

ABSTRACT

Massachusetts Development Finance Agency [REDACTED]
99 High Street [REDACTED]
Boston, MA 02110 [REDACTED]
Project Name: Charter School Credit Enhancement Program

The Charter School Credit Enhancement Program (Program) is managed by the Massachusetts Development Finance Agency (MassDevelopment), a quasi-state agency serving the Commonwealth. The Program helps charter schools obtain low cost financing for the acquisition, construction, and/or renovation of school facilities; targets new, early start and mature schools; and gives preference to high performing schools meeting the targeted student population criteria. Under the Program, MassDevelopment will continue to issue guarantees on loans or tax-exempt bonds that benefit charter schools. The guarantees allow lenders and/or MassDevelopment to provide higher levels of financing and better interest rates than the alternatives, if any are available. The [REDACTED] grant will provide MassDevelopment with the capital to continue to offer and expand its existing Program, allowing it to issue new guarantees.

MassDevelopment runs a highly successful Credit Enhancement Program that we wish to continue and expand. Using the previous U.S. DOE grant awards and private funding, MassDevelopment has financed 36 charter schools and has committed all original U.S. DOE grant funds it has received except for [REDACTED] of the 2019 grant. Without these guarantees, these charter school facility projects would not have been possible. The funds that MassDevelopment currently has available from both the U.S. DOE are not sufficient to finance the nine charter schools in our Program two year pipeline. With construction costs rising significantly, demand is well over four times the amount of federal funds currently available. The [REDACTED] grant will allow MassDevelopment to provide access to financing to a greater number of charter schools.