Purpose Built Communities
Revitalizing Neighborhoods to Break the Cycle of Poverty

Monday, November 16, 2015
Poverty continues to undermine the American Dream

48.8 million Americans live in poverty¹
48.8 million > the entire populations of Canada, Denmark, and Ireland combined

That is more than 1 in 10 Americans

42% of children born to parents in the bottom fifth of the economic distribution remain in the bottom as adults²

23% rise only to the second fifth²

¹ U.S. Census Bureau, American Community Survey Briefs: Household income – 2012, ² National Center for Children in Poverty “Child Poverty and Intergenerational Mobility”
Children experience poverty at even higher rates

16.1 million children live in poverty

That is 1 in 4 American children

50% Of poor children live in concentrated poverty

Concentrated poverty: >30% lives below the poverty line
Living in concentrated poverty often has dire implications for children

86% of 3rd graders living in concentrated poverty read below grade level

- 2x as many adults living in areas of concentrated poverty lack a high school diploma
- Residents of areas of concentrated poverty can experience 12 times higher homicide rates.

That is more than 6 out of 7 children

The human and economic costs of childhood poverty affect everyone.

It is estimated that childhood poverty...

- Raises health expenditures by $150 billion
- Raises the cost of crime by $160 billion
- Reduces productivity and economic output by $160 billion

The total costs to the United States associated with childhood poverty equals $500 billion per year

Sources: Center for American Progress (2007)
In climbing the income ladder, location matters

The chance a child raised in the bottom fifth rose to the top fifth

The top fifth is equal to family income of more than $70,000 for the child by age 30, or more than $100,000 by age 45.

In areas like Atlanta, upward mobility appears to be substantially lower than in any other rich country.
Life expectancy varies greatly depending on where you live

3 miles apart

25 year difference in life expectancy
Contributions to Premature Death

Environment and behavior account for 60% of premature death
Purpose Built Communities is working to break the cycle of poverty

Our holistic approach uses East Lake as a basis for a model that has proven results

Neighborhood Transformation that is both place based and people centered
• The East Lake Story

• A Model for Success

• Purpose Built Communities Network
East Lake Meadows - 1995
East Lake Meadows - 1995

**Safety**
- 18x national crime rate
- 90% of families victims of a felony each year
- $35 million a year drug trade

**Housing**
- 100% public housing
- 1400 residents in 650 apartments
- 40% of units unlivable

**Employment**
- 13% employment
- 59% of adults on welfare
- Median income of ~$4,500

**Education**
- One of lowest performing schools in Georgia
- 5% of 5th graders meet state math standards
- 30% graduation rate
East Lake Meadows - 1995

Eva Davis, Former resident of East Lake Meadows
East Lake Meadows - 1995

Eva Davis, Former resident of East Lake Meadows
Villages of East Lake - Present

**Safety**
- 73% reduction in crime
- 90% lower violent crime

**Housing**
- High-quality, privately managed housing
- Mixed-income (50% public housing, 50% market rate)
- 1400 residents in 542 apartments

**Employment**
- 100% of adults receiving housing subsidy are employed, in job training, or are elderly or disabled
- Median income of working public housing households 5x higher

**Education**
- ~1700 in Pre-K through 11th
- 98% meet or exceed state standards
- A top performing school in Atlanta and the state
• The East Lake Story

• A Model for Success

• Purpose Built Communities Network
The East Lake transformation gave rise to a replicable model
Define a specific neighborhood

Atlanta, GA

East Lake

• The target area of investment (in orange) is less than 1 square mile

Target Area (Orange): Est. Population of ~1400
Area of Impact (East Lake and Kirkwood neighborhoods):
Est. Population of ~12,300
Area of Impact: Racial Demographics 58% African-American, 38% White

Note: Population estimated based on 2010 Landscan data from USAID
Source: Population estimate from “population explorer” (http://www.populationexplorer.com/#)
The impact will spread into the surrounding community

East Lake and the surrounding community saw some $200M in new private investments in the first 10 years

- Residential and commercial investments:
  - New grocery stores
  - New bank branches
  - New and more varied housing options
  - Neighborhood retail and restaurants

The % gain in existing home prices enjoyed by East Lake residents was 4x larger than that realized by the typical Atlanta home owner

Source: Selig Center for Economic Growth; Internal Analysis
Replace concentrated low-income housing with mixed-income housing

Mixed-income housing:
• Ensures high standards in design, development, and operation
• Attracts additional public and private investment to the neighborhood
• Destigmatizes the neighborhood
Implement a cradle-to-college education pipeline

To ensure an effective pipeline:
• Direct control of school
• A neighborhood focus
• Emphasis on high-quality Early Childhood Education
• Seamless coordination between each aspect of the pipeline
Drew students have shown tremendous improvement.

