

D.C.-area hospital construction projects: From Inova's new Springfield facility to Cedar Hill in Ward 8



By <u>Sara Gilgore</u> – Staff Reporter, Washington Business Journal Nov 24, 2023

Greater Washington's health systems have spent 2023 fighting to leave the pandemic and its effects in the rearview mirror, while continuing to contend with margin-crushing expenses.

Add to that the challenges inherent to construction — interest rates making projects all that much tougher to finance — and you've got a perfect storm for hospital real estate.

It's required provider organizations to operate with surgical precision as they advance projects that predate the Covid-19 crisis and already have funding, as well as new ones that still need crucial dollars.

Each year, I've presented a roster of the region's health care projects — new builds, expansions and renovations among them — and track where it all stands. Some are charging forward while others sit in limbo. But all have one goal in mind: improve and expand patient access to care.

I don't highlight each new outpatient practice or ambulatory care center, though there are many. Rather, for this one, I focus on construction projects on the D.C. metro's medical center campuses.

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VHC Health's behavioral health and rehabilitation facility

• Location: 601 S. Carlin Springs Road

Estimated cost: \$135 millionEstimated completion: TBD

VHC Health is working to bring a behavioral health and rehab facility to a property a few miles south of its main hospital campus. The system and Arlington County signed a letter of intent in January for VHC to repurchase 5.8 acres — which it previously sold to the county — for this project. It's shooting to get all approvals complete by the end of 2024 and break ground by early

2025, according to Adrian Stanton, VHC's vice president of real estate acquisition and development. The system expects the construction process to take about 12 to 18 months. This project would follow VHC's delivery over the summer of a \$250 million outpatient pavilion.



Virginia Hospital Center is located at 601 S. Carlin Springs Road, about three miles north of the site slated for the behavioral health and rehab facility.

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