

## Vulcan shares its retail plans as the developer expands beyond South Lake Union



Vulcan Real Estate is looking to pull well-known restaurants and chefs east to its new 555 Tower in Bellevue.

VULCAN REAL ESTATE



By [Joey Thompson](#) – Reporter, Puget Sound Business Journal  
an hour ago

It's been 20 years since Vulcan Real Estate was founded, with its eye on transforming Seattle's South Lake Union neighborhood.

Two decades later, the development company born from the late [Paul Allen](#)'s empire has a portfolio valued at more than \$6 billion, and is expanding beyond the neighborhood it first transformed, with projects in Bellevue, and the Central District and Yesler Terrace in Seattle. Those projects, paired with upgrades to Chandler's Cove and 520 Westlake in South Lake Union, will create 77,000 square feet of available retail space.

To fill it, the developer is employing the same strategy it used to build South Lake Union, said [Rob Arron](#), Vulcan Real Estate's senior director of leasing and marketing.

"We want interesting, as-authentic-as-possible retail that appeals to the immediate community, day and night, the regional community, and whatever visitors are coming to

the area," Arron said. "Our goal has always been, and there's nothing wrong with chains, but to avoid that as much as we could, and bring in new businesses, or second locations of interesting local businesses, or in terms of restaurants, work with star chefs on a new concept. If there was a national business, we try to be the area where they opened their first Seattle location."

In South Lake Union, that included bringing in the city's first Tapster, a Chicago-based bar concept where customers pour their own drinks from a wide variety of taps. That kind of new experience draws people in, he said.

At the same time, Vulcan knew whatever tenant filled the space — located at the bottom floor of one of Google's South Lake Union offices — would have to provide workers something that the tech giant didn't already offer.

"Google's not going to have 60 taps of all sorts of beers and ciders inside their premises," Arron said. "It's been an incredible success."

Across the street, Flatstick Pub is another example of bringing a new idea to the area.

Vulcan wants to continue that momentum with more entertainment-based restaurants and venues, as it redevelops nearby Chandler's Cove, Arron added.

"The ones who are succeeding these days are the ones who are creating experiential elements," he said. "Part of that is creating an area of your own."

The renovations to Chandler's Cove include a cosmetic overhaul of the waterfront area on the southeast side of Lake Union, including building upgrades and 33,000 square feet of retail space. Construction is set to start in 2022 and finish, in phases, by 2024.

All together, Vulcan operates more than 1.8 million square feet of commercial space in South Lake Union, most of which is devoted to offices for Google, Amazon and other major employers.

When the pandemic shuttered indoor dining and sent office workers home, Vulcan worked with nearly all of its retail tenants to keep their doors open, Arron said. He cited Cafe Hagen and Drift Yoga, both of which opened weeks before Covid lockdowns were first put into place, and have survived the pandemic so far.

"I don't think we had any of our food tenants go out of business," Arron said. "We like to feel like we helped them, and they did a good job themselves. And now they're thriving. I'm hearing restaurants are having record numbers, from the most established to the new ones."

Across the Puget Sound region, some restaurant and retail operators are [seizing on properties](#) left vacant by [businesses lost to the pandemic](#).

Most of Vulcan's new retail space is expected to open in 2023, when Arron says many businesses hope sales and traffic will be near the peak of their pandemic recoveries.

"The good ones, and the ones who are looking forward, are looking now," he said.

In Bellevue, the developer is working on the 600-foot-tall 555 Tower for Amazon, which comes with a detached pavilion big enough for two restaurant or retail spaces, in addition to the nearby West Main development, which houses 33,000 square feet of retail space.

That's an area where Vulcan is looking to attract well-known restaurants and chefs for new locations, Arron said. He cited Portage Bay Cafe, which Vulcan worked with to expand into South Lake Union.

"That would be a name that I'd love to bring to Bellevue," he said. "Tutta Bella (pizzeria) is another name like that."