

New York

NMTC Allocatee

Enterprise Community
Investment, Inc.
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Community Profile

Brooklyn, NY

Median Income 70.4%
Compared to AMI

Unemployment Rate 1.49x
national
average

Project Highlights

- Investor: Wells Fargo
- Total Project Costs: \$14.57
- NMTC: \$12.5M
- Co-Allocatee: Bank of America CDE, LLC
- Jobs: 54 construction, 50 full-time, permanent
- FEMA designated Major Disaster Area (Hurricane Sandy)



Atlantic Avenue Industrial Center

Industrial real estate in New York City is expensive, in part, as a result of high demand for "loft" residential units in converted former industrial and manufacturing space. Conversion of industrial and manufacturing space into residential units leaves small and mid-sized businesses with fewer options for affordable, stable, long-term leasable space in which to operate.

Greenpoint Manufacturing and Design Center Local Development Corporation ("GMDC") is a nonprofit developer of affordable industrial space for small and mid-sized manufacturing firms. Founded in 1992, GMDC has completed six projects in North Brooklyn to address the lack of affordable industrial space.

In order to expand access to small-scale manufacturing space, GMDC planned to launch the Atlantic Avenue Industrial Center, the adaptive reuse of a 50,511 sq. ft, two-building industrial complex into a multi-tenanted center for small-scale manufacturing in the Crown Heights neighborhood of Brooklyn with a poverty rate near 20 percent.

Because of the high cost of the renovation and the below market rents, GMDC was not able to take on sufficient market rate debt to fully finance the project. Even with a \$3.8 million loan provided by Enterprise and funds from the City, the Project had a financing gap and could not move forward without the NMTC subsidy.

The \$14.57 million project received \$12.5 million in NMTC financing, including \$7.5 from Enterprise and \$5 million from Bank of America. Banc of America Community Development Corporation is the NMTC investor. The project was also supported by grants from the New York City Council and the Brooklyn Borough President, loans from Enterprise Community Loan Fund (ECLF), and equity from the project sponsor.

Thanks to NMTC financing, GMDC was able to provide quality manufacturing space at affordable rents in New York City. The project provides transit-oriented, affordable industrial space, which is in short supply. Some current tenants include furniture manufacturers, design studios and metal working companies. The project created 54 construction jobs as well as 50 new or retained permanent jobs.