



PURPOSE  
BUILT  
COMMUNITIES

*Changing neighborhoods. Changing lives.*

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# ***Revitalizing Neighborhoods to Break the Cycle of Poverty***

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Hampton Roads Planning District Commission

November 21, 2016

## *Presentation Outline*

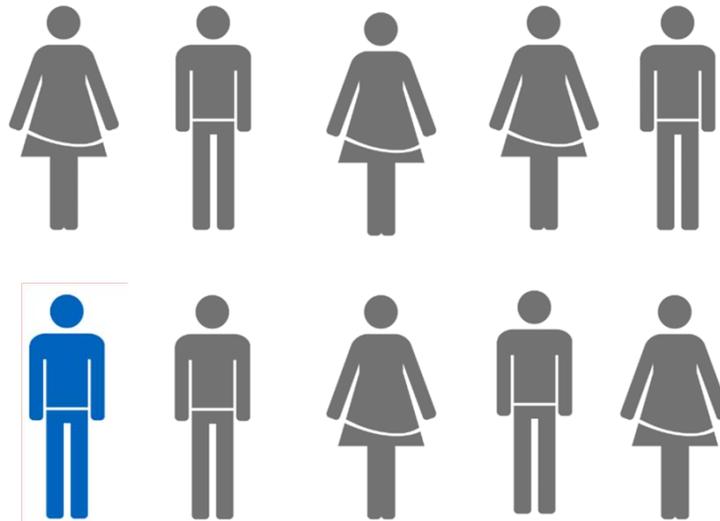
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- **Poverty and Place**
- East Lake, Atlanta Georgia
- Purpose Built Communities
- Q and A

# Poverty continues to undermine the American Dream...

**43.1 million Americans live in poverty<sup>1</sup>**

*43.1 million > the entire populations of Canada and Hong Kong combined*



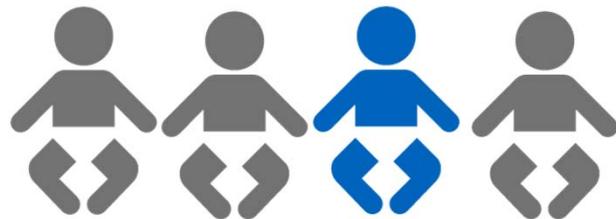
That is more than **1 in 10 Americans**

<sup>1</sup> U.S. Census Bureau, American Community Survey, Income, Poverty and Health Insurance Coverage in the United States: 2015

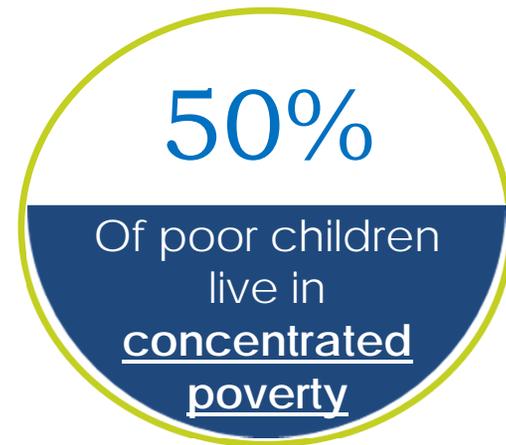
<sup>2</sup> National Center for Children in Poverty "Child Poverty and Intergenerational Mobility"

