

# Terwilliger Center for Housing



The Laureate's design prioritizes connectivity between indoor and outdoor spaces. (Whitney Cox)

## CASE STUDY: THE LAUREATE

### DERWOOD, MARYLAND

**LOCATION:**

8005 Gramercy Boulevard  
Derwood, Maryland

**PROJECT TYPE:**

Mixed-use, mixed-income  
residential development

**UNITS:**

268 residential units

**SIZE:**

476,000 square feet,  
including 23,000 square  
feet of retail space and  
7,400 square feet of office  
space

**COST:**

\$121 million

**COMPLETION DATE:**

April 2023

**OWNERS:**

Housing Opportunities  
Commission of Montgomery  
County (HOC), EYA  
Multifamily LLC, Bozzuto  
Development Company

**OPERATOR:**

Bozzuto Property  
Management

**PARTNERS:**

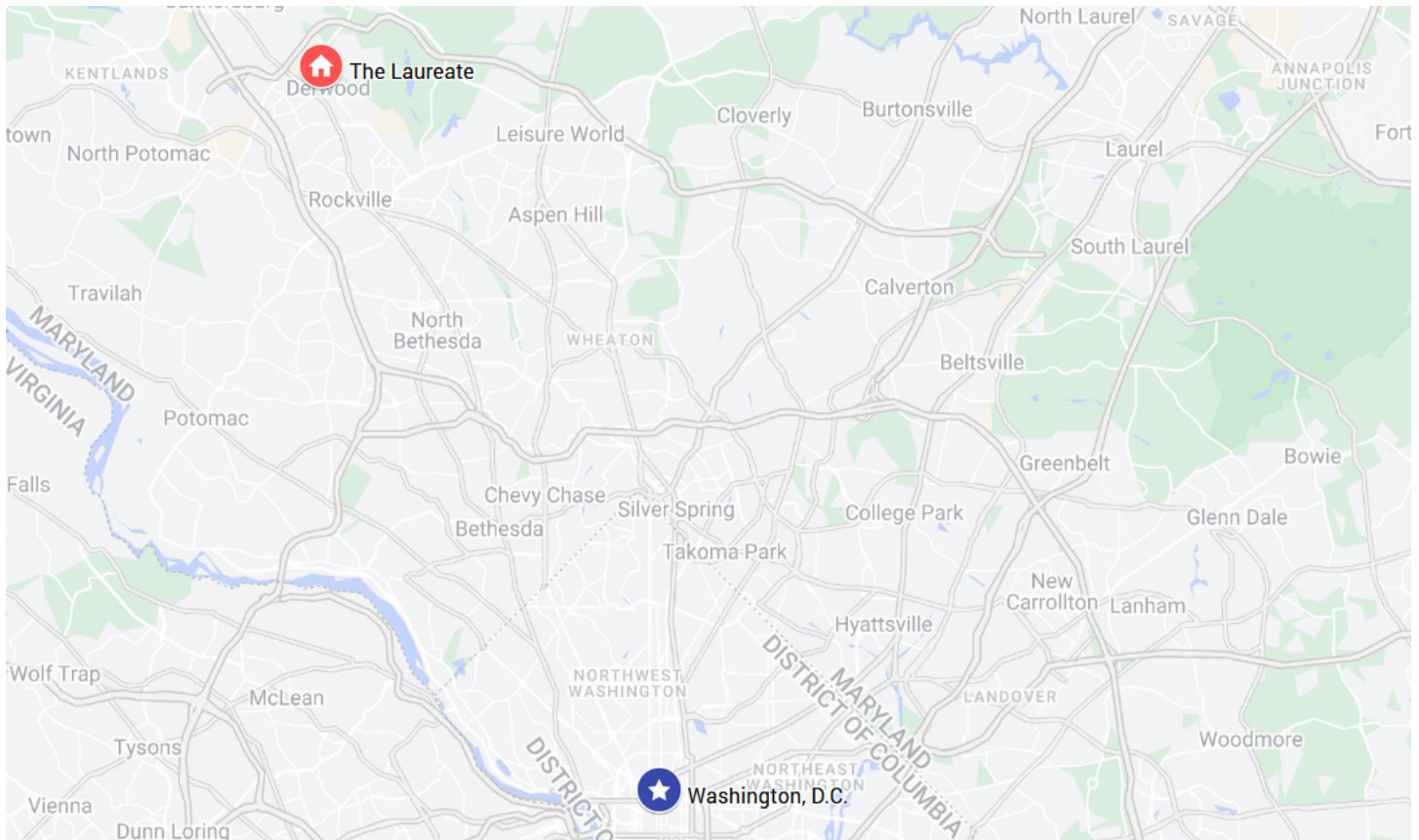
Housing Opportunities  
Commission of Montgomery  
County (HOC), EYA  
Multifamily LLC, Bozzuto  
Development Company

