

Developer/Sponsor

Our Health Community Enterprises, Inc.
North Cameron Properties, LLC

Project Type

Rehabilitation; Health Care and Social Services Campus

Square Footage

34,000 square feet

Investment

\$10 million, New Markets Tax Credits

Project Description

Our Health Community Services Complex Phase II involves the rehabilitation of an historic facility that will expand the provision of public and private health and social services available to residents of the Winchester, Va., area. Phase II will add 34,000 square feet of space to the existing Our Health campus, and allow several of the organization's state and nonprofit collaborators to consolidate operations and co-locate a range of complementary services.

Renovations to the structure will include new HVAC and mechanical systems, new plumbing, a new roof and a new brick façade on the exterior. The project is expected to be completed by the end of 2009.

A Green Advantage

Our Health Community Services Complex Phase II will be built to U.S. Green Building Council LEED Silver standards, ensuring healthy, efficient and sustainable design. The renovated building will include a solar-heated water system and recycled flooring material.

Investment Type

The project will be financed using a combination of debt and tax credit equity, with Enterprise providing \$10 million of New Markets Tax Credit (NMTC) allocation. U.S. Bancorp Community Development Corporation is the New Markets and federal historic tax credits investor, and the Prudential Insurance Company of America is the state historic tax credit investor. United Bank is providing a mini-perm loan and a bridge loan to the project.

Market

Winchester is located in the Shenandoah Valley region about 75 miles west of Washington, D.C., and is classified as a non-metropolitan area under the NMTC program. As the seat of Frederick County, Va., Winchester, which has a population of about 120,000, serves as a major crossroads of this largely rural area. The Virginia Department of Health (VDH) has organized its services to residents in this region under the umbrella of the Lord Fairfax Health District, and the relocation of many of its partner and sub-agencies to the Our Health campus creates operational and strategic efficiencies. Phase II rents will be at least 13 percent below market, and the condensed services district is an excellent catalyst to spur additional investment for compatible uses.



Community Impact

The project will significantly enhance Our Health's one-stop shopping model for health and social services and provide a particular benefit to clients with low-incomes or who are uninsured or disabled to access multiple services in one location. Phase II expands the number of beneficiaries that Our Health can serve from 5,000 to about 15,000 annually. Health and child welfare services will augment the existing facilities, which include a free medical clinic, services for abused and orphaned children, and English as a Second Language tutoring. The projected list of lessees includes VDH, the City of Winchester Department of Social Services, the Frederick County Department of Social Services, Winchester Medical Center Child Welfare Group, the Virginia Employment Commission and the Virginia Department of Rehabilitative Services.

It is expected that the project will create approximately 35 temporary construction jobs and 89 more permanent professional positions.

Sponsor

The development of Our Health Community Services Complex Phase II is a joint venture between Our Health Community Enterprises, Inc., a for-profit affiliate of Our Health, Inc., and North Cameron Properties, LLC. Our Health, Inc. is a nonprofit community agency organized to improve the health of citizens in the Northern Shenandoah Valley region of Virginia, including the city of Winchester and Clarke and Frederick counties. The Community Services Complex houses public and private nonprofit community service organizations dedicated to healthcare and health-related social issues.

Investor

U.S. Bancorp's Community Development Corporation (USB CDC), is one of the largest New Markets Tax Credit (NMTC) investors in the country. It also makes equity investments in low-income housing and historic tax credits. It is a subsidiary of U.S. Bancorp (NYSE:USB), the sixth largest financial holding company in the United States, with assets of over \$240 billion. The Company operates over 2,500 banking offices and 4,800 ATMs, and provides a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services and products to consumers, businesses and institutions. For further information, visit www.usbank.com.

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