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Contact: Tammy Murphy, 301-785-7669
tammy@maierwarnerpr.com

LDG, HOC join for 'first-of-its-kind' partnership in Silver Spring

Mixed-use Elizabeth Square will expand, upgrade and change face of affordable housing

Silver Spring, Md. (September 5, 2014) – Lee Development Group (LDG) and the Housing Opportunities Commission of Montgomery County (HOC) have partnered for an exciting redevelopment in downtown Silver Spring aimed at changing the face of affordable housing. Elizabeth Square will transform three existing parcels—HOC's existing Elizabeth House and Alexander House apartments along with LDG's adjacent Fenwick Professional Park—into a modern mixed-use, transit-oriented community for a range of ages and income levels.

Elizabeth Square is designed around the themes of health, wellness and art. In addition to expanded affordable and market-rate housing, plans envision extensive public spaces featuring a street-level cafe, an educational bistro kitchen, a central public plaza and an indoor pool and fitness facility. An existing senior wellness center operated by Holy Cross Hospital is proposed to have new and expanded space to accommodate additional programming, and efforts are underway to establish a community arts partnership.

"It's certainly not the picture that comes to mind when you think of affordable housing," said Stacy L. Spann, HOC's Executive Director. "Our partnership with Lee Development Group is a first-of-its-kind public/private initiative. With Elizabeth Square we're looking to change the paradigm of how we connect clients to high-quality, amenity-rich housing Montgomery County—and hopefully elsewhere—as we demonstrate this model can be successful."

Bruce Lee, President of LDG, added, "We are truly excited to be a part of this innovative collaboration. We joined with HOC for this project because we are confident that Elizabeth Square will elevate the vision for HOC's affordable housing, while bringing a new community to Silver Spring that will be attractive to retailers, residents and the surrounding neighborhood—at the same time addressing the need for more affordable homes."

Elizabeth Square is a multi-phase redevelopment that will significantly expand the number of affordable apartments in HOC's portfolio. The 1964 Elizabeth House, currently a 160-unit apartment community for low-income seniors, will be rebuilt on the outdated Fenwick Professional Park and expanded to 277 senior units. Alexander House, a 312-unit, mixed-

income building is planned to undergo a modernization for intergenerational residents. A new multi-family building on the site of the existing Elizabeth House will bring additional intergenerational housing. Overall, HOC's supply of dedicated affordable units will be greatly expanded.

- The first phase of redevelopment includes the demolition of the Fenwick Professional Park followed by the ground-up construction of the new Elizabeth House in its place. The existing 160 affordable units will be moved to the new building, and an additional 117 units will be built. About half of these additional units will be added to HOC's base of dedicated affordable units.

This phase will also include broad public amenities, including the pool and fitness facility and 10,000 square feet of Class A space for Holy Cross Hospital's wellness center. Pending approvals, construction of the new Elizabeth House could begin in 2016.

- An in-place modernization of Alexander House, a 16-story apartment building built in 1992, is also planned. About 40 percent of its 312 units will be dedicated affordable. Alexander House is also planned to include 10 studio lofts for working artists.
- The final phase of Elizabeth Square involves replacing the current Elizabeth House with a new multi-family building. This will also be an intergenerational, mixed-income building.

The Elizabeth Square redevelopment will comprise a combination of existing buildings and new construction totaling about 771,000 square feet. The combined parcels comprise about 3 acres and are bounded by Fenwick Lane, Apple Avenue and Second Avenue. Elizabeth Square is just two blocks from the Silver Spring Transit Center, providing easy access to Metro and other public transportation.

The Elizabeth Square Project and Preliminary Plans were submitted to the Maryland National Capital Park and Planning Commission earlier this summer. In addition to LDG and HOC, the development team includes Davis Construction, KGD Architecture, Rogers Consulting, and Lerch, Early & Brewer.

About Lee Development Group

Lee Development Group is a family-owned business specializing for over 80 years in real estate development and management. With headquarters in downtown Silver Spring, LDG develops office, retail, residential and warehouse/flex projects throughout Montgomery County. Its newest project is the redevelopment of the BAE/Vitro property in Aspen Hill. To learn more, visit www.leedg.com or call 301-585-7000.

About Housing Opportunities Commission of Montgomery County

The Housing Opportunities Commission provides affordable housing and supportive services for low and moderate income families. HOC develops, finances and manages residential housing throughout Montgomery County. For more information, please visit www.hocmc.org or call 240-627-9400.

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