**PROJECT WEBSITE:**

[https://www.  
thelaureateapts.com/](https://www.thelaureateapts.com/)

**CONTACT:**

McLean Quinn, President  
and CEO, EYA



Located in the Derwood community of Rockville, Maryland, The Laureate is about 20 miles northwest of downtown Washington, D.C. (Courtesy of EYA)

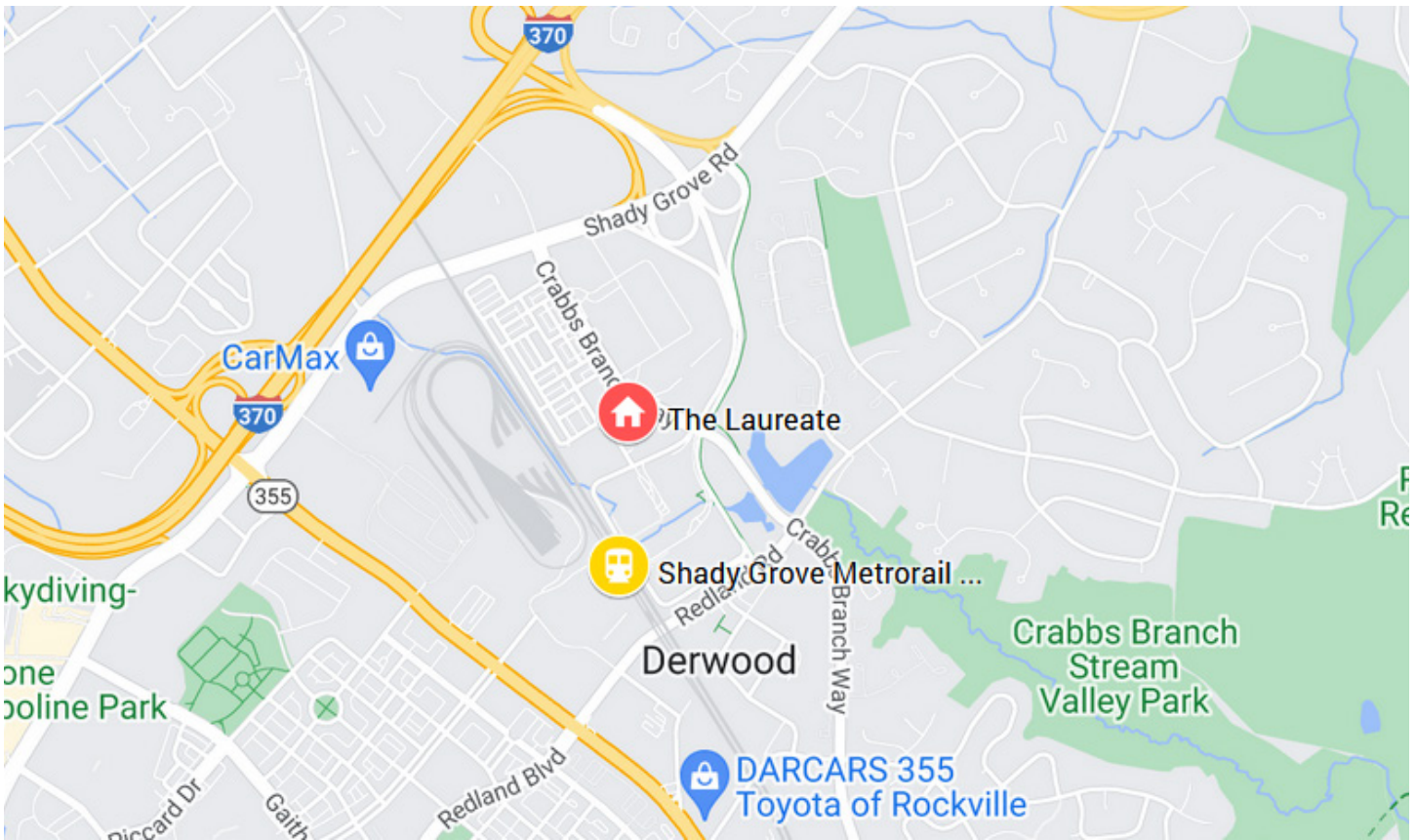
## Project Overview

The Laureate is a mixed-income, mixed-use residential development located in the Derwood community of Rockville, Maryland, a block from the Shady Grove Metrorail station. This project represents the first use of Montgomery County’s innovative Housing Production Fund (HPF), a \$100 million revolving fund aimed at accelerating the creation of affordable housing in high-opportunity areas. Developed by EYA, Bozzuto, and the Housing Opportunities Commission of Montgomery County (HOC), The Laureate is part of the Westside at Shady Grove neighborhood, a 45-acre master-planned community that integrates for-sale and rental housing, retail, and transit-oriented development.

The project addresses the growing housing shortage in Montgomery County by offering high-quality affordable and workforce housing alongside market-rate units. Its strategic location near public transit and its innovative financing have made the Laureate a model for public/private partnerships.

### PHYSICAL DESCRIPTION

The Laureate consists of 268 rental units in a six-story building designed to blend modern aesthetics with functionality. It features studio, one-, two-, and three-bedroom apartments, catering to a diverse range of residents, including families, professionals, and seniors. The apartments are designed with luxury finishes, including quartz countertops, stainless steel appliances, and large windows that maximize natural



The Laureate is located a block from the Shady Grove Metrorail station, serving the Washington Metropolitan Area Transit Authority. (Courtesy of EYA)

light. The modern architecture is complemented by thoughtful landscaping and open spaces that enhance the pedestrian experience.

