

Operations, Accomplishments, and Projects undertaken for the New York City Neighborhood Capital Corporation

Operations and Accomplishments

As a federally certified Community Development Entity (CDE), the New York City Neighborhood Capital Corporation (NYCNCC) leverages the New Markets Tax Credit (NMTC) program to provide low-interest and forgivable loans to community development projects in low-income areas across New York City. In collaboration with other national CDEs, NYCNCC identifies and channels capital to qualified projects, thereby fostering equitable economic development and enhancing access to essential resources.

Our investment strategy at NYCNCC focuses on supporting shovel-ready projects that generate significant social and economic benefits within their communities. We prioritize investments in key sectors such as education, healthcare, community facilities, fresh food and grocery, industrial buildings, and mixed-use developments. Across our portfolio, our projects are expected to serve on an annual basis nearly 61,000 healthcare patients and 5,000 social service clients, as well as provide nearly 13,000 New Yorkers with increased local supermarket access. The past fiscal year has been exceptional for NYCNCC, marking a record number of project closings since our inception in 2014. In Fiscal Year 2024 alone, NYCNCC successfully invested in six projects, totaling \$67 million in NMTC deployments. These investments include our first working capital transaction and our inaugural project on Staten Island, expanding our footprint to encompass all five boroughs of New York City. Moreover, we are honored to have secured a new \$50 million allocation of NMTC from the Community Development Financial Institutions (CDFI) Fund, enabling us to continue our mission of enhancing New York City's vibrancy through strategic investments.

Looking ahead, while NYCNCC's future remains rich with opportunity, we are also focused on the responsible unwinding of our initial investments. Our first two projects, the \$9 million investment in the Rockaway Beach Medical Arts Center and the \$15 million investment in the Madison Boys & Girls Club recently concluded their mandatory seven-year compliance periods. To date, NYCNCC has closed on 19 projects, deploying \$222 million in Qualified Equity Investments, which are projected to collectively retain and create over 1,600 jobs once operational.

As we reflect on our achievements and look forward to the future, NYCNCC remains committed to driving positive change and promoting sustainable growth throughout New York City. We

extend our sincere gratitude to our partners, stakeholders, and the communities we serve for their continued support and collaboration.

Projects Undertaken in Fiscal Year 2024

NYCNCC closed six contracts during fiscal year 2024. Together, these contracts are collectively expected to generate over \$50 million in City tax revenue, leverage more than \$73 million in private investment, and create 105 jobs during the first three years of operations in economically disadvantaged communities.

Greenburger Center for Social and Criminal Justice

In September 2023, NYCNCC closed on a \$14 million transaction with the Greenburger Center for Social and Criminal Justice. Established in 2013, the Greenburger Center is a nonprofit that advocates for reforms to the criminal justice system that focus on the rehabilitation and preservation of human dignity. The Greenburger Center is developing the Hope House project, an alternative to incarceration facility (ATI), with the NMTC financing made available by NYCNCC. ATI programs are diversion programs mandated by judges that provide participants with supportive services in their communities instead of a prison sentence or jail time. Hope House will be a first-of-its-kind treatment facility for individuals with co-occurring mental illness and substance use disorder, providing therapeutic services, life skills programming, and job training at the facility.

We Act for Environmental Justice

NYCNCC closed on a transaction with WE Act for Environmental Justice (WE ACT) in August 2023, deploying \$5.5 million in tax credits to support the development of the organization's new headquarters, which will act as a community center and educational space to bolster the organization's mission towards environmental justice. Founded in 1988, WE ACT is a leading environmental justice organization based in Northern Manhattan. WE ACT's mission is to build healthy communities by ensuring that people of color and low-income NYC residents participate meaningfully in the creation of strong environmental policies, and its work focuses on multiple avenues of impact.

CitySquash Inc.

In July 2023, NYCNCC closed on a transaction with CitySquash Inc. deploying \$12.7 million in tax credits to support the construction of the 15,131 square foot building, which will serve as CitySquash's first dedicated facility. The project will enable CitySquash to expand its capacity to serve more students, enhance programming quality, create operational efficiencies, and anchor the organization's presence in the community. It will include six squash courts, locker rooms, four classrooms, a dedicated learning center, and administrative space. The new facility will allow CitySquash to serve 375 youths annually, while also providing an estimated 27 permanent jobs.

Bogopa Gates Avenue

In September 2023, NYCNCC closed on a transaction deploying \$8.8 million in tax credits to renovate and improve an approximately 33,000 square foot supermarket that provides fresh, healthy, and affordable foods in Ridgewood, Queens; a neighborhood which lacks healthy food access. Operating under the Food Bazar banner the tax credits will assist in the renovation project that: provides additional refrigeration space to the upstairs; installs three elevators to bring perishable storage upstairs; expands the grocery retail space to provide meat, seafood, and deli areas; replaces the supermarket floors and ceilings to provide a more consumer friendly layout; and repaves the supermarket's parking lot. The project will provide 85 permanent jobs that pay well above the City Living Wage Rate.

Community Health Center Richmond

In March 2024, NYCNCC closed its first investment in Staten Island, officially expanding the project portfolio to include all five boroughs. The project awarded \$13 million in tax credits to Community Health Center of Richmond (CHCR), an operator of federal qualified health centers focusing on providing healthcare for patients who are not served by other providers. CHCR currently operates four North Shore health centers that provide primary care, women's health, maternal and infant health, dental, behavioral, nutritional, and podiatric services. CHCR plans to use the investment to fund operating expenses, supporting 103 quality jobs and allowing the facility to serve over 13,000 unique patients per year.

Brooklyn Plaza Medical Center

In March 2024, NYCNCC closed on a transaction that awarded \$14 million in tax credits to support the renovation of 24,000 square foot, two-floor space within the existing eight-story Major R. Owens Health & Wellness Community Center. The space will be occupied by Brooklyn Plaza Medical Center and feature administrative offices, 20 exam and treatment rooms, a third-party pharmacy, dental exam space, and an ultrasound diagnostic room. The project allows Brooklyn Plaza Medical Center to expand its capacity and serve an additional 9,747 patients per year, which is a 156% increase from the 6,000 patients it currently serves per year.