## Children experience poverty at even higher rates...

16.1 million  
children live in  
poverty



That is 1 in 4 American children

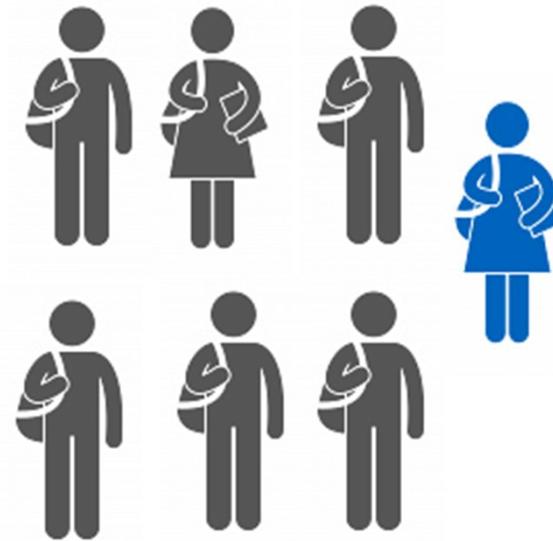


Concentrated poverty: >30% lives below the poverty line

## *Living in concentrated poverty often has dire implications for children*

86%

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



That is more than 6 out of 7 children

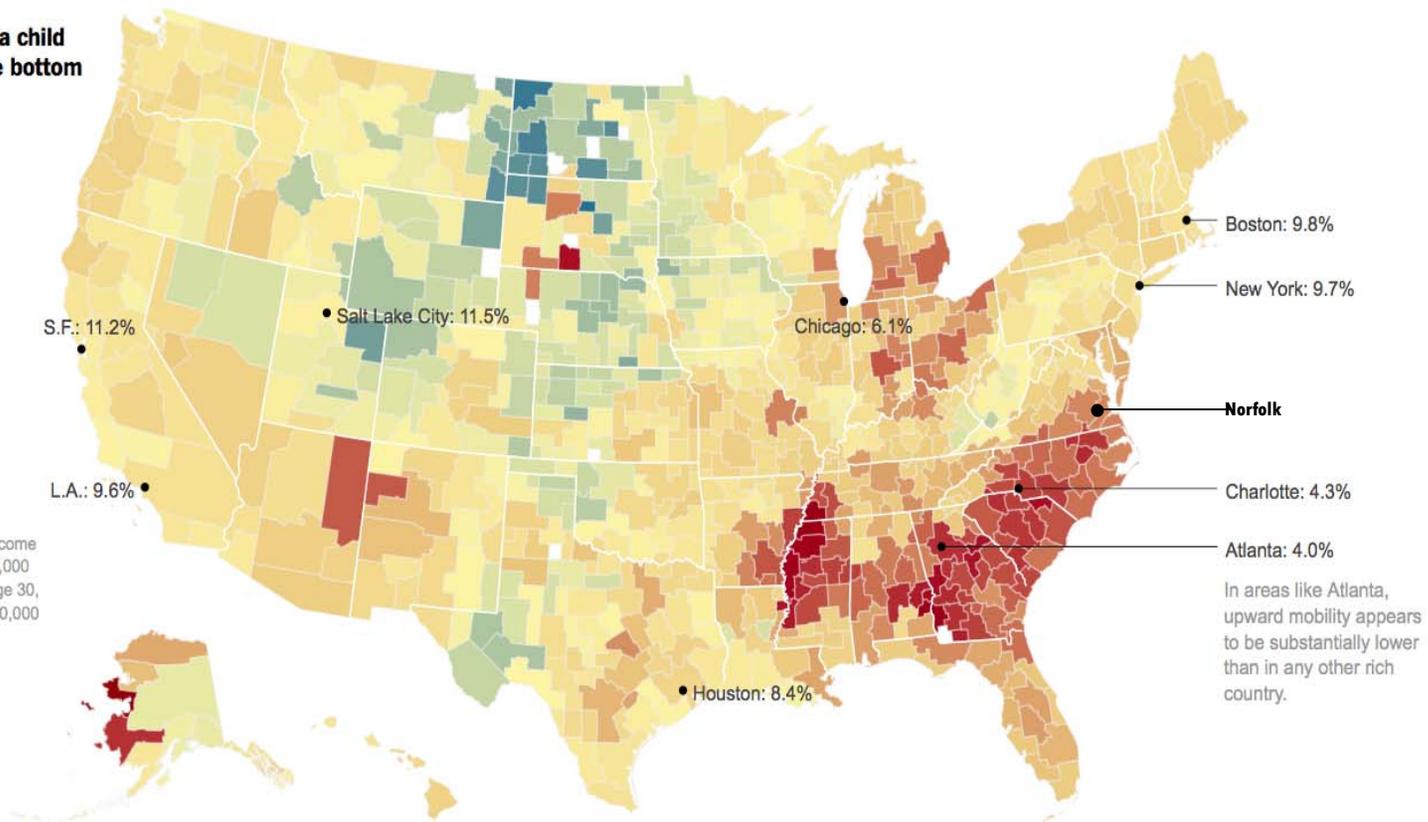
# In climbing the income ladder, location matters

RAJ CHETTY, ECONOMIST

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.



