

New York City Regional Center Lands \$50M In Federal Tax Credits To Support Econ. Development

The company has now received \$115 million in total allocations via three New Market Tax Credit awards

By **Dan Packel** | July 28, 2020 at 09:19 AM

The New York City Regional Center has secured \$50 million in federal tax credits to support economic development and community revitalization efforts.

The allocation marks the third time the company has received support from the U.S. Department of Treasury's New Market Tax Credit program, after receiving \$45 million in 2016 and \$20 million in 2018.

The program, created by Congress in 2000, aims to leverage tax credits to attract private investment to low-income neighborhoods.

"We are very pleased to receive this third allocation from the U.S. Department of Treasury," George Olsen, NYCRC Managing Principal said in a statement. "This new \$50 million New Market Tax Credit award will help spur economic growth and job creation where they are most needed in New York City during these challenging times. We look forward to delivering financing to underserved communities and continue our role in supporting community revitalization."

The allocation will provide financing to community development projects that typically face financing challenges, including health care centers, community facilities, industrial space, grocery stores, and small business retailers in parts of New York City that have suffered from disinvestment. The credits will be allocated to NYCR-CDE, a Community Development Entity managed by the NYCRC.

The NYCRC launched in 2008 when it was approved by the United States Citizenship and Immigration Services to secure foreign investment for real estate and infrastructure projects under the EB-5 Immigrant Investor Program. The program's mandate is to use foreign investment to spur job creation while simultaneously affording eligible foreign investors the opportunity to become lawful permanent residents of the United States, and the NYCRC was the first EB-5 regional center approved in New York City.

Since 2008, the company has used over \$1.5 billion of EB-5 capital to support a range of infrastructure and real estate projects; including \$767 million to finance ground-up, redevelopment, and infrastructure projects in Brooklyn led by the Brooklyn Naval Yard; \$108.5 million to finance ground-up and redevelopment projects in Washington Heights; and \$220 million to finance ground-up construction in the Bronx. It has also deployed \$232.5 million to finance the construction of a public high-speed wireless infrastructure network in New York City subway stations and along city streets.

“We are proud of our 12-year track record of providing capital for economic development projects throughout New York City,” NYCRC managing principal Paul Levinsohn said in a statement. “This third allocation from the U.S. Department of Treasury will allow us to expand our capacity and mission to jump-start job creation in areas of need across the city.”

Source: <https://www.globest.com/2020/07/28/new-york-city-regional-center-lands-50m-in-federal-tax-credits-to-support-econ-development/>