The building's design prioritizes connectivity between indoor and outdoor spaces. Residents enjoy access to a premier central courtyard with grilling stations, multiple lounge areas, and a pool. Indoor amenities include a fitness center, pet spa, children's playroom, lounge, entertainment area, studio and coworking spaces. The development also incorporates 23,000 square feet of ground-level retail and 7,400 square feet of second-floor office space for HOC services. Retail shops currently include a CVS, with additional neighborhood conveniences coming soon. A six-story parking garage with 476 spaces serves residents, retail patrons, and HOC employees and clients.

## Residential Livability

The Laureate is designed to provide a high-quality living experience for all residents, regardless of income level. The market-rate and affordable apartments are indistinguishable, with features such as luxury kitchens, spa-inspired bathrooms, and energy-efficient systems.

Family-friendly features include larger units with three bedrooms and a dedicated children's playroom. The inclusion of coworking spaces and wi-fi-enabled common areas supports remote work. Outdoor spaces, including the central courtyard and grilling areas, create opportunities for relaxation and community interaction. The building's proximity to public transit, retail, and recreational facilities enhances convenience and livability.

# Planning and Design

The Laureate is part of the Westside at Shady Grove master plan, which aims to create a vibrant, transit-oriented community. The site was redeveloped from its former industrial use into a walkable neighborhood centered around the Metrorail station. The community includes a signalized crossing to the station, well-designed and carefully landscaped sidewalks, and access to Capital BikeShare. The building's design integrates retail, residential, and office spaces to create a dynamic mixed-use environment.

Key design features include the orientation of most of the retail spaces along Gramercy Boulevard to activate the street and enhance the pedestrian experience. Ground-floor amenities, such as the lobby lounge and coworking areas, provide welcoming spaces for residents and visitors alike. The building's massing and facade design ensure compatibility with surrounding developments while maintaining a distinct architectural identity. Accessibility is a core focus, with all units and common areas designed to meet Americans with Disabilities Act requirements and Uniform Federal Accessibility Standards.

