provisions of the RCW Chapter 84.26.

I hereby certify the foregoing information is true and complete.

Signature of all owner(s) _____

ASSESSOR

The undersigned does hereby certify the ownership, legal description and assessed value prior to rehabilitation reflected below was verified from the records of this office as being correct. Assessed value prior to rehabilitation:

TOTAL = \$ _____ (Land \$ _____ + IMPS \$ _____)

Date: _____
Assessor/Deputy



**Bon Marche Adaptive Reuse (FKA Macy's)
300 Pine Street Unit 1 (Floors SB, Metro, 1 & 2)
Seattle, Washington 98104**

2020 Special Tax Valuation Project Summary

Scope of Work

General Overview: The historic Bon Marche building was initially divided into two commercial condominium interests; Unit 1 being the Macy's retail operation on floor Metro (Basement) to Floor 3 ("Macy's Condo"). Unit 2 has a ground floor lobby on the Southwest corner at the 3rd Avenue and Pine Street corner with approximately 6,500 square feet that provides access via elevator to Floors 5 through 8 and the Roof ("Office Condo"). Unit 2 was expanded to add Floors 3 and 4 and our last submittal in 2018 was for the shell work on floors 3 and 4. The final shell and core improvements related to the substantial alteration improvements were wrapped up in late 2018 and this was submitted in 2020 as the final submission for Unit 2.

In Fall of 2019, we closed on Unit 1, which consists of the balance of the building (Floors SB, Metro, 1 & 2) the areas formerly occupied by the Macy's store. The continued expansion of the office tenant space caused the need for a larger lobby/entry now that it had doubled in size from the original space of approximately 340,000 square feet. The new lobby entry for the building will be mid-block on 4th Avenue utilizing one of the existing department store entries. Approximately 45,000 square feet of floor 2 will become office and a new office lobby. Sub-Basement and Metro will become research and development space for the tenant. The office/R&D users will go up a new stair, escalator or elevator to floor 2 to access the existing six elevator core that was built in the previous phase. All of floor 1 and the balance of floor 2 will be new retail accessed either off the street or through the main 4th Avenue entry. Below is further detail of the scope of work performed as of September 30, 2020.

Timeline: The project will last approximately three years with completion projected for mid-2022. Initial design and entitlement work began in May of 2019 with construction starting in early 2020. The first phase is the office core and shell was complete as of this application. The next phase consists of the office tenant improvements which should be completed by fall of 2021. The third and last phase is the retail tenant improvements, which should be complete in mid-2022

Common Area Improvements:

Modernize Freight Elevator 13 & 14 (Next Phase): The existing freight elevators 13 and 14 and manually operated original elevators. They are being fully modernized with all new equipment, doors and cabs to service the Office Tenant.

Modernize Fire Elevators 9 & 10 (Next Phase): Elevators 9 & 10 currently serve as the Fire Service elevators for the building and previously provided light service and back of house passenger service for Macy's employees. They are being modernized and upgraded to provide service for the new Retail users from the loading area to Floor 1 and will continue to serve as Fire Service for the entire building. They were upgraded to code including shaft ventilation and drains in the previous phase.

Exit Stairwells (Complete): All of the existing exit stairwells will be re-configured to deal with the new tenant mix and upgraded with security systems, signage and hardware.

Exterior Doors (Next Phase): The exterior doors on Pine Street (2), 4th Avenue (3), and 3rd Avenue (1) will be replaced with the approved doors previously used on the 3rd Avenue tenant lobby.

Canopy Repair (Next Phase): A number of repairs and upgrades will be done to the existing exterior canopy.

Exterior Door on 4th & Pine (Next Phase): We are removing a single door at the 4th and Pine corner that accessed the corner retail space and restoring that area to the original condition.

Window Trim (Next Phase): Much of the storefront bronze braided window trim was missing from the building and it will be replaced as needed throughout.

Retail Common Area Improvements on Floor 1 (Next Phase): Once the tenant mix is finalized, we will be doing extensive upgrades to the interior common area finishes on floor 1.

Core and Shell for Office R & D Tenant - Floors SB, Metro & Part of Floor 2:

Demolition (Completed): Demolition of existing interior partitions and non-functioning infrastructure to allow for future adaptive reuse to office and R&D. All hazardous materials were removed. Demolition of the interior partitions and finishes is complete. Asbestos containing materials have been abated and any remaining lead based paints are encapsulated.

Vertical Transportation (Next Phase): A new vertical transportation system will be provided from the Floor 1 main entry to Floor 2 for the Office tenant. It will consist of a feature stair, escalator and 2 stop elevator.

Metro Level Tunnel Connection (Complete): The existing connection will be removed and replaced with a display window at the request of the tenant as they need a single, secure point of entry for their spaces.

Restrooms (Complete): Connection points were made available for plumbing, waste and vent connections for future restroom/other necessary spaces. These connections were subsequently modified to accommodate the tenant's restroom locations.

