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Nitze-Stagen breaks ground on 'middle income' housing

By [JOURNAL STAFF](#)



Rendering provided by Weinstein A+U [\[enlarge\]](#)

Canton Lofts in Pioneer Square will have 80 studio units over 2,400 square feet of retail/commercial space.

Nitze-Stagen said it started construction yesterday on Canton Lofts apartments, the first residential Opportunity Zone project to break ground in Seattle.

The Seattle-based firm owns and is developing the 80-unit all studio project at 224 S. Washington St. in the Pioneer Square neighborhood.

Canton Lofts will have five levels of apartments above 2,400 square feet of retail/commercial space. The units will range from about 276 to 312 square feet and have sleeping lofts. Tenant amenities will include a bike room, entry-level community lounge, dog walk and a landscaped roof deck with barbecues and fire pits and views of the Puget Sound and mountains.

The building was designed by Weinstein A+U and will target LEED Silver certification. STS Construction is the general contractor.

The project is expected to be complete by late 2020 or early 2021.

The team also includes KPFF Consulting Engineers, structural engineer; SiteWise Design, civil engineer; Greenbusch Group, energy consultant; Fazio & Associates, landscape architect; and Spectrum Development Solutions, project management consultant.

An LLC associated with Nitze-Stagen bought the fully entitled development site in June for \$5.2 million.

Nitze-Stagen is completing the Canton Lofts workforce housing plan developed by Spectrum Development Solutions for the prior family ownership.

Peter Nitze, president of Nitze-Stagen, said “we strongly believe in the importance of providing high-quality housing that is within reach of middle-income residents. For us, middle income means people who are earning between 80% and 120% of area median income (AMI).”

Nitze said rents at Canton Lofts are projected to be \$1,795 per month, which means people earning 80% AMI “can afford to live at Canton Lofts.”

In 2019, the area median income for an individual in Seattle is \$76,000, he said.

Nitze-Stagen said the project is being developed without a public subsidy.

It said Canton Lofts will benefit from being in a federal Opportunity Zone. This will allow the investors to roll prior capital gains into the new project, thus deferring their tax bills. Tax benefits could extend anywhere from five to seven years, or until Canton Lofts is sold.