## Sustainability

The Laureate is designed to achieve National Green Building Standard Silver certification. The project incorporates several eco-friendly features, including energy-efficient HVAC systems, low-flow water fixtures, and LED lighting throughout the building. Bioretention facilities manage stormwater runoff, reducing environmental impact and contributing to local water quality improvements.

The proximity to the Shady Grove Metrorail station and the inclusion of bike storage and electric vehicle charging stations encourage sustainable transportation choices. By integrating these green building practices, The Laureate not only reduces its carbon footprint but also provides residents with lower utility costs and a healthier living environment.

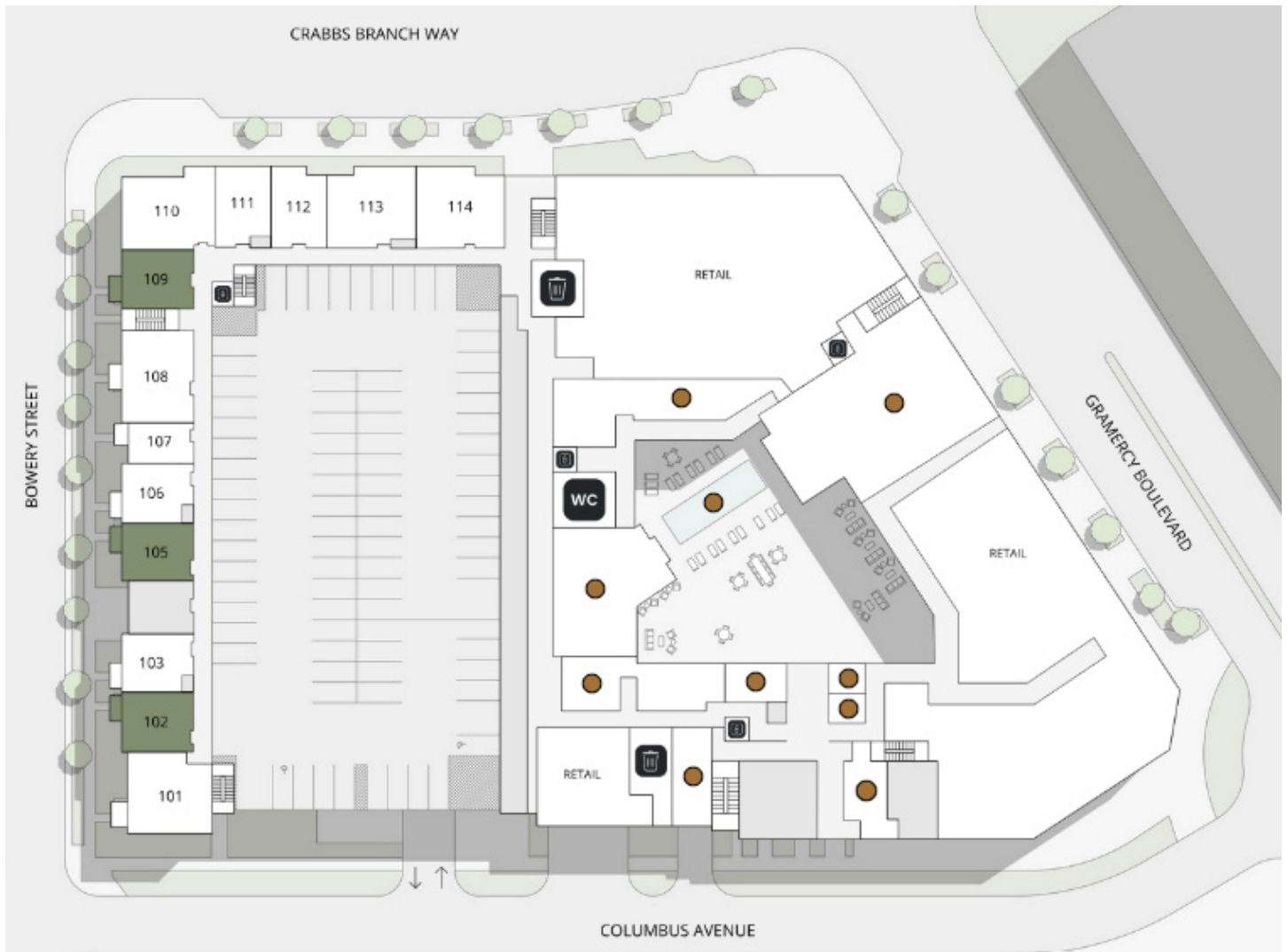
## Community Context

Located in Derwood, Maryland, just north of Rockville in Montgomery County, The Laureate is part of a growing suburban area with access to high-performing schools, parks, and employment centers. The redevelopment of the former industrial site into a mixed-use community aligns with Montgomery County's Smart Growth Initiative, which prioritizes transit-oriented development and sustainable land use.

