Revitalizing Neighborhoods to Break the Cycle of Poverty

Friday, November 17, 2017
Poverty continues to undermine the American Dream

48.8 million Americans live in poverty\(^1\)

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 adults\(^2\)

23% rise only to the second fifth\(^2\)

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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

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1 INSERT SOURCE U.S. Census Bureau, American Community Survey Briefs: Household income – 2012, 2 National Center for Children in Poverty “Child Poverty and Intergenerational Mobility”
Living in concentrated poverty often has dire implications for children

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

That is more than 6 out of 7 children

- 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.

1 INSERT SOURCE U.S. Census Bureau, American Community Survey Briefs: Household income – 2012, ² National Center for Children in Poverty “Child Poverty and Intergenerational Mobility”
The human and economic costs of childhood poverty affect everyone.

It is estimated that childhood poverty...

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

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

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1 INSERT SOURCE U.S. Census Bureau, American Community Survey Briefs: Household income – 2012, 2 National Center for Children in Poverty “Child Poverty and Intergenerational Mobility”
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 physical and human.
• The East Lake Story

• A Model for Success

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

<table>
<thead>
<tr>
<th>Safety</th>
<th>Housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 18x national crime rate</td>
<td>• 100% public housing</td>
</tr>
<tr>
<td>• 90% of families victims of a felony each year</td>
<td>• 1400 residents in 650 apartments</td>
</tr>
<tr>
<td>• $35 million a year drug trade</td>
<td>• 40% of units unlivable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 13% employment</td>
<td>• One of lowest performing schools in Georgia</td>
</tr>
<tr>
<td>• 59% of adults on welfare</td>
<td>• 5% of 5th graders meet state math standards</td>
</tr>
<tr>
<td>• Median income of ~$4,500</td>
<td>• 30% graduation rate</td>
</tr>
</tbody>
</table>
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**
- 75% employment in public housing, remainder in job training, elderly or disabled
- Median income of ~$15k in public housing households

**Education**
- ~1500 in Pre-K through 10th
- 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

A Defined Neighborhood

Mixed Income Housing

Cradle-to-College Education Pipeline

Community Wellness

A Strong Lead Organization
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>
</tr>
</tbody>
</table>

Drew moved from being the 69th ranked school (last place in 2000-01) in the APS system to the 1st ranked elementary school and the 3rd ranked middle school.

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

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

<table>
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<tr>
<th>% Meets or Exceeds on the CRCT</th>
<th>Elementary School (grades 3-5) all subjects, 2012-3</th>
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<tr>
<td><strong>District</strong></td>
<td></td>
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<tr>
<td>Drew (FRL students)</td>
<td>97.4</td>
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<tr>
<td>Drew (Non-FRL students)</td>
<td>95.9</td>
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<tr>
<td><strong>State</strong></td>
<td></td>
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<td>97.4</td>
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<td>95.2</td>
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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
The East Lake Difference

- Part of a coordinated, comprehensive community revitalization
- Foundation of language and literacy
- High-Quality Early Learning Education
- Investment in high quality teachers and leaders
- STEAM/Project-Based Learning
- Public/Private Partnerships
The Drew Difference

1. Part of a coordinated, comprehensive community revitalization
2. Focus on literacy
3. High quality early learning education
4. Investment in high quality teachers and leaders
5. STEAM/Project-Based Learning
6. Public/Private Partnerships
Infuse community wellness with top quality amenities and support services
Effective, coordinated programs aligned with community needs enhance the neighborhood’s profile and benefit all families.

- Job readiness
- Benefits screening
- After school programs
- Tutoring and mentoring
- Community garden

- YMCA recreation and health programs
- Golf programs
- Community social events
- Summer camps
Healthy neighborhoods include facilities that support the community.

Health and Wellness Center (Indianapolis)  Publix grocery
Develop a strong Lead Organization

• 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
Success of the model requires the right building blocks

**Leadership**
- Strong civic/business/faith-based leadership that fully supports Purpose Built’s holistic development vision and approach

**Housing**
- Sufficient multifamily scale for neighborhood transformation
- Economically viable surrounding area (essential to attract market rate residents)
- Sufficient funding resources for affordable component

**Education**
- Potential for direct local control of schools
- Preference for neighborhood children to attend schools
Define a specific neighborhood

Atlanta, GA

East Lake

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
The East Lake transformation gave rise to a replicable model

A Defined Neighborhood

- Mixed Income Housing
- Cradle-to-College Education Pipeline
- Community Wellness

A Strong Lead Organization
The East Lake Story

A Model for Success

Purpose Built Communities Network
Two early stage successes indicate the model is replicable: New Orleans

