

MICHIGAN



MARYGROVE CONSERVANCY

Detroit, MI (2020)

FINANCING



NMTC Financing: MBS Urban Initiatives CDE, LLC, Northern Trust, Capital Impact Partners, and Cinnaire: \$8 million
Equity Investor: Northern Trust

IMPACT



- 70 construction jobs
- 144 children in childcare

COMMUNITY



Poverty rate: 40.3%
Unemployment rate: 24.8%

In a first for Detroit's children, a group of five mission-led financial institutions has closed a package totaling \$22 million, including \$8 million in NMTC financing, to provide financing for the cutting edge early childhood center being constructed on the Marygrove campus. This is the first NMTC project in Detroit primarily focused on early childhood development and education.

The transaction supports construction of the facility that broke ground in November 2019 and is slated for completion in Spring 2021. Financing included contributions from The Kresge Foundation, Northern Trust, Capital Impact Partners, Low Income Investment Fund, MBS Urban Initiatives CDE, LLC (an affiliate of McCormack Baron Salazar), and Cinnaire. IFF, a CDFI, served as the project developer.

FIVE MISSION-DRIVEN ORGANIZATIONS PAVE THE WAY FOR THE FIRST NMTC CHILDCARE PROJECT IN DETROIT

Starfish Family Services will operate the center when it opens in fall 2021 and plans to serve 144 students with a funding model that includes federal (Head Start) funds, state funding, and private dollars. It will be the first mixed-income center in the city and one of the largest in both number of children served and floorplan, with more than 28,000 square feet. Students living in the immediate neighborhoods surrounding the Marygrove campus in Northwest Detroit will be offered priority enrollment. The center will also serve as a resource and convening hub for other early childhood providers in the city.

The campus at Marygrove includes more than the early childhood center. The vision for the campus, led by the Marygrove Conservancy, is to create a state-of-the-art prenatal-to-postsecondary educational home for Detroiters, especially those in the Livernois-McNichols area. The School at Marygrove, in partnership with Detroit Public Schools Community District and the University of Michigan School of Education opened in 2019 with its first ninth-grade class of students. In September, the school expanded to two classes, now serving both freshmen and sophomores.

"This financing package represents a continued commitment to the children and families in Detroit neighborhoods, that they should have access to the best early childhood educational opportunities,"

—
Aaron Seybert, managing director of The Kresge Foundation's Social Investment Practice