The project addresses the region's housing shortage by offering a mix of market-rate, workforce, and affordable units in a high-opportunity area. Its proximity to the Shady Grove Metrorail station and major employment corridors makes it an attractive option for professionals, families, and seniors.

### CELEBRATING A LEGACY THROUGH DESIGN

The Laureate celebrates Maryland's rich cultural and artistic history, incorporating themes of creativity and community throughout its design. The building's name—The Laureate—is a tribute to two Maryland Poet Laureates—Grace Cavalieri and Lucille Clifton. Cavalieri, Maryland's current Poet Laureate, read an original poem written for the grand opening event. Clifton, the second woman and first African American person to hold the esteemed Poet Laureate position, is honored through curated art installations that feature African American textiles and patterns.



The building's 268 residential units surround the interior courtyard. The precast parking structure also is wrapped by units on three sides, maximizing the number of residences while concealing the six-story, 476-space parking structure behind the building's facade. (Courtesy of EYA)

## Community Engagement

The development process included extensive community engagement to ensure the project aligned with local priorities. Public hearings, workshops, and meetings with stakeholders provided opportunities for input on design, amenities, and affordability levels. These efforts helped build support for the project, ensuring it was well-received by the community.

## Construction Process

Construction began in early 2021, during the height of the COVID-19 pandemic. Despite challenges such as supply chain disruptions and labor shortages, the development team successfully delivered the project on time and within budget. Prefabricated components and careful planning helped streamline the construction process, minimizing delays.

# Housing Affordability and Unit Mix

Thirty percent of The Laureate’s units are designated as affordable under Montgomery County’s Moderately Priced Dwelling Units (MPDU) and Workforce Housing (WFH) programs; the balance are market-rate apartments.

Montgomery County’s MPDU program provides affordable rental apartments to low- and moderate-income households earning 60 to 80 percent of the area median income (AMI), with income limits based on household size. Units under the WFH program are intended to be affordable to households with incomes that are too high to be eligible for the MPDU program.

Of the affordable units, 25 percent are classified as MPDUs and 5 percent are reserved for workforce housing at 65 percent AMI. These units are integrated throughout the building, ensuring residents of all income levels share the same high-quality living experience.

By covenant, for a period of 99 years beginning on the date the first MPDU or WFH unit is available for rental, the units must not be rented for an amount

in excess of the maximum monthly rental price established in accordance with Montgomery County regulations. The County monitors compliance through annual reporting and documentation.

## Costs and Financing

The Laureate’s \$121 million development cost was financed through a mix of public and private funding. The project leveraged Montgomery County’s Housing Production Fund, which provided a \$14.3 million low-cost loan. This innovative fund offers revolving, low-interest loans to accelerate affordable housing production while maintaining financial sustainability.

Additional financing included a \$99 million FHA-HFA Risk-Share Loan and equity contributions from the development partners—EYA, Bozzuto, and HOC. The Federal Housing Agency (FHA)–Housing Finance Agency (HFA) Multifamily Risk-Sharing program was established by Congress in 1992 to increase and speed up FHA’s multifamily mortgage production. The FHA-HFA Risk-Sharing program allows state HFAs that meet rigorous financial standards to underwrite FHA multifamily loans in return for sharing the risk of losses on those loans.

