**Application for Direct Loan or Credit Enhancement**

The Office of Public Charter School Financing and Support (OPCSFS) within the Office of the State Superintendent of Education (OSSE) collects the information requested within this application from all potential borrowers applying for a Direct Loan and/or Credit Enhancement.

**Timeline for Submission:** Applications are reviewed on a rolling basis. Complete applications submitted by the third Friday of each month will be reviewed and considered for approval by the Public Charter School Credit Enhancement Committee at the following month’s committee meeting. Public meetings are held on the third Thursday of each month. If the application is accepted for underwriting, applicants will be notified and should attend the public meeting. See the schedule below for the upcoming deadlines and corresponding committee review dates:

|  |  |
| --- | --- |
| **Application Submission Deadline** | **Expected Committee Review Date** |
| Friday, January 20, 2023 | Thursday, February 16, 2023 |
| Friday, February 17, 2023 | Thursday, March 16, 2023 |
| Friday, March 17, 2023 | Thursday, April 20, 2023 |
| Friday, April 21, 2023 | Thursday, May 18, 2023 |
| Friday, May 19, 2023 | Thursday, June 15, 2023 |
| Friday, June 16, 2023 | Thursday, July 20, 2023 |

**Required Documents for a Complete Submission:** For an application to be considered complete, the applicant must submit the following:

* A completed Application for Direct Loan or Credit Enhancement
* Underwriting Requirements – See checklist on pages 9-10

**Process for Review:** Applications should be submitted by email to [Darryl.Brantley@dc.gov](mailto:Darryl.Brantley@dc.gov). For questions about this application, please contact Darryl Brantley at [Darryl.Brantley@dc.gov](mailto:Darryl.Brantley@dc.gov).

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**Application for Direct Loan or Credit Enhancement**

Cover Sheet

**Financing Request**

|  |  |
| --- | --- |
| **Direct Loan Amount**  *Maximum: $2,000,000.00* | **Credit Enhancement Amount**  *Maximum: $1,000,000.00* |
|  |  |

**Borrower Information**

|  |  |  |
| --- | --- | --- |
| **Legal Name of Borrower** | **Point of Contact Name** | **Point of Contact Title** |
|  |  |  |
| **Point of Contact Email** | **Borrower Mailing Address** | **Borrower Telephone Number** |
|  |  |  |

Relationship between Borrower and School (if not the same entities): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Borrower Type:

* Public charter school local education agency (LEA)
* Nonprofit engaged in credit enhancement initiatives for the development of charter school facilities
* Nonprofit authorized by a public charter school to act on their behalf in obtaining financing

**Application Certification**

*Must be signed by an authorized representative of the borrower (e.g., Executive Director, CEO)*

I certify that I am authorized to submit this application on behalf of the borrower and that the information contained in this application is true and accurate to the best of my knowledge. I understand that this application is subject to underwriting by the Office of Public Charter School Financing and Support and final approval by the Public Charter School Credit Enhancement Committee.

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_

**Application for Direct Loan or Credit Enhancement**

School Information

**Public Charter School (PCS) Information**

*Write “N/A” in the “PCS Name” field if this information is the same as borrower information above.*

|  |  |  |
| --- | --- | --- |
| **PCS Name** | **Point of Contact Name** | **Point of Contact Title** |
|  |  |  |
| **Point of Contact Email** | **PCS Mailing Address** | **PCS Telephone Number** |
|  |  |  |

**Charter Information**

|  |  |  |
| --- | --- | --- |
| **Date of Original Charter** | **Date School Opened** | **Current Charter Expiration Date** |
|  |  |  |
| **Previous Charter Renewal Dates, if applicable** | **Charter Modifications currently under consideration** | **Current Approved Enrollment Ceiling** |
|  |  |  |

**PCS Enrollment Data**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Grade** | **Last Audited Enrollment** | **Current Actual Enrollment** | **Budgeted/Projected Enrollment for Current School Year** | **Waitlist as of: \_\_\_\_\_\_\_\_\_** |
| **Pre-K 3** |  |  |  |  |
| **Pre-K 4** |  |  |  |  |
| **1** |  |  |  |  |
| **2** |  |  |  |  |
| **3** |  |  |  |  |
| **4** |  |  |  |  |
| **5** |  |  |  |  |
| **6** |  |  |  |  |
| **7** |  |  |  |  |
| **8** |  |  |  |  |
| **9** |  |  |  |  |
| **10** |  |  |  |  |
| **11** |  |  |  |  |
| **12** |  |  |  |  |
| **Adults** |  |  |  |  |
| **Total** |  |  |  |  |
| **Percent English Learners** |  |  |  |  |
| **Percent Students with Disabilities** |  |  |  |  |
| **Percent At-Risk** |  |  |  |  |

