



Purpose Built 101: The Model

Overview Presentation

October 2, 2017

Poverty continues to undermine the American Dream...

40.6 million Americans live in poverty¹

40.6 million > the entire population of California

U.S. poverty rate 12.7 % (2016)

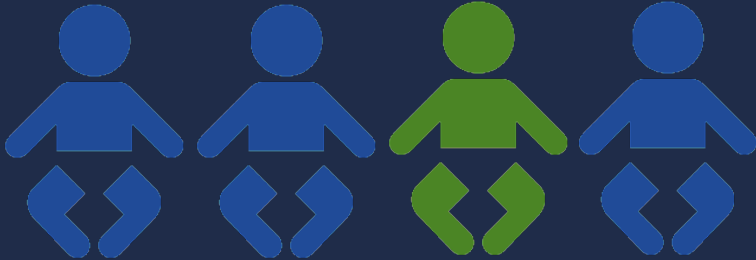


That is more than 1 in 10 Americans

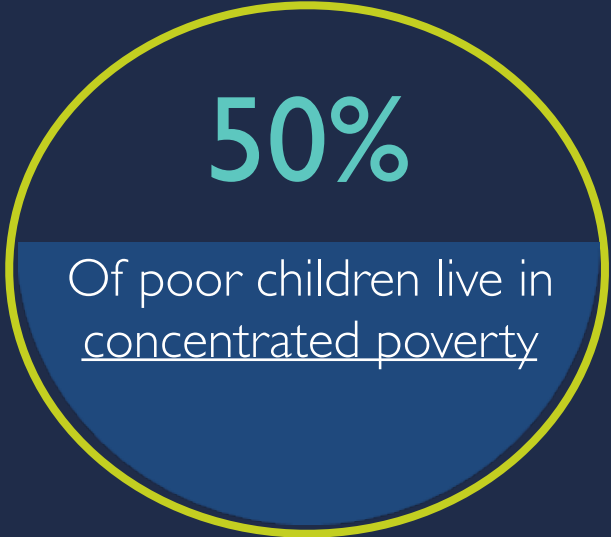


Children experience poverty at even higher rates...

