

## Tateuchi Center Project Status Recap

PACE has been working as required by the MOU with the City to reinvigorate its capital campaign.

### Current Estimated Project Costs and Funding Gap:

The current estimate of the construction cost gap is \$138.4M, assuming the project breaks ground in summer/fall 2016 and opens in fall of 2019. Costs are outlined in more detail in Attachment B. Briefly, this includes additional funds needed to complete construction, staff and prepare the building for opening and first year operations.

Public Funding of the Project to date includes:

- City of Bellevue: \$3M (\$2M spent on pre-construction project development - largely architectural fees – and \$1M identified as a placeholder for potential future City investment)
- King County: \$1.245M (\$770,000 spent on architecture & engineering; \$475,000 still outstanding & payable at groundbreaking)
- State of Washington: \$5M, of which \$3M has been received and spent, and \$2M is still payable and “in escrow.”

### Site:

Tateuchi Center is to be built on a portion of the downtown block where the Bellevue Hyatt is located, over the area where parking to Bellevue Center/Hyatt is accessed from the North East side of the block. Three levels of parking will be added underneath the theatre. Tateuchi Center will be integrated with the Hyatt, in terms of common/seamless access points from the interior of each building to the other. There will also be public access from the street on NE 10<sup>th</sup>.

PACE reports it has negotiated a site lease and purchase agreement with the property owners of the project site (3 limited partnerships, 11 parcels of land; 6 will be transferred fee simple, PACE would have an easement to the other 5). The agreement is confidential and the City has not reviewed the terms.

### Construction:

PACE has previously entered into an agreement with Sellen Construction to build the project, should PACE secure the necessary funds to do so.

Construction permits which were issued for the project prior to the 2010 updates to the International Building Code are scheduled to expire in November, 2014. Therefore, PACE will need to resubmit permits for the project with a design that meets the updated code requirements. PACE reports that architectural and design reviews determined that the design can be altered to comply with new code requirements. At this time the impact on construction cost is unknown. PACE does not intend address the redesign, recalculate construction cost and submit for the updated building permits until it reaches a critical mass in fundraising.

### Timing:

PACE has indicated it would like a final decision from the City on whether it will commit additional funds sooner rather than later—by mid-year 2015--so that PACE can determine its next steps. The earliest PACE expects it could break ground on the project is fall 2016.