

PROJECT BASICS

Type:
Real Estate – Community Facility

Total Development Cost:
\$31.3 million

LISC New Markets Tax Credit Allocation:
\$14 million

PROJECT STAKEHOLDERS

LISC Program:
Chicago LISC

Investor:
JPMorgan Chase Bank

Lenders:
Park National Bank

Sponsor/Developer:
Christ the King Jesuit College Preparatory School

Other Key Stakeholders:
Chicago Development Fund

COMMUNITY NEED

- **27.1% Poverty Rate**
- **Unemployment rate 3.12 times the national average**
- **Family income 54.9% of the area median**
- **Local TIF District**

COMMUNITY IMPACT

- **90,000 sq ft of community space built to LEED standards**
- **172 Permanent Jobs**
- **150 Work Study Jobs**
- **70 Construction Jobs**
- **600 students served each year**

Project Snapshot:

- The project entailed the ground up construction of a 90,000 square foot college preparatory school in Chicago, IL.
- The project involved the construction of a three story facility that includes 18 classrooms, three science labs, two computer labs, a library, cafeteria and gymnasium. The facility accommodates 600 high school students at full capacity.



Project Background:

- Christ the King Jesuit College Preparatory School (CTK) is a Catholic Jesuit secondary school (grades 9-12). The school utilizes the Cristo Rey model to serve young men and women from the Austin neighborhood and surrounding communities of Chicago's west side.
- The Cristo Rey model seeks to provide quality college preparatory education to urban young people who live in communities with limited educational options. Member schools utilize a longer school day and year, academic assistance, and counseling to prepare students with a broad range of academic abilities for college.
- In the spring of 2006, the Chicago Province Jesuits and the Midwest District Christian Brothers sponsored a feasibility study to thoroughly assess the need and interest of a Cristo Rey model school in the Austin neighborhood.
- Based on the strong support for a Cristo Rey model school in the community, the Chicago Province Society of Jesus developed a plan to build a 90,000 square foot high school in the Austin neighborhood.
- The school allows economically disadvantaged children/students the opportunity to participate in a corporate internship program where students are placed in internships in Chicago area businesses: serving a dual purpose of allowing students to earn 75% of their tuition while providing them an opportunity to gain experience in a real world work environment.
- The school is constructed to LEED standards and qualifications with a green roof. The roof includes a grass turf exterior surface which helps to reduce global warming. Also new windows are constructed of steel clad to help reduce heating and cooling cost for the gymnasium.

Leveraging Solutions through New Markets Tax Credits (NMTC):

- At the time of the NMTC financing the developer had raised \$8 million of its \$30 million capital campaign to cover a portion of the \$35 million project. Park National Bank agreed to provide bridge financing to cover the remaining capital campaign funds and LISC and the Chicago Development Fund NMTC Financing provided additional equity to the project to fill the gap.
- \$14 million in NMTC allocation authority provided a custom product with non-traditional/favorable terms including: a below market interest rate, a lower than standard origination fee, a longer interest-only payment period, a higher than standard loan-to-value ratio, more flexible borrower credit standards, lower than standard debt service coverage ratio, and a lower than standard loan loss reserve requirement.