

Developer/Sponsor

Volunteers of America – Greater New York

Project Type

School Rehabilitation

Square Footage

30,000 square feet

Investment

\$14.8 million

Description

The Bathgate Early Learning Center involved the rehabilitation of a 30,000 square foot office building at 1887-1895 Bathgate Avenue in the borough of The Bronx in New York City. Located in the Bathgate Industrial Park off of the Cross Bronx Expressway, this development establishes a permanent home for a school that provides comprehensive educational experiences for children with developmental disabilities. The building features 20 modern classrooms for approximately 248 students, and serves both the Bathgate neighborhood and autistic children throughout New York City. The Bathgate Early Learning Center was completed in the fall of 2007.



Investment Type

Enterprise's investment provides both a senior and subordinate loan to the project, utilizing New Markets Tax Credits. The Bathgate Early Learning Center investment was a unique deal as it provided Enterprise an opportunity to leverage a favorable relationship between a tax credit investor and a lender. This project signifies Enterprise's first use of New Markets Tax Credits in New York City.

Market

New York City is one of the most expensive metropolitan regions in the nation. The Bronx, and the Bathgate area in particular, is one of the poorest urban areas of the city, with high rates of poverty and unemployment. The Bathgate Industrial Park, owned by the Port Authority of New York and New Jersey, is an area of eight city blocks that is home to an active commercial shopping strip and about 120 businesses which employ over 1,500 people. The park serves as an important foundation for economic revitalization of the area.

Community Impact

The school offers vital “special needs” education services for children with cognitive or language impairments, social and emotional difficulties, or sensory and motor problems. It is only one of eight such schools in The Bronx that specializes in such care, despite the high demand for such services. The construction of the Bathgate Early Learning Center offers a permanent and critical community resource for not only the immediate community, but because of its accessibility from the Cross Bronx Expressway, a much broader population of families with autistic children. The school has created over 50 permanent jobs.

Developer

The sponsor/developer for the project is Volunteers of America – Greater New York; the sponsor also operates the school. Volunteers of America is one of the nation’s oldest and largest faith-based community service organizations, serving over 1.8 million people in more than 200 cities nationwide each year. The Greater New York affiliate is its largest, administering a spectrum of programs for the homeless, adults in need of assistance, people with HIV/AIDS, people with mental illness and substance abuse problems, children with development disabilities, at-risk youth, and former prisoners. The organization’s Early Learning Centers have been honored by the New York State Department of Education with the “Outstanding Early Childhood Education Award.” This is the first New Markets Tax Credit development for the sponsor.

Investor

JPMorgan Chase provided a \$10.6 million loan and \$4.2 million of equity for the transaction through an investment partnership with Enterprise, which provided \$14.8 million of New Markets Tax Credit allocation to the transaction. JPMorgan Chase & Co. is a leading global financial services firm with assets of \$1.2 trillion and operations in more than 50 countries. Under the JPMorgan and Chase brands, the firm serves millions of consumers in the United States and many of the world’s most prominent corporate, institutional and government clients. JPMorgan Chase is dedicated to working with community organizations to finance the acquisition and construction of commercial facilities and other projects that contribute to the revitalization of America’s communities.

Enterprise is a leading provider of the development capital and expertise it takes to create decent, affordable homes and rebuild communities. Enterprise leverages low-income housing, new markets and historic rehabilitation tax credits; short and long-term debt; and development services to capitalize projects that make a catalytic difference in communities. For over 25 years, Enterprise has privately raised over \$9 billion to finance more than 240,000 affordable rental and for-sale homes, create vital communities and help transform the lives of low-income Americans, particularly those at the lowest end of the economic scale. Currently, Enterprise is investing in communities at a rate of \$1 billion a year. Visit www.enterprisecommunity.com or www.enterprisecommunity.org to learn more about Enterprise’s efforts to build communities and opportunity.