



CDFFA Charter Schools Financing Initiative:

Development Finance Strategies for Charter Schools

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Development Finance and Charter Schools

The first charter schools opened in 1992 in Minnesota. Since then, charter schools have expanded across the country, delivering a high-quality public education experience to millions of students. Charter schools are public schools governed by state law, resulting in unique implementation from state to state. Even with these differences in implementation, charter schools are always:

- Free to attend, publicly funded, part of the applicable state school system, and accountable to public bodies for their results;
- Schools of choice open to any student, and when the schools are oversubscribed, students are selected by a lottery system and do not enroll solely based on where they live; and
- Managed by organizations (usually nonprofits) with varying levels of autonomy that have charters, or contracts, with state-approved authorizing entities.

Authorizing entities may include local school districts, independent chartering boards (which typically are statewide commissions or authorities), higher education institutions, non-educational government entities, nonprofit organizations, and state education agencies.¹

In the 2018-2019 school year, an estimated 3.3 million U.S. students in 43 states and the District of Columbia, Puerto Rico, and Guam attended more than 7,500 charter schools. This represents more than 6% of all public-school students nationwide. The number of charter schools grew by 3% and the number of students grew by 5% compared to the prior year.²

While the number of charter schools and the students they serve continues to grow, there remains significant, unmet demand. According to the National Alliance for Public Charter Schools, five million additional students would attend a charter school if one were available.³ This unserved population should encourage the growth of new schools and the expansion of existing schools.

Similar to traditional district public schools, charter schools receive public funding based on the number of students they enroll and are subject to many of the same laws and regulations as other public schools. Unlike traditional public schools, charter schools are generally responsible for finding and paying for their own building. Among other things, these facility costs include the purchase or lease of the building and its maintenance. Charter school operators obtain specific development financing for school facilities through various forms of public and private financing.

What is Development Finance?

Development finance is used by local communities to encourage, support, and catalyze the physical development, redevelopment, or expansion of a business or industry. This is done through both public and private investment in projects that benefit the long-term health of a community.

¹ National Association of Charter School Authorizers, "The State of Charter School Authorizing," available at: <http://www.qualitycharters.org/publications-resources/annual-authorizer-survey.html>

² National Alliance for Public Charter Schools website accessed on 7/1/2020, available at: and National Alliance for Public Charter Schools, "2019 Annual Report" available at: <https://www.publiccharters.org/our-work/publications/2019-annual-report>

³ National Alliance for Public Charter Schools, "2019 Annual Report" available at: <https://www.publiccharters.org/our-work/publications/2019-annual-report>

Development finance agencies (DFAs) act as a conduit for channeling these investments to both private and public purpose projects through both direct and indirect lending programs. DFAs provide support for economic development through various financing programs, and they are central players in connecting projects and businesses with financing. They can be formed at the state, county, township, borough, or municipal level, and a wide variety of organizations classify as DFAs, including port authorities, industrial development authorities, economic development authorities, development corporations, and more.

This paper is the first in a series to demonstrate how charter schools can access development finance tools and access public finance. There are many types of public finance tools and programs charter schools can utilize to assist with their development needs which include the acquisition of buildings or land for construction, the renovation of existing structures, and the equipment necessary to operate the schools. The focus of this first paper is to give an overview of the many types of tools in the Development Finance Toolbox that are accessible to charter schools and provide relevant, real-world examples of how these tools have been successfully implemented.

The Development Finance Tools Covered in This Paper Are:

Bedrock Tools

- Tax-Exempt Bonds

Targeted Tools

- Tax Increment Finance
- Property Assessed Clean Energy

Investment Tools

- New Market Tax Credits
- Historic Tax Credits
- Immigrant Investor Program (EB-5)
- Opportunity Zone Funds

Access to Capital Tools

- Loan Guarantee Program
- Revolving Loan Fund

Federal Support Tools

- Credit Enhancement for Charter School Facilities Program
- Community Facility Direct Loan
- Community Development Block Grants





Bedrock Tools

Bonds are the bedrock of public development finance. They have been used to help build roads, bridges, sewers, dams, and thousands of other public and private projects. In its simplest form, a bond is a debt or a loan incurred by a governmental entity. Bonds are issued and sold to the investing public by governmental entities to finance both governmental activities and the development of physical infrastructure and local economies.

Tax-Exempt Bonds

There are two types of bonds: Government Bonds (GOs) and Private Activity Bonds (PABs). GOs may be used for many public purposes (e.g., highways, schools, bridges, sewers, jails, parks, government equipment, and buildings, etc.). Private entities may not significantly use, operate, control, or own the facilities that are being financed. GOs benefit the general public, while PABs typically benefit non-government entities. PABs are the development finance mechanisms that drive projects involving both the public and private sectors. They are issued through governmental or quasi-governmental conduit issuers.

Occasionally, a school district will include a charter school in the school district's bond offering. The proceeds of these general obligation bonds can be used to construct a charter school facility. These GO bonds are priced more attractively than PABs. A few states have created credit enhancement programs for bond issues. Texas has a Permanent School Fund (PSF) which provides support for investment-grade bonds serving educational institutions. Arizona also has a guarantee fund. Colorado, Utah, and most recently Idaho, all have moral obligation clauses that allow for the state to appropriate funding to support bonds for charter schools.

Below is a selection of a few states that show how bonds are able to be used for charter school development. The case studies featured below illustrate the diversity of how bond financing is applied to charter schools' projects.

Arizona

Charter schools have access to tax-exempt bond financing from industrial development authorities including the Arizona Industrial Development Authority (AZIDA), as well as various city and county industrial development authorities throughout Arizona. The Arizona public school credit enhancement program can also assist higher achievement district schools, including charter schools, to obtain more favorable financing.⁴

Odyssey Preparatory Academy

Location: Buckeye and Goodyear, AZ

Odyssey Preparatory Academy is a K-12 charter school network that started in 2009 and now operates four campuses in Buckeye and Goodyear, Arizona. Odyssey sought to consolidate its finances, two prior higher interest rate bonds and two leases with options to acquire over time, and now successfully owns three of its four campuses. Arizona Industrial Development Authority issued \$45.5M in Education Facility Revenue and Refunding Bonds for multi-campus facilities financing in 2017.⁵



Benjamin Franklin Charter School

Location: Queen Creek and Gilbert, AZ

Founded in 1995, Benjamin Franklin Charter School was one of Arizona's first charter schools and has since expanded to a four-campus network in the Phoenix Metropolitan Area with campuses in Queen Creek and Gilbert, AZ. In 2018, Benjamin Franklin Charter School converted to an Arizona nonprofit corporation to allow the schools to access more resources and provide better education to their students.⁶ Bonds were used to finance the acquisition of an established four-campus charter school network by the non-profit organization from the founding for-profit company and to construct, improve, and equip a new fine arts facility, including additional classrooms at the High School Campus.⁷ The Industrial Development Authority of The County of Maricopa issued \$72.3M in Education Revenue Bonds, \$71.7M of which was tax-exempt and \$615K taxable, to facilitate this transaction in 2018.⁸



