

Spark Opportunity Grant Program Introductory Webinar

October 1, 2019

LSC



Introductions



Sara Sorbello

Vice President, Charter School Financing, Local Initiatives Support Corporation (LISC)

Together with residents and partners, [LISC](#) forges resilient and inclusive communities of opportunity across America – great places to live, work, visit, do business and raise families. We invest in affordable housing, better schools, safer streets, growing businesses and programs that connect people with financial opportunity.

Since 1997, LISC has provided more than \$365 million in loans, tax credit allocations, guarantees and grants to finance charter school facilities in low-income neighborhoods in 21 states across the country. Schools use this money to acquire, build, or renovate their facilities. LISC also provides technical assistance and promotes transparency of financing options to help school leaders secure affordable debt through resources like our [SchoolBuild research portal](#).



Kahlmus Eatman

Vice President of Operations, Pacific Charter School Development (PCSD)

[Pacific Charter School Development](#) was founded with the mission to create affordable, high-quality facilities for charter schools with high academic results. PCSD has over 15 years of charter school facilities experience across all phases of the development lifecycle – working with charter schools to acquire land, build school facilities, and match the project with affordable financing from a lender – all in the effort to bring more high-quality charter school seats to the markets that need them. PCSD has developed \$828MM in total projects, leveraging philanthropy, private financing, and state funding to create 83 campuses serving over 37,000 students across multiple districts.

Who is in the Audience ? Where are you from?

Send us a message in the chatbox letting us know who you are and where you are joining us from.

Who?

- School leaders
- School operations and finance staff
- School board members
- Real estate professionals
- Finance professionals

Where?

- Massachusetts
- Rhode Island
- California
- Illinois
- Texas



Agenda

- Purpose
- What are Opportunity Zones?
- Program Details
 - Overview
 - How to Apply
 - Eligible Uses of Funds
 - Grantee Expectations
- Additional Resources
- Next Steps



The Spark Opportunity Grant Program was created to provide predevelopment grant capital to nonprofit public charter schools across the country to advance the real estate and financial planning for new facilities

Goals of the Spark Opportunity Grant Program

- Help schools plan and develop quality, affordable facilities
- Increase awareness of Opportunity Zones (OZs)



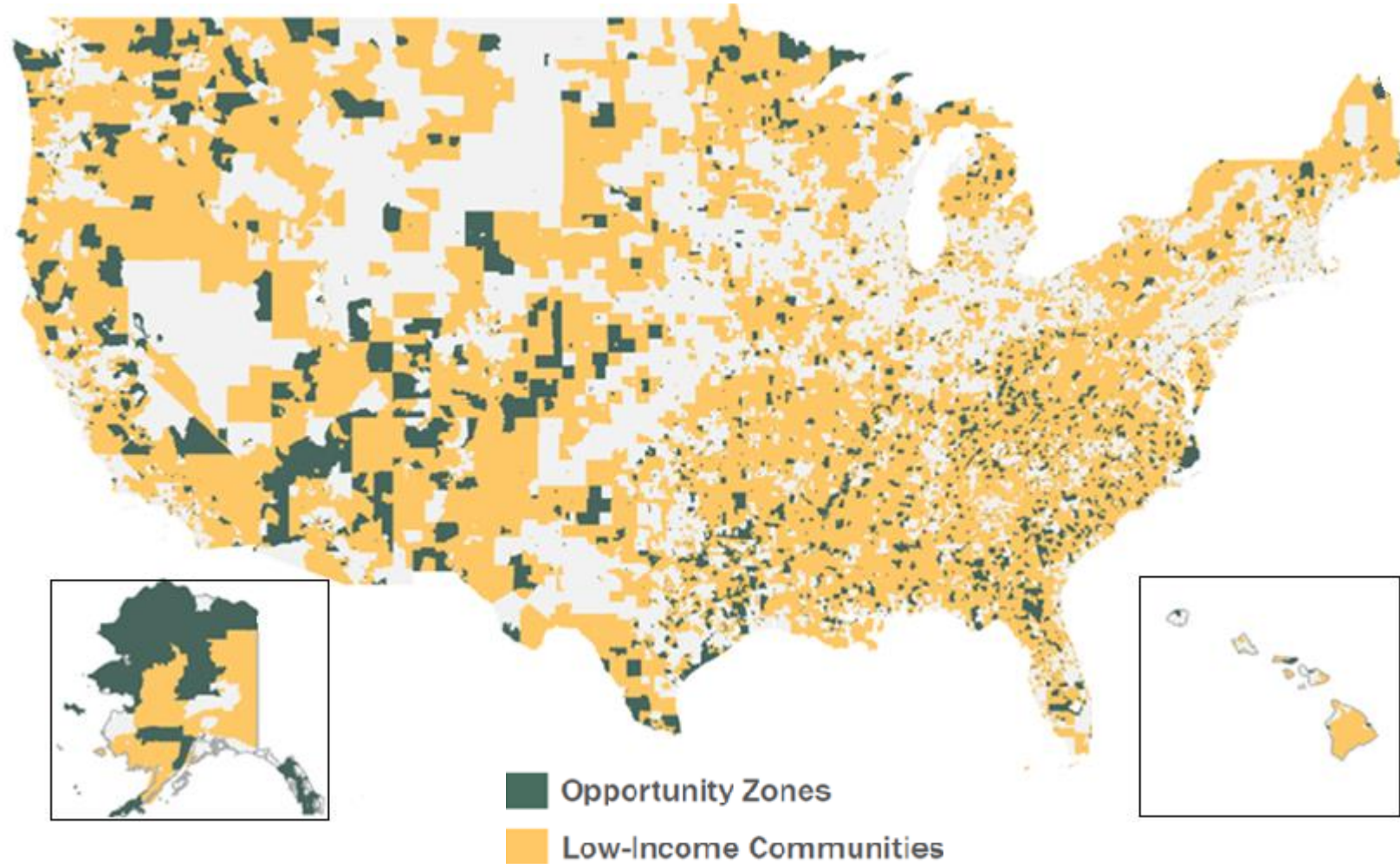
What are Opportunity Zones?



