

## Nitze-Stagen Development Site for Canton Lofts in Seattle's Pioneer Square to Bring Workforce Housing

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Furthering its long-term commitment to Seattle's historic first neighborhood



Nitze-Stagen, an integrated real estate investment and management firm, announced today that it is poised to make a long-term commitment to Pioneer Square and will be working with Spectrum Development Solutions on the development of Canton Lofts, an 80-unit multi-family workforce residential project.

Nitze-Stagen has already played a significant role in the renovation of iconic properties in Pioneer Square such as Union Station, Merrill Place and the Cadillac Hotel. Today the firm announced that it has purchased Canton Lofts for \$5.275 million, a fully entitled development opportunity, located at 224 S. Washington Street in Pioneer Square.

Canton Lofts was conceived by Spectrum Development Solutions as an innovative 6-story, 80 loft-style unit apartment residence with approximately 2,400 sq. feet of retail. Given the efficient yet livable design, all 80-units will be workforce housing, available to individuals earning 80% of the area median income without the use of any public subsidy.

The building design includes an elegant brick façade, a rooftop terrace with views of Elliot Bay and the cityscape, an outdoor kitchen and dining area, fireplace seating, and a dog run. The ground floor will include a secure bike room, residential lobby lounge, and retail along South Washington Street. Due to its walkable location in one of the busiest transit hubs on the West Coast, Canton Lofts will not include parking.



This is Nitze-Stagen’s first workforce, residential project but one that they hope to replicate. For Canton Lofts, they are working with Spectrum Development Solutions, a leader in the development and construction of workforce housing.

“Canton Lofts was designed to fill a gap in Pioneer Square’s housing market by providing high-quality apartment homes for working people who want the convenience of downtown living but can’t afford luxury rents and don’t qualify for subsidized housing, said Gabe Grant, Principal at Spectrum Development Solutions. “As with all of Spectrum’s projects, we focus on opportunities that require creative and unique solutions and result in long-term value for all stakeholders. We are pleased to be working with Nitze-Stagen to deliver Canton Lofts to Pioneer Square.”

“We love Pioneer Square, said Peter Nitze,” President and CEO of Nitze-Stagen. “It’s our city’s first neighborhood, yet for many years it has lacked the housing options that make a neighborhood attractive to a diversity of residents. In recent years, the neighborhood has added luxury and subsidized affordable housing, but not middle-class, workforce housing for the people who keep our city running, such as teachers, bar and restaurant workers, medical technicians, police and public safety officers, bus drivers and many other private and public occupations. Canton Lofts is a smart design that emphasizes livability and affordability, two critical components in providing socially responsible rental housing,” The approach also includes using the new Opportunity Zone program as a long-term, civic focused financing tool. Canton Lofts will be the first project in Pioneer Square aided by the new Opportunity Zone program.

“The Opportunity Zone program is not a reason to start a project,” remarked Peter Nitze. “But if you are an experienced real estate developer, this tool can make catalytic projects more attractive. It complements our community approach, which is to attract more investors to reinvest in Pioneer Square. We hope to use the tool to develop more

workforce housing and other projects in this neighborhood which we think can be a national model in harnessing the social equity benefits of the Opportunity Zone program.”

“My family owned the land which will be Canton Lofts and we held onto the site until the right project for Pioneer Square came about,” said Drew Behnke. “There was no question that we wanted to be part of this Opportunity Zone project that will bring much needed transit-oriented housing to Pioneer Square.”

“When we created startup studio Pioneer Square Labs in 2015, we located it in Pioneer Square because of the neighborhood’s rich history of entrepreneurship and innovation” said Geoff Entress, Pioneer Square Labs Managing Director and Co-founder. “With the Canton Lofts Opportunity Zone project, we have an opportunity to utilize an innovative financing tool to bring new investments to our wonderfully diverse and vibrant neighborhood, while simultaneously addressing the neighborhood’s need for workforce housing. It’s a project that exemplifies the spirit of the Opportunity Zone program: unlocking capital to invest in the areas that need it most.”

The project will seek LEED Silver and is anticipated to break ground in late summer 2019. The project team includes: Spectrum Development Solutions, Weinstein A+U Architects, STS Construction, KPFF for structural engineering, SiteWise Design for civil engineering, and Fazio Associates for landscape architecture.