

McClellan ECE Center

Business Line: Community Development Solutions | **Sector:** Early Childhood Education

Located in the Gratiot Woods neighborhood on the East Side of Detroit where Detroit Public School's Pingree Elementary once operated, the McClellan early childhood education (ECE) center is the result of years of work by numerous partners.

Challenge(s)

Over 20,000 Detroit children ages 0-5 do not have access to quality education. The resources needed, like time and money, to develop a new ECE center to help reduce this gap are vast. Additionally, an investment in a community must include input from that community.

IFF partnered with MACC Development, a place based community development organization embedded in this community, to conduct outreach including canvassing and meetings to ensure that the center wasn't created without community feedback.

Impact

Eight classrooms will provide 96 seats for new students and help close the 521 ECE seat gap currently present in the neighborhoods surrounding the site.

Consistent with best practice design for infant and toddler spaces, each classroom has been designed to encourage play, learning, and ample opportunity for interaction and cohesion with the natural landscape.

The building will also feature a community room and meeting spaces for use by local organizations and residents. These gathering spaces provide opportunities for the building to function as something even greater than

a learning space – a community facing facility and asset that can be leveraged by residents and local organizations for decades to come.

Matrix Human Services, an ECE provider that previously had a center on the East Side of Detroit and was looking for a new space as their rented space was sold, will operate McClellan.

Additionally, partners like IFF, JPMorgan Chase, Cinnaire, Kresge Foundation, City of Detroit, MACC Development, and more coming together is an example of what's possible when major players are committed to impact, and should be used as a model for future opportunities.

IFF Support

IFF is the developer and interim owner. The team was responsible for securing the financing needed for this project. They also partnered with MACC Development to engage early and often with the community.

As interim owner, IFF will take on the upfront risk giving the provider, Matrix Human Services, time to develop programming and focus on serving the children and their families. In due time, Matrix will have the opportunity to take over ownership of the facility, leaving a major community asset fully in the hands of the community.

Funding

As developer, IFF was tasked with sourcing the capital to make the center possible.

An approximately \$8.75MM project, creativity was needed, which included outreach and funding from an array of public and private entities, such as:

- \$2.25MM New Markets Tax Credits (NMTC) equity investment from JPMorgan Chase
- \$2.75MM loan from fellow CDFI, Cinnaire
 - * Over \$860K in community development block grants (CDBG) from the City of Detroit were secured to pay down the debt
- \$1.9MM program related investment (PRI) from the Kresge Foundation
- As well as \$1.85MM equity investment from IFF

Learn more about IFF's work in Michigan at iff.org/michigan