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



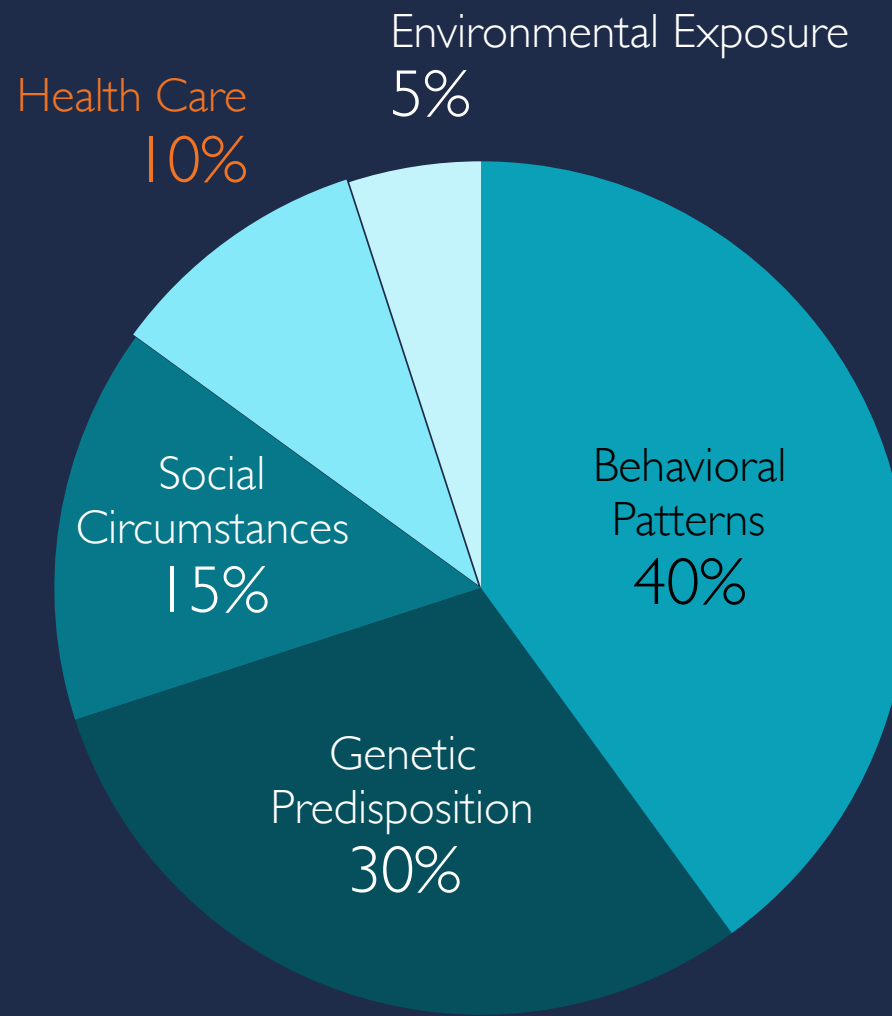
Life Expectancy by Neighborhood

3 miles = 25 years

