



Illinois • Indiana • Iowa • Missouri • Wisconsin

Building Stronger Schools

ROWE-CLARK



MATH & SCIENCE ACADEMY
The Evelyn Campus of Noble Street Charter School



3645

3645





Joe Neri,
Chief Executive Officer



UNO Charter School Network, Veteran's
Memorial Charter School Campus, Chicago



Tanya Vartivarian,
Director of School Services



Seeds of Health, Veritas High School,
Milwaukee

American Quality Schools knew they needed to renovate Plato Elementary School, located in Chicago, before the start of the school year—but tightening credit markets left AQS uncertain as to whether they could finance renovations. That's when IFF stepped in to help. IFF provided an affordable loan so AQS was able to welcome their students back to a new-and-improved facility after summer break.

Working together on the Plato Elementary renovation was only the beginning—IFF's real estate services team helped AQS evaluate expansion of the school to a middle school including site evaluation, architect selection, design oversight, and due diligence. IFF has since worked with AQS to provide credit enhancement for the Thea Bowman Leadership Academy in Gary, Indiana, and is working with AQS to finance other projects in Indiana and in St. Louis.

IFF works closely with AQS as an advocate to support their expansion plans throughout the Midwest.

IFF is the only one-stop shop in the Midwest offering affordable financing and real estate services at every stage of school development.

IFF was among the first community development financial institutions in the nation to provide below-market rate financing specifically for charter schools and has gained national recognition for its innovative use of U.S. Department of Education credit enhancement grants to finance charter school projects.

Schools in certain markets can rely on IFF for help with the full spectrum of their real estate needs—IFF's expertise ensures projects are well-planned, well-placed, and well-constructed.

Through its public policy and research initiatives and technical assistance to charter school authorizers, IFF is a recognized leader in strengthening school reform efforts and improving the landscape in which today's schools operate.

Plan

For schools in the early planning stages of a project, IFF can help with:

- Making location, space requirement, and financial feasibility decisions;
- Evaluating the condition and energy efficiency of existing facilities and suggesting improvements; and
- Examining the real estate portfolios of multi-campus schools and making strategic recommendations for capital improvements, expansion, consolidation, or relocation options.

Find

IFF understands that schools face a multitude of challenges seeking suitable facilities—through site search and due diligence services, IFF can help with:

- Exploring and thoroughly vetting all possible facility options, including the private commercial market and non-traditional markets;
- Evaluating factors that could impact a site's suitability, such as condition of the building, zoning, surrounding uses, and environmental concerns; and
- Assisting with lease or purchase negotiations to protect the school's best interests.



Heather Heaviland, Director of Real Estate Services, Wisconsin



Brookside Day School, Kansas City, Missouri



Michelle Gleason, Manager of School Services—St. Louis



Charles H. Shaw Technology and Learning Center, Chicago

Data-Driven, Neighborhood-Focused School Reform

IFF works with urban school districts, charter school authorizers, and foundations to support data-driven education reform strategies.

IFF's research focuses on the location, enrollment, and academic performance of public, charter, and other schools, to pinpoint the geographic areas where new quality schools and broader education reform strategies will have the most impact. IFF uses its research findings to support public policy reform and action that will attract proven school operators of all types to these high-need areas.

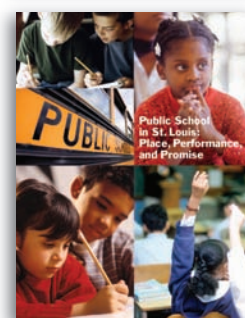
IFF believes that every child deserves the opportunity to attend a good school near where they live—and, with hard data and a neighborhood focus, is working to make it happen.



"A new list is out and it should be required reading for anyone who cares about the Chicago Public Schools."

"In the end, IFF's study shows clearly that sweeping change will come only when Chicago's neighborhood schools improve."

Chicago Sun-Times, May 17, 2009



"A modest, hyper-local approach may be the surest way to turn around a failed district...Those are the implications of a study published...by [IFF]. And they may represent St. Louis' best chance to achieve lasting stability."

"The journeys of thousands of children can begin with a single decent school."

St. Louis Post-Dispatch, September 25, 2009

Finance

For schools that need help accessing affordable financing for facilities and equipment, IFF offers the following options:

- **Loan Program:** Below-market rate loans with flexible terms ranging from \$10,000 to \$1.5 million.
- **Credit Enhancement Program for Charter Schools:** Using grants from the U.S. Department of Education, IFF is able to credit enhance tax exempt bonds, bank debt, and other financing structures for established charter schools seeking financing over \$1.5 million.
- **Financial Packaging:** IFF can provide financial packaging services to schools by identifying and coordinating with other financial institutions and funding programs to partner with IFF.