⁴ LISC, *SchoolBuild, Arizona*, <https://www.lisc.org/charter-schools/funding-options/state/arizona>

⁵ Ziegler, "Case Study - Odyssey Preparatory Academy," 2017, https://www.ziegler.com/z-media/3861/odyssey-prep-case-study_1217.pdf

⁶ Benjamin Franklin Charter School, *History & Philosophy*, August 2020, <https://www.bfcsaz.com/about-us/history-philosophy>

⁷ Baird, *Benjamin Franklin Charter School Case Study*, 2018, <https://content.rwbaird.com/RWB/Content/PDF/PublicFinance/Ben-Franklin-2018-Case-Study.pdf>

⁸ MuniOS, *Limited Offering Memorandum - The Industrial Development Authority of the County of Maricopa*, 2018, <https://www.munios.com/munios-notice.aspx?e=GK0XO>

California

Charter schools have access to tax-exempt financing through state and local development authorities in California including California School Finance Authority, California Municipal Finance Authority, and California Statewide Communities Development Authority.⁹ California has also established several programs at the state level to help finance Charter Schools with a focus on providing adequate facilities to charter school students. Some of these programs include the Charter School Facility Grant Program,¹⁰ the Charter School Facilities Credit Enhancement Grant Program,¹¹ and the Charter School Revolving Loan Fund Program.¹²

New Designs Charter School

Location: Los Angeles, CA

A \$16.2M tax-exempt bond and \$630K taxable bond issued by California School Finance Authority¹³ to provide funds to finance the cost of acquiring and renovating three existing buildings that comprise the former William T. Bishop Church and residences, which is listed on the California Register of Historical Places. The Adams campus is the third New Designs Charter School campus and opened in the 2019-20 school year. At the time of issuance, it was projected to serve 186 students in grades 6-8, expanding one grade per year, ultimately to serve grades 6-12.¹⁴



Lighthouse Community Charter School - Lodestar

Location: Oakland, CA

In 2018 the California Statewide Communities Development Authority (CSCDA) issued \$10M in tax-exempt bonds for the benefit of Lodestar, a Lighthouse Community Charter School located in Oakland, California, to acquire and rehabilitate two buildings.¹⁵ As the school continued to grow, they worked with CSCDA to finance a new high school building with another \$7.8M issue in 2019.¹⁶



⁹ LISC, SchoolBuild, California, <https://www.lisc.org/charter-schools/funding-options/state/california>

¹⁰ California State Treasurer, Charter School Facility Grant Program (Senate Bill 740 Program), <https://www.treasurer.ca.gov/csfa/csfgp/index.asp>

¹¹ California State Treasurer, Charter School Facilities Credit Enhancement Grant Program, <https://www.treasurer.ca.gov/csfa/enhancement/index.asp>

¹² California State Treasurer, Charter School Revolving Loan Fund Program (CSRLFP), <https://www.treasurer.ca.gov/csfa/csrlf/index.asp>

¹³ 2019 Conduit Financing Program Report, California School Finance Authority, March 2020, <https://www.treasurer.ca.gov/csfa/financings/conduit/2019.pdf>

¹⁴ California School Finance Authority, 2019, <https://www.treasurer.ca.gov/csfa/meeting/2019/20190718/staff/5.pdf>

¹⁵ California Statewide Communities Development Authority, March 2018, http://cscda.org/Resources/News/items/Lodestar_Charter_School

¹⁶ California Statewide Communities Development Authority, June 2019, http://www.cscda.org/Resources/News/items/Lodestar_2019

South Carolina

Charter schools have access to tax-exempt financing through the South Carolina Jobs-Economic Development Authority (JEDA). This state agency serves as the conduit bond issuer for nonprofit organizations including charter schools to use for educational facilities. As of 2017, JEDA had financed 11 charter school facilities projects, with a total issuance of \$99.6 million.¹⁷

Greer Middle College Charter High School

Location: Taylors, SC

Greer Middle College Charter High School is a public charter high school located on the Benson Campus of Greenville Technical College that gives students an opportunity to earn an Associate degree while still in high school through their unique partnership with the college.¹⁸ JEDA provided \$4.85M in tax-exempt bond financing for the construction of their new multi-purpose facility in 2019. This new 28,000-square-foot activity center includes a gym, locker rooms, classrooms, offices, kitchen and dining areas, training and fitness rooms, and a walking track.



Langston Charter Middle School

Location: Greenville, SC

Langston Charter Middle School opened in August 2005 serving 111 students and occupying a six-room former daycare facility. By 2007 they moved to a larger facility and grew to 300 students and were finally able to move to a more permanent campus in 2010.¹⁹ In 2014 JEDA provided \$5.2M in tax-exempt bonds to consolidate existing debt used to pay for the acquisition of, and improvements to, the school's facility.²⁰



The Charter School Facility Center at the National Alliance for Public Charter Schools is conducting continued research on charter schools included in general obligation bonds. To learn more about bonds in relation to charter schools see the Additional Information section at the end of this paper.

¹⁷ LISC, *SchoolBuild, South Carolina*, <https://www.lisc.org/charter-schools/funding-options/state/south-carolina>

¹⁸ Greer Middle College, August 2020, <http://www.greermiddlecollege.org/about/>

¹⁹ Langston Charter Middle School, August 2020, <https://www.langstoncharter.org/about-us>

²⁰ South Carolina Jobs-Economic Development Authority (JEDA), "JEDA Annual Report 2014," https://dc.statelibrary.sc.gov/bitstream/handle/10827/17451/JEDA_Annual_Report_2014.pdf?sequence=1&isAllowed=y



Targeted Tools

Direct and targeted financing tools are the fastest growing area of development finance. Targeted financing tools differ from other tools because they target specific geographic areas or difficult to finance sectors in a community, offering incentives, tax rebates, credits, and unique financing structures that drive investment and development within that geographic footprint. Most of these targeted tools fall into a category called special district financing, and they all provide a slightly different approach to a similar concept. In addition, the use of tax abatements (i.e. relief from tax liability) is another form of targeted financing. The goal of targeted and special assessment district financing tools is to catalyze investment and transform the actual or perceived real estate values of a given geographic area. Targeted and special assessment district financing tools have been widely successful, yet they are still under-utilized throughout the country.

