

NMTC Case Study for SE Raleigh YMCA

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Project

YMCA of the Triangle has offered programs for students in Southeast Raleigh for nearly 60 years. Being able to expand means adding a recreation center that includes a wellness center, gymnasium and group exercise studio. The project also catalyzed the Wake County Public School System to approve a 71,908 square foot K-5 school building.

The new YMCA center will bring 39 permanent jobs to the area, as well as 27 construction jobs during the development phase. It will also support 4,000 residents with access to programming. By leasing space from YMCA of the Triangle, Wake County is able to provide area students with access to a state-of-the-art elementary school years earlier than would otherwise be possible.

“For years, we have been listening to residents of Southeast Raleigh to better understand their needs,” said Doug McMillan, CEO of YMCA of the Triangle. “This new facility is our answer to that research and will help to address a range of concerns related to health, exercise and education. We’re looking forward to expanding the services we offer to Southeast Raleigh through this exciting new campus.”

“The new development, which creates opportunities for improved education, health and wellness, at the intersection of four different NMTC-qualified census tracts, is ideally suited for the mission of the New Markets Tax Credit program,” said Brian Oxford, CAHEC’s Manager of New Markets. “YMCA of the Triangle has been an integral part of the Southeast Raleigh community for many decades, and this new development demonstrates their intention to continue investing in its success for decades to come.”

The Financing

YMCA of the Triangle, SunTrust Community Capital and CAHEC New Markets closed on the financing for the new recreation center and school in Southeast Raleigh. The transaction included a \$24.7 million loan from SunTrust Bank and \$21 million in New Markets Tax Credit

TOTAL PROJECT COST:
\$41,000,000

GNM0 II ALLOCATION:

\$21,000,000

FINANCING COMPLETE:

April 2018

PROJECT SPONSOR:

YMCA of the Triangle Area

CDES:

CAHEC / SunTrust Community Capital

NMTC INVESTOR:

SunTrust Bank, N.A.

LEVERAGED LENDER:

(NMTC) Allocations from CAHEC New Markets (\$15 million) and SunTrust Community Capital (\$6 million). The total cost for the development is approximately \$41 million.

YMCA of the Triangle Area

ADDRESS:

1436 Rock
Quarry Road
Raleigh, NC

**CENSUS
TRACT:**

37183052102

**COMMUNITY
OUTCOMES:**

63,234 SF
Recreation
Facility
66 Direct Jobs
Capacity:
4,000

**LOW-INCOME
COMMUNITY:**

Median Family
Income:
61.01%
Unemployment
Rate: 15.30%
Unemployment
Ratio: 1.84x
FEMA Disaster
Area
USDA Food
Desert