

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
Office of Communications and Community Outreach



*****Press Release*****

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DHCD CLOSES ON ITS FIRST PROJECT UNDER NEW UNDERWRITING PROCESS

The Department closes on the 186 affordable rental unit project in Ward 7 in six months.

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Washington, DC - On December 23, 2014, the D.C. Department of Housing and Community Development (DHCD) closed on The Grove at Parkside (The Grove), a 186 unit affordable housing property in the Parkside neighborhood of Ward 7. This is the first project to close under the agency's new underwriting process that was implemented during the 2014 Notice of Funding Availability (NOFA). The process has been coined the "Tier One, Tier Two" process.

DHCD has provided the borrower with an \$11,052,173 Housing Production Trust Fund loan. CI GD Parkside 7, LLC, a joint venture between Rhode Island based developer Gilbane Development Co. and District based developer CityInterests, LLC, is developing the project, which will have 176 rental units reserved for households earning at or below 60% of the area median income (AMI) and 10 units reserved for households earning at or below 30% of the AMI.

"It's great to see a vision become a reality. Over the years we have recognized the varying conditions that proposals are submitted to us; some come with all components identified and firm financing and others have gaps that need more time to address. That's why we wanted to establish a process that called out the 'tier one' proposals that have firmly secured primary financing and can be expedited through the approval process and those 'tier two' proposals that have met threshold eligibility requirements but do not necessarily have all of their primary financing secured," said Michael P. Kelly, DHCD Director. "This closing is the first of the tier one projects and is yet another example of how committed DHCD is to addressing the affordable housing needs of District residents as effectively, efficiently and expeditiously as possible."

Parkside, 26 acres in total, currently consists of 226 townhomes, three schools (Educare, Neval Thomas Elementary and Cesar Chavez High School), the Parkside Unity Health Care Clinic and the Victory Square senior housing facility. Planned future development at Parkside includes 100 affordable and workforce ownership townhomes, 1,250 – 1,500 affordable, workforce and market-rate rental units, 750,000 square feet of office space, 50,000 square feet of retail space and an additional educational institution.

Construction on Parkside will commence in January 2015 with an 18 month completion date. This project will increase residential density in the neighborhood and will add 10 units of Permanent Supportive Housing to the District's inventory. Most of the proposed unit sizes are quite generous and will be well-received in the local market. The remaining Tier One projects are anticipated to close during the first and second quarter of 2015.

For more information about this and other projects, please visit the "DHCD Project Pipeline Report," which can be found on the DHCD homepage; www.dhcd.dc.gov. Media seeking interviews with the DHCD Director or spokesperson should coordinate with the above media contact as soon as possible.

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The mission of the Department of Housing and Community Development (DHCD) is to create and preserve opportunities for affordable housing and economic development and to revitalize underserved communities in the District of Columbia.