Targeted and special assessment district financing tools typically fall into two categories. The first category of tools is designed to generate new taxes in a geographic area through improvements to the built environment. These improvements increase property, sales, or other taxes, which can in turn be used to finance some of the improvements. The second category of tools allows business and industry to generate funds through tax assessments. These assessments, often self-imposed, in turn, finance improvements in the geographic area. The two tools we will focus on for this section are Tax Increment Finance and Property Assessed Clean Energy.

Tax Increment Finance (TIF)

Tax Increment Finance (TIF) is a mechanism for capturing the future tax benefits of real estate improvements, in order to pay for the present cost of those improvements. TIF is generally used to channel funding toward improvements in distressed or underdeveloped areas where development would not otherwise occur. Tax increment finance is a popular development finance tool generally used to address blight, promote neighborhood stability, and inspire district-oriented development. TIF uses the increased property or sales taxes (increment) generated by new development to finance costs related to the development such as public infrastructure, land

acquisition, demolition, and planning. The life of a district can be anywhere from 10-40 years, or enough time to pay back the costs or bonds issued to fund the improvements. The tax increment from a TIF district is created without raising taxes, and also without dipping into the base tax revenues present at the time of adoption. The increment thus becomes a repayment stream for debt used to finance some aspects of what is driving the increase.

Crossroads Academy

Location: Kansas City, MO

Dean Johnson, the charter school's executive director, said the expansion was propelled forward with public assistance that was approved by the Kansas City Council in April. That money comes from an amendment to the 11th Street TIF Plan that allows the school to use \$5.5M in tax revenue that has been diverted for reimbursable project costs but not claimed. The purchase of 1009 Central St. closed in July. Having opened in 2012, Johnson said the nonprofit charter school has become an important aspect of the downtown revival. About 280 students were enrolled in the school for the 2014-2015 school year. Enrollment was expected to grow to about 380 in kindergarten through eighth grade, due to the expansion. "This year we've actually started to see some families that have moved into the greater downtown area particularly to access the school, which we find pretty exciting," Johnson said. "Downtown has become a great place for a school, and it may not have been 20 years ago, but it is now because of all the different resources our students are able to access."²¹



Minnesota New Country School (MNCS)

Location: Henderson, MN

MNCS's teachers own and operate this unique school. In the early 1990s, a small group of teachers, aspiring administrators, and community members, each frustrated with traditional school models, started planning for an innovative high school. Sponsored by the Le Sueur-Henderson public school district, MNCS opened in 1994 with 65 students, the seventh charter school in Minnesota, and one of the first 100 charter schools in the United States. Their first location was less than ideal and MNCS put together a \$1.2M financing package for the construction of a new building that included a loan from the city's Economic Development Authority, \$330,000 from Tax Increment Financing (TIF), and a bank loan guaranteed by the USDA's Rural Development Program.²²



²¹ Austin Alonzo, "Construction begins on Crossroads Academy," *Kansas City Business Journal*, 2014, <https://www.bizjournals.com/kansascity/news/2014/09/18/crossroads-academy-charter-school-expansion.html>

²² Institute for Education and Social Policy, Steinhardt School of Education New York University, "The Finance Gap: Charter Schools and Their Facilities," 2004, https://www.lisc.org/media/filer_public/aa/89/aa8965e6-4741-4522-8d97-d3f275d9568b/the_finance_gap.pdf

Property Assessed Clean Energy (PACE)

Property Assessed Clean Energy (PACE) is a finance tool used to implement energy-efficient improvements on private property. PACE provides access to affordable capital with no upfront costs to make energy efficiency improvements to residential and commercial properties. Extended-term financing allows for the property owner to pay back the loan over time, as well as the potential to increase property values and reduce energy costs. PACE is a broad, flexible tool that can be applied to individual properties, as well as manufacturing campuses and business districts. The PACE financing model allows for property owners to access affordable capital to make energy efficiency upgrades to their properties by allowing the local municipality to place a special assessment on the property's tax bill. The debt is associated with the property, not the property owner, and therefore is repaid by the property owner via the assessment on the tax bill, making the costly energy efficiency upgrades affordable in the long term. Laws surrounding the use of PACE differ from state to state and between local municipalities. Visit PACENation's Programs Map to see if a PACE program is active in a specific place; the link can be found in the Additional Resources section below.

IDEA Public Charter School

Location: Washington, DC

IDEA is a small high school with students pursuing college, trade careers, or military service upon graduation. With IDEA's enrollment growing the school needed to rehab the historic Deanwood building on its campus to allow a currently vacant floor to be used again. A church worked with Eagle Bank and the DC PACE program to finance most of the energy related costs of the project. The project used \$750K in approved PACE financing with a term of 20 years. Lifetime utility bill savings, reduced O&M expenses, and avoided capital costs are estimated to total over \$1.4M, with estimated annual electric savings of 30,939 kWh and natural gas savings of 13,127 therms.²³



Elsie Whitlow Stokes Community Freedom Public Charter School

Location: Washington, DC

Through the efforts of two of the District of Columbia's Department of Energy and Environment's (DOEE) programs, a local charter school will save enough money on their energy and water bills to pay for \$1.6M in improvements to their facilities. This green building project, developed by the local energy services provider ThinkBox Group, will result in capital improvements and infrastructure upgrades to mechanical equipment, energy and water conservation measures, and the installation of solar photovoltaic panels on the rooftop of the school.²⁴



²³ Urban Ingenuity, "Energy Efficiency For A Charter School," <https://urbaningenuity.com/pace/ideacharterschool/>

²⁴ Urban Ingenuity, "Local Public Charter School Gets a Green Upgrade," 2016, <https://us10.campaign-archive.com/?u=5b35c6ffd15dc5bcd7d7fe878&id=fbe09ba0cd&e=32d64dea17>



Investment Tools

Unique financing solutions provide incentives for individuals and companies to invest in new machinery, technology, and construction. These resources – tax credits, investment incentive programs, and many energy finance programs – are key elements of the development finance toolbox. While each program is different, they have a shared outcome- catalyzing investment. Individual states have also created tax credit programs and state-sponsored energy efficiency finance programs that fit in the investment tools category. The federal government has created programs to help catalyze investment and they provide a powerful tool for economic development professionals. These programs help to catalyze a range of investments, including historic rehabilitation, environmental remediation, affordable housing, underserved real estate markets, and renewable energy.

Many states have also created programs that provide tax credits to complement the federal tax credits or address additional needs within the state. These tax credits are diverse in their purpose, use, and implementation process and change with the economic development needs and political direction of the communities that they serve. Check with your state to determine if any of the programs can help your school in the pursuit of job creation, neighborhood revitalization, or the many other roles that charter schools fulfill within a community. Though a nonprofit charter school typically is not interested in tax credits, it may be possible to pass them on to investors through transfer or syndication. In this section, we will cover several investment tools that have been used to finance charter schools including new markets tax credits, historic tax credits, an immigrant investor program, as well as opportunity zone funds.

