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○ JUNE

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# TACOMA Focus

CELEBRATING INVESTMENT MOMENTUM IN  
WASHINGTON'S THIRD LARGEST CITY

## FOREIGN DIRECT INVESTMENT ACCELERATING IN TACOMA

Two mega projects in Downtown Tacoma, with a combined value exceeding \$250 million, are projected to be financed by foreign direct investment from China within the next few years. They include the \$150 million Convention Center hotel and mixed use project at South 17th Street and Broadway, as well as a proposed \$100+ million Town Center project just south of the University of Washington Tacoma at South 21st Street and Jefferson Avenue.

Yareton Investment and Management, a Shanghai-based developer, entered into a development agreement with the City last fall to construct a minimum 300-room 4-star hotel with associated retail and parking adjacent to the Greater Tacoma Convention and Trade Center in Phase I and residential development in Phase II. The developer has met the requirements for the initial due diligence period, including receiving conditional approval of its development plan from the Landmarks Preservation Commission. Yareton has now begun the second stage of due diligence in which it will complete design, obtain entitlements and permits, raise capital and enter into an agreement with a hotel operator. It plans to start construction in November 2016 and complete it within two years.



Rendering courtesy of Ankrom Moisan Architects



Rendering courtesy of Ankrom Moisan Architects

Wuhan Boshengshiji Real Estate, a Wuhan-based developer, is in the process of negotiating a development agreement with the City of Tacoma to acquire a 6.4-acre site in the Brewery District. The developer plans to build residential, office and retail space as well as parking in two phases. The project is proposed to be financed in part through developer equity and EB-5 capital.

The City continues to seek domestic and international investors. Several other publicly and privately owned undeveloped and underutilized properties throughout Downtown Tacoma are available. Developers and investors often learn about new and unconventional investment opportunities by reaching out to the City's Community and Economic Development Department. Contact details are provided below.



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For more information, call Ricardo Noguera, Director, at (253) 591-5139 or email him at [RNoguera@cityoftacoma.org](mailto:RNoguera@cityoftacoma.org).

# DEMAND RISING FOR HISTORIC PROPERTIES

Three iconic buildings perched in a row high above the Foss Waterway between South 7th and South 9th streets will be reinvigorated within the next two to three years. The demand for refurbished historic properties continues to rise across the U.S. as technology firms, residential developers and entertainment designers clamor for signature space. Tacoma is capitalizing on this trend, especially with the restoration of the Winthrop Hotel, Elks Temple and Old City Hall.

California-based Redwood Partners acquired the Winthrop last month, and the developer plans to invest more than \$15 million in renovating the building by late 2015/early 2016 for the 194-unit residential mixed use project. Portland, Oregon-based McMenamins, which own the Elks Temple, intends to begin construction of its \$20 million entertainment venue in early 2016 and complete it within one year. In addition, the Tacoma City Council authorized the purchase of Old City Hall in early June from the Stratford Group. The City plans to address building and safety code requirements immediately while exploring alternative reuse opportunities.

Businesses or developers interested in repurposing Old City Hall or other historic properties are encouraged to contact Martha Anderson at (253) 591-5207 / [manderson@cityoftacoma.org](mailto:manderson@cityoftacoma.org) or Elly Walkowiak at (253) 591-5209 / [ewalkowiak@cityoftacoma.org](mailto:ewalkowiak@cityoftacoma.org). They can provide information on unique incentives to support the revitalization of these properties, including federal historic tax credits, new markets tax credits, Tacoma's historic property tax exemption program, as well as Tacoma's historic rehabilitation and repair loan fund and other resources.



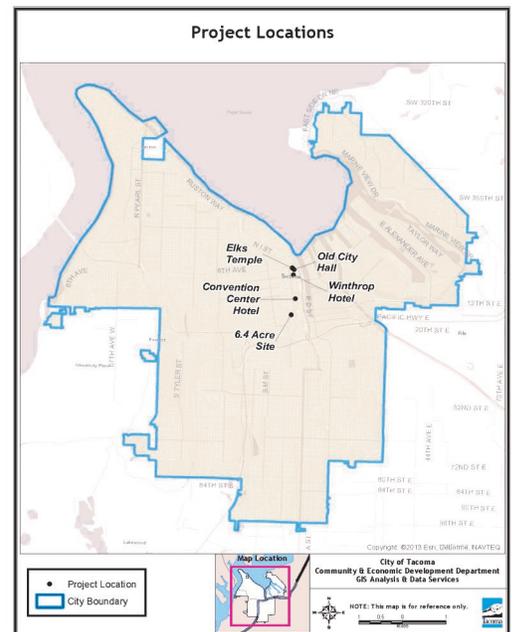
Winthrop



Elks Temple photo courtesy of Peter Haley, The News Tribune



*2015 Momentum: Strong due to increasing investment interest from multiple sources—local developers, U.S.-based out-of-state investors and foreign direct investment.*



**AFFORDABLE, ACCESSIBLE TACOMA**