

Project Basics

Type:
Mixed Use — Residential & Retail

Total Development Cost:
\$30.4 million

LISC New Markets Tax Credit Allocation:
\$10 million

Project Stakeholders

LISC Program:
Philadelphia LISC

Investor:
Chase Community Equity, LLC

Lender:
JP Morgan Chase Bank, the Reinvestment Fund Inc., and the Sponsor

Developer:
Asociación Puertorriqueños en Marcha and Jonathan Rose Companies

Other Stakeholders:
Corporation for Supportive Housing, Building America CDE, Inc. and WNC & Associates, Inc.

Community Need

- 61.6% Poverty Rate
- Unemployment rate 4.4 times the National Average
- Family income 23.6% of the area median

Community Impact

- 29,400 sq. ft. Commercial Space
- 67 residential units
- 150 Construction Jobs
- 39 Relocated Permanent Jobs
- 42 Permanent Jobs to Be Created
- People to Be Served Annually:
1,500-2,000 at APM and 2,000-2,900 Patients at PHMC

Project Snapshot:

- The planned Paseo Verde Transit Oriented Development ("TOD") project is a mixed-use, transit-oriented, green development that will offer affordable, workforce, and supportive housing along with commercial space at 9th Street & Berks Street in North Philadelphia, adjacent to Temple University SEPTA Regional Train Station.



- The LIHTC project consists of 53 residential units, 12 of which are supportive housing units, that will be affordable to families with household incomes between 20% - 60% AMI, and 21 parking spaces.
- The NMTC project includes 67 residential units and 29,400 SF of commercial/community service space, along with 46 parking spaces. Of the 67 units, 17 (25%) will be affordable to families earning 80% AMI and the remaining 50 units will be affordable to households at or below 115% of AMI. Of the 29,400 SF of commercial space, approximately 14,400 SF will be leased to Asociación Puertorriqueños en Marcha ("APM"), who will be relocating and expanding its social services in this new space, and 7,200 SF will be leased to Public Health Management Corporation ("PHMC"), who will be relocating and expanding a primary care, Federally Qualified Health Center ("FQHC") in the space.

Project Background:

- Asociación Puertorriqueños en Marcha ("APM") and Jonathan Rose Companies ("JRCo") are jointly developing the Paseo Verde TOD project and have extensive experience developing and operating affordable housing, commercial, community facility and mixed-income developments in urban neighborhoods.
- APM is a Latino-based nonprofit founded in 1971 that focuses its work on human services, health services, and community and economic development, providing human and health services citywide to individuals and families in need.
- JRCo is a mission-based, for-profit, real estate policy, planning, development, and investment firm that plans and develops transit-oriented projects.
- The project will remediate a brownfield site, which has been underutilized for years, and will seek LEED Platinum Certification and LEED ND certification.

Leveraging Solutions through New Markets Tax Credits (NMTC):

- The New Markets Tax Credit financing is needed to bridge the gap in the capital budget and provide flexible terms that will allow the developer to operate the project successfully over the long term. Without this financing the project would not be able to support additional market rate debt or equity given the affordable nature of the units and the lower commercial rents for the service providers.
- \$10 million in NMTC allocation authority provided a custom product featuring non-traditional/favorable terms included: below-market interest rate, lower than standard origination fees, higher than standard loan-to-value ratio, longer than standard amortization period, longer than standard interest-only payment period and subordinated debt.