New Markets Tax Credits (NMTC)

The New Markets Tax Credit (NMTC) program was created to generate additional capital for economic development projects in low-income communities. The Community Development Financial Institutions Fund (CDFI Fund) allocates NMTCs to Community Development Entities (CDEs). The CDE then leverages the allocation of NMTCs to raise equity from investors. An investor receives a federal income tax credit equal to 39% of a Qualified Equity Investment (QEI) made into a CDE which is then invested in a targeted low-income community. The NMTC is taken incrementally over

a seven-year period, where a 5% annual credit is taken for the first three years, followed by a 6% credit over the last four years, for a total of 39% of the initial investment. NMTCs can represent 15% to 25% of the project's capital stack, which helps to achieve lower interest rates and potential equity stakes at the end of the credit period, enhancing the project and incentivizing more investment. NMTC investments may include loans to businesses, to commercial, industrial and/or retail developments, and to developing for-sale housing. For the purpose of the NMTC program, low-income communities are considered to be census tracts in which the median family income is below 80% of the area median family income. Fourteen states also have their own version of the New Market Tax Credits program. These tax credit programs can be used for community facilities.

Thurgood Marshall Academy Public Charter High School (TMAPCS)

Location: Washington, DC

TMAPCS is a law-themed college preparatory charter school in a highly distressed community that first opened in a space leased from a church in 2001. Needing to expand and secure a more permanent location, they worked with the city to purchase the previously abandoned Old Nichols Avenue School in 2003. City First arranged a \$14M New Market Tax Credit transaction that reduced the cost of permanent financing by nearly 40%. Other financing in the redevelopment project included several direct loans, a City Build Grant of \$1M, and tax-exempt bond financing.²⁵



Chester Charter School for the Arts

Location: Chester, PA

Commonwealth Cornerstone Group (CCG) completed a \$7.5M New Markets Tax Credit (NMTC) financing transaction that helped to fund the construction of a new building for the non-profit Chester Charter School for the Arts (CCSA). Funding assisted the school to construct a 90,500-square-foot K-12 school building that is better suited for supporting the educational requirements of the students. The total project cost is \$26.6M.²⁶



Historic Tax Credits (HTC)

The Federal Historic Preservation Tax Incentives program was established by Congress with the Tax Reform Act of 1976 and is administered by the National Parks Service and Internal Revenue Service (IRS). The goal of the program is to discourage unnecessary demolition of historic buildings and to slow capital flight from historic urban areas. This type of incentive offers a tax credit against the total federal income taxes owed and is taken over a period of five years. The tax credit is equal to 20% of qualified rehabilitation expenditures devoted to the rehabilitation of a

²⁵ Kathleen Padian, "Facilities 101," *New Orleans School Facility Project*, <http://www.charterschooltools.org/tools/Facilities101.pdf>, slide 43

²⁶ Pennsylvania Housing Finance Authority, "CCG announces tax credits for Chester Charter School for the Art," 2017, https://www.phfa.org/forms/press_releases/2017/nmtc_chesterchool_final_04042017.pdf

certified historic structure. Federal Historic Tax Credits are available through a non-competitive, open application process. There are several basic criteria that must be met to claim the credit, such as the building must be income-producing and a registered Certified Historic Structure by the National Register of Historic Places. There are also requirements for rehabilitation unique to each building that must be done according to the Secretary of the Interior's Standards for Rehabilitation. The purpose of the criteria to claim Federal Historic Tax Credits is to ensure the rehabilitation is done in a way that preserves the historic integrity of each unique, individual building.

Historic rehabilitation tax credits are popular and widely used, especially in states where there are state programs that aim to complement the federal program. These state-level programs are typically used in conjunction with the federal historic tax credits on a given project to provide additional incentive to invest in historic rehabilitation projects within that state. Not all states have a supporting state historic tax credit and of those that do, the terms vary so it is critical to check what tax credits might be available in your state.

Patrick Henry School of Science and Arts

Location: Richmond, VA

The Patrick Henry School of Science and Arts, the Commonwealth's first elementary charter school, leveraged state historic tax credits to save the school nearly 20 percent on construction costs. The school is located in the Patrick Henry building that is leased by the Local Education Agency to the charter school for \$1 per year.²⁷



Haas Hall Academy Rogers Campus At The Lane

Location: Rogers, AR

While using Historic Tax Credits to finance the adaptation of a historic building into a school comes with numerous challenges, charter schools are often well suited as they are able to be flexible and adjust programming to suit the building as was done in this particular example. The Historic Lane Hotel was built in 1928 and is considered the most impressive structure in downtown Rogers, a five-story Spanish Colonial-style building on the corner of Poplar and Second Streets. Completely restored in 2017 using historic tax credits, the facility became home to Haas Hall Academy Rogers.²⁸



²⁷ Kristen Nye Larson, "Strategies for Improving Charter School Facilities Funding," Global Policy Institute, 2016, <https://globalpi.org/research/strategies-for-improving-charter-school-facilities-funding/>

²⁸ John M. Tess, "Lessons Learned from Adaptive Reuse of Building to Become a School," Novogradac Journal of Tax Credits, 2018, http://www.heritage-consulting.com/wp-content/uploads/2018/01/novogradac_jtc_2018-01_htc_pg66.pdf

Immigrant Investor Program (EB-5)

The EB-5 program is a federally-authorized visa category created by Congress in 1990. The primary concept is to encourage foreign investment in job-creating U.S. economic development projects or companies in return for a U.S. green card. These projects or companies must create or retain 10 full-time jobs in the states, and a minimum investment of \$1M is required. This investment can be reduced to \$500K if the investment is made in a high unemployment or rural area. Once the investment in a qualifying project or company has been made, the investor receives a conditional green card for two years. After two years, the investor must prove that their investment has been maintained and that the 10 jobs continue to exist. At this point, the conditional status is removed.

Through the early periods of the program, this was the primary investment strategy, and it worked sparingly. Originally, the program was established without any official intermediary between investors, projects, and the green card process. In 1993, Congress boosted the program by also allowing private and public agencies to create Regional Centers, which can accept the investment from the green card-seeking investor. The U.S. Citizenship and Immigration Services, the managing federal agency, sets aside 10K green cards each year for foreign investors participating through designated Regional Centers. The centers invest in projects that meet all of the program criteria.