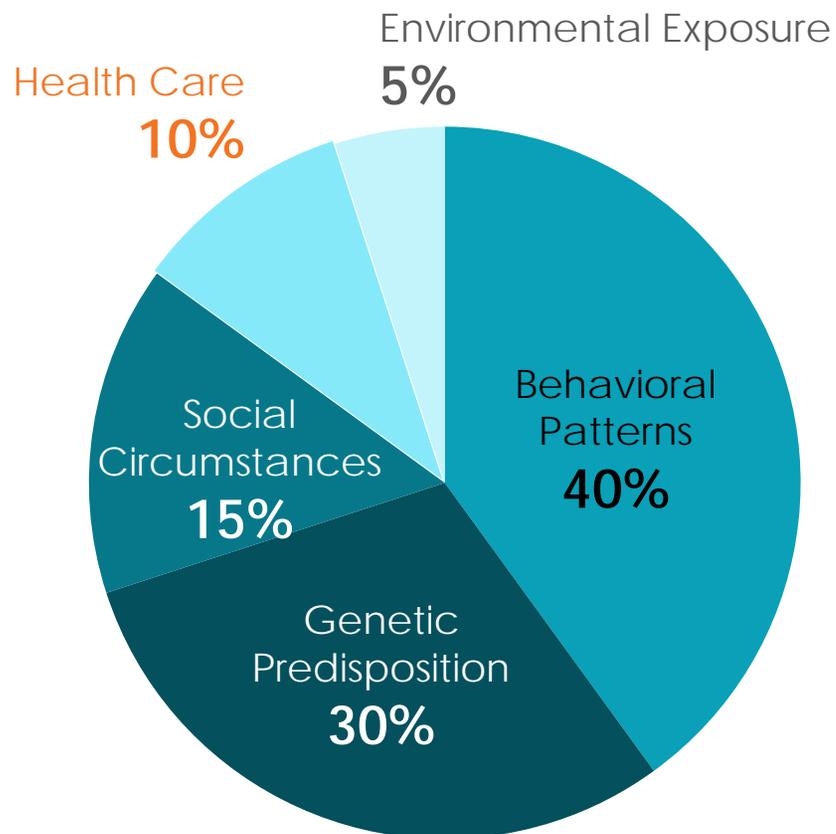
# Life Expectancy by Neighborhood

3 miles = 25 years

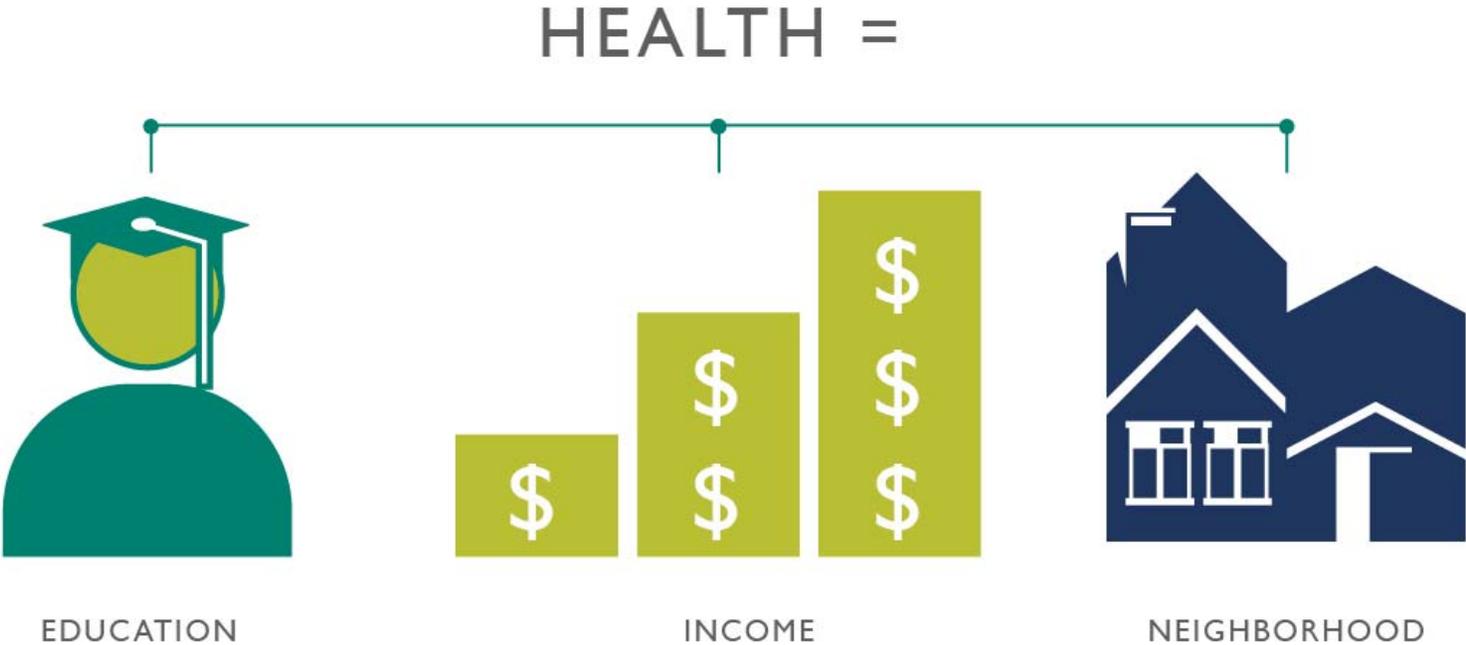


## Contributions to Premature Death

Environment and behavior account for 60% of premature death



# *Health ≠ Health Care*



## *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)

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## *East Lake Meadows - 1995*

- 18X national crime rate with \$35M drug trade
- 40% of housing units uninhabitable
- 5% of 5th graders meeting state math standards and 30% high school graduation rate
- Median income \$4500 with only 13% of adults working



## *Residents actively engaged in the planning and implementation*

- Engaged in decision-making
- Held leadership roles throughout planning
- Given first choice for relocation
- Given priority for new apartments in housing development
- Set standards and expectations