**Application for Direct Loan or Credit Enhancement**

Project Information

**Overview**

|  |  |
| --- | --- |
| **Provide a brief description of the project that the direct loan and/or credit enhancement would be funding. The description should include the purpose and scope of any planned renovations or acquisitions.** | |
|  | |
| **Provide a brief description of the property. The description should include specifications such as square footage, parking availability, year constructed and any unique features.** | |
|  | |
| **Address of Property** |  |
| **Ward** |  |
| **Appraised or Market Value of Completed Project** |  |

**Project Team and Timeline**

|  |  |  |  |
| --- | --- | --- | --- |
| **Project Manager** |  | | |
| **Architect** |  | | |
| **Construction** |  | | |
| **PCS Staff and/or Board Members Overseeing the Project** |  | | |
| **Project Start Date** |  | **Estimated Completion Date** |  |

**Property Ownership**

* Leased
* Owned

*For leased properties only:*

Name of Landlord:

Lease Expiration Date:

*For borrowers that intend to lease or sublease only:*

Name of tenant:

Square footage to be leased/subleased:

Lease terms:

**Current and Future Property Features**

|  |  |  |
| --- | --- | --- |
|  | **Current** | **Projected after Project Completion** |
| **Student enrollment** |  |  |
| **Number of classrooms** |  |  |
| **Grade levels served** |  |  |
| **Total classroom square footage** |  |  |

**Application for Direct Loan or Credit Enhancement**

Financing Request Details

Purpose of OPCSFS Direct Loan and/or Credit Enhancement:

Target Financing Closing Date:

**Funding Sources for Project**

|  |  |  |
| --- | --- | --- |
| **Name of Lender** | **Amount** | **Signed Commitment Letter Obtained?** |
| Office of Public Charter School Financing and Support (OSSE) |  |  |
| Equity |  |
|  |  | * Yes * No |
|  |  | * Yes * No |
|  |  | * Yes * No |
| **Total** |  |  |
| **Total Uses** |  |

Describe the source of equity:

Describe collateral available for the OPCSFS loan:

Describe any other guarantees or credit enhancements obtained for the project:

**Current Debt**

|  |  |  |
| --- | --- | --- |
| **Name of Lender** | **Balance** | **Status** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

Annual rental payment for the property, if applicable:

**Application for Direct Loan or Credit Enhancement**

Underwriting Requirements Checklist

For an application to be considered complete, the following information and documents must be submitted with this application:

1. **General Information**

* 1.1 Borrower Articles of Incorporation
* 1.2 Borrower Bylaws
* 1.3 Borrower Conflict of Interest Policy
* 1.4 501(c)3 status letter
* 1.5 Board Resolution/Minutes Evidencing Borrower’s Intent (signed by Board chair)
* 1.6 LEA PCSB Application
* 1.7 LEA Charter Agreement
* 1.8 Borrower and LEA Senior Management Bios (not resumes)
* 1.9 Borrower and LEA Board of Director Bios (not resumes)
* 1.10 Detailed Background and History of the LEA and Charter Management Organization (CMO), if applicable
* 1.11 Detailed Description of Education Programs
* 1.12 Marketing Plan and Demographic Targets
* 1.13 Neighborhood Information and Demographics

1. **Financial Information**

* 2.1 Audited Financial Statements for last three years
* 2.2 Last three months’ bank statements evidencing cash on hand
* 2.3 Sources and Uses of Funds
* 2.4 Five-year enrollment forecast by grade
* 2.5 Five-year annual budget projections (i.e., balance sheet, income statement)
* 2.6 Written commentary addressing the following:
  + Borrower plan to take out the OPCSFS loan balloon payment
  + All assumptions including material year-to-year variances on the income, cash flow, and balance sheet statements
  + Any significant after-school programs, including the historical management/success of the program
  + Reliance on future grants
* 2.7 Executed Copies of Commitment Letters from Senior Lender and other financing providers, as applicable

1. **Project Information**

* 3.1 Evidence of Site Control (e.g., Purchase Agreement, Option Agreement, Leader and/or Sublease agreement, Memorandum of Understanding)
* 3.2 Bank-ordered Appraisal of Property
* 3.3 Environmental Phase I
* 3.4 Engineering Report/Property Needs Assessment, if applicable
* 3.5 Business Plan and Project Description, including:
  + Detailed project description and justification
  + Project Budget, including predevelopment costs
* 3.6 Project Timeline, including:
  + Target Financing Closing
  + Anticipated Construction Begin and End
  + Anticipated Opening/Begin Operations