

Partners acquire site for their second South Seattle Opportunity Zone project

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OZ Navigators is planning this 396-unit Seattle development at 900 Rainier Ave. S. As part of the project, the landmarked Black Manufacturing Building (not shown) will be preserved and maintained as office space, the development team said.
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OZ Navigator this week closed on a \$2.65 million property near the Othello light rail station, where it's planning an eight-story mixed-income apartment building under the Opportunity Zone program.

OZ Navigator is a partnership of Seattle companies Nitze-Stagen and Housing Diversity Corp., and this is its second South Seattle project announced this year. The other is a nearly 400-unit mixed-use project about four and a half miles to the north.

Othello Station opened 11 years ago in the depths of the recession, and for various reasons redevelopment of the neighborhood occurred but not as quickly as expected for an area with a high-capacity transit stop. The federal Opportunity Zone tax-incentive program, which is intended to spur long-term investment in underserved communities, is changing this.

The Othello site, at 7324 Martin Luther King Jr. Way S., is the latest transit-oriented development in the neighborhood. Across the street is Othello Square, [a 3-plus-acre mixed-use development](#) that nonprofit HomeSight and partners are developing into what is billed as Seattle's first community-driven equitable development project. It's also participating in the Opportunity Zone program.

OZ Navigator Principal [Peter Nitze](#) said a goal is for his group's development is to complement Othello Square. "It's an opportunity to think larger than just one site, one project, or one developer in meeting the community vision," he said in a news release.

Housing Diversity Corp. founder [Brad Padden](#) said OZ Navigator is working to develop "housing abundance through rent-attainable, high-quality mixed-income apartment homes."

OZ's project will have 164 apartments with three-quarters of them priced to be affordable for people who make between 80% and 120% of area-median income (AMI). One-hundred percent of AMI in Seattle ranges from \$76,000 for singles to \$117,300 for households of five people.

The remaining units will be priced for people whose incomes are 70% of AMI, through the city's Multifamily Tax Exemption program.

There will be about 2,250 square feet of commercial space, which OZ hopes to fill with what it calls "authentic neighborhood retail." With its proximity to Othello Station, the amount of parking will be limited.

The project team includes Neiman Taber Architects and STS Construction Services. An early 2022 groundbreaking is anticipated.

OZ's other South Seattle project is at 900 Rainier Ave. S., where 396 units are planned. It's further along in the development process, with the partners aiming to break ground late next year.

OZ Navigators paid \$30 million for the 1.5-acre site that includes the landmarked Black Manufacturing Building at 1130 Rainier Ave. S. It will be preserved and maintained as office space.

Nitze and Padden said they're still interviewing general contractors for the project, which Jackson Main Architects is designing. Also on the team are KKLA Landscape Architects Inc., and CT Engineering.

Separately, Nitze-Stagen is under construction on [Canton Lofts, a mixed-use residential building](#) that is an Opportunity Zone program project. The \$30 million Pioneer Square development will have 80 small loft apartments for people who make too much to qualify for housing assistance but not enough to afford in-city market-rate apartments. It's scheduled for completion late next year, a spokesperson for Nitze-Stagen said.