Eva Davis, former president of the East Lake Meadows Tenant Association

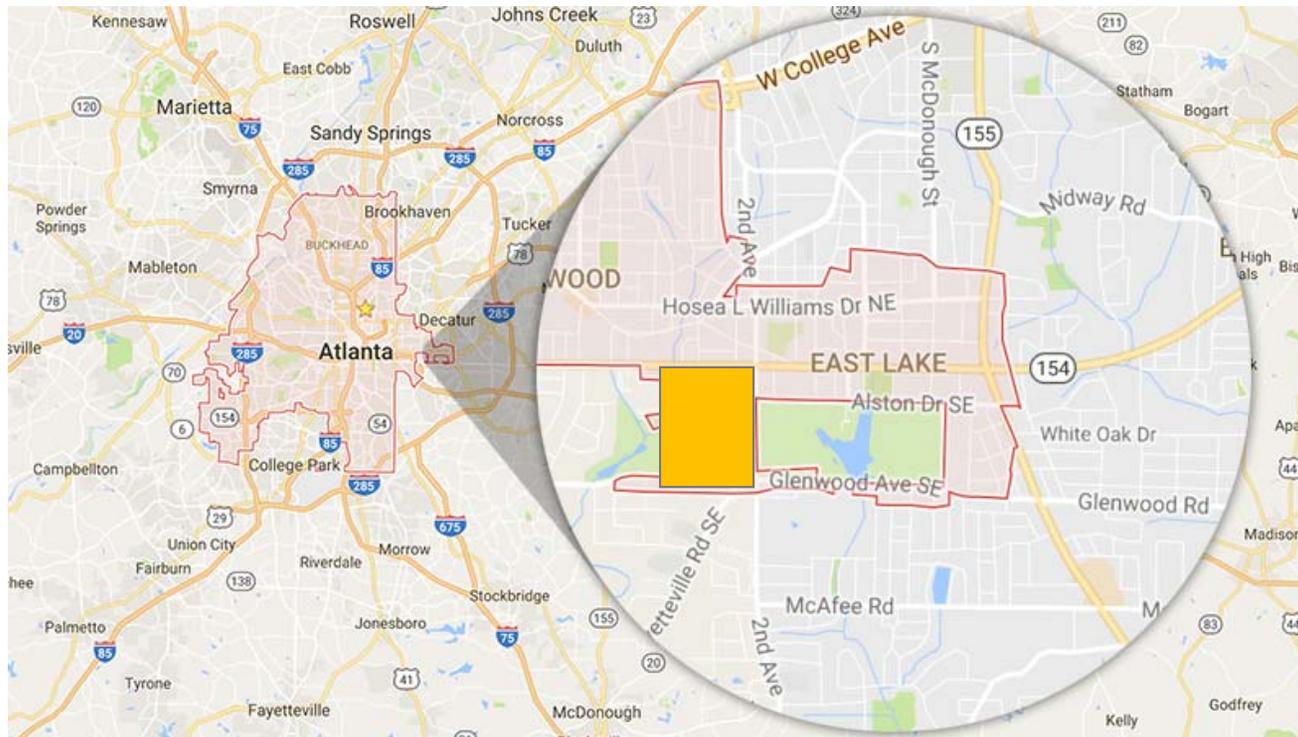
# East Lake Meadows 1995





## *Concentrated effort into a small area – a neighborhood*

Target area of investment (less than 1 square mile)



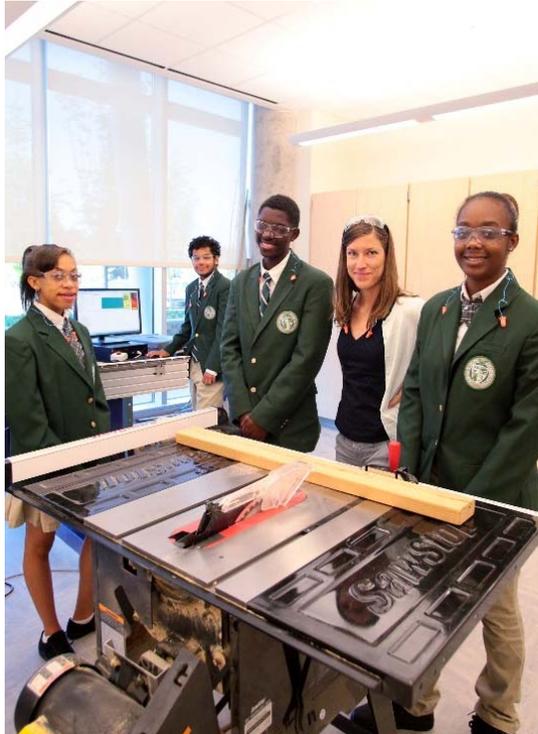
## *Replaced concentrated low-income housing with mixed-income housing*

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- Partnered with the Atlanta Housing Authority to turn East Lake Meadows into the **Villages of East Lake**, a mixed income housing development
- High standards in design, development, and operation
- Attracted over **\$400M** in additional investment to the neighborhood



## *Implemented a cradle-to-college education pipeline*



Launched Drew Charter School



Expanded high quality early learning (0-4)



Educational support services focused on literacy, after school programs and college preparation

## *Promoted community wellness with quality amenities and support services*



Full service YMCA



First Tee® of East Lake Program



Publix Grocery Store and bank branches – SunTrust and Wells Fargo



Resident Support Services, East Lake Healthy Connections, Community Learning Garden

