

Marshall County Life Center

Strategus LLC supported the development of a \$12.6 million early childhood learning and community center.

Overview	
New Market Tax Credit Allocation Secured	\$9.9 million
Other Non-Local Incentives Secured	\$2.0 million
Total Development Costs	\$12.6 million

Background

In 2012, Plymouth High School closed its obsolete pool, the community's only indoor aquatic center, due to the lack of available resources. The City of Plymouth and a group of local stakeholders secured a \$2.0 million regional matching grant to catalyze a pool project. At the same time, the Marshall County Community Foundation, Inc. and the Marshall County Economic Development Corporation worked with area employers to better understand obstacles for growth and how to transition families from poverty into the workforce. Despite a regional unemployment rate of less than 4%, low-income neighborhoods had an unemployment rate of 13.9%. Further, more than 41.7% of children in Marshall County lived in poverty, which was double the state average. Marshall County's research showed that if a parent or guardian secured full-time employment, very few children would remain in poverty. Marshall County, however, ranked 34th out of 36 counties of 40,000 people or more with only 4% of pre-K children enrolled in high-quality programs because no high-quality child care center existed.

The Project

The Marshall County Life Center represents the culmination of a partnership among the county's key economic development and social service organizations. Strategus worked with seven organizations to pool local capital and attract external resources to the community. This \$12.6 million project resulted in the development of a 12,000 square foot training facility inclusive of the county's

first fully-licensed infant and child daycare, a new headquarters for its Community Foundation and United Way and new rooms for workforce training. The project also included the development of a 33,000 square foot community wellness center, which houses an eight-lane aquatic center that will attract secondary and post-secondary athletic events and tournaments.

The new learning center provides low-income parents the opportunity to use the state's Child Care Development Fund voucher program and secure new employment opportunities in the area. The project also increases the United Way's capacity to expand its reach to more than 10,000 residents annually. The project provides the Community Foundation the resources to support additional transportation opportunities for low-income seniors and persons seeking access to the community facility and nearby industrial park job opportunities.

The project's aquatic center is expected to draw thousands of visitors a year into the low-income neighborhood and has already catalyzed the development of a new hotel on an adjacent site.

Impact

- 45,000 square feet of new community space
- New headquarters for Community Foundation and United Way
- First licensed infant and voucher-eligible daycare facility serving 110 students
- Training capacity of nearly 1,000 annually
- Only county indoor aquatic facility
- Increase organizational capacities to serve 10,674 low-income persons annually
- 34 new permanent jobs
- 92 construction jobs

How Strategus Provided Innovative Finance Solutions

By leveraging the community's momentum in securing a regional matching grant, Strategus worked with community stakeholders to develop a financial model that could support the project. Strategus organized stakeholder commitments into a financeable form and then worked with local, regional and state entities and philanthropic sources to enhance the local commitments. These changes allowed Strategus to attract federal new market tax credits and bank financing to cover the financing gaps. Without appropriately combining these resources, Marshall County would have had to rely solely upon philanthropic sources, which based upon all available assessments, would not have secured the amounts necessary to retain the matching grant in time to continue the project.