

DEVELOPMENT GUIDE

2024 year-end update

Skyglass Apartments in
South Lake Union

Introduction

While the pace of development in downtown Seattle has slowed since its pre-pandemic peak, we continue to see investment and signs of revitalization. In fact, Seattle ranked second among peer downtowns for the total number of projects (commercial and residential) completed in 2024.

This year, the big storyline continued to be in residential construction. Downtown has seen tremendous residential growth over the past decade, and this trend is set to continue as new units come on line. In the past year, downtown added nearly 2,400 residents, pushing the residential population to more than 108,000.

Among peer downtowns, Seattle is leading in the number of residential units currently under construction with more than 4,000. At the end of 2024, 16 residential projects delivered nearly 2,000 units downtown. These new residential units were added in neighborhoods

throughout downtown from the Chinatown-International District to Uptown.

According to city of Seattle data, new downtown building permits in the next several years have estimated costs of \$668 million; 40% of those projects are planned for South Lake Union, with 20% planned in Capitol Hill and 13% in Uptown.

Multifamily development continues to be the focus of projects in Seattle and across peer downtowns, comprising 64% of those under construction. At the same time, office and hospitality-related projects are also advancing. Downtown currently has around 2 million square feet in non-multifamily and hospitality projects under construction with more than 10 million square feet in projects being proposed or in final planning stages. This is further indication that downtown is not only a major residential center, but an economic hub.

KEY FINDINGS

- Seattle ranks third (out of 10 peers) in the number of projects currently under construction and second in the number being proposed or in final planning.
- Seattle is leading in the number of multifamily units currently under construction in peer downtowns.
- Sixteen projects were delivered in 2024 and nearly 75% of them were residential. Newly completed residential projects opened in a wide range of downtown neighborhoods.

The Downtown Seattle Association publishes a Development Guide each year to assess investment and building construction activity taking place downtown. We've tracked comparable data since 2005. An explanation of criteria used in this analysis and a glossary of terms are included at the end of this document.

For more information, please email info@downtownseattle.org.

This guide was made possible
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DOWNTOWN SEATTLE
DEVELOPMENT SNAPSHOT



residential units



hotel rooms



square feet of
commercial space

Through December 2024,
16 projects were under
construction, including:

4,215

367

2.2M

Projects in final planning stages
or being proposed:

15,550

1,569

10.6M

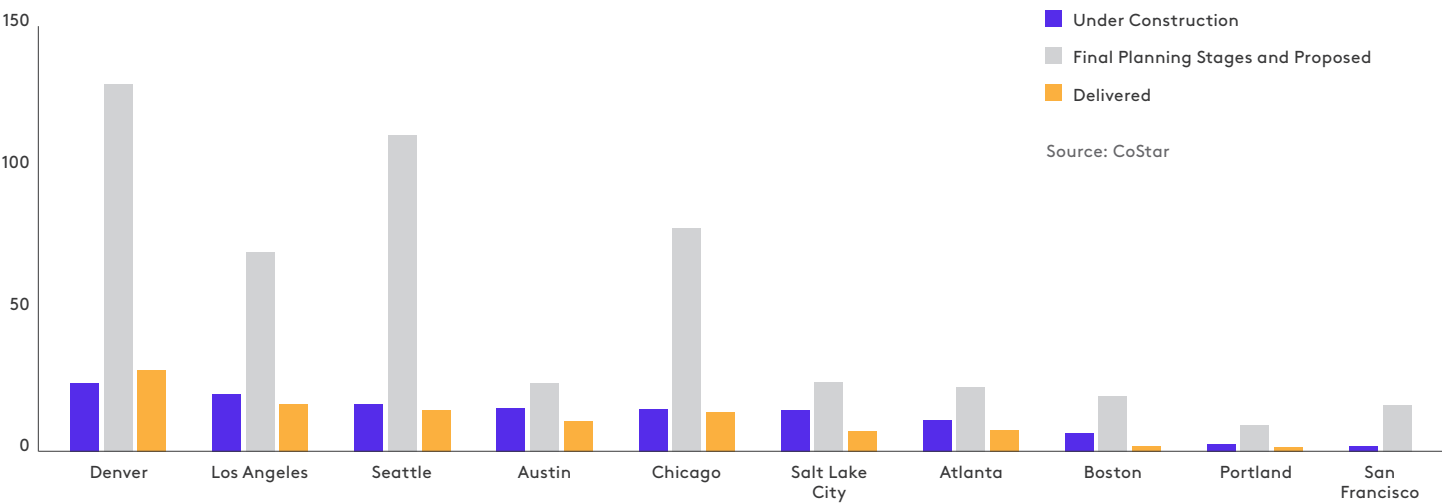
Sources: data.seattle.gov and CoStar



The new AC Hotel in downtown Seattle

Peer City Comparison

Peer Downtown Projects by Building Status

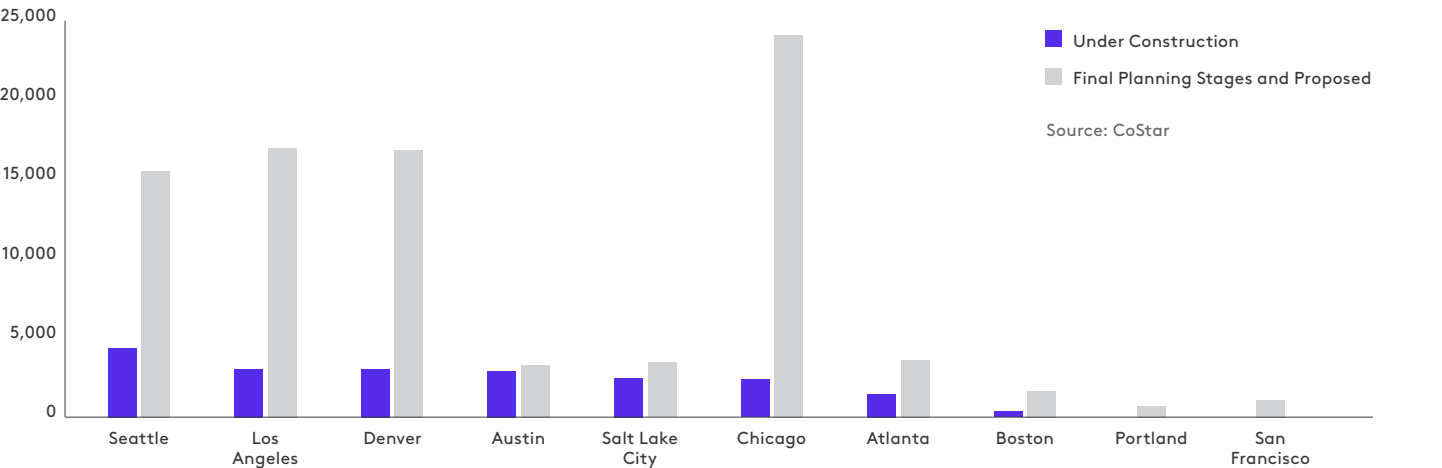


As part of the Downtown Seattle Association’s annual development review, DSA examines how Seattle compares to other peer downtowns across the country. For the second year in a row, Seattle ranked in the top three among peer downtowns, placing just behind Denver and Los Angeles in the number of projects under construction (16) and second in the number of projects proposed and in the final planning stages (112).