Ben Gamla Preparatory Academy

Location: Hollywood, FL

The construction of Ben Gamla Preparatory Academy cost a total of \$10.3M, and \$7.5M of the funding was made possible by 12 immigrant investors through the EB-5 program. The school will repay the investors over time, and as a promised incentive for their investment, the investors will receive one American visa each.²⁹



Renaissance Charter School at Wellington

Location: Wellington, FL

This charter school expansion project cost a total of \$18.5M. Of that, \$13.5M cost was covered by 27 immigrant investors who received American visas in return for their investment as part of the EB-5 finance program.³⁰



²⁹ Quebec Investment Consultation and Management Services, EB-5 Charter School Projects, <https://www.invest-visa.com/Dynamic/50057/EB-5-Charter-School-Projects>

³⁰ Quebec Investment Consultation and Management Services, EB-5 Charter School Projects, <https://www.invest-visa.com/Dynamic/50057/EB-5-Charter-School-Projects>

Opportunity Zone Funds

Created as part of the Tax Cuts and Jobs Act of 2017, Opportunity Zones are a federal economic development tool aiming to improve the outcomes of distressed communities around the country. Opportunity Zones are low-income census tracts that offer tax incentives to investors who hold their capital gains in Zone assets or property. By investing in Opportunity Zones, investors receive a temporary deferral on their capital gains taxes if they hold their investments for at least 5 years and a permanent exclusion from a tax on capital gains from the Opportunity Zones investments if the investments are held for 10 years. Opportunity Zones financing can help reduce overall project costs for charter school facilities by allowing developers access to equity during the early stages of project development. This can help them avoid high-cost debt products, like construction and bridge loans, and save money on interest costs.³¹

According to a report produced by the National Charter School Resource Center, charter schools in 44 states might be able to access financing through Opportunity Zone investments. The report authors estimate that between 1,078 and 2,079 schools could be eligible for this financing tool within the next few years to pay for new buildings or to finance renovations.³² Furthermore, the U.S. Department of Education updated its priorities for competitive grants to include schools currently located in or planning to move to Opportunity Zones. To date, the department has awarded over \$30 million to support States, school districts, and other organizations working to improve educational outcomes in Opportunity Zones.³³ Though examples of successfully funded and completed charter school projects using Opportunity Zones capital are not yet readily available, there is great potential with this tool, and many projects are currently being developed.

Zeta Charter Schools

Location: New York, NY

Starwood Capital Group announced a development in the South Bronx, its first deal under a new Opportunity Zone strategy will be a mixed-use development that will be home to a PK-8 charter school, Zeta Charter Schools. The private investment giant is partnering with New York City developer AB Capstone to develop the 147,000-square-foot facility. This project has not been completed as of the publishing of this paper.³⁴



31 Economic Innovation Group, "Advancing Education and Child Development In Opportunity Zones," 2020, <https://eig.org/wp-content/uploads/2020/09/oz-education-report.pdf>

32 National Charter School Resource Center, "Charter School Facilities Financing Sources: Exploring Quality Opportunity Zones and the U.S. Department of Agriculture Rural Development Programs," 2018, <https://charterschoolcenter.ed.gov/publication/charter-school-facilities-financing-sources-exploring-quality-opportunity-zones-and-us>

33 U.S. Department of Education, "Secretary DeVos Announces Grant Priority to Support Students in Economically Distressed Communities," 2019, <https://www.ed.gov/news/press-releases/secretary-devos-announces-grant-priority-support-students-economically-distressed-communities>

34 Greg Isaacson, "Starwood Capital to Launch 1st Opportunity Zone Project," *Commercial Property Executive*, 2019, <https://www.cpexecutive.com/post/starwood-capital-jumps-into-bronx-qoz-with-charter-school-project/>



Access to Capital Lending Tools

Access to capital tools, the fourth area of the development finance toolbox, include revolving loan funds, mezzanine finance, loan guarantees, micro-enterprise financing, linked deposit programs, and innovation finance. These tools, while important, are widely under-utilized. Capital programs are a key facet of the development finance toolbox. They can be tailored to address small financing needs as well as large scale projects. This category represents the largest, most flexible part of the toolbox. Capital programs range from large loan funds supported by the federal government to small, linked deposit programs supported by local governments and banking institutions. This range of programs shows that federal, state, and local governments often play a key role in providing access to capital. The two tools we will focus on for this section are Loan Guarantee Programs and Revolving Loan Funds.

Loan Guarantee Program

Loan guarantees allow risk to be shifted from a private lending institution to a third-party participant- usually a government entity. This guarantee reduces private lender risk, which encourages private lenders to make loans and makes capital more available. The third-party guarantor must be willing and able to repay the borrower's obligations to the lending institution in the event of default or loss. There are many varieties of guarantee programs, and each has different rules, regulations, and characteristics. In some cases, a percentage of the loan is guaranteed through phases of the project, and aspects of the guarantee expire as the loan matures. In some instances, such as financing in distressed communities, the guarantee is only necessary during the start-up phase. As the project and the community undergo development, lending risks are relieved, and the guarantees become less crucial. Loan guarantees are a win-win for government and lending institutions if the projects are successful, and both parties achieve a return on their investment. Loan guarantee programs allow governments to increase access to capital and invest in businesses, thus promoting redevelopment in their communities.

The federal government operates many successful guarantee programs, including the Small Business Administration's 7(a) Loan Program and 504 Loan Programs, which could be utilized by a for-profit charter school. State governments have also begun to expand their roles in this area. Numerous loan guarantee programs exist throughout the country. For example, since enacted in 2019, the Idaho School Bond Guaranty, a credit enhancement for charter schools, helps to lower interest rates on bonds for charter school facilities. In Utah, participating charter schools have saved over \$91M on interest payments using a similar program since 2012. Communities with limited resources can take advantage of such programs by marketing them to businesses and partnering with state governments. Check with your state or local government to determine if there are any additional loan guarantee programs that can help your school in the pursuit of job creation, neighborhood revitalization, or the many other roles that charter schools fulfill within a community.

