



*Financing the Future: Unlocking Capital
for High-Impact Facilities*

FRED 2025 Conference



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Former Operator w/ Educator Roots:

COO @ Great Oaks CMO; teacher & instructional leader @ Match in Boston

Current:

Advisor (Children First Capital), Charter Board Member (Kindle in Jersey City), Dad (Mila & Gemma)

Charter Facilities Junkie:

Founding COO @ EFF; co-founder @ EFA Program; worked on \$1B+ projects

Do Now

Discuss with a partner:

Context

“What is the biggest thorn in your side with your (current, past, or future) facilities process?”

- a. We don't have high-quality, mission-aligned facilities support
- b. We can't find enough funding to make the project pencil
- c. Real estate is stupid expensive in my geography
- d. Something else

Today's Outcomes

1

1 - UNDERSTAND

Gain a simple, practical framework to increase the likelihood of success in securing low-cost funding for your facility project.

2

2 - DEPLOY

Use the framework to assess a current or future facility process.

3

3 - TROUBLESHOOT

Share challenges you're encountering (or will encounter) and receive live feedback on how you might be able to address them.

Step	Action	Criteria for Success	Key Metrics & Definitions
1. Know your projections.	Build a reliable, dynamic 5-year forecast.	✖ Build forecast using conservative assumptions ✖ Ensure alignment with key lender metrics ✖ Back fundraising targets with a <i>comprehensive and feasible</i> fundraising plan	Days Cash on Hand: > 30-45 (small / growing schools) > 60 (established schools) > 90 (networks & mature single-sites)
2. Know your project.	Understand your needs and ensure the facility facilitates the program – not the other way around.	✓ Identify needs: square feet, location, amenities ✓ Establish firm cost limits <i>within existing forecast</i> ✖ Understand options that might meet your needs: build, rent, buy, refinance, other?	Lease + Debt Burden: % revenue spent on rent & debt service < 12% (Strong) < 15% (Viable) < 20% (High-Cost Geographies)
3. Identify your blindspots.	Take stock of your organizational assets and review the FRED Framework. What will be challenging?	✖ Assess your internal real estate and finance capacity ✖ Identify which process steps will be most challenging	Financial Advisor (FA): Gives advice on financial aspects of project and helps secure funding (debt)
4. Assemble your team.	Get the right project team in place to crush your blindspots.	✓ Establish roles / involvement for your school team ✓ Engage legal counsel ✖ Review FRED School-Aligned Vendor list ✖ Engage high-quality FA and/or OR/PM	Owner's Rep / Project Manager (OR/PM): Coordinates project & drives accountability to keep it on time and on budget Broker: Helps find a property and negotiate lease or purchase terms Turnkey Developer: Handles entire project; may serve as landlord

Step	Action	Criteria for Success	Key Metrics & Definitions
5. Find your site.	Unleash the hounds (brokers & community connections). Mind your time and money. You'll need it later.	<input type="checkbox"/> Update community partners on your search <input type="checkbox"/> Engage 2 to 3+ brokers <input type="checkbox"/> Identify site aligned w/ projections	Buy vs. Rent: Depends on school circumstances; ownership often produces savings over long-term Pre-Development Loan: Short-term (<2 years) loan used for costs before construction
6. Fund your project.	Know your [lending, leasing, and grant] options. Stay tight on their process.	<input type="checkbox"/> Review FRED Funding Inventory <input type="checkbox"/> Engage 4+ lenders (if applicable) <input type="checkbox"/> Meet deadlines and promptly respond to diligence	Construction Loan: Short-term (~5 years) loan that covers cost of purchase and construction Perm Loan / Bond: Long-term—similar to mortgage CDFI: Mission-driven lender; typically provides short-term loans Equity: Grants or school tuition contributed to project
7. Keep close (enough) to your team. Let them build.	Plug in for key decisions that affect the school's program and budget, but don't let construction overwhelm you.	<input type="checkbox"/> Understand timing and identify key decision-points upfront <input type="checkbox"/> Establish clear expectations for communication with your project and your internal team <input type="checkbox"/> Track / complete punch list for key ops items	Key Items for School Input / Tracking: → Design: Ensure facility facilitates the program → Budget & Timeline: Should align with school forecast and Day 1 target
8. Enjoy your new home – and savings.	Celebrate with your community! You earned it and it's worth it.	<input type="checkbox"/> Make Day 1 special for students, families & staff <input type="checkbox"/> Host celebration event with community stakeholders	Ribbon-Cutting: An event that engages your community and stakeholders to celebrate their new home and themselves
9. Own your compliance.	Track and meet all lender, landlord, and funder covenants and reporting requirements.	<input type="checkbox"/> Designate teammate responsible for compliance <input type="checkbox"/> Track covenants in your loan and/or lease agreement <input type="checkbox"/> Track and meet reporting deadlines	Covenants: Pre-aligned rules you agree to follow when you borrow (e.g. days cash, enrollment levels) Reporting: Regular updates you must provide—financials, enrollment, test data, etc. Disclosure: Info you're legally required to share (bonds)

