

# LOCAL IMPACT NEW YORK CITY



The Community Preservation Corporation (CPC) was formed in 1974 as a direct response to the issues of property abandonment and blight that New York City was facing at the time. The group of commercial banks that founded CPC to invest in the preservation of rental housing stock in stable, working-class neighborhoods designed its lending to stem the broader tide of neighborhood decline in the city.

CPC initially focused on Crown Heights in Brooklyn and Washington Heights in Manhattan, communities seen as at risk for the kind of abandonment that already troubled adjacent neighborhoods. CPC created a one-stop-shop where local owners could obtain the rehabilitation and permanent financing needed to repair their buildings, while keeping residents in place.

In the 1980s, the Koch administration's housing plan made considerable public resources available for housing and community revitalization. CPC expanded into more distressed neighborhoods and took on new types of projects, including substantial renovation and new construction. Since then, CPC has grown to serve all five boroughs and has invested more than \$6 billion in nearly 110,000 units in the city.

Today the city is thriving, and as affordability pressures have superseded neighborhood stabilization concerns, CPC largely focuses on financing the creation and preservation of regulated, affordable units, low-income homeownership opportunities, and workforce housing development in traditionally blue-collar neighborhoods.



Pacific Street, Brooklyn

## CROWN HEIGHTS BROOKLYN

A second-home retreat for wealthy, white Manhattanites in the early 20th century, Crown Heights, by the 1970s, had diversified to include a mixture of working-class African-American, Caribbean immigrant, and Orthodox Jewish residents. While the neighborhood was relatively stable compared with the adjoining neighborhoods of Bedford-Stuyvesant and Bushwick, much of its rental housing was of poor quality. A combination of low rents in multifamily buildings and owners' difficulties obtaining capital from banks meant that deferred maintenance was the unfortunate norm. CPC took a hands-on approach and worked directly with building owners to ensure they had access to

capital that would support necessary renovations, with the cost of debt offset by tax abatements and lower operating costs.

Over the course of CPC's involvement in the neighborhood, more than 5,000 units have been created or preserved using over \$200 million in investment. Collaborating with the NYC Department of Housing Preservation & Development (HPD) to continue to support affordability in the neighborhood, CPC is now providing financing in Crown Heights for a variety of projects, from rentals to cooperatives to two- to three-family homes.

 **5,000**  
UNITS CREATED  
OR PRESERVED

 **\$200+**  
MILLION IN  
FUNDING



St. Nicholas Street, Manhattan

## WASHINGTON HEIGHTS MANHATTAN

When CPC first began lending in Washington Heights in 1975, the neighborhood's historic, prewar buildings were showing their age. As in Crown Heights, building owners' limited access to conventional capital sources threatened the stability of the rental stock and the housing available for its largely Dominican, moderate-income residents.

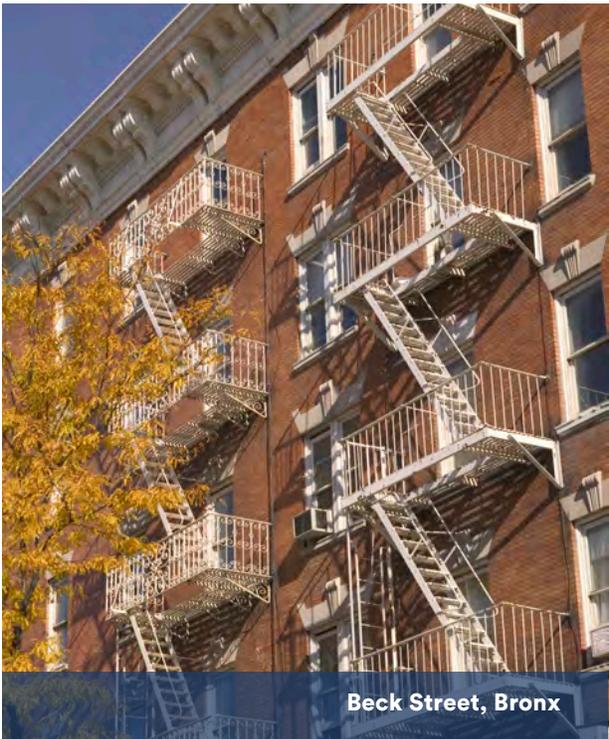
By focusing on rehabilitating key corner buildings that helped support the stability of entire blocks, CPC had preserved 10 percent of the neighborhood's stock by 1988, a figure that has steadily increased over time.

Today, CPC continues to work closely with its partners, including HPD, to create vital, affordable housing in the now-thriving neighborhood.

Working with local owners on construction plans and government approvals over a 10-year period, CPC was able to preserve more than 7,000 units using \$130 million in financing.

 **7,000**  
UNITS CREATED  
OR PRESERVED

 **\$130**  
MILLION IN  
FUNDING



# SOUTH BRONX BRONX

In 1985, as the city ramped up its provision of rental housing subsidies, CPC was able to expand its reach into distressed neighborhoods, including Harlem, East New York, Bedford-Stuyvesant, and the South Bronx.