An Overview of Opportunity Zones

Established in the 2017 Tax and Jobs Act as an incentive to spur long-term, private-sector investments in low-income, urban and rural communities.

- Governors designated up to 25% of Low-Income Community Census tracts to be certified as Opportunity Zones in their respective states.
- Over 8,700 census tracts were designated.
- Provides tax incentives for investors placing capital gains into eligible projects



Opportunity Zones and Charter Schools: The Basics

- Charter schools already exist in and around Opportunity Zones
- Pursuing a project in an Opportunity Zone may open the door to accessing equity investment as one potential financing scenario
- Accessing OZ investment can be complicated due to strict guidelines for eligibility and timelines for investment
- Spark was created to help charter schools explore OZs for their specific circumstance



Spark Opportunity Grant Program Details

A young girl with braided hair, wearing a blue school uniform and a large floral earring, is clapping and smiling. She is surrounded by other children in a classroom setting, all wearing similar blue uniforms. The background is slightly blurred, focusing attention on the girl in the foreground.

Overview

\$2 million

Total Grant Pool

\$15,000 - \$50,000

Individual Grant Amounts

40 charter schools

Estimated Number of Grantees



Process



Applicant Eligibility

Nonprofit public charter schools that have been in operation for at least one school year and are planning a new facility.

- ✓ Relocating or adding a new campus
- ✓ National scope



How to Apply

The application is available online at <http://bit.ly/SparkOpp>

Schools will be asked about their school mission and model, student population served, project rationale and status, and a budget for grant activities.

Applications should be submitted via email to sparkopportunity@lisc.org



Review Process

Applications will be evaluated based on:

- facility planning need
- school mission and student demographics
- academic quality
- community engagement
- project location (OZs and other distressed communities)



Grant Timeline

Application available: **10/1**

Application Assistance Office Hours: **Starting 10/14**

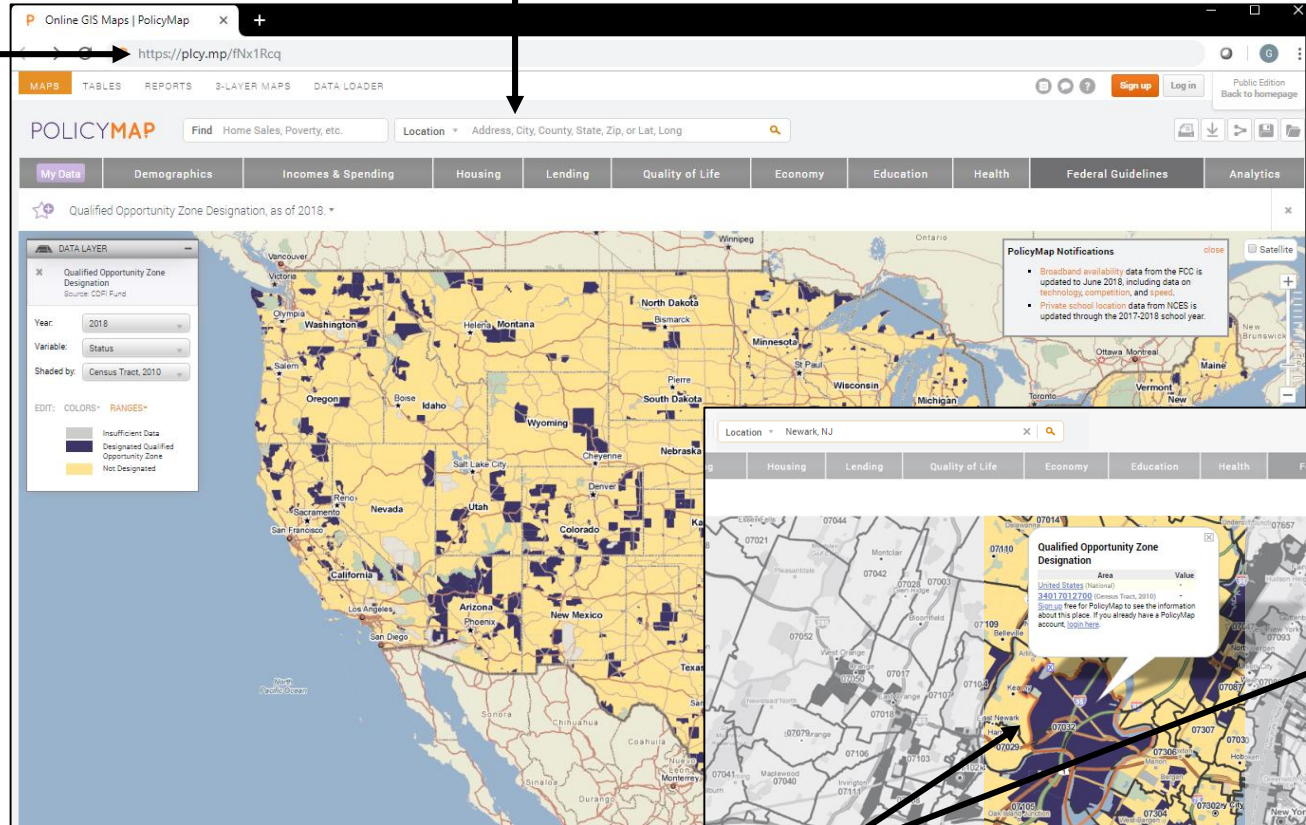
Application deadline: **11/1 for 1st round**

