

# Dearborn plan adds 200 affordable apartments

By Lee Bedard  
For the Northwest Asian Weekly  
April 21, 2007



The proposed Dearborn Street retail and housing complex on the Goodwill site has added a new component with the announcement of a partnership with the Seattle Housing Authority (SHA) to build 200 units of affordable apartments.

Last Wednesday's announcement means that federal tax credits will now be available to attract potential investors, allowing the developer to offer lower rents to locally-, family- and minority-owned businesses that might not otherwise be able to afford to do business in the complex. By having the subsidies available for some businesses, the developer expects to free up funds for the affordable housing units.

Construction on the 10-acre project on the southwestern edge of Chinatown/International District is anticipated to begin in late 2007. It will provide a new home for the existing Goodwill Industries' retail and training operations as well as national retailers like Lowe's and Target, smaller retailers and 550 total units of housing.

Dearborn Street Developers LLC and SHA worked together to obtain some \$20 million in federal New Market Tax Credits under a program offered by the U.S. treasury department. This is the first time SHA has used New Market Tax Credits. When the original \$20 million and a second \$20 million for which SHA has applied are combined, it will be one of the largest uses of the tax program in the state.

Tom Tierney, SHA executive director, said the program is similar to federal subsidy programs that SHA uses to provide subsidized housing. The funds are not grants but loans, which the project must repay. Subsidies will be available over a 10-year period.

Announcement of the new partnership was made April 11 at Goodwill's headquarters during a meeting restricted to news media. Representatives of a labor coalition calling itself SAGE (or the Seattle Alliance for Good Jobs and Housing for Everyone) handed out flyers at Goodwill's entrance, calling attention to concerns about project size, traffic and funding sources.

When the project was first announced, SAGE

and the Dearborn Street Coalition for a Livable Neighborhood (DSCLN), representing nearby Vietnamese merchants and neighbors, sent a large delegation to speak at the Seattle City Council's first committee meetings. Speakers ranged from neighbors to union members from around the Puget Sound area, with concerns ranging from family-rate wages to provision of low-income and market-rate housing.

These groups plan an April 21 protest march from the Central District to 12th and South Dearborn. They will depart from Bailey-Gatzert Elementary School at 1 p.m.

The 200 units in the SHA partnership will be built and owned by SHA and will serve two groups: low- and very-low-income seniors 62 and over who have incomes ranging from \$16,350 to \$27,250 for a single person. A second group of "workforce" housing, another 100 units, will serve households of up to \$54,000 for a single person.

The remaining 350 units will be "market-rate" rentals.

Darrell Vange, project manager for Dearborn Street LLC, said it is too early to know what size or what rentals these units might offer.

Despite the promising tone of the joint meeting between the developer and the housing authority, Dearborn Street as yet has no city authorization to proceed. The developer has applied for a master use permit under which its mixed-use project could be built.

Without the new-use permit, the land would remain in its present industrial zoning.

Goodwill Industries, which has traded its 10 acres of land for a new complex that it will own in the completed project, has been in its buildings since 1923. It has said in previous meetings that the need to proceed is urgent, given its aging headquarters. Under the terms of the project, Goodwill's facilities would be built first.

No date has been set for the Seattle City Council to act on the master use permit, although Vange said he has heard some council members say they want to see action before the full council "soon."