## Created a “Community Quarterback” 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



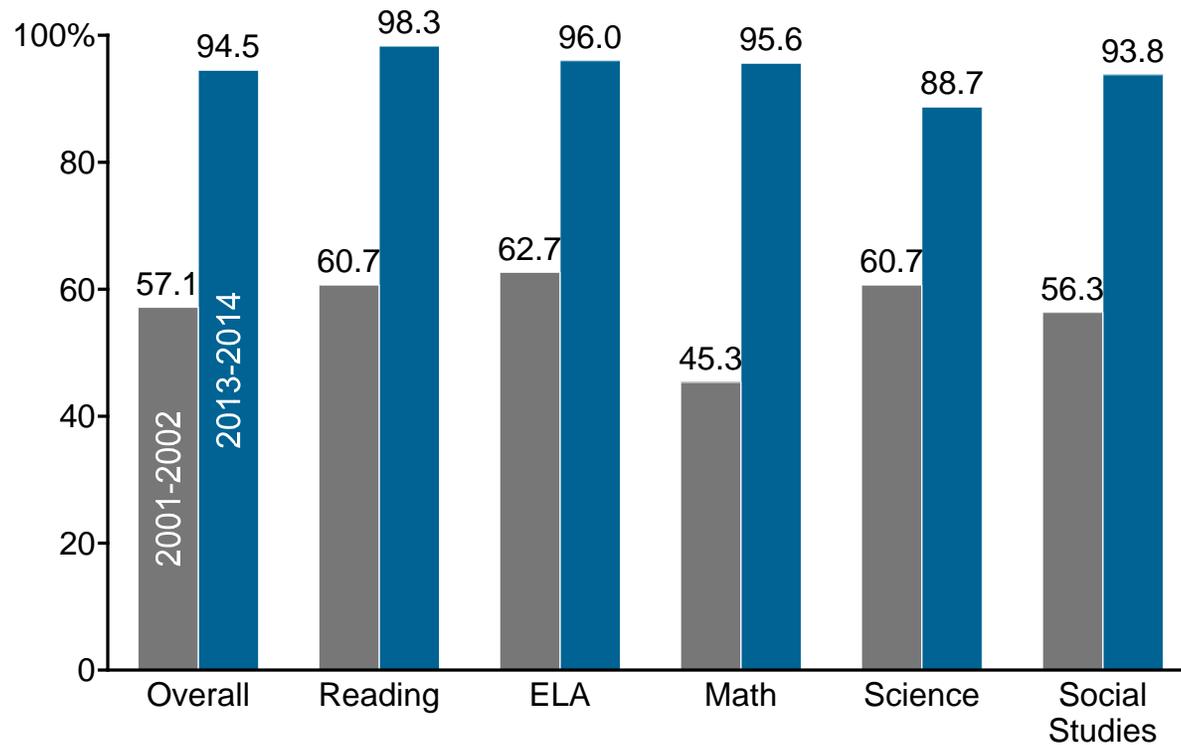
*East Lake*  
FOUNDATION



Danny Shoy, President of the East Lake Foundation

# *Since inception, Drew has almost doubled its proficiency rates*

% Meets or Exceeds on the CRCT  
Elementary school (grades 3-5)

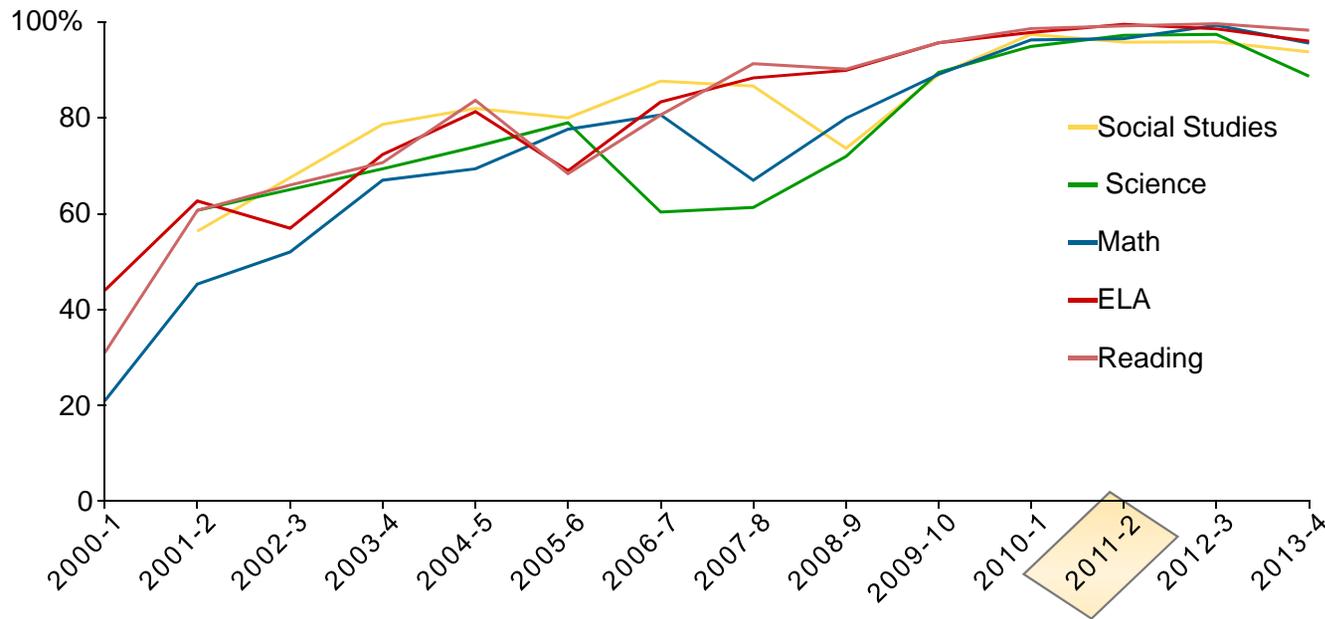


Source: GA Department of Education CRCT data, Governor's Office of Student Achievement, 2001-2 and 2013-14.



# Drew's performance over time has been slow and steady

% Meets or Exceeds on the CRCT  
Elementary School (grades 3-5)

