

SPRINGFIELD, MASSACHUSETTS

Educare Springfield

Construction of a 26,000 square foot school building that will provide access to high quality early childhood education and care for economically disadvantaged children.

Educare Springfield, the first Educare school in Massachusetts, will soon serve 141 Head Start-eligible young children and their families with a full-day, year-round early education program. The school, located in the highly distressed Old Hill neighborhood, will be a landmark lab school for best practices and an essential resource for Springfield College, Springfield Technical Community College, Springfield Public Schools and the early education community across the state for training and providing professional development for future teachers, social workers, and researchers. Educare Springfield will also pursue opportunities for partnerships and collaborations in the local community.

The project would not have been possible without financing from the New Markets Tax Credit (NMTC) from MassDevelopment, the hard work of foundations, city and state officials, and two anonymous donations.

A VIOLENT TORNADO

The story of the Educare Springfield facility starts back in 2011. On June 1, 2011, a powerful and long-lived EF-3 tornado left a swath of major damage through Western Massachusetts. The tornado proved to be unusually persistent, remaining on the ground for over an hour on its 40-mile path, the second longest on record in Massachusetts. The tornado caused extensive damage, killed 4 persons, injured more than 200 persons, damaged or destroyed 1,500 homes, left over 350 people homeless in Springfield's MassMutual Center arena, left 50,000 customers without power, and brought down thousands of trees. FEMA estimated that 1,435 residences were impacted and that the primary impact was damage to buildings and equipment with



Above: Damage in Springfield from an EF-3 Tornado in 2011



Educare Springfield, 100 Hickory St., Springfield, MA

NMTC allocation: \$12M from MassDevelopment New Markets LLC

Total Project Cost: \$15M

Investor: Capital One, N.A.

Other Partners: The Irene E. & George A. Davis Foundation, Holyoke-Chicopee-Springfield Head Start, Inc., Springfield College, The Educare Learning Network, RDG Planning & Design, Springfield Public Schools, the State of Massachusetts, The Massachusetts Department of Early Education and Care, The Children's Investment Fund and CEDAC.

Jobs: 44 existing employees and 7-10 jobs expected to be created within the first two years.

Children served: 141 children

Timing: Construction began in 2018 and the facility will open in November 2019

a cost estimate of \$24,782,299. Total damage estimates from the storm exceed \$140 million, the majority of which was from the destruction of homes and businesses.

The damage was particularly acute in the Old Hill neighborhood, which was already suffering from high poverty and unemployment. Disaster hit vulnerable, low-income populations the hardest. Oak Hill and the surrounding neighborhoods lost 119 housing units and another 281 units were severely damaged. Brookings Elementary school and several parks also sustained damage.

The tornado came on the heels of what was widely seen as an economic revitalization for Springfield between 2007 and 2011, the first term for Springfield Mayor Domenic Sarno. That progress was lost.

To recover from such a devastating storm, Springfield would need new investment. According to Sarno, since the tornado, \$4 billion in new investment has reached city. MassDevelopment, the state's finance and economic development authority, was a big part of that effort. The organization has made several important investments in Springfield since the tornado, including supporting a Chestnut Street affordable housing development with tax-exempt bonds, investing in VValleyVentures Mentors, as one of the initial sponsors of its manufacturing accelerator training program, and supporting the Transformative Development Initiative (TDI) District, an increasingly vibrant center for entrepreneurship, culture, and dining, by assisting with the financing of the Springfield Innovation Center and tenant improvements in the newly renovated Union Station.

SPRINGFIELD, MASSACHUSETTS

Educare Springfield (continued)



Left: The project site, pre-development.

New investment was not limited to downtown. The city constructed a new, \$28 million public school in Old Hill and made investments in parks and street improvements.

But while new investment improved many of the city's physical structures, Springfield faced many challenges beyond the physical destruction wrought by the tornado. Poverty remained very high, particularly child poverty. Between 2012 and 2017, the citywide child poverty rate remained in the low 40s, and in the Old Hill neighborhood, child poverty was 53%.