Develop

Schools engage IFF's owner's representative services to ensure that construction projects get finished on time and within budget. IFF can help by:

- Coordinating selection of the architect, contractor, and other professionals;
- Acting as the liaison among the school, the design team, and the construction team;
- Overseeing design, permitting, and construction; and
- Managing construction payout.



Andrea Underwood,
Assistant Director of School Services



Drexel Foundation for Educational Excellence,
Thea Bowman Leadership Academy, Gary, Indiana



Jose Cerda, Vice President of Public Policy &
Communications



Asian Human Services, Passages Charter School,
Chicago

IFF

Nonprofit financial and real estate resources
Where nonprofits come first.

Chicago Office

One North LaSalle Street, Suite 700
Chicago, Illinois 60602
312 629 0060

Missouri Office

911 Washington Avenue, Suite 203
St. Louis, Missouri 63101
314 588 8840

Wisconsin Office

215 North Water Street, Suite 225
Milwaukee, Wisconsin 53202
414 563 1100

866 629 0060 toll free

iff.org

“IFF really understands the needs of nonprofits well, they understand charter schools well, and they tailor their services to best meet our needs.”

Michael Milkie, Superintendent
Noble Network of Charter Schools
Chicago

“The IFF philosophy got us a building we can afford and that will provide us with the program space we need.”

Millie Krna, Executive Director
Brookside Day School
St. Louis

“IFF’s reasonable rates have freed up our operations budget, which is passed directly onto educating the kids in our schools. Add to that the efficiency and quality of the work its staff delivers, and IFF has already proved an indispensable partner that is helping Seeds of Health achieve its growth goals.”

Marcia Spector, Executive Director
Seeds of Health
Milwaukee

“IFF understands both charter schools and the important role of charter school authorizers. By engaging the authorizer and the state in their analysis of charter schools, IFF takes into consideration specific state charter laws and funding processes and provides a valuable perspective to the schools with which they work.”

Peter Tschaepe, Former Coordinator of Finance
Ball State University, Office of Charter Schools
Muncie, Indiana



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IFF Schools Borrowers & Clients

Illinois

Academy for Global Citizenship
ACE Technical Charter School
Alain Locke Charter School
American Quality Schools
Amandla Charter School
Asian Human Services
Aspira Inc of Illinois
Betty Shabazz International Charter School
Chicago Academy of the Arts
Chicago Charter School Foundation
Chicago Jesuit Academy
Chicago Jewish Day School
The Chicago Math and Science Academy Charter School, Inc.
Chicago Public Schools
Chicago Virtual Charter School
Chicago West Side Christian School
Comer Foundation
Community Capital Services
Community Christian Alternative Academy
Community Services West
Erie Elementary Charter School
Evanston School District 65
Galapagos Charter School
Galapagos Rockford Charter School NFP
Giant Steps Illinois, Inc.
Grace and Peace Community Church
Homan Square Power House
Illinois Network of Charter Schools
Instituto del Progreso Latino
Jane Addams High School
Keystone Montessori School
KIPP Ascend Charter School
L.E.A.R.N. Charter School
Legacy Charter School
Lighthouse Academies
Montessori Private Academy, Inc.
Namaste Charter School
Noble Network of Charter Schools
North Lawndale College Prep Charter School
Northwestern University Settlement Association
Patriots Gateway Community Center
Perspectives Charter School
Puerto Rican Cultural Center
Samaritas, Inc
Telpochcalli School and Community Center
University of Chicago Charter School Corporation
UNO Charter School Network, Inc.
Vincent Gray Academy
Young Women's Leadership Charter High School
Youth Connection Charter School

Indiana

Anderson Preparatory Academy
The Bloomington Project School
Charter Schools Development Corporation
Drexel Foundation for Educational Excellence, Inc
Duneland Charter School, Inc.
East Chicago Lighthouse Facility LLC
Galileo Charter School
Indiana Schools of Excellence, Inc.
International School of Columbus, Inc.
Irvington Community School
LEAD College Prep Charter School
The Project School
Stonegate Early College High School