Percentage of Drew 4th graders who meet or exceed standards (2013)

<table>
<thead>
<tr>
<th>Subject</th>
<th>2000-2001</th>
<th>2012-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reading</td>
<td>31%</td>
<td>100%</td>
</tr>
<tr>
<td>Math</td>
<td>21%</td>
<td>100%</td>
</tr>
<tr>
<td>Language Arts</td>
<td>44%</td>
<td>99%</td>
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</tbody>
</table>

Drew moved from being the 69th ranked school (last place in 2000-01) in the APS system to one of the state’s top ranked schools.

Source: GA Department of Education (CRCT scores – 2013);
Drew’s improvement over time has been consistent, slow and steady.

Since 2010, Drew’s CRCT performance across all subjects has reached and maintained the highest levels.

Source: GA Department of Education CRCT data, Governor's Office of Student Achievement, 2000-1 through 2012-3
Drew students perform on par with the highest achieving schools in Atlanta.

% Meets or Exceeds on the CRCT
Elementary school (grades 3-5), all subjects
2012-3

Drew 98.2
Brandon 98.6
Jackson 98.2
Morning-side 98.5
Springdale Park 97.5
Sarah Smith 94.1
Mary Lin 95.6

Georgia

APS

FRL % 61.7 10.8 7.3 7.8 15.0 19.1 12.5
Average List Price 268K 1.8 M 1.8 M 457K 649K 1.2 M 484K

Source: GA Department of Education CRCT data, Governor’s Office of Student Achievement, enrollment data, 2012-3
http://www.trulia.com/real_estate/Atlanta-Georgia/09/18/2014
Drew’s FRL students outperform APS and the state’s non-FRL students, effectively eliminating the achievement gap

% Meets or Exceeds on the CRCT
Elementary School (grades 3-5) all subjects, 2012-3

<table>
<thead>
<tr>
<th></th>
<th>District</th>
<th>State</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Drew</strong></td>
<td><strong>97.4</strong></td>
<td><strong>97.4</strong></td>
</tr>
<tr>
<td>FRL students</td>
<td>95.9</td>
<td>95.2</td>
</tr>
<tr>
<td>APS Non-FRL</td>
<td></td>
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</tr>
</tbody>
</table>

**Drew is one of only 67 schools** of the 1712 schools in Georgia with available CRCT data for which **FRL students outperformed the state non-FRL average**

**Note:** 1712 schools with CRCT data includes elementary and middle schools, CRCT assesses students in grades 3 – 8)

**Source:** GA Department of Education CRCT data, Governor’s Office of Student Achievement, 2012-3
Drew’s African-American boys achieve at the highest levels, defying national trends

- 100% of Drew’s African-American boys in 8th grade met expectations on the reading CRCT and most, 59%, exceeded expectations.

- The Drew difference is especially pronounced in math, science, and social studies. Drew’s African-American boys outperform APS and State all student averages by a wide margin.

<table>
<thead>
<tr>
<th>Subject</th>
<th>Math</th>
<th>Science</th>
<th>Social Studies</th>
</tr>
</thead>
<tbody>
<tr>
<td>APS</td>
<td>+20</td>
<td>+24</td>
<td>+26</td>
</tr>
<tr>
<td>State</td>
<td>+10</td>
<td>+11</td>
<td>+14</td>
</tr>
</tbody>
</table>

Notes: National trends (according to NAEP): 46% of African-American boys achieved “basic” or higher-level skills in math compared with 82% for white boys; reading scores for 8th grade African-American boys were barely higher than the scores of 4th grade white girls

Source: Drew internal analysis of GA Department of Education CRCT data, 2013-4; National Assessment for Educational Progress (NAEP), PBS, National Affairs
Coordinate effective and high quality community wellness programs and services

Services and programs are designed to:

• Assist low-income families in gaining economic stability
• Connect families to benefits and services
• Enhance the profile of the neighborhood and attract middle income families
Develop facilities and programs to promote health and community wellness