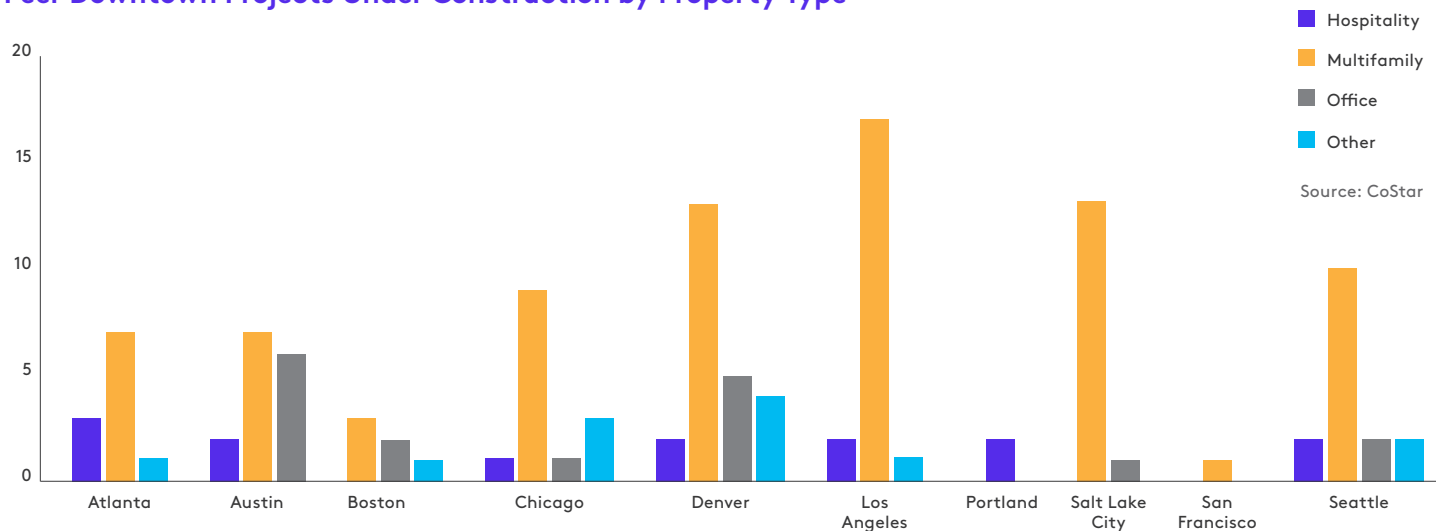
Several of the projects that were under construction at the end of 2023 came to fruition in 2024. Among peer downtowns, Seattle ranked second with 16 projects completed in 2024. In Seattle, these projects delivered nearly 2,000 residential units and almost 300 additional hotel rooms.

Continuing the trend seen last year, the majority of projects in Seattle and across peer cities were multifamily-focused. In 2024, Seattle ranked first among peers in the number of residential units currently under construction, with more than 4,200 units being built downtown. Additionally, when looking at the number of residential units being proposed or in final planning stages, Seattle ranked fourth among peer downtowns with more than 15,500 units being envisioned.

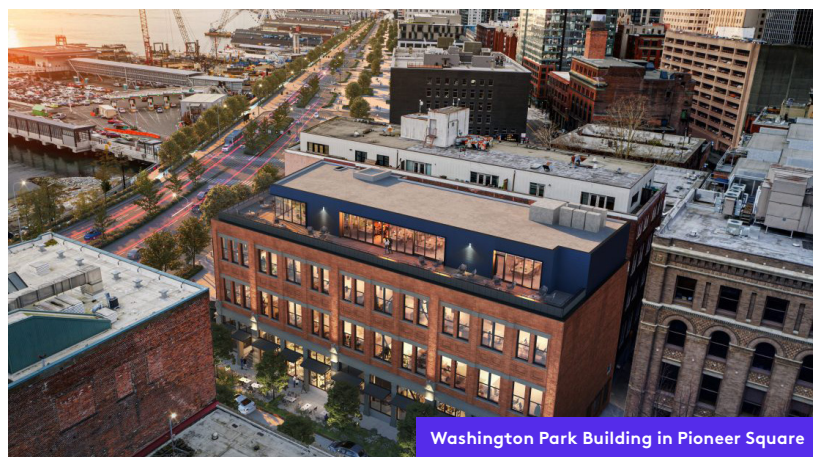
Peer Downtown Residential Units by Building Status



Peer Downtown Projects Under Construction by Property Type



While residential projects make up the majority of what's in the pipeline, there are also some office projects in development, particularly in Seattle and Denver. While off the peak in office construction from several years ago, these two downtowns combined are home to around two-thirds of the office projects and office square footage under construction among peers. Seattle has more than 2.2 million square feet of commercial space being built with an additional 10.6 million proposed or in the final planning stages, indicating continued investment in Seattle as an economic center.