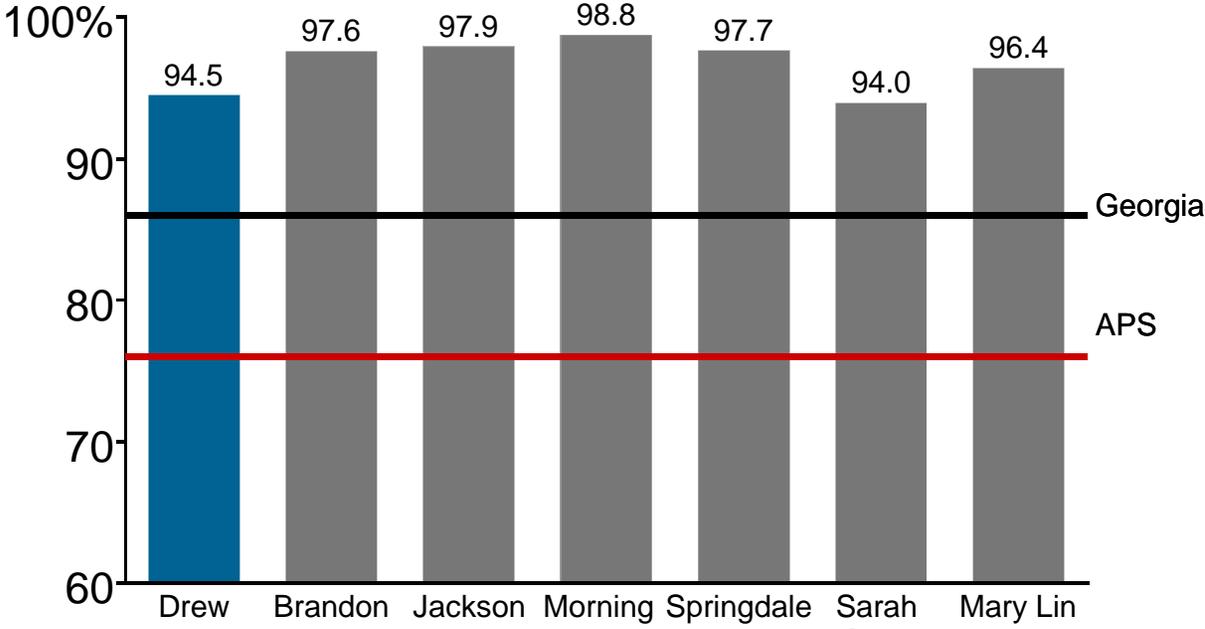


**Note:** Decreases in % Meets and Exceeds were consistent with district and state trends (a result of changes made to the Georgia state standards and CRCT); Social Studies and Science were not assessed in 2000-01 and 2002-03; only 4<sup>th</sup> grade assessed in 2000-1 and 2002-3

**Source:** GDOE, 2013-14 CRCT Scores (<https://www.gadoe.org/Curriculum-Instruction-and-Assessment/Assessment/Pages/CRCT-Statewide-Scores.aspx>, accessed 7/13/15).

# Drew currently performs on par with top achievers in the district (even with a much higher FRL population)

% Meets or Exceeds on the CRCT  
 Elementary school (grades 3-5), all subjects  
 2013-4



% FRL	58.8	9.4	5.8	8.1	13.1	18.3	8.5
Avg List Price	268K	1.8M	1.8M	457K	649K	1.2M	484K



# The entire neighborhood has benefitted



**\$400 million**

East Lake and the surrounding community has attracted ~ \$400M in new private investment



**4x gain**

Gain in existing home prices in East Lake 4x larger than that realized by the typical Atlanta homes



**More options**

New and more varied retail options



**5x incomes**

Public housing residents' incomes 5x higher

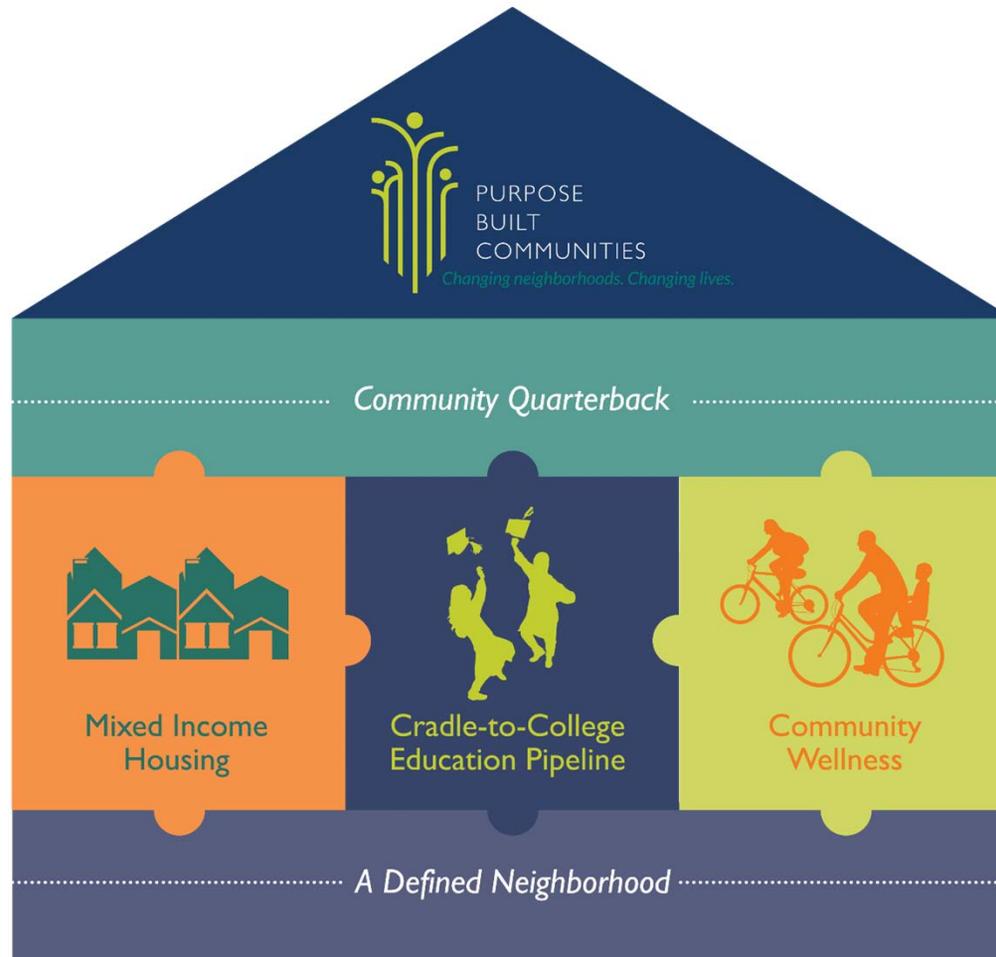


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# Purpose Built Communities Model



