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DC Green Bank Announces First Navigator Pre-Development Financing Deal in Support of Planned Affordable Housing Construction Project

(Washington, D.C.) - [DC Green Bank](#) today announced the closing of its first [Navigator](#) pre-development loan, with local nonprofit affordable housing developer [Mi Casa, Inc.](#) The \$255,728, 1.99% interest rate Navigator loan will support the financing of pre-development costs for a mixed-use and mixed-income construction project in Ward 5. The completed building is expected to deliver 27 units of affordable housing in addition to 3,000 square feet of new office space on the ground floor for Mi Casa's headquarters as well as additional space for community use. The envisioned building will meet a critical need by constructing units that are available to District residents in the range of 30% - 80% of area median income (AMI) as well as providing rental housing across the spectrum of needs – for singles, seniors, larger families, and more. In addition, the building design aims to achieve “near net zero” energy efficiency standards, prioritize the placement of solar on the roof of the structure, and deliver designated green spaces around the building for residents. As currently envisioned, the final construction costs for the new building are likely to be around \$13 million.

Navigator, a pre-development loan offered by DC Green Bank in partnership with [Inclusive Prosperity Capital](#), is aimed at filling a crucial gap at this stage in the evolution of projects that often goes unfilled by private capital providers. Navigator is unique in the way that it meets this need, in particular by delivering a 1.99% interest rate for affordable multifamily and nonprofit properties and a 3.99% interest rate for market rate and commercial properties. Furthermore, given the gap in private financing at the pre-development stage and the frequent hesitance on the part of private capital providers to deliver smaller loans, Navigator loans can range anywhere from as low as \$10,000 and reach up to \$250,000, or more on a case-by-case basis. These loans can cover costs related to energy efficiency improvement projects, energy audits and benchmarking, design and engineering work, green charrettes, and similar costs to ensure

that efficiency and sustainability elements are incorporated at the very earliest stages of project development.

This partnership and investment are in line with Mayor Bowser's affordable housing and climate goals: at least 12,000 units of affordable housing by 2025 and reducing greenhouse gas emissions in the District 50% below 2006 levels by 2032, respectively. DC Green Bank CEO Eli Hopson said of the project, "We are excited to be working with Mi Casa as the first recipient of our Navigator loan product. Since we are aligned in mission, together we can showcase the incredible intersection of affordable housing, energy efficiency, renewable energy, and sustainable design in a way that is replicable across the District. We are eager to continue to fill financing gaps for similar projects in the months ahead and show that we can meet rising affordable housing needs and achieve our climate and energy goals simultaneously."

One of the bank's core values is Inclusive Prosperity, meaning that investments made in the District must deliver an inclusive and affordable DC, across all eight Wards and for all residents and community institutions. In line with this value, the DC Green Bank Board of Directors has made it a priority to support investments at the nexus of affordable housing and sustainability. Priya Jayachandran, member of the Board of Directors said of this investment, "In order to provide the variety of housing required to meet residents' needs, investments in organizations like Mi Casa are critical. Our mission requires that we fill these critical financing gaps to deliver on behalf of our communities, and the Board will continue to support more projects like this."

By pairing affordable housing developments with sustainable design, Mi Casa continues to demonstrate a commitment to delivering healthier, more affordable, and more inclusive spaces for District residents that are all too often overlooked. Elin Zurbrigg, Deputy Director of Mi Casa, said of the upcoming project, "We have a key role to play to meet the rapidly increasing affordable housing needs of our city's residents. This project will show that we can create affordable, livable, and sustainable housing and do so in a way that continues to deliver savings and public health benefits for years to come. We are excited to work with DC Green Bank to show that we have all of the tools necessary to transform the District into a place that meets residents' needs."

The total pre-development budget for the project is just over \$500,000, with the majority of the remaining funding coming from Mi Casa's own resources, as well as support from the [DC Department of Housing and Community Development](#) and the [Local Initiatives Support Corporation](#) (LISC). Mi Casa expects to have the pre-development stage completed by the end of 2022 and aims to begin construction shortly thereafter. Both DC Green Bank and Mi Casa are excited by the potential of a continued financial relationship through the life of this project and to replicate this model with additional projects.

About DC Green Bank

DC Green Bank develops and facilitates innovative financial solutions to support District businesses, organizations, and residents on the path to a cleaner future for all. We invest in solar energy systems, energy efficient buildings and retrofits, green stormwater infrastructure, and transportation electrification in line with our values of Sustainability,

Clean Economy, and Inclusive Prosperity. To date, DC Green Bank has invested millions of dollars in a cleaner, greener, and more equitable future. To learn more, please visit us at www.dcgreenbank.com.

About Mi Casa, Inc.

Celebrating their 30th year, the mission of Mi Casa, Inc. is to provide, facilitate, and advocate for inclusive, affordable housing for underserved communities in order to promote equitable, thriving and diverse neighborhoods in the greater DC, Maryland and Virginia (DMV) area. Mi Casa's vision is a world where everyone has equitable access to housing in diverse and vibrant communities. Working to prevent displacement of low-income households, Mi Casa has developed more than 1,000 units of affordable housing throughout the District since the organization's founding; in recent years it has grown to own and manage more than 200 affordable units. In addition to their affordability and accessibility goals, Mi Casa is committed to building environmentally sustainable buildings that conserve energy, have lower environmental impact, and save residents money.