



Olshan Properties breaks ground for 221-unit Parkchester Gardens with O'Connor Capital Partners, NYC HDC, NYC HPD

May 04, 2021 - Owners Developers & Managers

Bronx, NY A partnership led by Olshan Properties and O'Connor Capital Partners, in conjunction with New York City's Housing Development Corp. (HDC) and Department of Housing Preservation and Development (HPD), has begun construction on a new 221-unit senior affordable housing development located at 1701 Purdy St. in the Parkchester neighborhood.

The development, which will be called Parkchester Gardens, is expected to be completed by mid-year 2023.

Financing for the construction of Parkchester Gardens was sourced through a combination of public and private entities. The NYC HDC provided \$81 million of bond financing for the development of Parkchester Gardens. In addition, Wells Fargo provided mortgage financing via a combination of low-income housing tax (LIHTC) equity and a Letter of Credit.

Parkchester Gardens will deliver needed senior affordable housing units to a community where prohibitively high housing costs and COVID-related job losses have increased sharply. The costs to residents will be subsidized by a Project-Based Section 8 contract for the building, provided by The New York City Department of Housing Preservation and Development. 67 of the 220 residential units will be set-aside for formerly displaced seniors. Selfhelp Community Services will provide onsite services and programming for building residents, funded by a contract from the New York City Human Resources Administration.

According to Olshan Properties' president, Zachary Bornstein: "Olshan Properties is pleased to begin construction of Parkchester Gardens during one of the most challenging times that our city has ever faced. By providing new affordable apartments to senior residents, especially those who are most vulnerable, we believe that the development of Parkchester Gardens is truly beneficial on many levels. Along with our partners at O'Connor Capital, we also appreciate the groundswell of support from our private and public partners who helped clear the way for us to begin this project."

O'Connor Capital Partners' CEO Bill O'Connor said, "We are very pleased to begin construction of Parkchester Gardens. With this milestone, our Partnership with Olshan Properties moves forward in offering additional affordable senior housing options while complimenting the senior services that

our partnership has long supported in the greater Parkchester community.”

New York State Assembly district member Karines Reyes of the 87th District represents the interests of the Parkchester and Castle Hill communities. According to Reyes: “As our community continues to battle the pandemic we must also begin the process of building back better by addressing the housing crisis in our city. This development will provide seniors not only with a place to live but an entire community with all that Parkchester has to offer. I am pleased to work with the City and State of New York to bring affordable senior housing to our community, while also offering on-site activities and supportive services for those who need it most.”

Eric Enderlin, president of the New York City HDC, said, “Parkchester Gardens will bring 220 affordable and supportive senior homes to a community hard hit by the challenges of the pandemic. Congratulations to all our partners for their efforts on this project, which will ensure lasting stability for some of our most vulnerable New Yorkers.”

HPD commissioner Louise Carroll said, “Safe, quality, affordable housing is critical for the health and stability of our seniors, especially considering the threat of COVID-19,” said HPD Commissioner Louise Carroll. We are grateful to our partners Olshan Properties, O’Connor Capital Partners, and Selfhelp Community Services, for taking on a project that will provide 220 senior households, including formerly homeless households, with affordable homes and the supportive services they need to thrive.”

Parkchester Gardens will expand Olshan Properties and O’Connor Capital Partners’ existing property portfolio in the Bronx. Since 1998, the Partners have held ownership and management interests in 6,382 apartment units (plus commercial space) at Parkchester through the Parkchester Preservation Company (PPC). Their \$250 million restoration of Parkchester, which began in the late 1990s, ultimately helped revitalize the Parkchester community.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540