

PROJECT BASICS

Type:

Charter School

Total Development Cost:

\$22.2 million

LISC New Markets Tax Credit Allocation:

\$10.0 million

PROJECT STAKEHOLDERS

LISC Program:

Chicago, IL

Investor:

Chase Community Equity, LLC

Lender:

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

Developer:

Instituto Del Progreso Latino

Other Key Stakeholders:

CDF

COMMUNITY NEED

- **41.1% Poverty Rate**
- **Unemployment rate 0.83 times the National Average**
- **Family income 20% of the area median**
- **Empowerment Zone**
- **TIF District**
- **HUB Zone**
- **Medically Underserved Area**

COMMUNITY IMPACT

- **100,890 sq. ft.**
- **80 Construction Jobs**
- **60 Permanent Jobs**
- **600 Students Served at full capacity**

Project Snapshot:

- The project consists of the purchase and conversion of a three-story existing timber loft building, as well as the construction of an addition, to re-purpose the facility as the home for Instituto Health Sciences Career Academy (IHSCA), a Charter High School in the Pilsen community of Chicago.
- At full capacity, IHSCA will prepare 600 urban youth for success in college and readiness for high-wage, entry-level positions in the health care sector. IHSCA's high school curriculum combines the classic and traditional subject matters of Math, English, Sciences, Humanities, Social Studies, Foreign Language, with a novel approach to career pathways in the area of health.
- While being trained in health careers, students will gain a new awareness and seek a healthier life style for themselves. At IHSCA, they will learn the tools to have a more in-depth understanding of what it means to be healthy physically, emotionally and socially.



Project Background:

- Pilsen has been the traditional port of entry for Mexican immigrants for nearly 50 years. However, education opportunities are limited. Nearly all of the predominantly Latino schools have been designated either as "academic watch" or "warning" by the Illinois State Board of Education for not meeting Annual Yearly Progress goals.
- Instituto Del Progreso Latino (IDPL) is the project's sponsor. Its mission is to "contribute to the fullest development of Latino immigrants and their families through education, training and employment that fosters full participation in the changing U.S. society while preserving cultural identity and dignity."
- The Resurrection Project (TRP) is a fee developer of the project as well as owner's technical representative. Over the past two decades, TRP has developed over 350 affordable housing units, several community facilities, hundreds of mortgage referral loans, and public infrastructure investments.
- The project seeks LEED Silver Certification and some of its specific energy efficiency qualities includes reduced water use; recycling of demolition and construction waste; recycled content building materials, energy-efficient lighting; no and low VOC paints, adhesives and sealants; reflective roofing material; and other features specified by the U.S. Green Building Council. The project also requires the removal of a UST to make way for the addition to the existing building.

Leveraging Solutions through New Markets Tax Credits (NMTC):

- This project needed the net equity from the NMTC financing to fill a financing gap; the equity that Chase provides in exchange for NMTCs effectively reduces the debt service obligation of the project to an amount that the project is able to support.
- \$9.6 million in NMTC allocation authority provided a custom product featuring non-traditional/favorable terms included: below-market interest rate; lower than standard origination fees, higher than standard loan-to-value ratio, lower than standard debt service coverage ratio, longer than standard amortization period and longer than standard interest-only payment period and lower.