Grantees Announced: **December 2019**

Application Components

1 Go to: <https://plcy.mp/fNx1Rcq>

2 Enter your school/project address (or target zip code, or city/town) in the Location field to view OZs in your community



Required Application Materials

- Application form
 - Opportunity Zone analysis
- Grant request budget
- Current school operating budget
- Most recent audit
- Academic performance data

3 Designated areas will appear purple. Zoom function on right side of map.

Eligible Uses of Grant Funds

Early Planning



Financial capacity and Affordability Analysis



Market Study



Site Search

Pre-Construction / Pre-Development



Feasibility Study



Architectural Planning and Design



Site Due Diligence

Financing and Construction



Zoning and Permit Applications



Financial Modeling of Financing/Investment Scenarios

Grantee Expectations

Each Spark Opportunity grantee will be required to produce a ‘facility plan’ for their project with potential development and financing scenarios

Grantees will also be required to report back on specific outcomes from the grant activities and progress of the project

- How did the grant impact your planning and development process?
- Did you engage with developers, investors or other Opportunity Zone stakeholders?



Resources and Next Steps



Additional Resources

[SchoolBuild: From Idea to Construction](#)

SchoolBuild is a one-stop shop for guidance and information about developing facilities for charter schools. The site includes best practice guides, key document templates, a state facility financing program directory, a vendor listing by geography and a Project Cost Calculator.

<https://www.lisc.org/charter-schools/>

[LISC Opportunity Zones Website](#)

Additional resources and answers to common questions about Opportunity Zones.

<https://www.lisc.org/opportunity-zones/>

[PolicyMap](#)

View a map of the census tracts that have been designated as a Qualified Opportunity Zone (QOZ). Schools can search using an address, zip code, city/town or other area to see the landscape of Opportunity Zones in their market.

<https://plcy.mp/fNx1Rcq>

[Charter School Facility Center Webinar: How Opportunity Zones can Benefit Charter Schools](#)

Additional information on Opportunity Zones and how schools could potentially benefit from Opportunity Zone investment.

<https://facilitycenter.publiccharters.org/event/how-opportunity-zones-can-benefit-charter-schools>



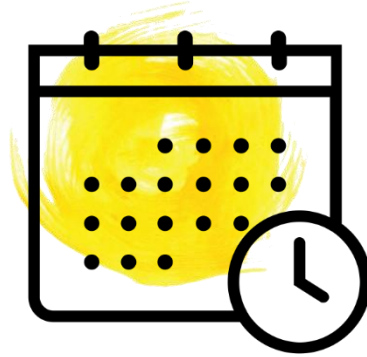
Next Steps



Apply for a Spark Opportunity Grant

The application is available online at <http://bit.ly/SparkOpp>

Applications should be submitted via email to sparkopportunity@lisc.org by November 1st at 11:59pm EDT.



Sign up for a Technical Assistance Appointment

Once you have downloaded the application and collected the necessary documentation, sign up for a 15 minute appointment to go over your specific questions.

Signup available online at <http://bit.ly/SparkOpp>



Join the Spark Opportunity Mailing List

Get the latest updates and information about the Spark Opportunity Grant program by joining our mailing list: <http://bit.ly/Sparkmail>

Contact

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