# The Secret to Success is the Community Quarterback

Newly formed, single purpose  
nonprofit

Connected, coordinated

Nothing less than the  
best

The people in the  
neighborhood benefit

Sustainable funding

The buck stops here



***This is the Purpose Built Difference.***

## ***Purpose Built created to help local leaders break the cycle of poverty across America***

We provided **free consulting services** to community leaders interested in implementing our model.



**Neighborhood  
identification  
and  
assessment**



**Real estate  
acquisition and  
housing  
financing  
strategies**



**Charter school  
planning and  
school system  
contracting**



**Community  
wellness  
partnering and  
strategy**



**Community  
engagement and  
communications**

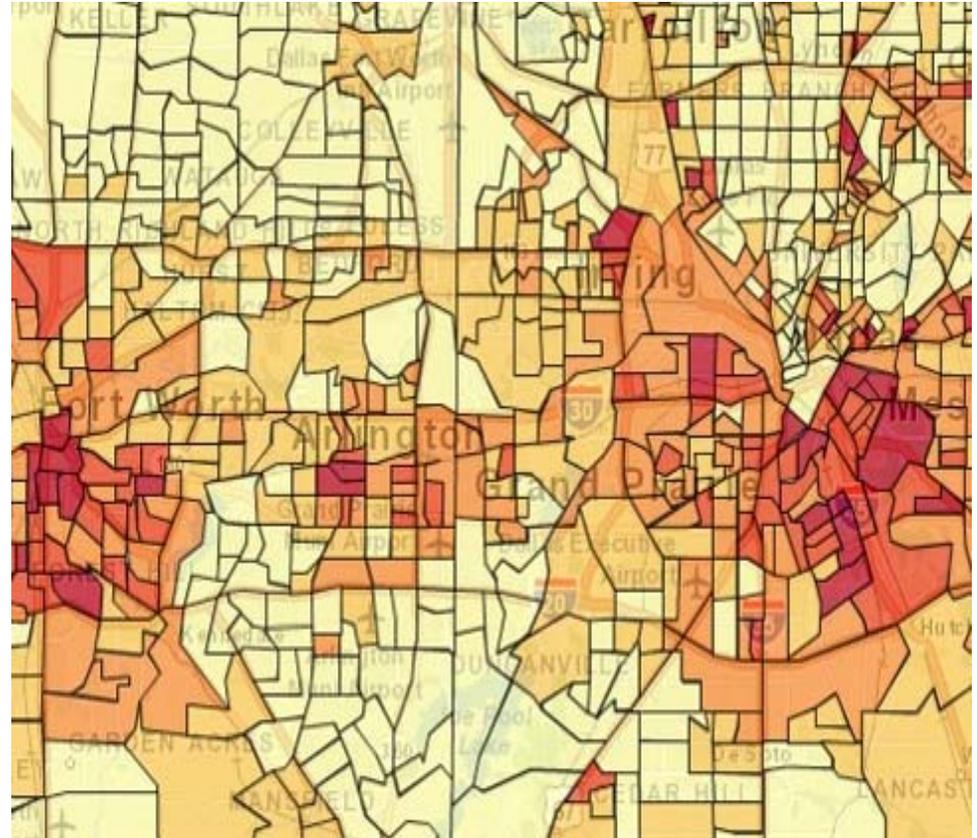