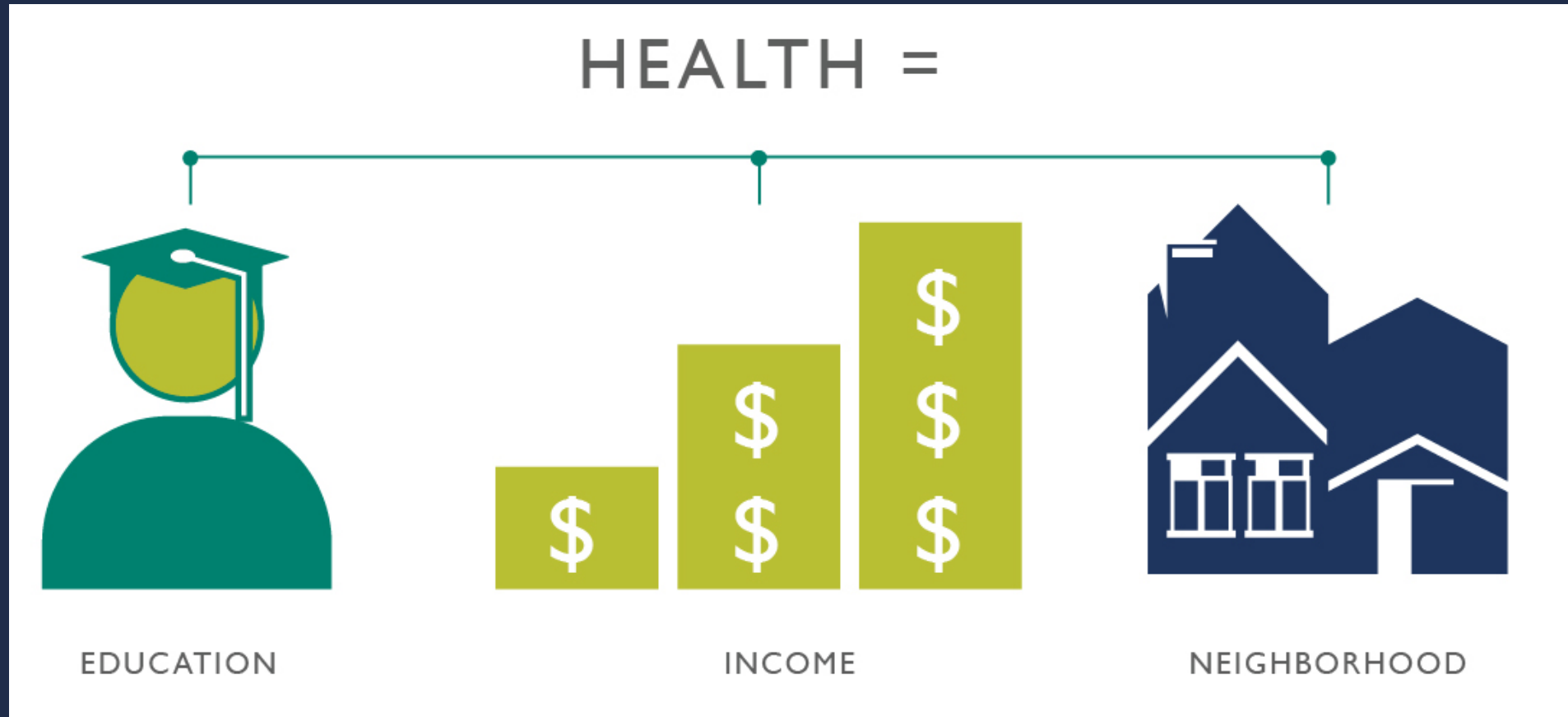


Contributions to Premature Death

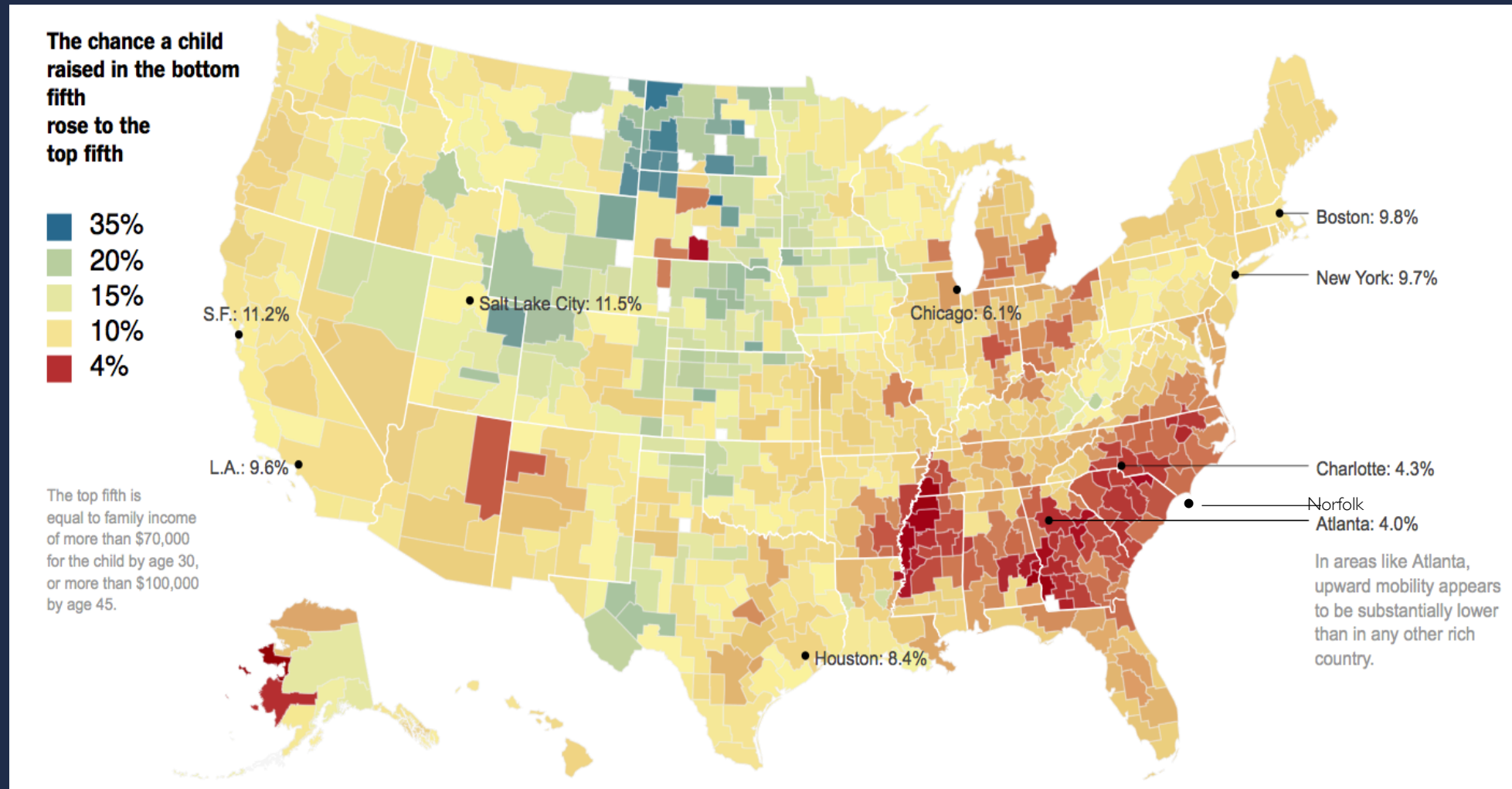
Environment and behavior
account for 60% of
premature death