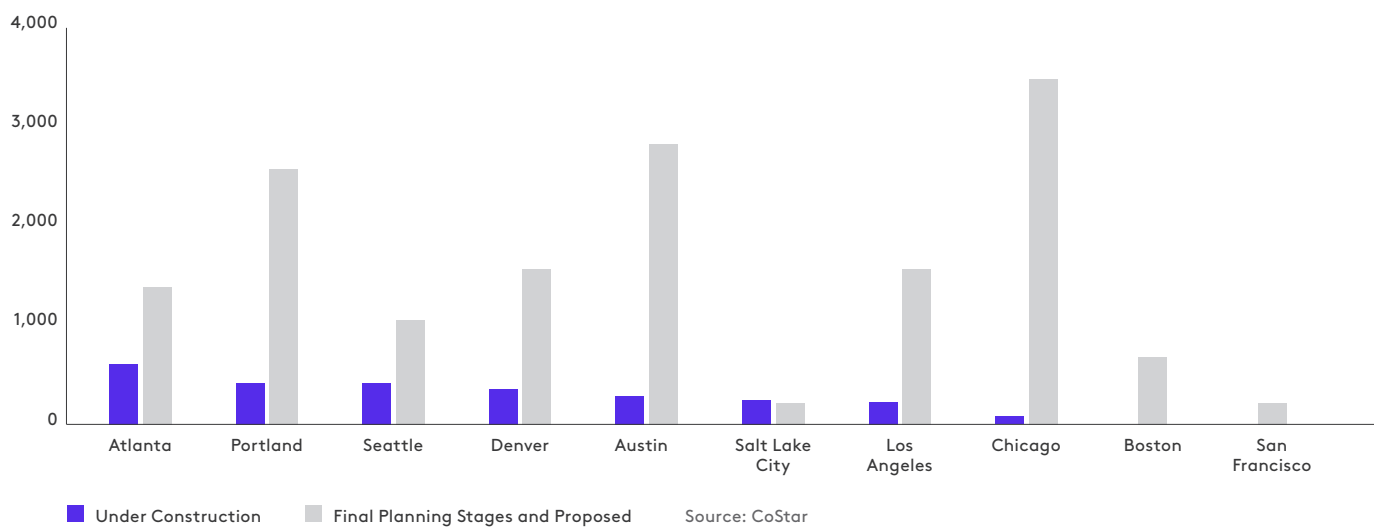
Residential Demographic Changes Who are the new downtown residents?

According to recent U.S. census estimates from Esri Community Analyst, over the past year, newer resident households are more likely to be younger, male and more diverse than the rest of Seattle households.

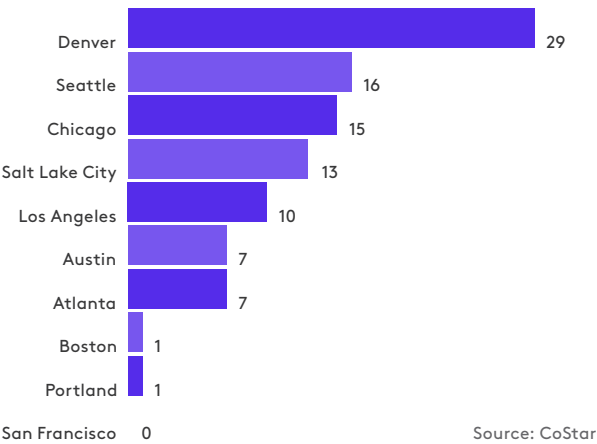
- In 2024, downtown accounted for nearly half (47%) of the new residents in Seattle.
- Downtown's median age declined to 34 from approximately 37 in 2023.
- The share of residents between 25-34 years old increased by nearly 14 points compared to 2023.
- The share of male downtown residents increased by nearly four points to an estimated 57% of downtown's residential population.