Desert Star Community School | Building Block Fund

Location: Cornville, AZ

After acquiring a large plot of land, Desert Star quickly discovered that traditional lenders were wary to lend to a rural charter school located in a distressed community with no experience managing their own facility. In 2008, Charter Schools Development Corporation (CSDC) stepped in with a loan guarantee via the Building Block Fund, enabling Desert Star to complete the construction of a self-owned school campus and to build the facility they needed to fully implement their education model, grow, and thrive. As the school has grown, so has its partnership with CSDC. In 2012, Desert Star was in dire need of additional classroom and multi-use space. CSDC financed the additional improvements with a direct loan to the school. Finally, in 2016 Desert Star once again looked to CSDC for assistance navigating the USDA Community Facility Program. As a result of Desert Star's partnership with CSDC and a second critically-timed bridge loan, Desert Star was able to leverage the USDA program to buy out all of their existing debt and build a new 7,000 square foot multi-use facility.³⁵



Revolving Loan Fund (RLF)

Revolving loan fund programs are diverse tools that communities can use to support a myriad of uses including small and mid-sized businesses, environmental remediation, affordable housing, and even charter schools. They can be publicly or privately created and operated. Revolving loan funds are designed to be evergreen as they are maintained by the repayment of principal and grow through interest payments. States and local economic development entities operate a variety of revolving loan funds for various purposes. The first two case studies below are funded through state revolving loan funds. Check with your state or local government to determine if there are any additional revolving loan programs that can help your school in the pursuit of job creation, neighborhood revitalization, or the many other roles that charter schools fulfill within a community that may serve the local economic development goals for which the revolving loan funds are intended.

³⁵ Charter Schools Development Corporation, "20 Years of Financing and Building Great Charter Schools," 2017, <https://csdc.org/impact/annual-impact-report/>

Lakes and Bridges Charter School | South Carolina Charter School Facility Revolving Loan Fund Program

Location: Easley, SC

A \$500K loan to South Carolina's only charter school for students with dyslexia was the state's first loan from the South Carolina Charter School Facility Revolving Loan Fund Program. The low-interest loan, awarded by the SC Treasurer's Office to Lakes and Bridges Charter School in Easley, allowed the school to transform a former commercial building on Easley's Main Street into a viable school facility for students and teachers.³⁶



Bridges and Briya Public Charter Schools | DC Office of Public Charter School Financing and Support (OPCSFS) Direct Loan Fund

Location: Washington, DC

The Direct Loan (DL) program was funded initially by the District of Columbia 2003 Appropriations Act to structure and provide loans to District of Columbia public charter schools for the purpose of construction, acquisition, renovation, and/or maintenance of public charter school facilities. One example of a successfully funded project was the funding of \$1M to Mamie D. Lee LLC to support \$24.2M in debt for the renovation of an 80,500 square foot school building at 110 Gallatin St. NE., creating a permanent school for Bridges Public Charter School and Briya Public Charter School. The total project cost was \$32.2M and 325 new student seats were created.³⁷



In addition to South Carolina and Washington, DC, there are 11 other states that have, or recently had, revolving loan funds that charter schools can access. California, Florida, Illinois, Louisiana, Nevada, and Utah have funded programs and Arkansas, Connecticut, Indiana, Ohio, and Rhode Island have loan funds on the books although they may not currently be active. Beyond the publicly funded revolving loan funds, there are many privately funded loan funds that have been created by foundations or non-profits. In addition to these national funds below, there are place-based funds in Colorado, Idaho, Tennessee, Atlanta, and others that can provide capital to charter schools.

Henderson Collegiate Charter School | Charter Schools Growth Fund, Facility Fund

Location: Henderson, NC

Charter Schools Growth Fund (CSGF) partnered with Henderson Collegiate to arrange a complex \$11M long-term financing arrangement in partnership with three other lenders. This filled a



³⁶ The State Treasurer's Office, "SC Treasurer Awards First Loan from South Carolina Charter School Facility Revolving Loan Fund," 2019, <https://www.treasurer.sc.gov/about-us/newsroom/sc-treasurer-awards-first-loan-from-south-carolina-charter-school-facility-revolving-loan-fund-1/>

³⁷ Office of the State Superintendent of Education, "Facilities Financing for DC Public Charter Schools," <https://osse.dc.gov/service/facilities-financing-dc-public-charter-schools>

crucial appraisal & loan-to-value gap by contributing \$1M in subordinated debt from the CSGF Facility Fund. The project received a total interest rate of ~3% for 30 years, saving the school significant funds to redirect towards academics.³⁸

KIPP Bay Area Public Schools (KBAS) | Equitable Facilities Fund

Location: San Jose and Oakland, CA

KIPP Bay Area Public Schools (KBAS) operates 15 charter schools spanning grades K through 12 in several cities in California. Equitable Facilities Fund provided a \$16M loan to refinance the construction of two new school facilities — KIPP Heritage Academy in San Jose and KIPP Bridge Academy in Oakland. EFF provided a 30-year fixed rate, fully amortizing loan that will save KIPP Bay Area approximately \$5M compared to the bond market alternative.³⁹



Village Tech Schools | Equitable Facilities Fund

Location: Duncanville, TX

Equitable Facilities Fund provided a \$9.04M, fixed-rate, 30-year loan to Village Tech to facilitate construction of the second phase of its permanent campus for its 1,100 Pre-K through 12th-grade students. Compared to the best alternative, EFF will save the school \$789,112 over the life of the loan.⁴⁰



Ascend Learning | Facilities Investment Fund

Location: Brooklyn, NY

Friends of Ascend Learning acquired and renovated two school buildings in Brooklyn for its 675 students — East Brooklyn Ascend Charter School and East Flatbush Ascend Charter School, totaling 61,000 square feet. Ascend Learning will save an estimated \$600K over five years.⁴¹



38 Charter School Growth Fund, Facility Fund, CSGF Facility Fund Case Study - Henderson Collegiate, <https://chartergrowthfund.org/facilityfund/>

39 Walton Family Foundation, "Building Equity Initiative- Year Three Report," 2019, <https://8ce82b94a8c4fdc3ea6d-b1d233e3bc3cb10858bea65ff05e18f2.ssl.cf2.rackcdn.com/93/a3/26038ae443ce9fe194e13596328c/bei-report-2020spreads.pdf>

40 Walton Family Foundation, "Building Equity Initiative Nonprofit Lending Funds Close over \$40M in Loans to Finance Permanent Facilities for Charter Schools," 2019, <https://www.waltonfamilyfoundation.org/about-us/newsroom/building-equity-initiative-non-profit-lending-funds-close-over-40m-in-loans>

41 Walton Family Foundation, "Building Equity Initiative- Year Three Report," 2019, <https://8ce82b94a8c4fdc3ea6d-b1d233e3bc3cb10858bea65ff05e18f2.ssl.cf2.rackcdn.com/93/a3/26038ae443ce9fe194e13596328c/bei-report-2020spreads.pdf>



Federal Support Tools

Federal support tools are defined as those that are more flexible, less complex, and more easily applied than most other development finance tools. They also offer gap financing. Support tools can fit into the category of bedrock tools, targeted tools, capital tools, and investment catalyst tools. They are often used in conjunction with other tools. However, like all development finance tools, support tools are not always readily available, nor are they guaranteed to achieve project success. The availability of such tools depends on the local context. While federal support tools such as the Community Development Block Grant (CDBG) Program and U.S. Economic Development Administration (EDA) funding are typically available on an annual basis, various tax incentives and grant funds may only be available for a set period, or in response to specific financing challenges. There are over one hundred different federal programs that finance economic development. Many of these programs provide funding directly to local governments, while others provide funding to a business, industry, collaborative, or intermediary. Often, these resources supplement local efforts and come in the form of guarantees, loans, and grants. The federal government provides billions of dollars annually, and when utilized fully, these resources can make a difference at the local level. This section covers an array of tools in this category that are well-suited to alignment with charter schools, but due to the proliferation of such tools, the list is not exhaustive.