Health ≠ Health Care



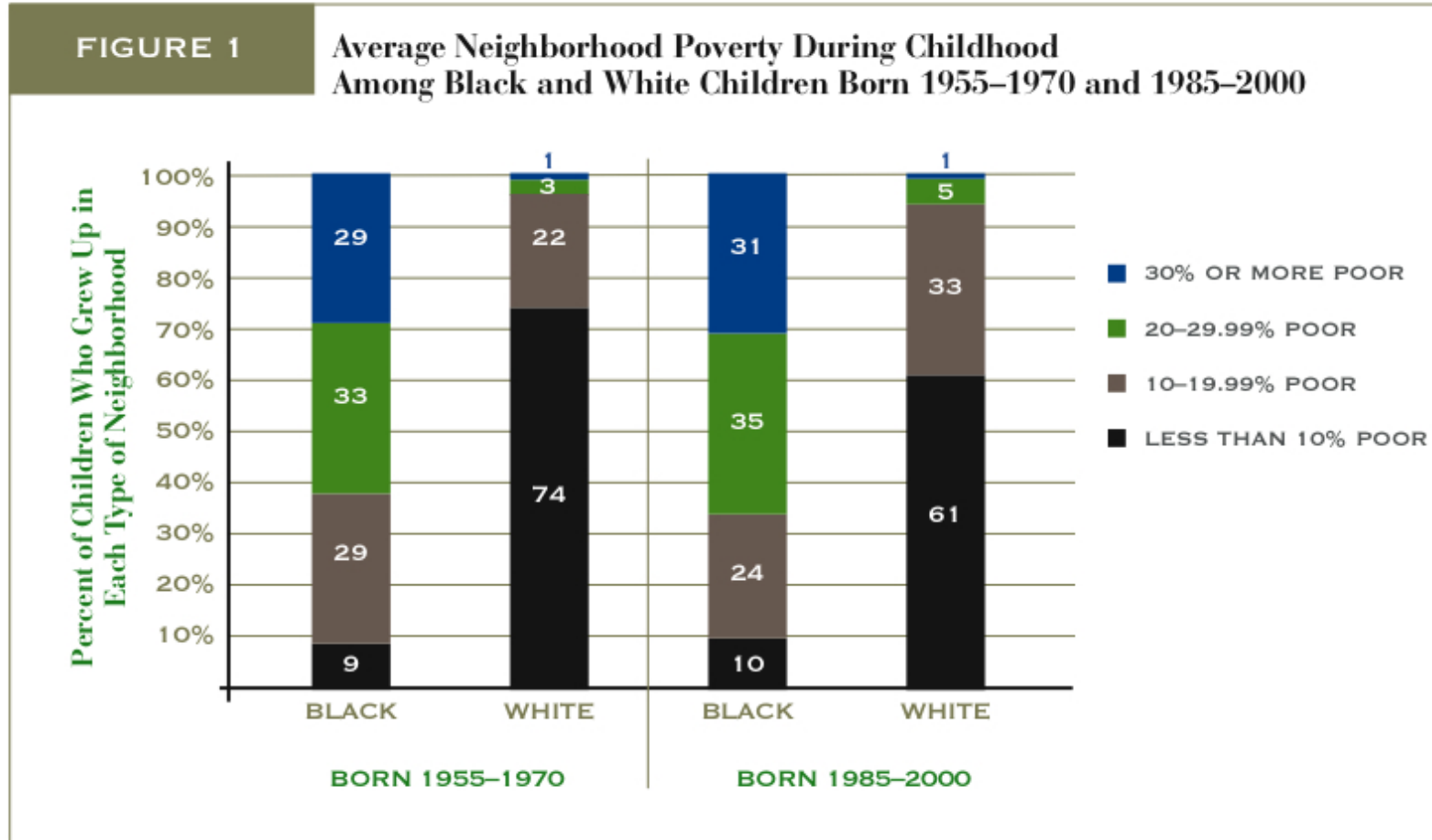
In climbing the income ladder, location matters



RAJ CHETTY, ECONOMIST



Neighborhoods and racial inequality are connected



ECONOMIC MOBILITY PROJECT: *An Initiative of The Pew Charitable Trusts*



The human and economic costs of childhood poverty affect everyone.

It is estimated that childhood poverty...