Missouri

Academie Lafayette Charter School
Brookside Day School
Carondelet Leadership Academy Charter
City Garden Montessori Charter School
Della Lamb Community Services
Ewing Marion Kauffman Foundation
Gateway Science Academy
Hope Academy
Hogan Preparatory Academy
KIPP Inspire Academy
St. Louis Language Immersion Schools
South City Preparatory Academy
Washington University

Wisconsin

Carmen High School of Science and Technology
CEO Leadership Academy
Child Development Center of St. Joseph's
Day Care Services for Children, Inc.
Downtown Montessori Academy
Highland Community School
Hmong American Peace Academy
HOPE Christian Schools, Inc.
HR Academy
La Causa
Lighthouse Academies
Milwaukee College Preparatory School
Rocketship Education
Seeds of Health, Inc.
St. Anthony School
St. Marcus Lutheran School
V.E. Carter Development

Community Impact—Schools

**as of September 30, 2011*

	Loan Program	Real Estate Services
Total number of loans	126 loans	—
Total loan volume	\$69.4 million	—
Student slots created	22,124	5,110
Renovated/constructed space (sq ft)	2.6 million	715,382
Total credit enhancement grants	\$12.1 million	—
Total credit enhancement amount leveraged	\$197.6 million	—

For more information about services offered by the IFF Schools team, contact us at general@iff.org or 866 629 0060 or visit iff.org/iff-schools.



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Charter School Credit Enhancement Program FAQs

IFF received two grants totaling \$18 million from the U.S. Department of Education to credit enhance tax exempt bonds, bank debt, and other financing structures for established charter schools seeking financing over \$1.5 million in Illinois, Indiana, Missouri, and Wisconsin.

How does IFF's Charter School Credit Enhancement Program (CSCEP) work?

IFF's CSCEP provides credit enhancement in the form of a debt reserve of up to 10% of the financed amount to be accessed by the lender in the event of a default to make debt payments. The credit enhancement cannot serve as a guarantee, collateral, or equity. With tax exempt bond financing, the credit enhancement typically serves as a supplemental reserve to the bond financed debt reserve. IFF's credit enhancement pledge will be held in a trustee account that must be invested in funds that meet certain criteria and any interest earnings on the account must be returned to IFF.

What types of schools can access the Credit Enhancement?

Only charter schools, as defined by the U.S. Department of Education, can qualify for the CSCEP. Further, the program is intended for established charter schools with a solid track record and history, and preferably one charter renewal. Eligible charter schools must also have a student population with a high percentage of students eligible for free and reduced lunches within public school districts that need significant improvement on State assessments.

What types of facilities projects are eligible?

The credit enhancement can be used for refinancing of existing debt, renovations to owned or leased space, acquisition, and new construction. Charter schools must be able to demonstrate that the credit enhancement will enable financing at more favorable terms.

What are the fees/costs associated with the CSCEP?

IFF does not charge fees or points for the CSCEP. Schools pay a portion of IFF's legal fees and other costs associated with the closing.

What is the term of the Program?

IFF will typically pledge the credit enhancement for the term of the financing up to 30 years.

What happens if there is a default?

If there is a default and the lender must access the CSCEP debt reserve, IFF has the right to seek repayment from the school if the school continues to operate. If the school ceases to operate, IFF has the right to find a suitable charter school replacement to occupy the facility and take over the debt obligations.

What if my school does not fit the criteria for the CSCEP?

IFF's loan program provides financing to schools for up to \$1.5 million. IFF can also assist schools with financial packaging and other services. Please visit IFF's website at iff.org/iff-schools for more information.

For further information, please contact:

Tanya Vartivarian

IFF Director of School Services

One North LaSalle Street, Suite 700

Chicago, Illinois 60602

866 629 0060

tvartivarian@iff.org

iff.org/iff-schools



“They really understand the needs of nonprofits well, they understand charter schools well, and they tailor their services to best meet our needs.”

