



Investment Summary

Pathway Lending

Project Name: Northeast YMCA

Location:	Birmingham, AL	Project Size:	\$12,943,868
TLR Property Type:	Community Facility	Pathway Lending QEI Amount:	\$4,500,000
App Property Type:	MSCO	QEI from other CDEs:	Gulf Coast Housing Partnership: \$5,750,000 PNC: \$1,250,000
Square Footage:	28,219 SF Total 18,767 SF Community 813 SF Education 5,539 SF Healthcare 3,100 SF Offices	Pathway Lending Investment Partner:	PNC
Developer:	YMCA of Greater Birmingham	Transaction Closing Date:	3/21/2024
NAICS Code:	624110	Project Type	SPE
Distress Criteria:	<u>Street Address:</u> 628 Red Lane Rd, Birmingham, AL 35215 <u>2015 Census Tract:</u> 01073005905 <u>Poverty Rate:</u> 26.40% <u>Percent of Benchmarked MFI:</u> 56.51% <u>Unemployment Rate:</u> 9.40%		

Project Overview

Birmingham YMCA is seeking NMTC allocation to renovate their existing 21,279 SF Northeast Youth Center into a full service YMCA; construct a 7,340 SF addition for Christ Health Center, a federally qualified health center; and construct roads and install utilities on a 5.6 acre plot of land allowing Habitat for Humanity of Greater Birmingham to construct 22 new single-family homes for low-income persons in Birmingham, AL (the "Project"). The completed facility will expand the YMCA's Pre-K learning program as well as their other programs aimed to support youth in families in the neighborhood. The expanded early childhood education program will have two additional classrooms and space for 36 students. The new clinic will have 15 exam rooms and a lab, and will provide high-quality care to local residents, regardless of their ability to pay. The new clinic will also provide space for IMPACT Mental Health counseling that will provide mental health and crisis services, as well as outpatient counseling and mentoring within the clinic space.

The project will be very catalytic. As a result of the investment in the rehabilitation to a YMCA, the Y is teaming up with Habitat for Humanity to build 22 new single-family homes on the property around the Northeast YMCA. The well-lit and walkable neighborhood will be built through the Habitat for Humanity homebuyer model, which allows families to have a hand in building their home alongside volunteers. Future homeowners will be able to complete education and pay an affordable mortgage to help build a better life.



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Community Outcomes

Job Creation/Retention:	<ul style="list-style-type: none"> • 95 construction jobs • 25 FTE jobs (5 jobs retained and 3 jobs created at the Sponsor, 17 jobs created at tenant)
Quality Jobs & Training:	<p>Construction</p> <ul style="list-style-type: none"> • 80% (76) of construction jobs will pay at or above the living wage of \$16.52/hr per MIT Living Wage Calculation for Jefferson County, AL • 60% (57) of construction jobs will pay a prevailing wage • The average construction wage will be \$27.20/hr • 80% (76) of construction jobs will offer benefits like health insurance <p>Permanent</p> <ul style="list-style-type: none"> • 77% (19) of FTE jobs will offer a living wage of at least \$16.52/hr, per MIT Living Wage Calculation for Jefferson County, AL



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	<ul style="list-style-type: none"> • The average wage for FTE employees is \$31.45 for employees at the tenant and 22.60/hr at employees at the Sponsor • 100% of FTE jobs at the Sponsor receive benefits including health insurance, dental insurance, life insurance, STD, LTD, parental leave, PTO, employer-paid retirement benefits, free access to childcare and summer camps, and a free YMCA membership • 100% of FTE jobs at the tenant receive health insurance, dental insurance, PTO, life insurance, STD, LTD, parental leave, and employer paid retirement benefits • YMCA employees are provided training and advancement opportunities throughout the system.
<p>Accessible Jobs:</p>	<ul style="list-style-type: none"> • 60% (57) of construction jobs are considered accessible • 60% of FTE jobs are considered accessible at the Sponsor • 40% of FTE jobs are considered accessible at the tenant • 75% of FTE jobs at the Sponsor will be filled by minorities • 40% of FTE jobs at the tenant will be filled by minorities • The Sponsor will partner with United Way, YWCA, and the City of Birmingham for job training and to increase job accessibility to LIPs
<p>Commercial Goods or Services to Low-income Communities:</p>	<ul style="list-style-type: none"> • Not applicable
<p>Healthy Food Financing:</p>	<ul style="list-style-type: none"> • YMCA expects to serve 150 people annually through their Meals on Wheels program
<p>Community Goods or Services to Low-Income Communities:</p>	<ul style="list-style-type: none"> • Between YMCA and Christ Health Center, 7,400 people are expected to be served annually • 80% (5,920) are expected to be LIP • 425 people are expected to be members of the YMCA • 1,230 people are expected to be served annually at the YMCA • 90% (1,107) of the people served are expected to be LIP or LIC residents • 36 children will be in the Early Childhood Education and Childcare programs • 100% of these children will be LIP and minorities • 175 students will be at after school programming • 90% (158) are expected to be LIP and minorities • 1,000 people will be served with recreation and fitness programs • 80% (800) of these people will be considered LIP and 90% (900) will be minorities • 50% (500) of those in the recreation and fitness programs will be children and 20% (200) will be seniors