During the 1970s, the South Bronx became a national symbol of urban poverty, replete with charred and abandoned buildings. Through tax foreclosure, the city took possession of tens of thousands of units in scores of owner-abandoned buildings, many of which were still occupied. Throughout the late 1980s and early 1990s, CPC financed city property dispositions to renovate neighborhood buildings and put them in responsible for-profit or nonprofit ownership. Much of the

remaining stock in the neighborhood was small, multifamily buildings owned by families or individuals with little-to-no construction experience, making CPC's one-stop-shop model critical to the neighborhood's turnaround.

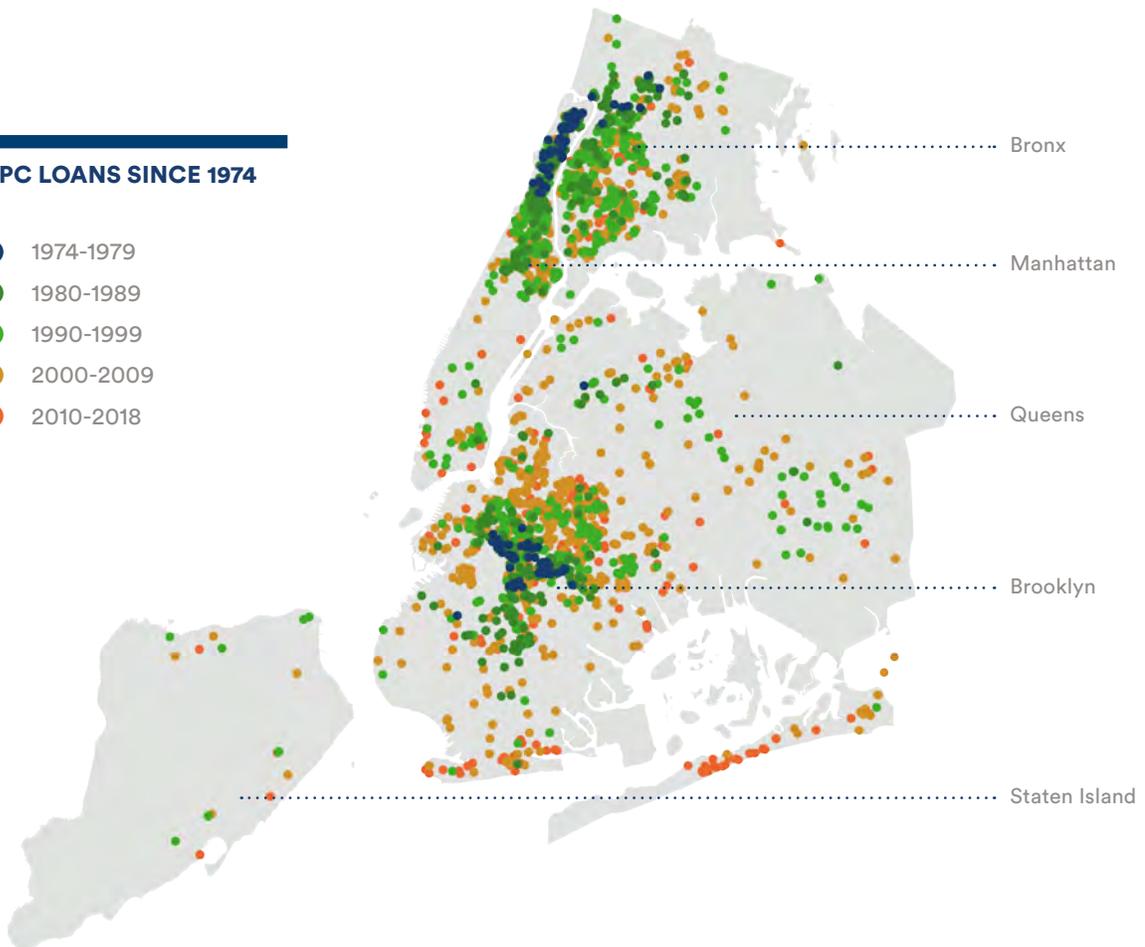
Since that time, CPC has continued to expand our relationship with HPD, including supporting its efforts to help owners gain access to and participate in training programs in property management and financing. CPC has invested over \$400 million to create or preserve 16,000 units, providing affordable homes for South Bronx's residents and helping the community move on from its image as the burning borough.

**16,000**  
UNITS CREATED  
OR PRESERVED

**\$400+**  
MILLION IN  
FUNDING

## CPC LOANS SINCE 1974

- 1974-1979
- 1980-1989
- 1990-1999
- 2000-2009
- 2010-2018





## UNCOMMON EXPERTISE. UNMATCHED IMPACT.

At CPC, we believe housing is central to transforming underserved neighborhoods into thriving and vibrant communities. Throughout our history, during times of economic crisis and disinvestment, when the risk involved in lending kept many out of struggling neighborhoods, CPC was there as a consistent and stable source of capital.

Since 1974, CPC's creative financing solutions have supported critical projects in neighborhoods across New York State and beyond, resulting in wide-reaching physical, economic and social impacts that improve communities and people's lives.

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To learn more about CPC's impact in New York City, visit us online or contact your local CPC mortgage officer.

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## OUR STRATEGIC FOCUS:

As a mission-driven company, we look for opportunities to finance the creation and preservation of a diversity of housing types and projects.

- Regulated Affordable Housing
- Workforce Housing
- Adaptive Reuse & Revitalization Housing
- Supportive Housing
- Small Buildings
- Sustainability