

Brownfields

Success Story

Redevelopment Yields Much-Needed Affordable Housing

Seattle, Washington

Rainier Court is one of the largest redevelopment projects in southeast Seattle's Rainier Valley. Once completed, it will consist of five phases, including mixed-use developments offering low-income housing and commercial space in a historically underserved, highly diverse community.

SouthEast Effective Development (SEED), a local nonprofit, leads the effort. In 1996, in partnership with local agencies, SEED began acquiring and assembling the 90 parcels of land that would ultimately become the Rainier Court campus. Phases I through III are complete, and Rainier Court IV is under construction, with a fifth phase planned. All the sites have been or will be cleaned by both removing and capping contaminated soils. SEED used the same approach of partnering with local agencies and remediating contamination to construct the nearby Claremont development.

The project is a case study in the community-driven efforts to remediate brownfields. It illustrates how these properties can be revitalized into community assets, providing new housing and jobs that spur additional investment in the area.

The Challenge

Contamination, dilapidation and other factors made initial investment in the area difficult. SEED's proposed project was large and ambitious, proving that tax credit projects would work in southeast Seattle.

"SEED was one of the first groups to try to reinvest in the neighborhood," says Tina Hochwender, who allocates the Washington State Department of Commerce's Brownfields Revolving Loan Fund. "It took a long time for others to buy into the need for funds and continued investment."

Land assembly has been a major effort, with some properties having long lists of former owners. SEED's redevelopment project really got off the ground only after the city provided millions of dollars for land acquisition. The city has since labeled southeast Seattle a future growth area, making investments to promote residential expansion there.

Jeanne LeDuc, director of real estate development at SEED, says, "These projects are complicated, critical and require the support of many funding agencies."

In addition to funding from SEED and the City of Seattle, the Rainer Court and Claremont redevelopment projects received funding from:

- The Washington State Department of Commerce, which uses a Brownfield Revolving Loan Fund grant from the U.S. Environmental Protection Agency (EPA)



EPA Grant Recipient:

SouthEast Effective Development, the Washington State Department of Commerce and King County, Washington

Grants and Resources:

Brownfields Revolving Loan Fund and Cleanup Grants, Targeted Brownfield Assistance

Former Uses:

Illegal Dumping Ground, Vehicle Storage, Maintenance and Salvage, Welding and Fabrication, Residential

Current Use:

Affordable Housing and Retail

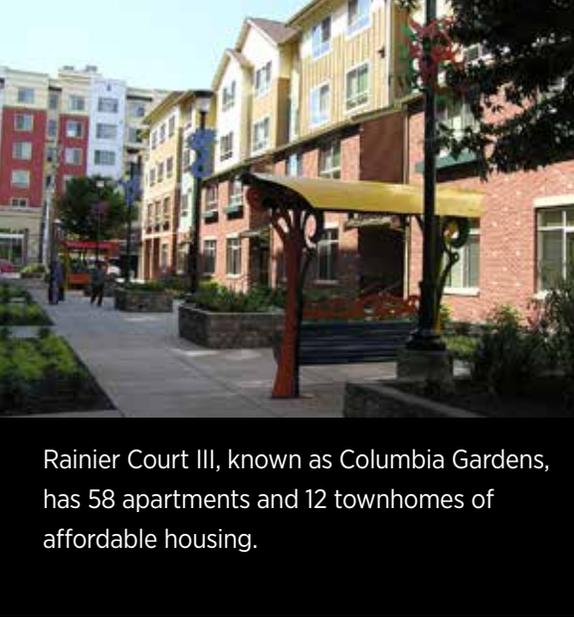


Redevelopment in this historically underserved neighborhood has involved demolishing existing buildings and excavating contaminated soils and underground storage tanks.



Rainier Court IV and V will add more than 80 units of affordable housing in southeast Seattle.





Rainier Court III, known as Columbia Gardens, has 58 apartments and 12 townhomes of affordable housing.

“Without the funds needed to address the environmental issues predominant in southeast Seattle, these projects really wouldn’t have had a chance.”

*Jeanne LeDuc,
Director of
Real Estate Development,
SEED Seattle*

For more information:

Visit the EPA Brownfields website at www.epa.gov/brownfields or contact Susan Morales at 202-553-7299 or Morales.Susan@epa.gov.

- A nonprofit community development financial institution, which helped with land development and assembly
- Programs under the American Recovery and Reinvestment Act, which helped cover infrastructure costs, including a water line and curbed and guttered sidewalks
- King County, which provided EPA Brownfields funds to the project
- Other sources, such as tax credits and permanent lenders

Rainier Court signaled in the housing community that southeast Seattle was not as challenging as it had been perceived to be by investors and bankers. Developers could successfully build in this community, provide affordable housing and get tax credits and other incentives.

The Cleanup

The area that became Rainier Court, which covers more than six acres in total, had largely been used as an illegal dumping ground by the community and industry. The property had also been used for vehicle storage, maintenance and salvage operations, welding and fabrication operations, and small private residences, many of which had underground storage tanks for heating oil. These uses contaminated the land and groundwater with carcinogenic polycyclic aromatic hydrocarbons; metals such as arsenic, lead, iron and cadmium; diesel; and oil-range petroleum hydrocarbons.

Prior to purchasing the properties, SEED conducted due diligence to understand the scope of remediation required. After existing structures were demolished to make way for redevelopment, workers excavated contaminated soils, removed underground storage tanks and capped the remaining soils onsite to ensure people did not come into contact with the contamination.

Michael Warfel, site manager for the Voluntary Cleanup Program at the Washington State Department of Ecology, says, “During construction, whatever contamination remained at depths greater than three feet was capped by the new buildings and sidewalks. Completion of Rainier Court’s final phase will include monitoring wells and an environmental covenant, to continually confirm that human health and the environment are protected.”

The Benefits

Today, the neighborhood has a mix of uses, access to a light rail line, a grocery store, a post office, a credit union, and six- and seven-story structures along Rainier Avenue, one of two predominant arterials in southeast Seattle.

The Rainier Court and Claremont projects created an estimated 140 cleanup jobs and more than 600 units of affordable housing (524 completed and 81 underway), totaling more than 591,000 square feet of residential and commercial space. The properties are generating sales and property tax revenue to help support the community.

Through these efforts, a large contaminated area in southeast Seattle was remediated and the land repurposed for affordable housing. In the last decade, with the explosion of housing costs, any type of affordable housing is important to avoid displacing residents. SEED and its partners try to involve the community in the redevelopment, and to ensure that the benefits, like new jobs and retail, will help retain residents, not displace them.

Scott O’Dowd, who works on policy for the Washington State Department of Ecology’s Toxics Cleanup Program, says, “We are hopeful that, as projects like this build momentum, affordable housing developers will see that assistance is available to help them work through contaminated properties. It gives them a wider range of properties to consider and more chances for success.”