Wonder Bread bakery site sought by 4 developers

- Plans for the site on South Main Street, between 17th and 20th avenues south, include housing, office, retail and art space.

By JON SILVER
Journal Staff Reporter

Four developers -- Kauri Investments, Fortune Group, Teutsch Partners and Lowe Enterprises -- are vying to acquire the empty Wonder Bread bakery site in Central Seattle from Interstate Bakeries Co. of Kansas City, Mo.

The 2 1/2-block site, which includes the 85-year-old landmark bakery, is expected to sell for between $5 million and $6 million, said IBC representative Mick Flemming. The property is registered to Continental Baking Co., which was acquired by IBC in 1995.

A 30,000-square-foot parcel on the western edge of the site will be developed by the Central Area Development Association. The city acquired an interest in the site in the 1970s through a federal urban renewal grant.

IBC has been working since it closed the bakery in 2000 to rid the site of contaminants such as asbestos and lead-based paint. Now that the work is almost completed, IBC is entertaining proposals.

The company isn't likely to decide for another month or so who the lucky winner is, said Vice President Sandy Sutton. "I haven't even looked at (the proposals) yet."

Plans for the site, which sits on South Main Street between 17th and 20th avenues south, include a stew of residential, office, retail and art space.

"There'd be a mix in there," said Kauri President Kent Angier of his company's plans for the site. "There'd definitely be a retail component. My feeling is we'd have some affordable-type (residential) product there, based on median income. Then we'd have some higher-end product, and some in the middle-of-the-road price range."

The high-end units wouldn't be too high-end, "but there are some real nice views up there,"
Angier said. Rental units would likely be on par with prices for the area.

Kauri has had an architect look at the site, but is waiting for a decision from IBC before investing more.

Fortune and Lowe also intend to build multifamily housing, said CADA's CEO George Staggers. Fortune, which appears to have made the highest bid, would build multifamily housing on the entire site, with some ground floor retail. Most of the site is zoned NC-65, which limits height to 65 feet and requires the inclusion of commercial space.

Lowe, said Staggers, would like to develop a combination of multifamily rental housing and condominiums, with about 40,000 to 50,000 square feet of office space in addition to ground floor retail. Teutsch is apparently looking for a way to use the existing structures, which Wonder Bread left in part because of the expense of complying with seismic code.

Fortune and Teutsch did not return calls for comment. Brent Lower of Lowe said the company couldn't make a statement.

CADA, a nonprofit organization that receives much of its budget from the city, plans to develop 30,000 square feet of affordable rental housing on its half-block site. Staggers said there's much to be worked out depending on the availability of public funding and CADA's development partners. CADA would like to build 40 to 50 units, ranging from studio to three-bedroom family housing, with much of it designated for tenants who earn between 30 percent and 80 percent of median income. The $7 million project would also include market-rate units.

Another 3,500 square feet would hold ground floor retail, but Staggers said CADA may seek a waiver on that requirement since the site isn't a solid retail location. CADA's portion of the site is zoned NC-40.

A potential partner with any of the developers is the Pratt Fine Arts Center, which is looking to move from its city-owned home at 19th Avenue South and South Main Street.

Executive Director Greg Robinson emphasized that plans are preliminary, but said, "the ideal outcome is that we would be a substantial player in a mixed-use project. Our ideal goal would be to build a new building" of around 60,000 to 70,000 square feet.

Robinson doesn't know whether it's feasible to include living spaces for artists -- he questions the compatibility of residential space with Pratt's semi-industrial glass-blowing and metal sculpture programs -- but he envisions building a formal gallery space for emerging artists, artist studios and a meeting area available to the community. Also, he said, "it would be nice to see a year-around retail space or a coffee shop, to bring people in and help them to discover our programs."

The arts center is in the process of raising money to fund its plans so the scope of the project hasn't been determined. "We don't have a real architectural model or anything. It's still at the conceptual level."

The Wonder Bread site development will add badly needed affordable housing stock to the Central Area, said Staggers. "The Central is experiencing gentrification. There's not enough product. That's what's driving the prices up."

Fleming of IBC said he expects the company to close on the property in three to four months.
Jon Silver can be reached by email or by phone at (206) 622-8272.