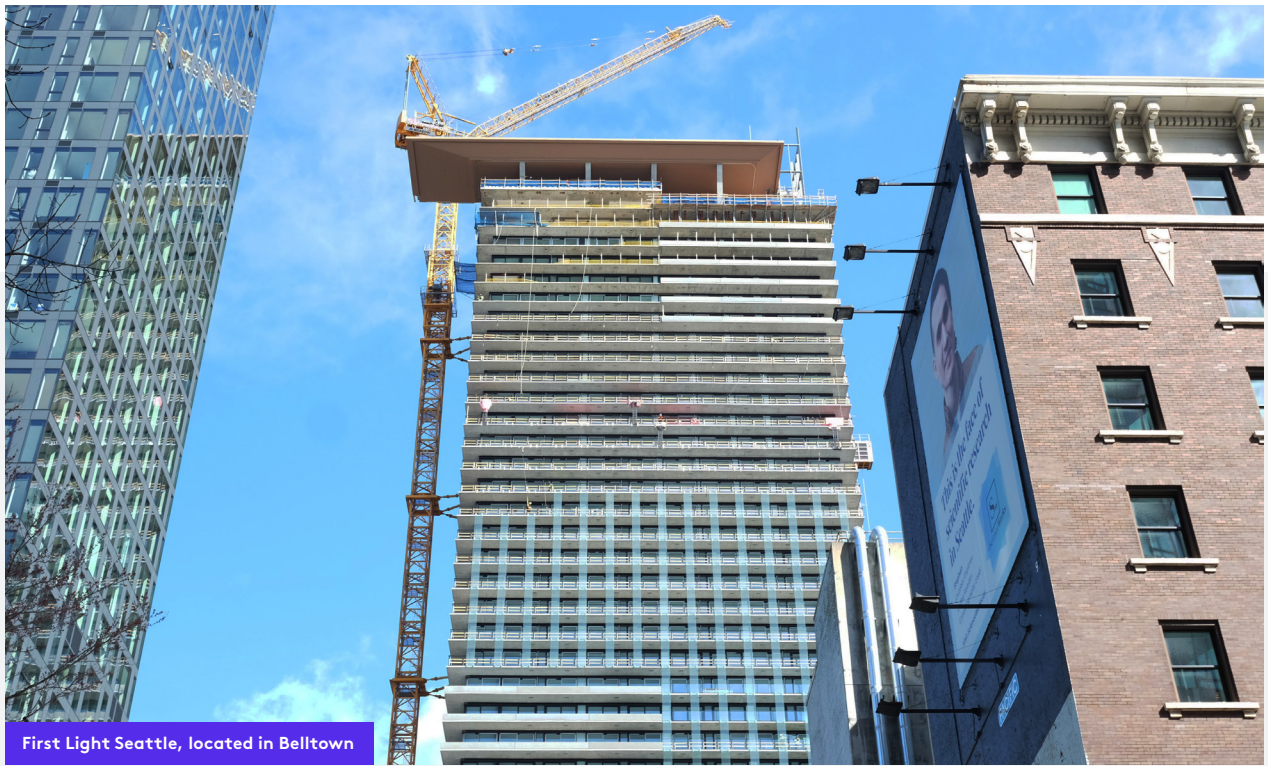
Source: US Census, Esri Community Analyst, 2024.

Peer Downtown Hotel Rooms by Building Status



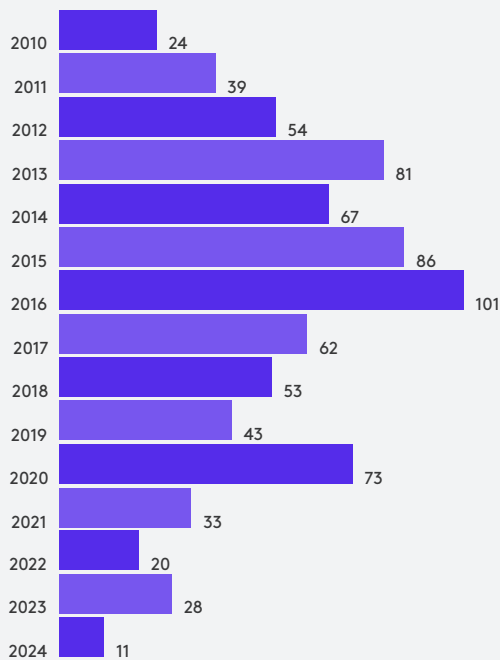
Peer Downtown Projects Delivered in 2024





New Building Permits

Permit Applications for New Buildings



Source: City of Seattle Department of Construction & Inspections data

The rate of new building permits downtown continued to slow in 2024, totaling 11. According to city of Seattle data, these new projects have an estimated value of nearly \$262 million. Similar to 2023, nearly half of the applications in 2024 were for multifamily residential projects. Collectively, these projects represent an additional 346 potential residential units downtown.