[Credit Enhancement for Charter School Facilities Program | U.S. Department of Education](#)

The Credit Enhancement for Charter School Facilities program provides grants to eligible entities, typically nonprofit intermediary community lending entities like CDFIs or public entities, to permit them to enhance the credit of charter schools so that the charter schools can access private-sector and other non-Federal capital in order to acquire, construct, and renovate facilities at a reasonable cost. In 2007, Michigan Public Education Facilities Authority (MPEFA) received \$6.5M from this program that was put into a reserve fund that guarantees the bonds it issues to finance charter school facilities. Similarly, the Texas Public Finance Authority (TPFA) Charter School Finance Corporation in collaboration with the Texas Education Agency (TEA) and the Resource Center for Charter Schools operates the Texas Credit Enhancement Program (TCEP) using \$10M from this program for a debt-service reserve fund guaranteeing tax-exempt bonds issued for charter school facilities. To access this tool, a charter school would need to identify a recipient of these funds with which to work.

Lowell Community Charter Public School and Others

Location: Multiple Locations, MA

MassDevelopment has used its guarantee program to invest in Massachusetts charter schools such as Lowell Community Charter Public School, KIPP Academy Charter School, and MATCH Charter Public School in Boston, Christa McAuliffe Regional Charter Public School in Framingham, and Rising Tide Charter Public School in Plymouth. In total, MassDevelopment has provided nearly \$690M in bonds, loans, and guarantees to charter schools in the Commonwealth.⁴²



The U.S. Office of Elementary and Secondary Education offers several programs that support charter school construction, expansion, and renovation. Programs that provide federal funding to charter school developers directly include the Grant to Charter Management Organizations for the Replication and Expansion of High-Quality Charter Schools⁴³, the Developer Grants for the Opening of New Charter Schools⁴⁴, and for the Replication and Expansion of High-Quality Charter Schools, and the Magnet Schools Assistance Program⁴⁵. The first two programs are specifically designed to fund new or expanded facilities to replicate charter schools that have been proven to be successful in their communities. The latter program is not tailored solely for charter schools, but it can be used to establish a new charter school as long as it fulfills the requirements to be considered a magnet school, defined as providing “a special curriculum capable of attracting substantial numbers of students of different racial backgrounds.”

Community Facilities Direct Loan Program | U.S. Department of Agriculture Rural Development

The Community Facilities Direct Loan Program provides affordable funding to develop essential community facilities in rural areas. An essential community facility is defined as a facility that provides an essential service to the local community for the orderly development of the community in a primarily rural area and does not include private, commercial, or business undertakings.

Plumas Alternative Learning Services

Location: Quincy, CA

Through the Community Facility Direct Loan program, USDA Rural Development has granted Plumas Alternative Learning Services a \$2.4M loan to construct a new school. In operation



⁴² MassDevelopment, “MassDevelopment Receives \$8 Million From U.S. Department of Education to Support Charter Schools,” 2017, <https://www.massdevelopment.com/news/massdevelopment-receives-8-million-from-u.s.-department-of-education-to-sup/>

⁴³ U.S. Department of Education, Charter Schools Program Grants to Charter Management Organizations for the Replication and Expansion of High-Quality Charter Schools (CMO Grants), <https://oese.ed.gov/offices/office-of-discretionary-grants-support-services/charter-school-programs/charter-schools-program-grants-for-replications-and-expansion-of-high-quality-charter-schools/>

⁴⁴ U.S. Department of Education, Charter Schools Program Developer Grants for the Opening of New Charter Schools and for the Replication and Expansion of High-Quality Charter Schools, <https://oese.ed.gov/offices/office-of-discretionary-grants-support-services/charter-school-programs/charter-schools-program-non-state-educational-agencies-non-sea-planning-program-design-and-initial-implementation-grant/>

⁴⁵ U.S. Department of Education, Magnet Schools Assistance Program (MSAP), <https://oese.ed.gov/offices/office-of-discretionary-grants-support-services/school-choice-improvement-programs/magnet-school-assistance-program-msap/>

since 1998, the charter school leased space from the local school district until it became unavailable. As a result, Plumas Charter School had to spread out into three different leased locations creating inefficiencies. This loan will be used to construct a consolidated school site of more than 14,000 square feet of space for classrooms, multi-purpose spaces, and administrative offices.⁴⁶

Pioneer Valley Chinese Immersion Charter School

Location: Amherst, MA

Through the Community Facility Direct Loan program, USDA Rural Development approved a loan of \$10.6M for an addition to the school. The addition doubled the size of the existing facility to 68,205 square feet and allowed PVCICS to accommodate 584 students in 2018.⁴⁷



Community Development Block Grants | U.S. Department of Housing and Urban Development

The Community Development Block Grant (CDBG) Program provides annual grants on a formula basis to states, cities, and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

WALIPP Lawson Academy Charter School

Location: Houston, TX

In 2016, The City of Houston allocated \$4.73M of Community Development Block funds to The William A. Lawson Institute for Peace and Prosperity (WALIPP) for the acquisition of 5.5 acres of land to construct The Lawson Academy charter school campus for boys and girls in middle school grade levels and land for future expansion to include high school grades. Additional funding for the campus was provided by an H-E-B grant, bank loans, and WALLIP.⁴⁸



⁴⁶ USDA Rural Development, "DA Highlights New Charter School Building in Quincy," 2018, <https://www.rd.usda.gov/newsroom/news-release/usda-highlights-new-charter-school-building-quincy>

⁴⁷ USDA Rural Development, "Charter School Receives Funding for Expansion," 2019, <https://www.rd.usda.gov/newsroom/success-stories/charter-school-receives-funding-expansion>

⁴⁸ Doug Miller, "City earmarks millions for Lawson charter school," KHOU-TV, 2016, <https://www.khou.com/article/news/city-earmarks-millions-for-lawson-charter-school/121556994>

Accessing Additional Funding

There are many additional funding sources that are available to charter schools for the acquisition and development of land, renovation of buildings, and various ancillary uses with regard to facilities. It is important that charter schools look at themselves through multiple lenses and as more than just educational entities in order to identify additional sources of funding. Charter schools are job creators, they can be part of larger mixed-use development structures, and can benefit from development incentives and needed supporting infrastructure in partnership with local governments. It is possible for charter schools to utilize tools that may not seem an obvious fit, but these tools can drastically reduce the overall cost of a project. As mentioned in each section above, in addition to programs available at the national level, there are innumerable programs available at the state and local level that charter schools can and should pursue. These programs are crafted to suit the individual economic development and political goals of the states and municipalities that create them. They can be created or changed based on the needs of the community and charter schools are part of those communities.