Plumbing (Completed): Domestic Water is provided at each tenant floor. Waste and Vent riser(s) are provided for connection of tenant fixtures.

Condenser Loop (Complete): The building is served by a chilled water condenser loop. The existing loop has availability of limited additional use for the tenant HVAC needs but is not available 24/7/365 and is not suitable for cooling of server rooms. The project has installed infrastructure to support the installation of additional future chiller(s) that can provide chilled water throughout the year.

HVAC System (Complete): The HVAC system is connected to the building Central Chilled Water Plant for cooling and has the potential to be connected to Building Steam by the tenant. Each floor is served by two (2) newly installed dedicated Chilled-Water VAV Air Handling Units with future/unconnected Steam Heating coils, 100% air-side economizers, MERV 8 pre-filters and MERV 13 final filters. Supply air ducts are extended to the floor served for connection by tenant. Each floor is served by Variable Speed Relief Fans that are interlocked with the AHU serving that floor. Sound Traps are provided at the Mechanical Room Supply Air openings and provisions have been made for Tenant to install sound traps at Return/Relief Air openings. Pathways to atmosphere are provided for tenant odor control ventilation (i.e. restrooms and breakrooms).

Electrical (Complete): New separately metered electrical service is being installed from the main service in the basement area. Code required lighting and signage for vacant shell space condition is being provided.

Fire Alarm/Sprinklers (Complete): Shell protection fire suppression will be installed. Fire Risers are available for tenant connection along with connection points to base building fire alarm systems for future tenant improvements. Shell protection fire sprinkler work has been completed and signed off by the building department for shell occupancy. As part of the Substantial Alteration, significant upgrades were needed on the shell and core system to meet code.

Core & Shell for Retail Users Floor 1 and North end of Floor 2:

Demolition (Complete): Demolition of existing interior partitions and non-functioning infrastructure to allow for future adaptive reuse to smaller format retail. All hazardous materials have been removed. Demolition of the interior partitions and finishes is complete. Asbestos containing materials have been abated and any remaining lead based paints will be encapsulated.

Restrooms (Complete): Connection points will be made available for plumbing, waste and vent connections for future restroom/other necessary spaces. A set of common area restrooms will be built as part of the contemplated food hall adjacent to the Office tenant access to floor 2.

Plumbing (Complete): Domestic Water is provided at each proposed tenant space. Waste and Vent riser(s) are provided for connection of tenant fixtures.

Condenser Loop (Complete): The building is served by a chilled water condenser loop. The existing loop has availability of limited additional use for the tenant HVAC needs but is not available 24/7/365. The project has installed infrastructure to support the installation of additional future chiller(s) that can provide chilled water throughout the year. Retail tenants will be able to connect to the condenser loop as needed.

HVAC System (Next Phase): The Retail spaces are served by a central Chilled Water and central Heating Water (CHW/HW) systems. The CHW/HW Systems shall provide heating and cooling to condition the tenant space. We are bringing chilled and hot water to the retail spaces for connection and extension by the tenant and include isolation valves and BTU meter. We are installing a Central Distributed Outside Air System (DOAS) for the retail spaces and bring a DOAS point-of-connection (POC) to the tenant space for connection and extension by the tenant.

Electrical (Complete): New separately sub-metered electrical service will be installed from the main service retail areas. Code required lighting and signage for vacant shell space condition is being provided.

Fire Alarm/Sprinklers (Complete): Shell protection fire suppression will be installed. Fire Risers are available for tenant connection along with connection points to base building fire alarm systems for future tenant improvements.

Demising Walls (Next Phase): Demising walls for the new retail tenant configuration will be installed to create retail tenant spaces.

Office Tenant Requested Changes

Holiday Star (Complete): When Macy's announced they were leaving the store, they also announced that the Holiday Star was not safe to install for 2019. The 300 Pine team took that as a challenge and was able to work with Western Neon and Amazon to restore the old Star to be used for one more year. We have already begun to build a new Holiday Star for 2020, which will be a state of the art replica of the existing Star, but will retain some of the historic components of the original. These costs are in the Owner Contingency and documented separately.

Electrical Panel Upsizing (Complete): Due to the contemplated uses in Sub-Basement and Metro, additional electrical capacity over and above the core and shell spec has been added.

Floor 1 Event Venue Upgrade (In Process): The tenant is collaborating with a 3rd party operator on the Music/Event venue located on Floor 1 and accessed through the Mezzanine on 3rd Avenue. The contemplated enhancements include the removal of two structural columns, addition of a cargo lift for equipment, and various other configuration enhancements. An upgraded acoustical demising wall will be added to accommodate the uses.

Relief Fan Changes (Complete): The Office tenant has requested HVAC changes that increase the relief fan capacity. This work has been completed.

Fire Sprinkler Main Changes (In Process): The tenant has requested to move parts of the sprinkler main on floor 2 to maintain ceiling heights.

