



HARRISON CIRCLE MORRIS HEIGHTS HEALTH CENTER - BRONX, N.Y.

Developer/Sponsor

Morris Heights Health Center

Project Type

New construction; Mixed-use, medical office, pharmacy

Square Footage

38,989 square feet

Investment

\$10 million, New Markets Tax Credits

Description

The Morris Heights Health Center (MHHC) has been caring for low-income residents of the Bronx for nearly three decades. Thanks to a New Markets Tax Credit (NMTC) investment, MHHC will be able to expand its facilities, provide care to 30,000 more individuals each year, and add new services, including physical therapy, mammography, orthopedics and cardiology, that the community desperately needs. MHHC's Harrison Circle Building, to be completed in 2010, will house more than 38,000 square feet of medical and administrative office space, a pharmacy and additional parking. The Harrison Circle Building is being financed with NMTC equity for the commercial portion, and Low-Income Housing Tax Credit equity to build 70 rental homes for seniors in the development. The NMTC and the LIHTC financing have been funded into two different transactions as the IRS prohibits them to be funded into one legal entity.



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A Green Advantage

The Harrison Circle Building's commercial space will be built to U.S. Green Building Council LEED Silver standards. Accessible to residents on foot and by public transportation and located in walking distance of MHC's main facility, the building will incorporate various green features for energy efficiency and a healthy, sustainable environment.

Investment Type

Total development cost of \$28.1 million was financed using \$22.3 million of New Markets Tax Credit (NMTC) allocation and \$5.9 million invested by the sponsor. Enterprise and its equity partner, JPMorgan Chase, provided \$10 million in NMTC enhanced loans. United Fund Advisors contributed an additional \$12.3 million from its NMTC allocation.

Market

MHC is located in a designated Federal Medically Underserved Area. The number of primary care physicians in the Bronx has declined 4 percent in the past five years and the overall number of specialty care physicians has declined 10 percent, indicating an alarming lack of access to quality care. More than 75 percent of MHC's patients live on incomes at or below the federal poverty level; 51 percent are covered by Medicaid and another 37 percent are uninsured. The expansion of MHC's facilities will help to increase access to health care for a very vulnerable population.

Community Impact

The Harrison Circle Building will allow MHC to accommodate an additional 18,000 patients each year and to offer more on-site specialty care to existing patients, providing better continuity of care. MHC estimates the project will create 50 new permanent jobs.

Sponsor

MHC is a nonprofit organization established in 1981 to provide quality care to residents of Morris Heights and surrounding neighborhoods. MHC serves more than 42,000 individual patients annually who make an average of 215,000 visits at five locations within the Bronx. The center provides a range of primary, specialty, dental, mental health, educational and social services, operating an urgent care center,

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a mobile unit and eight school-based health centers. MHHC's nationally recognized Women's Health and Birthing Pavilion, located across the street from the Harrison Circle Building, offers prenatal care and labor and delivery services.

Investor

[Chase](#) is the U.S. consumer and commercial banking business of JPMorgan Chase & Co. (NYSE: JPM), which operates more than 5,000 branches and 14,000 ATMs nationally under the Chase and WaMu brands. Chase has 157 million credit cards issued and serves consumers and small businesses through bank branches, ATMs and mortgage offices as well as through relationships with auto dealerships and schools and universities. It also serves more than 30,000 commercial banking clients, including corporations, municipalities, financial institutions and not-for-profit entities. Chase provides loans, investments and community development services to meet the needs of low- and moderate-income communities.

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