Conclusions and Next Steps

Charter schools around the nation are already utilizing development finance through a broad array of tools presented in this paper including tax-exempt bonds, tax increment finance, property assessed clean energy, various tax credit programs, revolving loan funds, loan guarantees, and several federal support programs. This is the first paper in a series that intends to provide development finance agencies with the understanding of the myriad financing sources available to charter schools and to provide charter schools with the information and resources they need to successfully access the full spectrum of development finance offerings. While this paper explored the existing landscape of development finance tools that charter schools are currently utilizing, coming research and papers will further demonstrate the ability of the charter schools to utilize additional development finance tools and to work collaboratively with local development finance entities to make projects possible.

Additional Resources

General

Council of Development Finance Agencies (CDFA)

<http://www.cdfa.net>

Department of Education | National Charter School Resource Center

<https://charterschoolcenter.ed.gov/>

Education Commission of the States (ECS) | 50-State Comparison: Charter School Policies

<https://www.ecs.org/charter-school-policies/>

LISC | SchoolBuild

<https://www.lisc.org/charter-schools/funding-options/>

National Alliance for Public Charter Schools and the Charter School Facility Center

<https://www.publiccharters.org/>

<https://facilitycenter.publiccharters.org/>

U.S. Department of Education | Charter School Programs

<https://oese.ed.gov/offices/office-of-discretionary-grants-support-services/charter-school-programs/>

Tax-Exempt Bonds

CDFA | Bond Finance Resource Center

<https://www.cdfa.net/cdfa/cdfaweb.nsf/resourcecenters/bond.html>

LISC | Charter School Bond Issuance: A Complete History Volume 3

https://www.lisc.org/media/filer_public/70/28/7028ad74-0040-49cc-9b5b-d988d738781e/2015_charter_school_bond_issuance_v3.pdf

Orrick | Public Charter Schools: Borrowing With Tax-Exempt Bonds (Third Edition)

<https://www.orrick.com/en/Insights/2019/01/Public-Charter-Schools-Borrowing-With-Tax-Exempt-Bonds-Third-Edition>

Tax Increment Finance

CDFA | Tax Increment Finance Resource Center

<https://www.cdfa.net/cdfa/cdfaweb.nsf/resourcecenters/tif.html>

Property Assessed Clean Energy

CDFA | PACE Financing Resource Center

<https://www.cdfa.net/cdfa/cdfaweb.nsf/resourcecenters/pace.html>

PACENation | PACE Programs

<https://pacenation.org/pace-programs/>

New Markets Tax Credit

CDFA | New Markets Tax Credit Program

<https://www.cdfa.net/cdfa/cdfaweb.nsf/programs/4458484053?open&login>

CDFI Fund | New Markets Tax Credit Program

<https://www.cdfifund.gov/programs-training/Programs/new-markets-tax-credit/Pages/default.aspx>

Historic Tax Credits

CDFA | Historic Preservation Tax Incentives

<https://www.cdfa.net/cdfa/cdfaweb.nsf/programs/5599185228?open&login>

National Park Service | Tax Incentives for Preserving Historic Properties

<https://www.nps.gov/tps/tax-incentives.htm>

Immigrant Investor Program (EB-5)

CDFA | EB-5 Financing Resource Center

<https://www.cdfa.net/cdfa/cdfaweb.nsf/resourcecenters/eb5.html>

U.S. Citizenship and Immigration Services | EB-5 Immigrant Investor Program

<https://www.uscis.gov/eb-5>

Opportunity Zone Funds

CDFA | Opportunity Zone Resource Center

<https://www.cdfa.net/cdfa/cdfaweb.nsf/resourcecenters/OZ.html>

EIG | Advancing Education and Child Development In Opportunity Zones

<https://eig.org/wp-content/uploads/2020/09/oz-education-report.pdf>

IRS | Opportunity Zones Frequently Asked Questions

<https://www.irs.gov/newsroom/opportunity-zones-frequently-asked-questions>

Loan Guarantee Program

CDFA | Community Facilities Guaranteed Loan Program

<https://www.cdfa.net/cdfa/cdfaweb.nsf/programs/3838437199?open&login>

Charter Schools Development Corporation | Lease And Loan Guarantees Building Block Fund

<https://csdc.org/home/lease-and-loan-guarantees/>

Revolving Loan Fund

CDFA | Revolving Loan Fund Resource Center

<https://www.cdfa.net/cdfa/cdfaweb.nsf/resourcecenters/rlf.html>

Credit Enhancement for Charter School Facilities Program

U.S. Department of Education | Credit Enhancement for Charter School Facilities Program

<https://oese.ed.gov/offices/office-of-discretionary-grants-support-services/charter-school-programs/credit-enhancement-for-charter-school-facilities-program/>

Community Facility Direct Loan

CDFA | Community Facilities Direct Loan & Grant Program

<https://www.cdfa.net/cdfa/cdfaweb.nsf/programs/7288725375?open&login>

USDA Rural Development | Community Facilities Direct Loan & Grant Program

<https://www.rd.usda.gov/programs-services/community-facilities-direct-loan-grant-program>

Community Development Block Grants

CDFA | CDBG Entitlement Program

<https://www.cdfa.net/cdfa/cdfaweb.nsf/programs/5129364132?open&login>

CDFA | CDBG State Program

<https://www.cdfa.net/cdfa/cdfaweb.nsf/programs/5129364132?open&login>

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The Council was formed in 1982 with the mission to strengthen the efforts of state and local development finance agencies fostering job creation and economic growth through the use of tax-exempt and other public-private partnership finance programs. Today, CDFA has one of the strongest voices in the development finance industry and regularly communicates with Capitol Hill, state and local government leaders and the Federal Administration. The Council provides a number of avenues for assisting the development finance industry including education, advocacy, research, resources and networking. Learn more and join at www.cdfa.net.

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The National Alliance for Public Charter Schools is the leading national nonprofit organization committed to advancing the charter school movement. Its mission is to lead public education to unprecedented levels of academic achievement by fostering a strong charter school movement. NAPCS's vision is that every family can choose a well-funded, high-performing public school that delivers an excellent education for their children. www.publiccharters.org