Michael Milkie
Noble Network Superintendant

Noble Network of Charter Schools

Total Project Costs*

\$41,743,701

Total Square Feet Developed*

336,342

**Completed between 2005 and 2009*

Chicago Bulls College Prep

2040 West Adams Street
Chicago, Illinois

Englewood College Prep

6350 South Stewart Avenue
Chicago, Illinois

Gary Comer College Prep

7200 South Ingleside Avenue
Chicago, Illinois

Golder College Prep

1454 West Superior Street
Chicago, Illinois

Muchin College Prep

1 North State Street
Chicago, Illinois

Noble Street Charter School

1400 August Boulevard
Chicago, Illinois

Osborn College Prep

Location TBD
Chicago, Illinois

Pritzker College Prep

4131 West Cortland Avenue
Chicago, Illinois

Rauner College Prep

1337 West Ohio Street
Chicago, Illinois

Rowe-Clark Math & Science Academy

(pictured)
3645 West Chicago Avenue
Chicago, Illinois

UIC College Prep

1231 North Damen Avenue
Chicago, Illinois

Description of Projects

Since opening its first high school in 1999, Noble Network of Charter Schools has become a nationally recognized charter school network with a mission to “provide access to a safe, rigorous, college-prep education for students throughout Chicago who want to build a foundation for college success.”

IFF has partnered with Noble in opening 11 campuses to accommodate the network’s ambitious growth and expansion plans since 2005. Today, Noble’s schools serve over 5,000 students and occupy over 300,000 square feet in buildings throughout Chicago.

It is important for Noble to create campus environments that maintain a culture of excellence and high expectations for its students. IFF worked closely with Noble to achieve that goal at each of its campuses.

Over the years, IFF assisted Noble in all aspects of its facility and financing needs, including front-end planning, finding suitable sites for its campuses, negotiating the lease or purchase of sites, overseeing design, and providing oversight during construction.

Another way IFF has served Noble’s needs is with the coordination of financial packaging. Over the years, IFF has provided \$6.8 million in direct loans and arranged \$25 million in credit-enhanced tax-exempt bond financing through its U.S. Department of Education grant for Noble’s expansion. When tight credit markets put Noble projects at risk, IFF negotiated to secure access to New Markets Tax Credit Financing, so the planned expansion could move forward.

With IFF as a trusted partner by their side, Noble can focus on fulfilling their mission.



Awards Received

Landmarks Illinois' Richard H. Driehaus Foundation Preservation Awards—Preservation Project of the Year 2009

Chicago Neighborhood Development Awards—Richard H. Driehaus Foundation Award for Outstanding Nonprofit Neighborhood Real Estate Project

National Housing and Rehabilitation Association—J. Timothy Anderson Award for Most Innovative Adaptive Reuse 2009

Midwest Construction—Best of 2009 K–12 Education Chicago

Architecture Foundation—Patron of the Year 2009

The Charles H. Shaw Technology and Learning Center, home of Henry Ford Academy Power House High

931 South Homan Avenue
Chicago, Illinois

Total Project Cost
\$40 million

Square Feet Developed
95,000

Development Team
IFF
Project Manager

Cotter Consulting
Construction Manager

Homan Arthington Foundation
Owner

Farr Associates
Architect

Pepper Construction
General Contractor

Date Completed
August 2008

Description of Project

In 2005, the Homan Arthington Foundation (HAF) approached IFF to evaluate adaptive reuse options for the decommissioned, 100-year-old Sears, Roebuck & Company Power House in North Lawndale with hopes of converting it into a productive space for the community.

HAF hired IFF to manage every aspect of the project—evaluating potential partners, selecting and negotiating contract terms with the architect and general contractor, interfacing with the State and City on municipal approvals, and providing general project oversight. IFF also assisted in developing the financing structure which included Federal Historic Tax Credits, New Markets Tax Credits, and a significant private capital campaign.

IFF helped the team evaluate green technology options in light of historic guidelines, the project budget, and a desire to seek LEED™ Platinum status. Key green elements include the geothermal field, water-to-air heat pumps, and a demand-based ventilation system designed to reduce the building's energy consumption and provide educational opportunities for students around energy generation and use.

IFF worked with MacRostie Historic Advisors to obtain the approvals for the Historic Tax Credits. The 15,000 square foot great hall's glazed brick walls and terra cotta floor tiles were preserved and historical windows were retrofitted with insulated glass. Industrial turbines, a coal ash conveyor belt, boilers, and steam piping remain as mementos of the facility's past life and serve as teaching tools for students.

As many as 450 local high school students can now participate in a hands-on exploration of energy production over the last century while learning contemporary energy usage principles and trade skills. As part of the overall curriculum, students are invited to interact with other members of the community; the building provides opportunities for the entire neighborhood by making office rental space available, hosting special events, and offering local programs.

This award-winning facility earns the nation's highest standards in architectural achievement, successfully uniting historical integrity and environmental sustainability in unprecedented ways to benefit the community and fulfill the mission of HAF.

Real Estate Services

iff.org