



King Street Center

Non-Profit Financing

- Project Sponsor: King Street Center
- Investment: \$6.2 million
- Downtown child care facility renovation and expansion

Vermont Rural Ventures provided \$6.2 million of its New Markets Tax Credit authority to double the size of the King Street Center and create efficient, bright, modern office, classroom, and play space.

Gap and Investment

Although King Street Center successfully met its capital campaign goals for the project, \$1.2 million in enhancements and fit up costs remained. To fill the gap King Street Center faced cutting the project short, securing costly long-term financing, or dipping into its working capital reserves. Vermont Rural Venture's investment brought in \$2 million of NMTC equity saving King Street Center from over leveraging, financially weakening and short-changing themselves.

The NTMC investment allows King Street Center to enhance its new building with solar photovoltaic panels, increased natural lighting opportunities, improvements to its gymnasium and outdoor areas—and expand its early education services through the addition of a new early pre-school program for children ages 1½ to 3 years of age.

Impact

The new facility allows the King Street Center to expand and offer a fully licensed year-round Early Head Start program; create four new jobs; build a professional quality kitchen; improve adult language instruction, performing arts, computer access, art studio and gymnasium space; purchase essential equipment; and expand administrative office space.

Additionally, this transaction further aligns King Street Center and Housing Vermont by creating a fund to financially support King Street Center families enrolled in preschool programs, scholarships for Housing Vermont residents within its Burlington properties; and playground or community room improvements at King Street Center and Burlington Housing Vermont properties.

Projects like King Street Center demonstrates Vermont Rural Venture's commitment to bringing investment to nonprofit groups which otherwise lack access to capital.

Project Team

Vermont Rural Ventures:

Beth Boutin, Glenn Von Bernewitz, and Devin Fallon

Non-Profit:

King Street Center

Legal:

Nolan Sheehan Patten LLP
Downs Rachlin Martin PLLC
Leveraged Law Group LLC

Accounting:

CohnReznick LLP

Contractor:

Engleberth Construction, Inc.

Architect:

TruexCullins, Inc.

Partners

US Bancorp Community
Development Corporation
Capital Campaign Donors