Looking at the historic permit data, in 2010, more than a quarter of new building permit applications in downtown were for projects located in South Lake Union (27%), followed by Capitol Hill (west of Broadway) with 14%, and the Denny Triangle comprising 13% of new building permits. However, in 2024, most of the new building permit applications were focused on projects in the Chinatown-International District neighborhood.



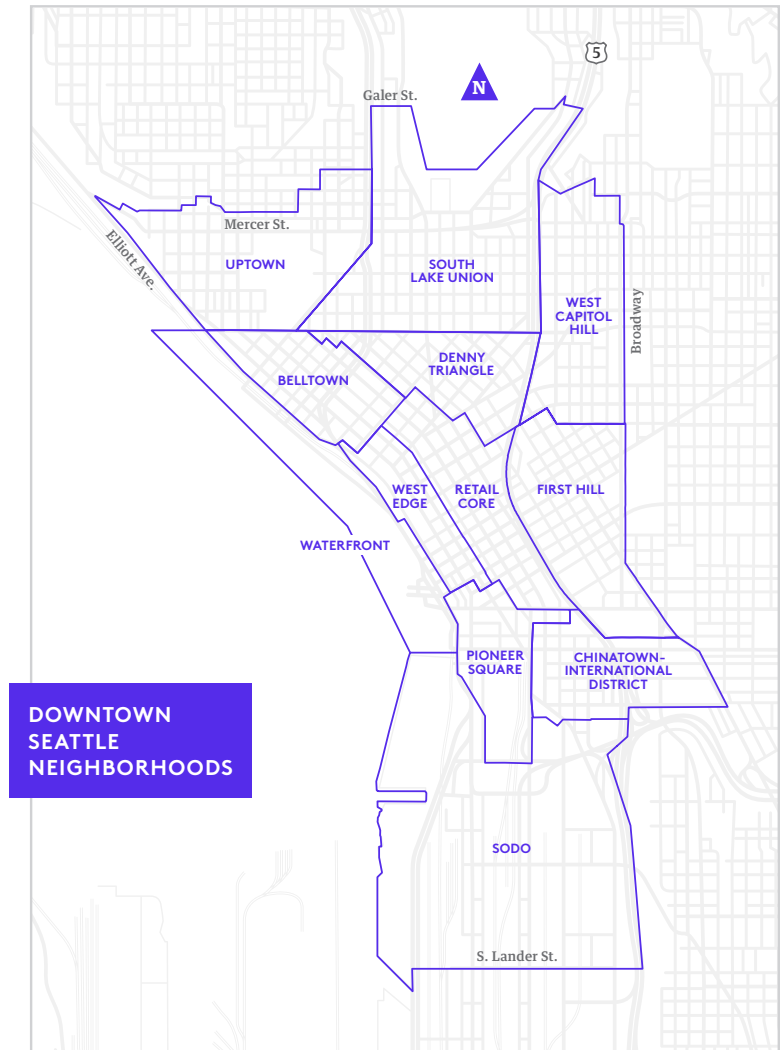
Conclusion

The center city continues to show signs of strength and revitalization. Between 2021 and 2022, Seattle was the fastest-growing large city in the United States, growing 2.4%. Much of this growth has been concentrated downtown. In 2024, downtown's residential population increased to more than 108,000 residents. Against that backdrop, downtown ranks first in 2024 among peer downtowns in the number of residential units currently under construction. The center city ranks second on the total number of projects (commercial and residential) completed.

Notes on Criteria

The geography used for this analysis is the area within downtown Seattle. The Downtown Seattle Association uses the following boundaries for downtown: South Lake Union to the north to South Lander Street to the south; Elliott Bay to the west and Broadway to the east.

For peer downtowns, DSA used CoStar's definition for each city's Central Business District (CBD). CoStar defines the CBD as "the center or core downtown area where many different types of major uses are concentrated such as retail, office and/or residential."



References

CoStar Definitions

Under Construction

Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building Under Construction, the site must have a concrete foundation in place.

Final Planning

Project will begin construction within the next 12 months. Typically, construction contracts are signed and/or building permits are issued.

Proposed

Proposed refers to land considered for a particular future use or a building that has been announced for future development. The project is not expected to start construction in the next 12 months. Typically, building permits have not been issued.