

Columbia Hospitality and Port of Everett ink deal for waterfront Hotel Indigo

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The Port of Everett is getting another hotel compliments of a Seattle hospitality company and Puget Sound-area real estate investors.

The port commission on Tuesday approved a long-term ground lease with Columbia Hospitality, which will construct the four-story project in the emerging Fisherman's Terminal mixed-use district. Developers Omar and Christine Lee have invested in the boutique hotel.



The Port of Everett has a deal with Seattle-based Columbia Hospitality to develop a 142- room hotel on the waterfront.

COLUMBIA HOSPITALITY RENDERING

It's the second major development deal in six months for Fisherman's Terminal, the first phase in the port's Waterfront Place Central development, a 65-acre, \$580 million project that aims to create jobs and housing and improve public access to the waterfront.

Mercer Island-based SeaLevel Properties will build the waterfront's first-ever housing project, an approximately 265-unit apartment development on 5.5 acres it agreed to buy for \$7 million in December.

Construction of the apartments is scheduled to begin in the third quarter of this year, with work on the hotel starting in early 2018. The hotel and housing are targeting completion for mid-2019.

It's a dramatic change for a port where pollutants once belched from the smokestacks of lumber and shingle mills. Retail and a office space are also planned for Waterfront Place, which is projected to support 2,075 family-wage jobs when fully built out.

The hotel will be Washington state's first Hotel Indigo. A restaurant and lounge will front a plaza with a fountain, and there will be a conference center. With one of the largest meeting spaces in Everett, the hotel will bring larger events to the city, Columbia Hospitality Executive Vice President Yogi Hutsen said.

The Hotel Indigo will join Port Gardner Inn at the Everett port.

Two other hospitality companies, Lynnwood-based 360 Hotel Group and Sonnenblick Development of Los Angeles, submitted proposals to the port. Sonnenblick proposed a Hyatt House and 360 was going to build a Hilton.

Port Chief of Business Development Terrie Battuello said the port picked Columbia Hospitality due to the Hotel Indigo brand, which embraces the history of communities where they operate. That's a key tenet of Waterfront Place, which is designed to share the stories of the area's early tribal communities, the commercial boat building and fishing industries, lumber production, the railroads and international trade.

Columbia Hospitality is getting a 50-year base term with three 10-year options to extend. The rent starts at \$15,000 month.

Fisherman's Terminal plans include an office development totaling 400,000 square feet. and retail and restaurant spaces.

"That will be the next big announcement – who the retail developer will be," said Battuello.