Dog Relief on 4th (In Process): Because the lobby is moving from 3rd Avenue to 4th Avenue, the tenant has requested a 2nd dog relief area on the 4th Avenue side of the building.

Bon Marche Adaptive Reuse
300 Pine Unit 1 (FKA Macy's)
Phase 3 (Floors SB, Metro, 1, & 2)

	Current Adjusted Budget	Totals as of 9/30/20
Hard Cost		
Bayley GMP	30,949,465.00	10,188,444.36
Bayley Savings	-	-
Bayley CO/TRC	-	-
TBD	-	-
Sub-Total Shell & Core	30,949,465.00	10,188,444.36
Contractor Contingency (5%)	1,547,475.00	-
Escalations (2.3%)	290,141.98	-
Design Contingency (5%)	1,616,781.42	5,097.50
Owner Contingency (10%)	3,309,896.97	588,270.08
Liability Insurance (.92%)	308,720.00	59,836.68
B & O Tax (0.69%)	236,199.00	45,857.19
Builder's Risk (SCG Policy) (.45% Hard Cost)	-	-
Contractor Fee (3.5%)	1,156,465.00	409,127.51
Sub-Total Before Sales Tax	39,415,144.37	11,296,633.32
Permits/Fees/SDCs	193,526.00	98,191.15
Sales Tax	3,772,112.72	1,156,153.74
Total Shell & Core	43,380,783.09	12,550,978.21
FF&E	150,000.00	-
Macy's Restoration Obligation	-	-
Phone Service	-	-
Shared Condo Costs	-	-
Hard Cost Total	43,530,783.09	12,550,978.21
Soft Costs		
Architectural	1,000,000.00	548,540.28
Structural	125,000.00	86,342.50
MEP	-	-
Vertical Transportation	57,245.00	33,180.00
Pre-Construction Services	150,000.00	150,000.00
Environmental Survey/Hazmat	20,000.00	18,743.80
Geotechnical	-	-
Special Inspections	60,000.00	2,302.02
Reimbursables	75,000.00	5,145.78
ALTA Survey	20,000.00	-
Condo Survey	-	-
Environmental Level I	-	-
Peer Review	-	-
Other Consultants	40,000.00	38,180.00
Legal/Organizational	150,000.00	162,128.69
Tax Credit Consultants & Fees	-	-
Public Relations	-	-
Construction Management Fees	50,000.00	6,750.00
Development Fees	2,000,000.00	1,020,000.00
Property Tax Credit Fee	-	-
Owner Representative	-	-
After Hours Security	-	-
Parking	-	-
Property Insurance	-	-
Marketing	100,000.00	76,602.50
Contingency	169,724.50	-
Sub-Total Soft Costs	4,016,969.50	2,147,915.57
Tenant Improvements		
Tenant Improvements (99%)	6,115,586.40	1,247,009.17
TI Allowance @ 1%	69,488.60	14,982.08
Tenant Requested Change Reimbursement	-	-
Tenant Requested Changes	-	11,250.00
Amazon Restroom Allowance (99%)	763,785.00	-
Suite 1A	5,467,471.00	-
Suite 1B	4,100,603.00	-
Suite 2	4,579,442.00	-
Tenant Improvements Total	21,096,376.00	1,273,241.25
Leasing Commissions		
Amazon	2,254,214.00	1,125,058.00
Suite 1A	511,365.00	-
Suite 1B	877,088.00	-
Suite 2	534,275.00	-
Leasing Commissions Total	4,176,942.00	1,125,058.00
Draw Total Cost	72,821,070.59	17,097,193.03
Construction Financing Costs		
Interest Expense	-	2,693,537.93
Origination Costs	-	1,457,728.40
Libor Cap	-	23,679.91
Legal/Closing Costs	-	338,391.51
Sub-Total Construction Financing Costs	-	4,513,337.75
Operating/Carrying Costs		
Property Taxes	-	268,671.86
Insurance	-	459,577.22
Condo Association Expense	-	756,566.42
Sub-Total Operating & Carrying Costs	-	1,484,815.50
Grand Total Cost	72,821,070.59	23,095,346.28

Core & Shell Photos

Office Tenant Core and Shell



SB Mechanical Room

SB Level



SB Mechanical Room



SB Electrical Room



SB Electrical



SB Fire Suppression



SB Framing

Office Tenant Core and Shell



Metro Cable Tray/Fire Suppression

Metro/Level 2



Metro Electrical Room Typ.



Metro Mechanical/Plumbing Rough In



Metro Fire Suppression



L2 Electrical Room



L2 Fire Suppression

Retail Core and Shell

Level 1/Mezzanine/Level 9



L1 Escalator Infill



L1 Ceiling Demo Typ.



L1 Plumbing



Mezzanine Demo



Level 9 Relief Fan 909



Level 9 Relief Fans 910/911