



CAPITALIZE ALBANY
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Issuance Of Tax-Exempt Bonds Supports Retention Of More Than 200 Jobs And Maximizing Resources For KIPP: Albany Community Public Charter Schools

Savings Of More Than \$3.6 Million Will Support KIPP Albany's Long-Term Financial Sustainability, Critical High-Quality Programming For Students

ALBANY – With support from the City of Albany Capital Resource Corporation, financing made possible in part with the issuance of tax-exempt bonds will support KIPP: Albany Community Public Charter Schools (KIPP Albany) — allowing the charter school network to redirect resources into enhancing its educational programming and support more than 200 existing staff positions.

On Thursday, the City of Albany CRC board approved Equitable School Revolving Fund, LLC's (ESRF) application for assistance in the form of the issuance of tax-exempt bonds totaling up to \$31 million. The up to \$310,000 in fees collected by the CRC for the transaction are anticipated to be used to fund future strategic revitalization initiatives.

A merger was completed between KIPP Tech Valley and Albany Community Charter School, each with two campuses serving a total of more than 1,500 students in grades K-8, forming KIPP Albany. Supporting this merger, an ESRF loan provided substantial savings on debt service payments for KIPP Albany — estimated at more than \$3.6 million compared to alternative financing options. The financing will ensure the long-term preservation of 214 full-time and seven part-time positions in KIPP Albany's current staffing model. These savings will also support KIPP Albany's long-term financial sustainability and allow the network to redirect critical resources to high-quality educational programming.

In order to provide these benefits for school borrowers, ESRF in part relies on tax-exempt bond financing through conduit issuers such as the City of Albany CRC. The approved tax-exempt bond financing through the City of Albany CRC will serve to reimburse ESRF for the initial loan made to KIPP Albany supporting the merger and refinance.

“The CRC Board recognized the efforts of KIPP Albany to use the significant savings made possible by this financing structure to further strengthen programming for its students and

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support for its staff,” said City of Albany Capital Resource Corporation CEO and Capitalize Albany Corporation president Sarah Reginelli. “The Capital Resource Corporation continues to be a critical resource for our local not-for-profits sector. Providing a local option for this kind of assistance, not only benefits some of the City’s largest employers, but also allows us to reprogram fees to help strengthen our smallest businesses.”

Since 2010, the City of Albany Capital Resource Corporation (CRC) has served as a resource for Albany’s non-profits, and area institutions. In utilizing the local option, the City of Albany CRC, for the issuance of tax-exempt bonds — Capital Region institutions are investing back into the community.

The CRC has consistently utilized fees generated by the projects assisted to support the creation and sustainability of strategic community revitalization programs including the City of Albany Small Business Façade Improvement Program, the Amplify Albany grant program and the Downtown Albany Retail Grant Program.

ESRF is a special purpose entity that was established by Equitable Facilities Fund, Inc. (EFF) to originate, acquire, and service loans on behalf of EFF. EFF is a nonprofit social impact fund created to help high-performing public charter schools minimize their facilities financing costs and maximize resources for students.

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The City of Albany Capital Resource Corporation’s mission is to assist in the enhancement and diversity of the economy of the City of Albany (the “City”) by acting in support of projects in the City that create and/or retain jobs and/or promote private sector investment utilizing the statutory powers of the Agency as set forth under the provisions of the laws of the State of New York.

About Capitalize Albany Corporation: A catalyst for economic growth, Capitalize Albany Corporation facilitates transformational development projects, serving as the City of Albany’s economic development organization. A registered 501(c) (3) non-profit organization implementing programs and resources to create, retain, and attract business in the City of Albany. www.capitalizealbany.com.

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