

## PROJECT BASICS

Type:

**Real Estate – Community Facility**

Total Development Cost:

**\$16.1 million**

LISC New Markets Tax Credit Allocation:

**\$8.9 million**

## PROJECT STAKEHOLDERS

LISC Program:

**Connecticut Statewide LISC**

Investor:

**JPMorgan Chase Bank, N. A.**

Lender:

**Stepping Stones Support Corporation**

Sponsor/Developer:

**Stepping Stones Museum for Children**

## COMMUNITY NEED

- **9.3% Poverty Rate**
- **Unemployment rate 1.1 times the national average**
- **Family income 50.9% of the area median**

## COMMUNITY IMPACT

- **44,000 sq. ft. of Community Space**
- **177 Construction Jobs**
- **20 Permanent Jobs**
- **Serves up to 60,000 Low-Income Children / Caregivers**

## Project Snapshot:

- The 22,000 square foot expansion of the museum doubles the existing footprint and increases museum visitors by at least 100,000 per year and community usage of space by approximately 10,000 visitors per year.
- Construction for the museum expansion project began in March 2009 and the museum reopened in December 2010.



## Project Background:

- Stepping Stones Museum for Children was incorporated in Connecticut in August 1992 as a not-for-profit educational museum. The mission of the museum is “to broaden and enrich the educational opportunities for children ages ten and under and to enhance their understanding of the world.”
- The museum’s Open Arms program provides access to pre-Kindergarten through grade five students enrolled in Norwalk Public Schools, one of 14 priority school districts with the greatest academic need that entitles them to special State funding. Stepping Stones created Open Arms to ensure that children and their families have free access to exceptional educational exhibits, programs and events regardless of any financial, language or special needs barrier. Open Arms currently touches 35,000 children and their caregivers and involves nearly 300 other diverse community partners, but plans are underway to expand the demographic and geographic reach of Open Arms by establishing new community partnerships through the tri-state region and expanding the number of children/caregivers served to 60,000 by 2014.
- The expansion project embraced a “growing greener” approach and incorporates energy-themed education opportunities through energy-themed exhibits, programs, classes and special events. The new building is LEED Gold certified and celebrates the use of natural, renewable energy sources through the use of energy-efficient building materials and energy saving practices.

## Leveraging Solutions through New Markets Tax Credits (NMTC):

- The construction phase of the museum expansion project represents the culmination of a multi-year planning and development process that started in 2006 with a “Stepping Stones Turns 10 in 2010!” vision for the museum. In 2007, the museum launched, “An Opportunity to Grow – The Campaign for Stepping Stones at Ten.” The museum has raised \$12.5 million towards the expansion project in cash and pledges, and relied on interim financing backed by a pledge from an angel patron to move forward with construction. Gap financing provided from the NMTC proceeds eliminated any permanent, future debt service from the expansion project. SSMC can then focus resources on its programs, which creates additional impact for low-income populations and educational partners like the Norwalk Public Schools.
- \$8.9 million in NMTC allocation authority provided a custom loan with non-traditional/favorable terms included: a below-market interest rate, zero origination fees, a longer than standard interest-only payment period, a longer than standard amortization period, and a higher than standard LTVR.