

Data Driven Detroit to leave Michigan Nonprofit Association to become low-profit LLC

Chad Halcom

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Data Driven Detroit, the data collection and analytics service for foundations, governments and other clients, will spin out from a nonprofit to become a low-profit limited liability company, effective Oct. 1.

The move is expected to help the organization cultivate new investment and take on new projects, but keep its core mission of helping data users make better decisions about the Detroit region's future.

"Most exciting for me is having a structure that makes us better able to serve the community. We can work with a wider range of partners on a broader range of projects, that have real impact," Director Erica Raleigh of Data Driven Detroit said Wednesday. "But our core mission is exactly what it's always been for seven years, and that's important."

Raleigh would not elaborate on owners or investors in the new business entity, but said the organization values transparency and has pledged to share more once its incorporation is complete.

Founded in 2008 and originally called the Detroit-Area Community Information System, Data Driven was seeded via a \$1.85 million grant from the Detroit-based **Skillman Foundation** and Troy-based **Kresge Foundation** to **City Connect Detroit**.

Low-profit LLCs, or L3Cs, were given legal footing in Michigan by a 2009 law change. They are for-profit businesses with a primary social mission and a secondary profit function. As such they can seek both private investment dollars and charitable investments from foundations. **The Detroit Bus Company L3C** is one example.

The change will end Data Driven's status as a program of the Lansing-based **Michigan Nonprofit Association**, which has housed it and took it over as a program from City Connect in 2012. Data Driven, which has its own advisory council, said in a statement it had learned much during its tenure with the MNA.

Raleigh said she expects the low-profit LLC will remain a tenant in **TechTown**, the business accelerator/incubator founded in partnership with **Wayne State University**. She also expects Data Driven will continue offering services to the MNA and its members.

“In our seven years of existence, Data Driven Detroit evolved with the support of great partners to the point where a stand-alone entity simply makes sense,” she said in a statement.

Association President-CEO Donna Murray-Brown said in the statement that the organization acted as a fiduciary and offered a “support system” for Data Driven Detroit.

“D3’s transition to an independent L3C is a fundamental step to advancing their important work for the future of metro Detroit,” she said.

See more - http://www.crainsdetroit.com/article/20150819/NEWS/150819836/data-driven-detroit-to-leave-michigan-nonprofit-association-to#utm_medium=email&utm_source=cdb-nonprofit&utm_campaign=cdb-nonprofit-20150820