



Paseo Verde Multi-Use Complex, Philadelphia, PA

New Markets Tax Credit Project

Mixed-Use, Integrated Supportive Housing Project



Paseo Verde Multi-Use Complex

Jonathan Rose Companies (JRC) and Asociación Puertorriqueños en Marcha (APM) partnered to develop Paseo Verde, a mixed-use development with 120 apartments and 30,000 square feet of commercial and retail space. The apartments will offer 52 one-bedroom units, 29 two-bedroom units and 9 three-bedroom townhouses. Fifty-three apartments will be dedicated to households earning between 20% and 60% area median income, 14 apartments to households earning between 60% and 80% area median income, and 53 apartments to households earning between 80% and 100% area median income. APM will dedicate 12 units for supportive housing.

Owner, Co-Developer, and Property Manager: Asociación Puertorriqueños en Marcha

Co-Developer Developer, Master Lessee: Jonathan Rose Companies

Tenant Profile: Low- and moderate-income tenants, and households who are homeless.

Service Approach: The City of Philadelphia will refer supportive housing tenants to Paseo Verde. Local service providers, contracted by the City, will provide tenants case management and other services. APM will provide additional services such as a resident services coordinator, employment counseling and childcare.

Key Features and Innovations:

- Paseo Verde is a transit-oriented development located steps from a commuter rail line station and a few blocks from Temple University.
- Paseo Verde is applying for LEED Gold certification. Some of the green features include solar panel installation, a green roof, and a common garden courtyard.
- Tenants for commercial spaces include:
 - **APM's** administrative, community development and social service program offices that annually serve 2,000 individuals.
 - **Public Health Management Corporation**, a Federally Qualified Health Center.
 - **North Philly Pharmacy**, a successful neighborhood pharmacy.
 - **Temple Dental**, a dental clinic for Temple University's dental school.
 - **Tierra Columbiana**, a popular local restaurant.
- Paseo Verde also includes parking, a community room, computer center, and gymnasium.

CSH and the Sponsor

CSH made a \$7 million New Markets Tax Credit (NMTC) investment in Paseo Verde. With this investment, Paseo Verde is able to leverage an additional \$41 million in funding to finance this \$48 million development. CSH will also work with APM to adapt its services plan to the City of Philadelphia's Housing First model of providing supportive housing. Key concepts in providing quality Housing First supportive housing in an integrated housing setting are ensuring intensive service provision as tenants stabilize, coordinating between multiple service providers and establishing good communications between service providers and property managers.

CSH received a 2010 \$25 million NMTC allocation from Community Development Financial Institutions (CDFI) Fund. CSH plans to invest these credits in projects that include or support housing for formerly homeless individuals and families

Financing Information

Capital

NMTC Equity	\$ 8,044,150
JPMorgan Chase Loan	\$ 9,010,000
Sponsor Leverage Loan from Foundation, City and State Grants	\$ 8,530,750
Energy Works Loan (administered by The Reinvestment Fund)	\$ 3,000,000
Deferred Developer Fee	\$ 1,837,007
Other	\$ 451,116
Total	\$30,967,023

Operating (Annual, first full year of after stabilized occupancy)

Effective Gross Income	\$ 1,538,250
Operating Expenses	\$ (600,426)
Debt Services	\$ (791,430)
Fees, Replacement Reserves and Other	\$ (139,879)
Net Cash Flow	\$ 51,515

About Asociación Puertorriqueños en Marcha

Founded in 1970, Asociación Puertorriqueños en Marcha (APM) attempts to identify and combat an assortment of societal harms, by aiding those who are most vulnerable. Working extensively in the greater Philadelphia area, APM was able to successfully leverage \$70 million worth of real estate in the northeastern region of the city. In total, APM has constructed 210 units of affordable housing, and currently operates with an annual budget totaling more than \$13 million. APM's services are multifaceted and include providing substance abuse treatment, childcare, as well as child welfare. More than 3,000 individuals and 200 children are helped on a yearly basis.

About Jonathan Rose Companies

Jonathan Rose Companies (JRC) was founded in 1990 and attempts to concurrently strengthen communities while protecting the land around them. The company currently manages \$1.5 billion in property and won the 2010 EPA Environmental Merit Award. Hoping to build private-public partnerships, JRC works with an array of clients through civic engagement, which allows for projects that are both appealing to clients and sustainable environmentally.

About Corporation for Supportive Housing

For over 20 years, CSH has led the national supportive housing movement. We help communities throughout the country transform how they address homelessness and improve people's lives. CSH develops innovative program models, provides research-backed tools and training, offers development expertise, and collaborates on public policy and systems reform. And, CSH is a certified community development financial institution (CDFI). We make it easier to create and operate high-quality affordable housing linked to services. To date, CSH has made over \$300 million in loans and grants, and has been a catalyst for over 150,000 units of supportive housing. Visit us at csh.org.



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