



PRIMARY CARE  
DEVELOPMENT  
CORPORATION

Excellent Healthcare in Every Neighborhood

## **PRIMARY CARE DEVELOPMENT CORPORATION (PCDC) RECEIVES \$40 MILLION IN TAX CREDITS FROM THE U.S. TREASURY DEPARTMENT TO PROVIDE LOW-INTEREST LOANS TO COMMUNITY HEALTH CENTERS IN LOW-INCOME COMMUNITIES ACROSS NEW YORK STATE**

NEW YORK, NY—The Primary Care Development Corporation (PCDC) announced that it will receive \$40 million in tax credits from the U.S Treasury Department's New Markets Tax Credit (NMTC) Program. This award will allow PCDC to provide long-term financing with low-interest rates to community health centers serving low-income communities across New York State. Out of 258 applicants, PCDC was one of 61 organizations nationally that were selected to receive tax credits for use in low-income communities. Out of the 61, 17 were non-profit organizations.

"This award will enable PCDC to provide financing with lower interest rates and longer terms to community health centers, which will help low-income communities receive the proper healthcare they need," said **Ronda Kotelchuck, Executive Director of the Primary Care Development Corporation.**

With its NMTC funding, PCDC expects to provide fixed rate, self-amortizing loans, with terms of up to 25 years. This long-term financing will be made available to health centers in low-income and medically underserved communities seeking to develop and fully outfit new facilities, as well as modernize or expand existing health centers. In addition to offering longer-term loans, PCDC expects to offer interest rates that are generally 200 basis points lower than its current offerings and 50 percent below market rates, with extended interest-only periods of up to seven years.

The NMTC Program is specifically designed to attract private-sector capital to urban and rural low-income areas, and this award will help PCDC improve on its already strong record of investment, economic development and job creation in such communities. To date, PCDC's Capital Access Programs have provided more than \$221 million of investment in 71 projects, which have developed approximately 510,000 feet of previously dilapidated or vacant space. The facilities provide medical care for some 400,000 low-income New Yorkers and provide more than 1,800 permanent jobs in their communities.

PCDC is able to achieve its record of economic development by directing all of its investment to Federally-Qualified Health Centers and other organizations providing primary and preventive care to medically underserved populations and communities. Community-based health care providers have proven to be important sources of job creation and broader economic development in urban and rural low-income communities.

PCDC measured that, over the past five years, it was able to direct virtually all of its investment to areas of high economic distress. Specifically, 96% of PCDC's investment went into communities meeting one or more of the following federal definitions of economic distress:

- The median family income is below 60% of the statewide median;
- The unemployment rate is 50% greater than the national average; and/or
- The poverty rate exceeds 30%.

The NMTC Program is administered by the Treasury Department's Community Development Financial Institutions (CDFI) Fund. The Program was established in December 2000, permits