**Health and Recreation**
- YMCA Health and Recreation Programs
- East Lake Healthy Connections

**Economic Development**
- Job Training and Skill Development
- Start: ME East Lake
- Residential and Commercial Development

**Broaden Social Networks**
- East Lake Community Garden
- First Tee of East Lake
- Resident and Community Support Program
Develop a strong Community Quarterback

- Newly formed non-profit with a single focus
- Ensures that all programs are connected, coordinated and seamless
- Ensures high quality programming
- Ensures people in the target neighborhood are the ones served
- Braids a sustainable funding stream
- Serves as a single point of accountability

This is the Purpose Built difference
• The East Lake Story

• A Model for Success

• Purpose Built Communities Network
Purpose Built Communities is working with local leaders to transform neighborhoods across the country.

Network Members

- New Orleans, LA
- Birmingham, AL
- Rome, GA
- Atlanta, GA
- Indianapolis, IN
- Omaha, NE
- Charlotte, NC
- Columbus, OH
- Spartanburg, SC
- Oakland, CA
- Fort Worth, TX
- Houston, TX
- New Orleans, LA
- Jacksonville, FL
- Orlando, FL
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- Columbus, OH
- Orlando, FL

**Conversations Underway**
- Oakland, CA
- Fort Worth, TX
- Houston, TX
- New Orleans, LA
- Columbus, OH
- Orlando, FL

**Representative Sample of Conversations Underway**

A. Miami, FL  
B. Athens, GA  
C. Salisbury, NC  
D. Wilmington, DE  
E. Philadelphia, PA  
F. Newark, NJ  
G. Memphis, TN  
H. Cleveland, OH  
I. Detroit, MI  
J. Austin, TX  
K. Dallas, TX  
L. Tulsa, OK  
M. Kansas City, MO  
N. Salt Lake County, UT  
O. Sacramento, CA  
P. Honolulu, HI
Birmingham’s Woodlawn Neighborhood
The Challenge:

Once a thriving Birmingham neighborhood:

The historic community of Woodlawn fell victim to blight because of Urban Renewal and “suburban sprawl.” Due to lack of investment and jobs in the community, Woodlawn has never recovered.

Cold, hard educational outcome facts......

<table>
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<th>READING</th>
<th>MATH</th>
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<tbody>
<tr>
<td>Only 10% of WIN 3rd graders read at grade level during SY13-14</td>
<td>Only 27% of WIN 3rd graders were proficient in math during SY13-14</td>
</tr>
<tr>
<td>Only 24% of WIN 8th graders read at grade level during SY13-14</td>
<td>Only 5% of WIN 8th graders were proficient in math during SY13-14</td>
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</tbody>
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<table>
<thead>
<tr>
<th>COLLEGE READINESS</th>
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<tbody>
<tr>
<td>WHS students averaged a 13.5 on the ACT</td>
</tr>
<tr>
<td>Only 10% of WHS students attended college after graduation</td>
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<tr>
<td>Of the WHS students attending college, 86% required remedial classes</td>
</tr>
</tbody>
</table>

• Large plots of vacant land and a dilapidated housing stock
• Disinvestment from business
• Aging homeowners population
Birmingham Woodlawn’s Neighborhood
The Opportunity:

Empowering a community to lift itself out of poverty requires a holistic, integrated approach. The key to breaking the cycle of poverty and sustaining meaningful change is equipping the next generation to make a difference:

- **Mixed-Income Housing**
- **High Quality Cradle-to-College Education**
- **Community Wellness**
Birmingham’s Woodlawn Neighborhood Community Engagement:

- Residents
- Existing Institutions
- Community Leaders
- Community Partners
- Woodlawn Foundation

United

Woodlawn
Birmingham’s Woodlawn Neighborhood
The Plan:

Woodlawn Foundation

Woodlawn Innovation Network

Hollyhand Development

Mike & Gillian Goodrich Foundation

Early Learning

McWane Science Center

Birmingham Museum of Art

Alabama A&M University

UAB

Gateway

The Way to Hope

Christ Health Center

Smiles for Keeps

YWCA Central Alabama
Guard rails on the road of life?
Or hospitals at the bottom of the hill??
Contact us

Purpose Built Communities, LLC
3445 Peachtree Road, NE
Suite 175
Atlanta, Georgia 30326
(404) 591-1400

Carol Naughton
cnaughton@purposebuiltcommunities.org