



March 28, 2022

Dear Brothers and Sisters in Christ,

Today, we wish to share an exciting vision for our presence on First Hill. As part of our Catholic Real Estate Initiative to be good stewards of the gifts given to us by God, we have been discerning how best to leverage our properties on First Hill to serve our mission, improve long-term stability and enhance productivity. The Chancery operates in four inefficient buildings that are costly to maintain and do not foster an optimal work environment for our 125 employees.

This week we will announce our plan to sell four of our buildings to Westbank, a sustainable developer based in Vancouver, British Columbia. In partnership with Swedish First Hill, Westbank is working to create a district energy system that diverts the excess waste heat from the Swedish First Hill campus to other buildings. Over time, this will help achieve the larger community vision of making First Hill carbon neutral by the end of the decade.

We believe this project not only demonstrates the environmental values outlined in Pope Francis' encyclical *Laudato Si'*, but also represents a strong commitment to the future of the First Hill neighborhood. In addition, the sale of our properties will provide increased financial stability for our local Church, so that we may continue to share Christ with others through outreach, evangelization and key ministries.

Specifically, the Archdiocese of Seattle and St. James Cathedral will sell four properties on First Hill: St. James Cathedral's Pastoral Outreach Center at 907 Columbia Street and the Archdiocese of Seattle's buildings at 710 Ninth Avenue (Paul Pigott Building), 907 Terry Avenue (old Chancery Building), and 1104 Spring Street (Connolly House). As part of the agreement with Westbank, the historic Connolly House will be preserved. By redeveloping these properties over the next 10 years, Westbank will create a series of high-rise residential buildings connected to the new, environmentally friendly district energy system.

In addition, St. James Cathedral will purchase from the Archdiocese of Seattle the third and fourth floors of Cathedral Place (803 Terry) as well as office space and parking at 910 Marion Street. Not only will the sale of the Pastoral Outreach Center provide the Cathedral with financial resources to further its outreach, faith formation and other ministries, this arrangement will help the cathedral consolidate and expand its office and gathering spaces. St. James Cathedral will remain at the heart of the First Hill of the future.

Through this vision, the Chancery has the opportunity to consolidate its office footprint, as well as save the cost of maintaining the four aging buildings. Consolidating offices will provide more opportunities for employees to collaborate as they serve parishes and outreach ministries around Western Washington. We are still exploring several options for the new Chancery location and will make a decision by early next year.

Another important community benefit from this project is the approximately \$25 million it will generate for a City of Seattle housing fund. This fund is earmarked for entities like Catholic Housing Services to build greatly needed low-income and workforce housing to address the urgent housing crisis.

Bringing the Catholic Real Estate Initiative to life on First Hill has been a tremendous effort by many and we wish to thank everyone involved for their dedicated efforts. We feel very blessed to be part of this exciting development and very grateful for the hope it brings for the future of First Hill and for the Catholic presence in our city.

Blessings of our Lord be with each of you.



Most Rev. Paul D. Etienne, DD, STL
Archbishop of Seattle



Very Rev. Michael G. Ryan
Pastor of St. James Cathedral



Joe Schick
Chief Financial Officer