EDUCATION GAP

Educational outcomes in the city lagged far behind others in the region. Only 33 percent of Springfield children read at grade level by 4th grade, compared to peers in suburban schools. In 2015, only 1% of the children passed all oral competency and literacy standards for kindergarten, and the unemployment rate in Old Hill was 28%.

In 2014, a large early education and care facility with a capacity for 350 slots closed overnight without any community notice leaving over 100 enrolled children without any services. The Irene E. & George A. Davis Foundation stepped up to bring the community together to look at what could be done to correct this immediate crisis.

The Davis Foundation reached out to the Educare Learning Network ("ELN"), a nationally recognized, data-driven early education and care program initially created by the Ounce of Prevention Fund and the Graham Porter Child Research Institute at the

University of North Carolina Chapel Hill and later replicated across the country in conjunction with the Buffet Early Childhood Fund, to explore the possibility of replicating an Educare at the shuttered facility.

Educare was a natural fit for the community. The Educare model, which builds heavily on the core components of the Head Start model, was launched in 2000 and was based on extensive research on early childhood development, education, social work and other allied fields. Four core features compose the Educare model: data utilization, embedded professional development, high-quality teaching practices and intensive family engagement.

FINANCING CHALLENGE

To bring Educare to Springfield, the Davis Foundation would need to find nearly \$15M for the construction of a new facility as well as several million more to offset operating costs once the facility opened. Initially this seemed an insurmountable amount to raise in such an economically



disadvantaged region, but serendipitously, in the winter of 2017, members of the Davis Foundation learned about an anonymous donor that was interested in funding an Educare. The donor generously committed \$7M to the project initially, but as their faith in the efforts and progress grew, they increased their commitment to \$9.65M. While still facing a substantial funding gap, the community could not overlook such a significant funding opportunity, and the fundraising campaign ramped up.

A year later, MassDevelopment, the state's finance and economic development authority, informed the project they would provide \$12M in NMTC financing. This financing - combined with \$2M in state grants - helped the project move forward.

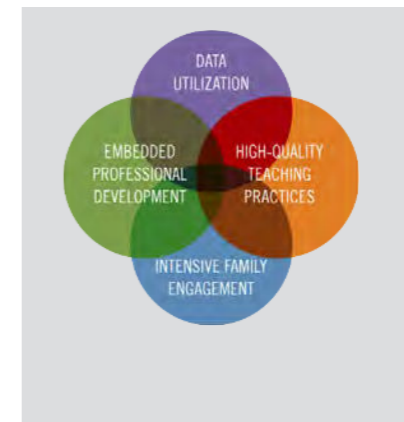
The Educare Springfield team approached Springfield College to purchase land for the facility in Oak Hill, but instead, Springfield College offered to contribute their efforts to the initiative and generously offered a 60-year nominal rent ground lease.

Educare Springfield would be built on land adjacent to Elias Brookings Elementary at the gateway to Springfield College, creating an "Education Corridor" that would allow Springfield's community and families to essentially "see" the journey from pre-K, to K-12 and on to college.

With the financing and site in place, construction of the new, 26,000 sq. ft. facility began in the summer of 2018. When the new facility opens in 2019, it will provide 141 low-income children with high-quality early learning during their first five years to prepare them for success in school and life. Classrooms will be operated by Holyoke-Chicopee-Springfield Head Start and also they will provide a number of additional support services for families.

"Educare is a significant investment here in the city of Springfield and it's another public and private partnership, with everybody working together for the same goal for our children," said Mayor Sarno at the ground-breaking celebration. "Giving them this foundation is going to allow them and their families to be able to avoid poverty, to avoid public safety issues—you just can't put a price tag on that."

Below: A visualization of Educare's model



COMMUNITY PROFILE

- Old Hill Neighborhood, Springfield, MA
- Nearly 50% of the children live in poverty.
- 28% unemployment (3.4x the national average).
- In 2015, only 1% of the children passed oral competency and literacy standards for kindergarten.