HOUSING AFFORDABILITY	NUMBER OF UNITS	PERCENTAGE	MONTHLY RENT LOW (\$)	MONTHLY RENT HIGH (\$)
MPDU units — affordable at 50 to 60% AMI	67	25	1,335	1,850
WFH units — affordable at 65% AMI	13	5	1,450	2,081
Market rate (not income-restricted)	188	70	1,775	3,885
<b>Total units</b>	<b>268</b>	<b>100</b>		

UNIT MIX	NUMBER OF UNITS
Studio	29
1 BR	139
2 BR	90
3 BR	10
<b>Total units</b>	<b>268</b>

# THE LAUREATE: PROJECT PRO FORMA

<b>NAME</b>	The Laureate
<b>LOCATION</b>	8005 Gramercy Boulevard, Derwood, Maryland
<b>PROJECT TYPE</b>	Mixed-use, mixed-income residential development
<b>NUMBER OF UNITS</b>	268 residential units
<b>SIZE</b>	476,000 square feet, including 23,000 square feet of retail space and 7,400 square feet of office space

## DEVELOPMENT PRO FORMA

SOURCE OF FUNDS		TOTAL (\$)
Equity	Private Ownership Entity	7,722,244
Hard debt	FHA Risk Share Loan	99,250,000
Soft debt or grants	County HPF Loan	14,300,000
<b>Total sources</b>		<b>121,272,244</b>

USE OF FUNDS		TOTAL (\$)
Land acquisition		2,313,282
Soft costs		35,106,173
Hard costs		78,723,158
Developer fee		5,129,631
<b>Total sources</b>		<b>121,272,244</b>

# Housing Opportunities Commission and Housing Production Fund

The Montgomery County Housing Production Fund used for The Laureate represents a groundbreaking approach to financing affordable housing. By providing revolving, low-cost loans, the fund accelerates construction timelines and reduces dependency on traditional financing mechanisms. The integration of high-end amenities into an affordable housing context further highlights the project's innovative approach, challenging stereotypes about public and workforce housing.

The project also serves as a model for replicability, with plans to use the HPF for future developments in Montgomery County and beyond. Its success underscores the potential for creative financing solutions in addressing nationwide housing challenges.

## ABOUT THE HOUSING PRODUCTION FUND

The HPF is a \$100-million revolving construction fund created by Montgomery County to accelerate the development of affordable housing. Unlike traditional funding models, the HPF allows for flexible financing that prioritizes public ownership and control, with loans repaid within five years to enable continual investment in new projects. At least 30 percent of units in HPF-funded projects must be income-restricted, ensuring affordability for households earning up to 50 percent AMI. The HPF eliminates the need for scarce resources like Low-Income Housing Tax Credits, making it a pioneering tool in addressing housing shortages.

## Key features of the HPF:

- **Public ownership:** HOC retains majority control, providing tenant protections and wrap-around services.
- **Affordability targets:** Twenty percent of units must be affordable at or below 50 percent AMI, and 10 percent must meet MPDU income limits (65–70 percent AMI).
- **Sustainability goals:** The fund supports projects that incorporate green design, universal accessibility, and community-serving retail.

The HPF has earned national recognition as an innovative financing model. It is projected to deliver 6,000 new housing units in Montgomery County by the end of the decade, creating a replicable blueprint for other jurisdictions.

## ABOUT THE HOUSING OPPORTUNITIES COMMISSION

The Montgomery County HOC is Maryland's largest provider of affordable housing and has been a leader in innovative housing solutions since its establishment in 1974. Serving over 20,000 households, HOC provides high-quality housing options and supportive services to low- and moderate-income families. Its portfolio includes over 9,000 rental units, and it administers programs such as the Housing Choice Voucher program to support more than 8,000 low-income households. Additionally, HOC plays a critical role in financing affordable housing, having supported the development of over 4,000 privately owned multifamily units.





The lobby lounge provides a welcoming space for residents and visitors. (Whitney Cox)

## Marketing and Performance

Marketing for The Laureate emphasized its high-quality design, extensive amenities, and transit-oriented location. Branding efforts highlighted the theme of “inspired living,” appealing to a broad demographic. The inclusion of retail and office spaces further enhances the building’s appeal, creating a vibrant, multifunctional community hub. Leasing began in April 2023, and the building reached 95 percent occupancy by December 2023, reflecting strong demand for mixed-income housing in the region.



