

United States News > Washington DC Real Estate News

Long-Awaited Redevelopment Of Historic U Street School Nearing Completion

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The redevelopment of the Grimke School on the U Street corridor has been in the works for more than a decade, and now as it prepares to deliver, the developer is looking to lease the office space in the historic school building.

Community Three Development retained Stream Realty to lease the office space in the restored, 130-year-old school building at the intersection of U Street NW and 9 1/2 Street in Shaw. The space is expected to be ready for tenants by November.

The team has already leased about half of the project's 42K SF of office space. It signed Torti Gallas + Partners, the architect designing the project, for around 18K SF. In February, it signed a 4K SF lease with Podcast Garage to open a studio, classroom and event space in the building.

The office space will be inside of the preserved school building, constructed in 1887. The developer gutted the inside of the building, installed new windows and a new HVAC system, an element that could appeal to tenants concerned about airflow during the current coronavirus pandemic.

The building has 14-foot ceiling heights, and the developer preserved historic elements like the exposed brick, steel beams and terra cotta masonry, Community Three President Grant Epstein said.

"It is for all intents and purposes a new building, but with the reuse of the exterior masonry and some of the historic components," Epstein said. "It has that historical fabric that people like and is why we're bullish on this product."

The brokers are seeing interest from nonprofits, technology companies and creative tenants that are drawn to



Courtesy of Stream Realty
The Grimke School at 1923 Vermont Ave., currently under redevelopment.

the adaptive reuse, loft-style office in a vibrant neighborhood, Stream Realty Senior Vice President John Klinke said. The project sits less than a quarter-mile from the U Street Metro station, a bustling retail and residential area without a large existing stock of office space.

"You have differentiated office product in a residential node," Klinke said. "Given the amount of available space we have left to lease, we're not going after massive tenants. We're going after groups that are going to appreciate this product type and the kind of office user that probably lives nearby and, once we get back to bars and restaurants, wants to enjoy the retail amenities of U Street."

Office leasing slowed down during the first few months of the pandemic, but Stream Realty Senior Vice President Josh Kreider said touring activity has "increased substantially," throughout the summer. He said some of the larger tenants like law firms have put leasing decisions on hold, but the smaller tenants they are targeting



Courtesy of Stream Realty
The under-construction condo building, The Fold, which Community Three is developing as part of the Grimke School project

for the Grimke School project continue to search for space. The developer is seeking office leases with roughly five-year terms, but would be willing to go shorter, Klinke said. The market has been shifting toward shorter lease terms, especially given the uncertainty the pandemic has created.

“We’re not pegged to 10- or 12-year transactions,” Klinke said. “I don’t think that’s prudent given what’s going on right now.” Courtesy of Stream Realty The under-construction condo building, The Fold, which Community Three is developing as part of the Grimke School project. In addition to the office space, the redevelopment will create a permanent home for the African American Civil War Museum. The first phase also includes a ground-up, 30-unit condo building with retail branded as The Fold.

After the museum moves out of its temporary space in the former school’s gymnasium, Community Three will redevelop that building into 38 multifamily units branded as The Thread. EagleBank is financing the project.

Community Three began planning its vision for the project in 2008, when D.C. first released a request for offers for the Grimke School. That request did not result in the

selection of a development team because of complications around disposing of a former school building. The District then tried to revive the project in 2014 when it issued a request for proposals that ultimately resulted in the selection of Roadside Development. The deal with Roadside fell through in 2016 after the developer discovered the building needed more work than expected, and it had difficulty financing the project. In 2017, D.C. selected Community Three Development to take over the project. Community Three had been working on proposals for the site since the original 2008 request, Epstein said, and it finally broke ground on the project last year. In the intervening decade, it watched the rapid development of the surrounding Shaw neighborhood into one of the city’s hottest areas.

“When we started the project over 10 years ago, the project was meant to be a catalyst for this part of the Shaw neighborhood,” Epstein said. “The project went through many different turns, and now that Shaw has grown up, it’s really filling a hole in the middle of a doughnut.”

Much of the development in the Shaw neighborhood has been spearheaded by JBG Smith, which completed the third phase of its Atlantic Plumbing project last year. The developer also partnered with MRP Realty on The Wren, which delivered earlier this year anchored by a Whole Foods, a sign of the neighborhood’s maturity.

Also this year, Jefferson Apartment Group delivered a 132-unit apartment building on the former Town Danceboutique site at 2009 Eighth St. NW. Part of the hole that Community Three aims to fill in the neighborhood is 9 1/2 Street, an alley directly to the east of the Grimke School that Epstein said has been overlooked amid the area’s development.

The Thread building will deliver live-work units designed for artists that open directly out onto the alley. “We’re especially excited about what it’s going to do to 9 1/2 Street,” Epstein said. “It’s going to energize what has been seen as a back-of-house, leftover space, and turn it into something that can really be used.”