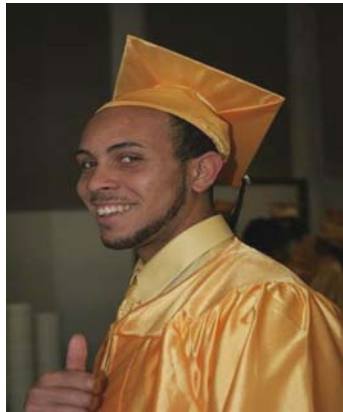
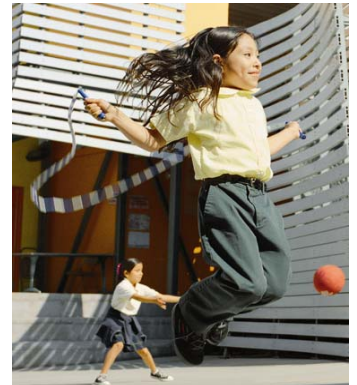




LISC's Educational Facilities Financing Center (EFFC) supports the development of quality public charter and alternative schools in underserved communities through the provision of technical assistance and facilities financing. Improving access to quality education is a central component of LISC's Sustainable Communities strategic plan.

Schools and Communities

Public charter schools have not only been successful in providing low-income students with access to quality education, but they have also acted as a rejuvenating force on their surrounding neighborhoods. Public charter schools give low-income students and their families a choice in their educational options, boost educational achievement and positively impact future earnings potential. Beyond this impact on students, a successful public charter school can bolster pride in a community's residents, strengthen and maintain the community's population, provide a safe place to offer health and community services, and ultimately act as a beacon, attracting further housing and business development. Today, there are 4,100 charter schools across the country serving 1.2 million primarily low-income, minority and at-risk students. These schools are achieving results despite many hurdles, the foremost of which is securing and financing adequate facilities.



Supporting Individual Schools

LISC provides on-the-ground assistance to charter schools and their surrounding communities by financing individual school facilities through its network of 30 local offices. Since making its first charter school loan in 1997, LISC has approved \$40 million in financing for 70 schools throughout the country.

Developing Local Facilities Funds

The EFFC pools low-interest loan funds and leverages them for investment in local educational facilities funds that help finance new or renovated facilities for multiple schools in a single geographic market or nonprofit charter management organization. LISC has raised \$60 million for this effort, with primary support from the Walton Family Foundation (WFF), Prudential Financial and the U.S. Department of Education's Credit Enhancement for Charter School Facilities Program. The EFFC has

used these funds to create a \$35 million Education Loan Fund and an \$11 million Credit Enhancement Fund which it has invested in ten local funds to date, including funds in California, Indiana, Massachusetts, upstate New York, and Southwestern Pennsylvania as well as several nonprofit charter networks, including the national network of KIPP schools.

Fostering Public Policy Initiatives

To achieve long-term sustainability, permanent financing mechanisms that provide charter schools with consistent funding streams and increased access to public facility financing must eventually be implemented. The EFFC is identifying replicable financing mechanisms, providing consulting to charter support organizations and sharing best practices within the sector. With grant funds from the Bill & Melinda Gates Foundation, the WFF and the Annie E. Casey Foundation, the EFFC has published three studies that examine charter school facility financing: "The Finance Gap: Charter Schools and their Facilities" (2004), "The Charter School Facility Finance Landscape" (2005) and "The 2007 Charter School Facility Finance Landscape" (2007).



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BUILDING SUSTAINABLE COMMUNITIES