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Park Morton lands 3 bids with HOPE VI experience

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Despite ailing commercial and residential real estate markets, D.C. was able to attract three bids to redevelop the 174-unit Park Morton public housing complex, giving new hope to the revitalization of Georgia Avenue in Northwest D.C.

Park Morton is the second project under the city's ambitious New Communities initiative, in which D.C. seeks private partners to rebuild highly concentrated public or subsidized housing with mixed-income, mixed-use neighborhoods to which original residents are encouraged to return. The city plans to tear down Park Morton's eight three-story buildings and build a 500-unit mixed-use housing complex with a park of at least 10,000 square-feet at a cost of around

\$170 million. The site is five blocks south of the Georgia Avenue-Petworth Metro station.

But unlike the first New Communities project — Northwest One, off North Capitol Street, which was put out to bid in mid-2007 — Park Morton attracted three out-of-town developers that have experience with HOPE VI, the federal housing development program on which the local initiative is based.

The bidders are:

- **Pennrose Properties LLC**, a Philadelphia-based specialist in mixed-income, multifamily housing. Its partners are FM Atlantic LLC and Harrison Adaoha LLC.
- **Landex Corp.** of Linthicum, Md., which has completed a number of major HOPE VI projects. Its partners include the **Warrenton Group** and **Spectrum Management LLC**, which is part of a team Albert chose to build a new high-end hotel in Mount Vernon Triangle.
- District-based **Neighborhood Development Co.**, perhaps the top builder of housing along Georgia Avenue, which is led by Adrian Washington, former president and chief executive officer of the defunct public-private developer, the Anacostia Waterfront Corp. NDC's partner is **The Community Builders Inc.**, a Boston-based nonprofit that has developed more than 20,000 residences nationally and also has experience with HOPE VI.

Neil Albert, D.C. deputy mayor for planning and economic development, who had altered the application and extended the deadline to encourage bidding by HOPE VI specialists, took the teams' experience as a positive sign. He released a statement saying the response, "especially in light of the current economic conditions, speaks volumes about the value of this opportunity." The D.C. councilman who drove legislation for the Park Morton project, Jim Graham, D-Ward 1, called the bids a "strong set of applications."

"The amount of applications and responses we've received in this challenging, troubled economic time really shows how attractive this development opportunity is," Graham said.

Michael Kelly, executive director of the D.C. Housing Authority, which manages Park Morton, said he is familiar with the work of all of the teams on HOPE VI. "I think that it just shows again that the D.C. market remains relatively strong compared to other markets," he said. "And I think the Georgia Avenue corridor has attracted a lot of interest."

Albert's staff has been meeting with residents of the housing project for more than a year to discuss the plans. After Park Morton, D.C. plans to pick developers for Barry Farm in Southeast and Lincoln Heights in Northeast. But the decline in value of market rate housing, one of the main methods for paying for the projects, has forced the city to slow its plans. Albert began seeking developers for the project Sept. 9 with an original deadline of Dec. 12.

Albert said he expects to make a decision later this year.

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