

## **Operations, Accomplishments, and Projects undertaken for The New York City Capital Resource Corporation**

### **Operations and Accomplishments:**

New York City Capital Resource Corporation (the "Corporation"), a component unit of The City of New York, is a local development corporation organized in December 2006. The mission of the Corporation is to encourage community and economic development and job creation and retention throughout the City by providing access to tax-exempt bond financing programs to qualified not-for-profit institutions, manufacturing, industrial, and other businesses for their eligible capital projects at a lower-cost than traditional means.

To support the activities of the Board of Directors, the Corporation annually enters into a contract with the New York City Economic Development Corporation ("NYCEDC"), a not-for-profit local development corporation and a component unit of The City of New York, organized to foster economic growth and develop programs that help businesses in the City. Under the terms set forth in the contract, NYCEDC provides the Corporation with all the professional, clerical and technical assistance it needs to accomplish its objectives.

The Corporation served as the City's conduit bond issuer for tax-exempt Recovery Zone Facility Bonds ("RZFB"), a type of private activity revenue bonds authorized under the American Recovery and Reinvestment Act of 2009 (the "Act"), to spur stalled construction activities that had been unable to get conventional construction financing due to the persistent dearth of lending activities. For the fiscal year ended June 30, 2011, the Corporation closed four RZFB projects, which are expected to generate \$40 million in incremental City tax revenue and 639 jobs (both construction and post-construction operations) over the course of their respective terms. The bonds helped fund the construction of a 50,000 square foot retail facility in Downtown Brooklyn, a 55,000 square foot supermarket on the Rockaway Peninsula, a 51,000 square foot hotel in Williamsburg, and a 605-space structured parking facility for the St. Barnabas Hospital in the Bronx. The authority to issue RZFB through the Act expired on December 31, 2010.

Until January 2008, CRC issued tax-exempt bonds for not-for-profit organizations' capital projects through the Loan Enhanced Assistance Program ("LEAP"). LEAP facilitated eligible not-for-profit organizations access to private activity tax-exempt bond financing for qualified borrowers by simplifying the transaction structure, standardizing the required documentation, and achieving greater efficiency in marketing the tax-exempt bonds. However, LEAP is not currently available due to the continued suspension of a portion of the State law governing industrial development activities.