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	<ul style="list-style-type: none"> The YMCA will provide full family services including senior services and services for kids to give them a strong learning foundation. Youth services will help develop young people to become responsible adults. Workforce development services will be provided Partnerships with Christ Health Center provide physical and mental health services to the community and give residents of the community access to health care with the goal to improve the health of residents and families. 10,000 SF will be dedicated to a health care center. Christ Health Center will serve over 6,000 unique patients for over 10,000 vits annually. 80% (4,800) of those served are expected to be LIP Support services provided to the community include healthy living; diabetes prevention; community meeting space; services to seniors and retirees; recreation services; before and after school care for kids; summer camp; financial literacy; and more
Minority Business Financing:	<ul style="list-style-type: none"> Not applicable
Flexible Lease Rates:	<ul style="list-style-type: none"> Not applicable
Housing Units:	<ul style="list-style-type: none"> Not applicable
Environmentally Sustainable Outcomes:	<ul style="list-style-type: none"> Not applicable

Investment Overview

Investment Fund							
Investment Fund Name	NMTC Equity	NMTC Pricing	Leverage Lender		LL Amount	Leverage Loan Rate	
Roebuck YMCA NMTC Investment Fund, LLC	\$3,453,450	\$0.77	Young Men's Christian Association of Birmingham		\$8,296,300	2.518%	
New Markets Tax Credit Allocation							
Sub-CDE	QEI Amount	A Loan	B Loan	Interest Rate	Interest Only Period	Amortization Period	Term
Pathway Lending CDE 12, LLC	\$4,500,000	\$3,340,900	\$1,035,350	2.250 %	93.33 months	324 months	417.33 months
GCHP-NMTC-2020 Number 4, LLC	\$5,750,000	\$4,080,775	\$1,496,725	2.250 %	93.33 months	324 months	417.33 months
PNC CDE 169, LLC	\$1,250,000	\$874,625	\$375,375	2.250 %	93.33 months	324 months	417.33 months
Private Investment							



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Description	Amount
Contributions from Sponsor	\$1,115,144
Public Contribution	
Not applicable	

“But For” Analysis

- Without New Market Tax Credits, the Project would be unlikely to proceed in its planned form or at all. As a YMCA, this center does not produce break-even operating financials—the YMCA does not turn members away because they are unable to pay. Additionally, the YMCA plans to offer the space for lease in the Project’s expansion at substantially below-market rental rates to induce Christ Health to locate and operate a clinic in the community. The YMCA delayed construction of the Project for more than two years awaiting the availability of allocation;
- Roebuck YMCA Collaborative QALICB, Inc. will offer below-market rent to tenants in the expansion portion of the Project, reducing its potential gross revenues and furthering the need for NMTCs;
- Roebuck YMCA Collaborative QALICB, Inc. will focus on providing health and wellness programming, a safe community space for individuals of all ages, preschool and before/after school/summer programming for kids to the underserved Low-Income community. The YMCA also runs a very active anti-hunger program at this location. Christ Health and IMPACT Counseling will provide broad-based physical and mental health services to the community from the Project. And the YMCA’s partnership with Habitat for Humanity will result in the expected development of approximately 20 units of affordable housing directly adjacent to the Project, further building community at this location;
- At a time when the private sector is disinvesting in this community (Truist Bank, for instance, just announced the closure of its bank branch across the street), the significant investment by the YMCA, by Christ Health and by Habitat in the Project will support the needs of the low-income community and is expected ultimately to spur private investment nearby.

For Additional Information, please contact:

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