**Before**

**After**

- **Lead Organization:** Bayou District Foundation (http://bayoudistrictfoundation.org/)
- **Housing:** Master Plan includes 900 mixed-income units (300 public, 300 low-income, 300 market rate) with ~675 built to date
- **Education:** Educare of New Orleans, K-8 public charter school and public high school in pre-development
- **Community Wellness:** Plans include YMCA, grocery store, health clinic, and city park revitalization
Two early stage successes indicate the model is replicable: Indianapolis

**Before**

- **Lead Organization:** Meadows Community Foundation (http://avondalemeadows.org/)
- **Housing:** Master plan includes 600 high-quality mixed-income apartment homes and 250 townhomes and single-family homes; 250 apartment homes completed to date
- **Education:** Two of Indianapolis' finest charter schools are in operation
- **Community Wellness:** Plans include a 70,000 sq. ft. multi-use health and wellness center, a full-service grocery store and commercial shops

**After**

![Before and After comparison images]
Purpose Built is helping transform neighborhoods across the country

- New Orleans, LA
- Birmingham, AL
- Rome, GA
- Atlanta, GA
- Omaha, NE
- Indianapolis, IN
- Columbus, OH
- Charlotte, NC
- Spartanburg, SC
- Brooklyn, NY
- Chicago, IL
- Austin, TX
- Houston, TX

Formal Network Members
Thank you
Contact us

Purpose Built Communities, LLC
3445 Peachtree Road, NE
Suite 175
Atlanta, Georgia 30326
(404) 591-1400
(877) 205-7481 (toll free)

Greg Giornelli
ggiornelli@purposebuiltcommunities.org
Carol Naughton
cnaughton@purposebuiltcommunities.org

www.purposebuiltcommunities.org
BACK UP SLIDES
Why is the East Lake Education Pipeline so successful?

Part of a coordinated & comprehensive community revitalization effort

Students move through a seamless pipeline within revitalization effort

Culture of excellence at every level

- High quality early learning
- High quality partners at K-12 level

School Leader
Teachers
Curriculum
Residents were actively involved in the planning process

Engaged in decision-making
Held leadership roles throughout planning
Given first choice for relocation
Given priority for new units in housing development
Map of East Lake – Villages
Map of East Lake – East Lake area
Map of East Lake – Area of Impact
Case Study: Early Learning pipeline prepares students for kindergarten

Children who attended Drew’s Pre-K performed, not only above targets established by AIMS Web developers, but also outperformed their peers in both reading fluency and reading comprehension.

Pipeline leads to a more rigorous and successful K-8 experience
- Kids are better prepared when entering kindergarten and can handle a more rigorous, accelerated curriculum as they move through the school
- Allows for longitudinal tracking of students through the pipeline
- Children continue to improve over time through 8th grade

Note: “Cohort” represents students who attended Drew’s Pre-K
Source: ELELA report prepared with Rollins Center for language and learning, Fall, 2011
Case Study: Early Learning pipeline fosters a lasting impact

Peabody Picture Vocabulary Test (2009-10)
Average standard score

- On average, children attending East Lake Early Learning Academy scored above the national average on the PPVT-4.
- The children maintained above-average scores and scores have increased annually.
- These data illustrate the lasting impact of a quality, language-rich preschool on language development.

Note: This is representative of cohort 3 and represents an n of 24
Source: ELELA report prepared with Rollins Center for language and learning, Fall, 2011
East Lake Early Learning – moving beyond East Lake

• Over **300 children on site** ages 6 weeks old through Pre-K (4 years old) annually

• The **research and design site** for the Rollins Center, impacting over **13,000 students** (birth – 5)

• **Training site** for all Teach For America Pre-K teachers in the Metro-Atlanta teaching corps

• Rollins Center/Drew online learning modules reach 173 Pre-K and Kindergarten Teach For America teachers in **13 regions** across the country
Drew Before
Drew Charter: 1999-2004

Founding a tradition of excellence

• 1999: Charter approved as first in Atlanta Public Schools
• 2000: School opens as K-5th in temporary facility with 240 students
• 2001: Permanent facility opens, and K-6 doubles in size (adds one grade/year through 8th)
• 2004: First class of 8th graders “graduates”
Drew Charter: 2004-2009

A focus on early learning

- 2004: Charter Renewed (5 year term)
- 2007: Pre-K program opens at Drew
- 2009: 3-year old program opens at Drew
Drew Charter: 2009-2014
Full STEAM ahead

• 2010: STEAM approach begins
• 2011: East Lake Early Learning Academy (birth-3) opens
• 2011: Drew awarded $1 million Race to the Top Innovation Grant
• 2012: Drew awarded $750K Race to the Top Innovation Grant (2)
• 2012: Drew received approval from the Atlanta and State Boards of Education for a 5-year charter amendment allowing expansion in grades PK-8 and the addition of grades 9-12
• 2013: Drew broke ground on the Junior & Senior Academies on the Yates Campus
• 2013: Drew welcomed its founding Freshman Class
• 2014: Yates campus opens completing the pipeline