**Community  
Quarterback  
design and  
implementation**

*Our Network Members learn from and leverage each others' efforts.*

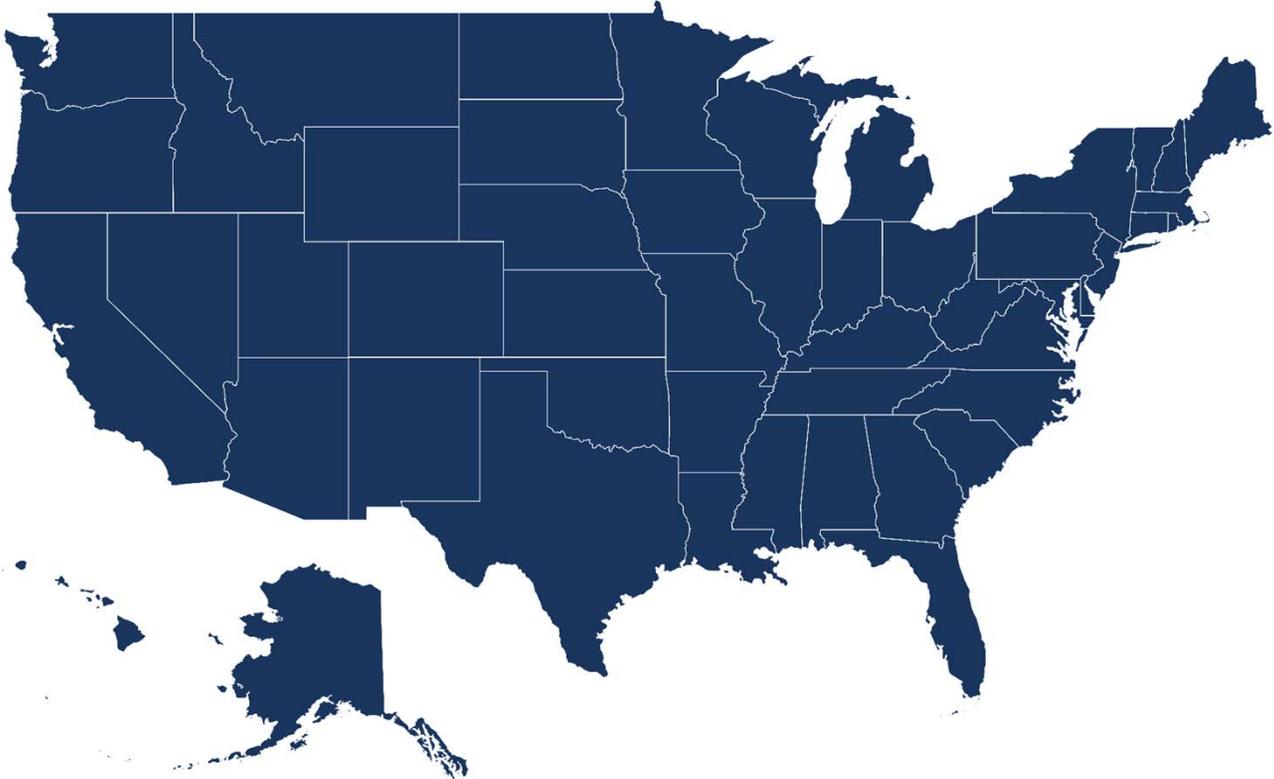
## *Our mission is to replicate our model...*

- 14 million Americans live in neighborhoods of concentrated poverty
- We estimate there are approximately **825 highly-distressed neighborhoods** in metro regions across the country (*at least 40% of population lives below poverty line*)

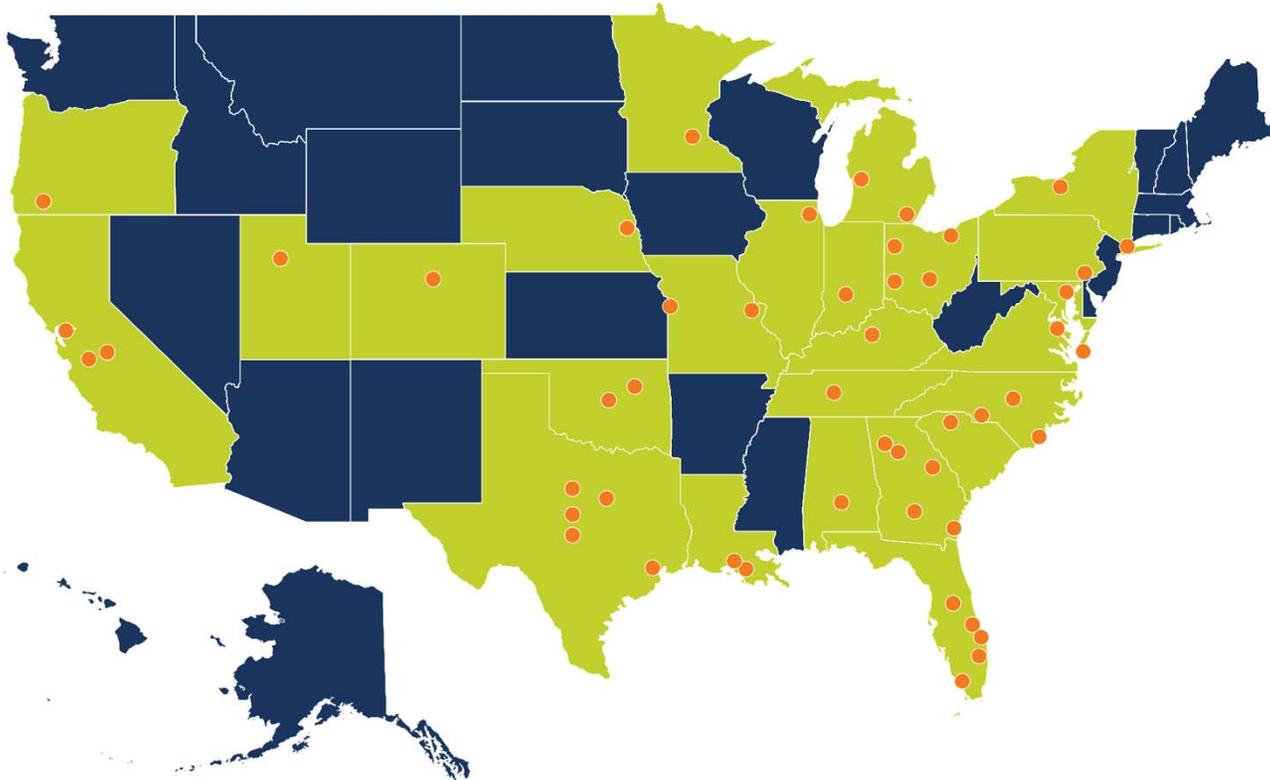


Neighborhoods with high concentrations of poverty  
(Dallas-Fort Worth area pictured here)

***Purpose Built is helping transform neighborhoods  
across the country***



***Purpose Built is helping transform neighborhoods across the country***



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*Thank you!*

