



PRESS RELEASE



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Tenants partner with Local Developers and City Government to Renovate Apartment Complex in Anacostia

(Washington, D.C.) – Thanks to a public-private partnership between local developers, tenants and the city's housing agencies, Galen Terrace Apartments will undergo a \$12.4 million redevelopment process and remain affordable to local residents.

On Tuesday, May 16, 2006, a renovation announcement ceremony was held to celebrate the rehabilitation of the 84-unit apartment complex, which is located along W and Green Streets, SE. The D.C. Housing Finance Agency (HFA) and Department of Housing and Community Development (DHCD) provided financing to the developers, which are Galen Terrace Tenants Association, Inc., Somerset Development, and National Housing Trust-Enterprise Preservation Corporation, to complete a substantial rehabilitation of the six buildings that make up the apartment complex. The HFA provided \$5.6 million in tax-exempt bonds and \$4.65 million in tax credit equity toward the acquisition and renovation the apartment complex, and DHCD provided \$3.25 million in Community Development Block Grant funds. In addition, the U.S. Department of Housing and Urban Department provided a 20-year renewal of the complex's Section 8 contract. All of the units will be affordable to individuals earning 60% or less than the Area Median Income.

"There is a lot of development in Anacostia these days, and it is heartening to see that residential development for the people of this great neighborhood is also getting a boost with projects like Galen Terrace, where 83 units of low-income housing will be renovated and upgraded with new facilities and services for the residents," said Nancy Hooff, Principal of Somerset Development Company. "Commercial development and transportation development are important factors in neighborhood revitalization, but it is meaningless unless people have safe and secure-- as well as affordable-- accommodations where they can raise their families. The Galen Terrace Tenant Association has been a joy to work with. They are dedicated and extremely excited about the prospects of living in newly renovated apartments, with new facilities and services, and new management."

Renovation plans for the 2.4 acre site entail upgrading units, safety enhancements and improvements to resident services and facilities. Two major improvements are an on-site playground and the construction of a community center, which will house the management office, a computer center and space for residential programs and activities chosen by the tenants association and the developers. A portion of the development fee and cash flow due to the tenants from their development rights will be used to fund the programs, which will more than

likely be an after-school program, job-placement services, tax preparation assistance and financial literacy training.

“The HFA understands that our financial commitment translates into much more than simply dollars and cents to developers and residents. Our commitment helps change lives and transforms communities by renovating blighted properties and bringing much-needed change to neighborhoods,” said Thomas E. Redmond, Acting Executive Director of the D.C. Housing Finance Agency. “We are proud of the developers who commit to building and preserving affordable housing and to residents who take their rightful seats at the development table and work to have their voices heard in the renovation of their homes.”

Over the last six fiscal years, the HFA has financed more affordable apartment complexes in Ward 8 than any other Ward in the city. In fact, the HFA financed over 20 affordable housing developments totaling more than \$200 million in tax-exempt and taxable bond. In addition, the apartment complex's redevelopment supports Mayor Anthony A. Williams' efforts to renovate the area surrounding the Anacostia waterfront. J

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