Zooming In: *Funding Your Project*

If you have worked on a facilities project (past or current):

1. How did you approach securing funding?
2. Who did you talk to?
3. What pitfalls did you encounter?

If you *have not* worked on a facilities project before:

1. What are your biggest concerns or questions for if/when you'll need to secure funding for a project?

Funding Your Project: What Would **FRED** Do?

1. Know your **projections**, know your **project**, and hire a trusted **advisor**
2. Assess your **options**
3. Make your **case**
4. Execute the **process**
5. Close the deal



Funding Your Project: Know Your *Options*

(Know your project and your projections! All options are contingent on school profile and need.)

STAGE	1. Pre-Development / New Schools	2. Early-Phase / Growing Schools	3. Mature Schools / Networks
Need	Flexible, “high risk” \$ in small amounts for startup & pre-development costs	\$ to acquire, build, make improvements & other related facility costs	Long-term \$ to refinance, acquire, build, related costs
Term	Short-term (~12 - 36 months)	Short-term (~5 years)	Long-Term (30+ Years)
Providers	Governmental, philanthropy, bespoke loan funds	CDFIs, nonprofit loan funds, commercial banks	Bond market, nonprofit loan funds (limited)
Examples	CSP, Ed Champions, Level Field Facilities Fund, 22Beacon	BlueHub, FIF, LISC, LIIF, Pinnacle, Self Help, EFF*	EFF, bond underwriters (Baird, HJ Sims, RBC, Mesirow)
Know Your Subsidies & Enhancements: CSP Credit Enhancement, New Markets Tax Credits, State-Specific Enhancement Programs			

Share: Funding Your Project

Share with your table:

1. What stage / profile is your school in?
2. What are your potential funding needs?
3. What are your **options**?

Funding Your Project: Make Your **Case**

((Know your project and your projections! They will be play the biggest role determining what financing you can access.)

To Do	Credit / Financials	Academic Performance / Impact*
Pre-Facility Process	<ul style="list-style-type: none">• Do you meet key metrics & ratios?• Do you have strong financial management personnel, processes, and procedures?• How's your enrollment?	<ul style="list-style-type: none">• Do you provide a strong academic option for your students?• Does your authorizer have a favorable view of you?• How's your enrollment?
For Lenders, Investors & Funders	<ul style="list-style-type: none">• Clean, easy-to-understand projections• Clear explanation for past or current financial challenges• <i>To consider:</i> can you access enhancement that would strengthen your case?	<ul style="list-style-type: none">• Clean, easy-to-understand data demonstrating academic impact<ul style="list-style-type: none">→ Proficiency rates→ Growth metrics→ Comps to surrounding or similar schools

Share: *Funding Your Project*

Share with your table:

1. Which criteria (credit/financial, academic) are you succeeding with? How/why?
2. Where are you falling short or have concerns? How/why?
3. What action steps can you take to address #2?