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## Developer has big ideas for Pier 46

*A \$250 million basketball stadium is just part of Nitze-Stagen's concept for turning Pier 46 into a dense new neighborhood.*

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Developer Nitze-Stagen & Co.'s controversial proposal that a new Seattle Supersonics stadium be built on a south corner of the massive Pier 46 near Pioneer Square scores at least two points even if a stadium never goes there.

Nitze-Stagen wants to see the entire 88-acre cargo terminal redeveloped with a mix of high-density urban village activities, such as a major hotel, thousands of housing units and offices, a cruise ship terminal, parks, retail, entertainment, education and a trolley line -- with or without a stadium, said the firm's chairman, Frank Stagen.

Nitze-Stagen doesn't control any of the property, though. The Port of Seattle does. To succeed, Nitze-Stagen has to convince port commissioners to endorse removing the pier from industrial use. And that takes support from the public, Stagen said.

Tossing a potentially \$250 million Sonics stadium into the mix gets the public's attention.

Whether taxpayers would foot part or all of the stadium bill must still be debated, for example, said Stagen and Nitze-Stagen President Kevin Daniels in an interview about their Pier 46 proposal.



Images courtesy Nitze-Stagen

**If not an arena, then Nitze-Stagen envisions an outdoor amphitheater, a University of Washington campus or a World Trade Center-type office complex.**

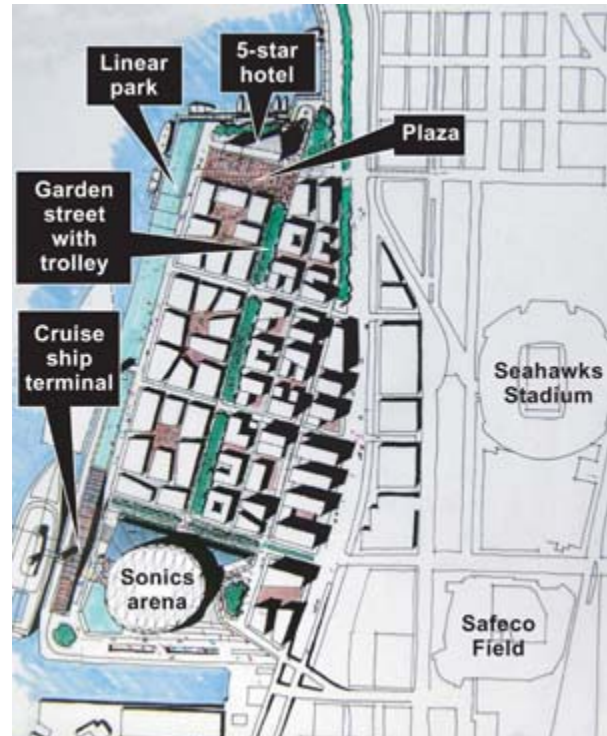
Port Deputy CEO Tom Tierney said in a separate interview that the port remains committed to serving its tenant on Pier 46, the cargo hauler Hanjin.

The port is spending \$76 million to upgrade the pier for Hanjin, said port spokesman Mick Shultz.

"What we would most want people to understand is we have a valued customer at Pier 46," Tierney said.

Tierney left the door open, though.

"I would say you wouldn't want to stop people from having ideas about the future of our city," Tierney said. "And Nitze-Stagen has over time made some dramatic improvements in this city by looking at pieces of land that aren't theirs and thinking through new uses for them. So the port wouldn't stop someone from thinking about the future."



Nitze-Stagen would like to turn the 88-acre Pier 46 from cargo use to an urban village. This drawing shows some of the pieces, including a Supersonics basketball arena, cruise ship terminal, a trolley and a five-story hotel.

Nitze-Stagen redeveloped the old Sears warehouse in the Sodo area into Starbucks Center and then master-planned redevelopment of the Union Station site in Pioneer Square into a large office campus. Starbucks Chairman Howard Shultz owns the Sonics.

Nitze-Stagen wants the port commissioners to approve a master plan for redeveloping Pier 46, and to hire Nitze-Stagen to write that plan and serve as the master developer. A master developer generally brings in others to develop parts of the proposal.

Stagen said that has to happen relatively soon to get done by 2010, which is also when the Sonics' lease on Key Arena at Seattle Center ends.

Nitze-Stagen's proposal doesn't call for the port to sell the 88 acres. Rather, the port would lease land to whoever builds on it. Daniels estimated the port would receive \$20 million a year in lease revenues.

The port received \$6.5 million from Hanjin last year for rent on land and cranes and expects to receive \$6.8 million for 2003, Shultz said.

The city and state would receive about \$250 million in development fees, Nitze-Stagen estimates, and the redeveloped 88 acres would generate about \$30 million a year in taxes, mostly property taxes.

Hanjin could move to other port-controlled industrial sites, Stagen said.

Tierney gave no indication that master-planning redevelopment of Pier 46 will be discussed any time soon.

"We've always said that ... when it's time to make a new plan for Terminal 46, we want that to be a conversation between the port and the community as to what that plan ought to be, and we would do that planning," Tierney said.

Nitze-Stagen joined some other major property owners in Pioneer Square and the Sodo area two years ago to launch a long-range plan for redeveloping property throughout Sodo.

They spent more than \$100,000 and unveiled their first draft of ideas early this year. They called it their vision for south downtown and named themselves the Major Property Owners Group, or MPOG.

They envision converting the area into a high-density urban village with high-rise offices, parks, 10,000 new apartments and condos, hotels, retail and entertainment.

Then the group split up chores. Nitze-Stagen was assigned the job of convincing the port, which didn't participate in MPOG, to endorse redeveloping Pier 46.

Nitze-Stagen spent the summer and early fall gathering ideas for the 88 acres, and recently began privately showing the proposals to Mayor Greg Nickels, port officials and others.

Nitze-Stagen's proposal calls for leaving the ferry terminal at Colman Dock, which would receive a major upgrade. Vehicles waiting to get on ferries would park along a wide road on Pier 46.

Pier 48, now decrepit, would be removed.

A major cruise ship terminal would occupy the southwest corner of Pier 46, next to the basketball arena. The stadium would have a plant conservatory attached to it.

A major hotel would occupy the north end of the terminal. Stagen wants the hotel and the arena to make dramatic architectural statements for Seattle, the way the Sidney Opera House in Australia does.

A large public plaza would go in south of the hotel. A park would run the length of the pier's waterfront side.

Nitze-Stagen has other ideas for what could go in the arena's place, including an outdoor amphitheater, a University of Washington campus and a World Trade Center-type office complex.