The Laureate is part of the Westside at Shady Grove neighborhood, a 45-acre master-planned community that integrates for-sale and rental housing, retail, and transit-oriented development. (Whitney Cox)

# Lessons Learned

**The value of public/private partnerships.** The collaboration between the HOC, EYA, and Bozzuto was pivotal to The Laureate's success. By combining the strengths of public agencies and private developers, the project leveraged innovative financing, expertise in design and construction, and an understanding of community needs. This partnership illustrates the value of shared resources and expertise in tackling complex housing challenges, particularly in high-cost, high-demand regions.

**Equity and inclusivity.** The seamless integration of affordable and market-rate units at The Laureate highlights the importance of creating mixed-income communities that foster inclusivity. By designing all units with the same high-quality finishes and distributing them throughout the building, the development avoids stigmatizing affordable-housing residents.

**Innovative financing models.** The HPF exemplifies how creative financing solutions can accelerate the development of affordable housing. By offering low-cost, revolving loans, the fund reduced financial risk for developers and allowed the project to move forward quickly without sacrificing affordability or quality.

**Sustainability enhances affordability.** Green building practices, such as energy-efficient HVAC systems and bioretention for stormwater management, reduced The Laureate's environmental impact and provided long-term cost savings for residents. These features align with Montgomery County's sustainability goals while lowering utility bills, making high-quality living more accessible.

**Flexibility during construction.** The COVID-19 pandemic posed unprecedented challenges, including supply chain disruptions and labor shortages. The Laureate's development team prioritized adaptability and streamlining workflows to maintain progress.

**Community engagement as a foundation.** Early and ongoing community engagement was critical to The Laureate's success. By soliciting input on design, affordability, and amenities, the developers ensured the project aligned with local priorities and built trust among stakeholders. This approach not only reduced resistance but also fostered a sense of ownership and pride among residents and community members.

**The role of amenities in attracting residents.** High-quality amenities, such as coworking spaces, a fitness center, and pet-friendly features, played a significant role in attracting a diverse mix of residents to The Laureate. These offerings cater to modern lifestyles and create a sense of community, enhancing the building's appeal.

**Scalability of innovative models.** The success of The Laureate demonstrates the scalability of financing mechanisms like the HPF and mixed-use, mixed-income development models. This scalability ensures the impact of The Laureate extends beyond its immediate community, influencing housing policy and development nationwide.

## Conclusion

The Laureate exemplifies how thoughtful, inclusive development can address housing shortages while enhancing community well-being. Its innovative financing, high-quality design, and commitment to equity set a benchmark for future projects. By blending affordability, sustainability, and livability, The Laureate demonstrates the transformative potential of public/private partnerships in creating vibrant, resilient neighborhoods.

# About the Urban Land Institute

The Urban Land Institute is a global, member-driven organization comprising more than 48,000 real estate and urban development professionals dedicated to advancing the Institute's mission of shaping the future of the built environment for transformative impact in communities worldwide.

ULI's interdisciplinary membership represents all aspects of the industry, including developers, property owners, investors, architects, urban planners, public officials, real estate brokers, appraisers, attorneys, engineers, financiers, and academics. Established in 1936, the Institute has a presence in the Americas, Europe, and Asia Pacific regions, with members in 84 countries.

The extraordinary impact that ULI makes on land use decision-making is based on its members sharing expertise on a variety of factors affecting the built environment, including urbanization, demographic and population changes, new economic drivers, technology advancements, and environmental concerns.

Peer-to-peer learning is achieved through the knowledge shared by members at thousands of convenings each year that reinforce ULI's position as a global authority on land use and real estate. Each year, thousands of events, both virtual and in person, are held in cities around the world.

Drawing on the work of its members, the Institute recognizes and shares best practices in urban design and development for the benefit of communities around the globe.

More information is available at [uli.org](https://uli.org). Follow ULI on [X \(formerly known as Twitter\)](#), [Facebook](#), [LinkedIn](#), and [Instagram](#).

# About the Terwilliger Center

The mission of the Terwilliger Center for Housing is to ensure that everyone has a home that meets their needs at a price they can afford. Established in 2007 with a gift from longtime member and former ULI chairman J. Ronald Terwilliger, the Center's activities include technical assistance engagements, forums and convenings, research and publications, and an awards program. The goal is to catalyze the production and preservation of a full spectrum of housing options. [Learn more.](#)

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