Raises health expenditures by



Raises the cost
of crime by



Reduces productivity and
economic output by

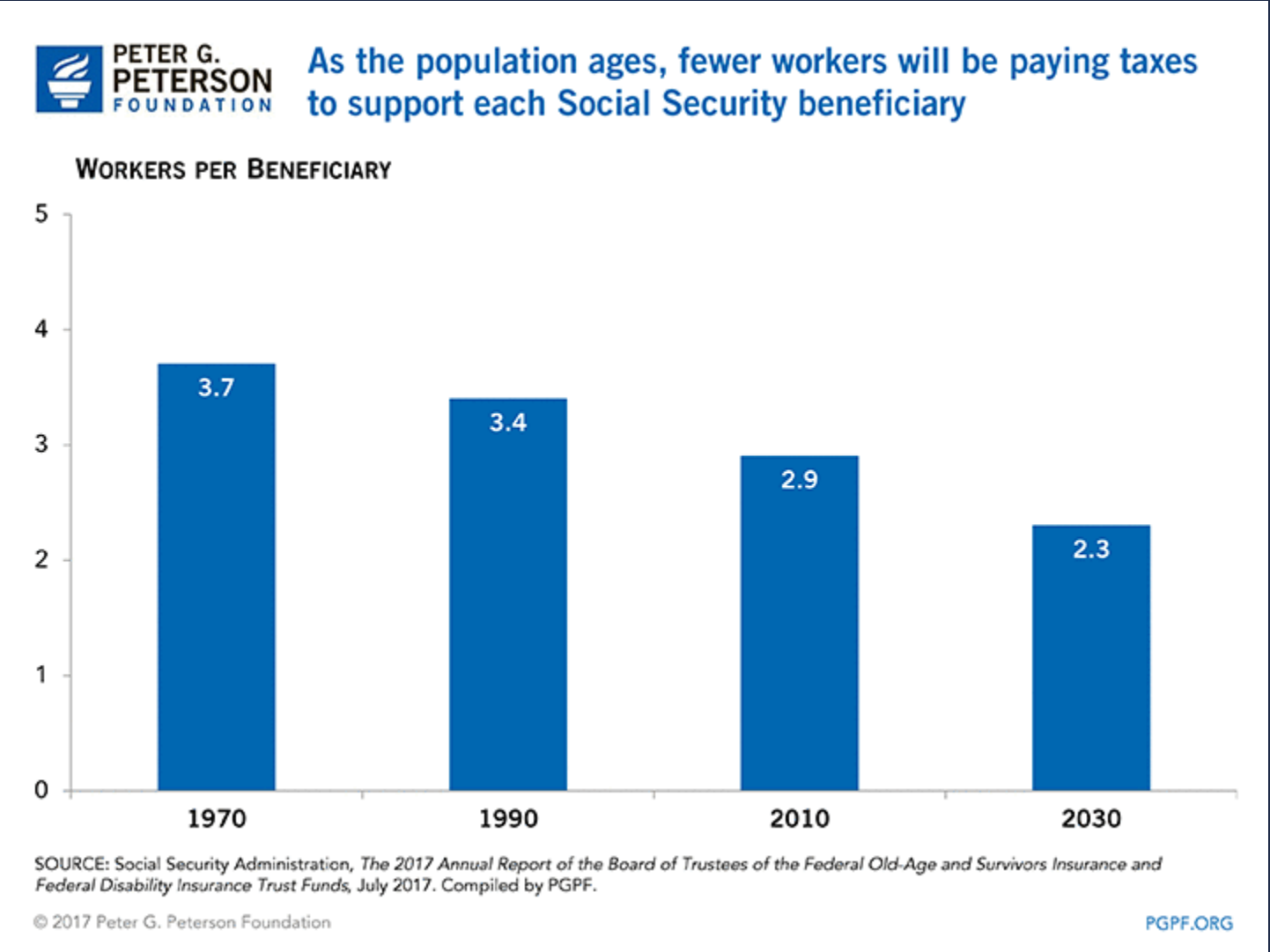


The total costs to the United States associated with childhood
poverty equals

\$500 billion per year



Our children's outcomes will affect us all



Purpose Built Communities Model



PURPOSE
BUILT
COMMUNITIES

Changing neighborhoods. Changing lives.

Community Quarterback



Mixed Income
Housing



Cradle-to-College
Education Pipeline



Community
Wellness

A Defined Neighborhood



Purpose Built's Origin

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

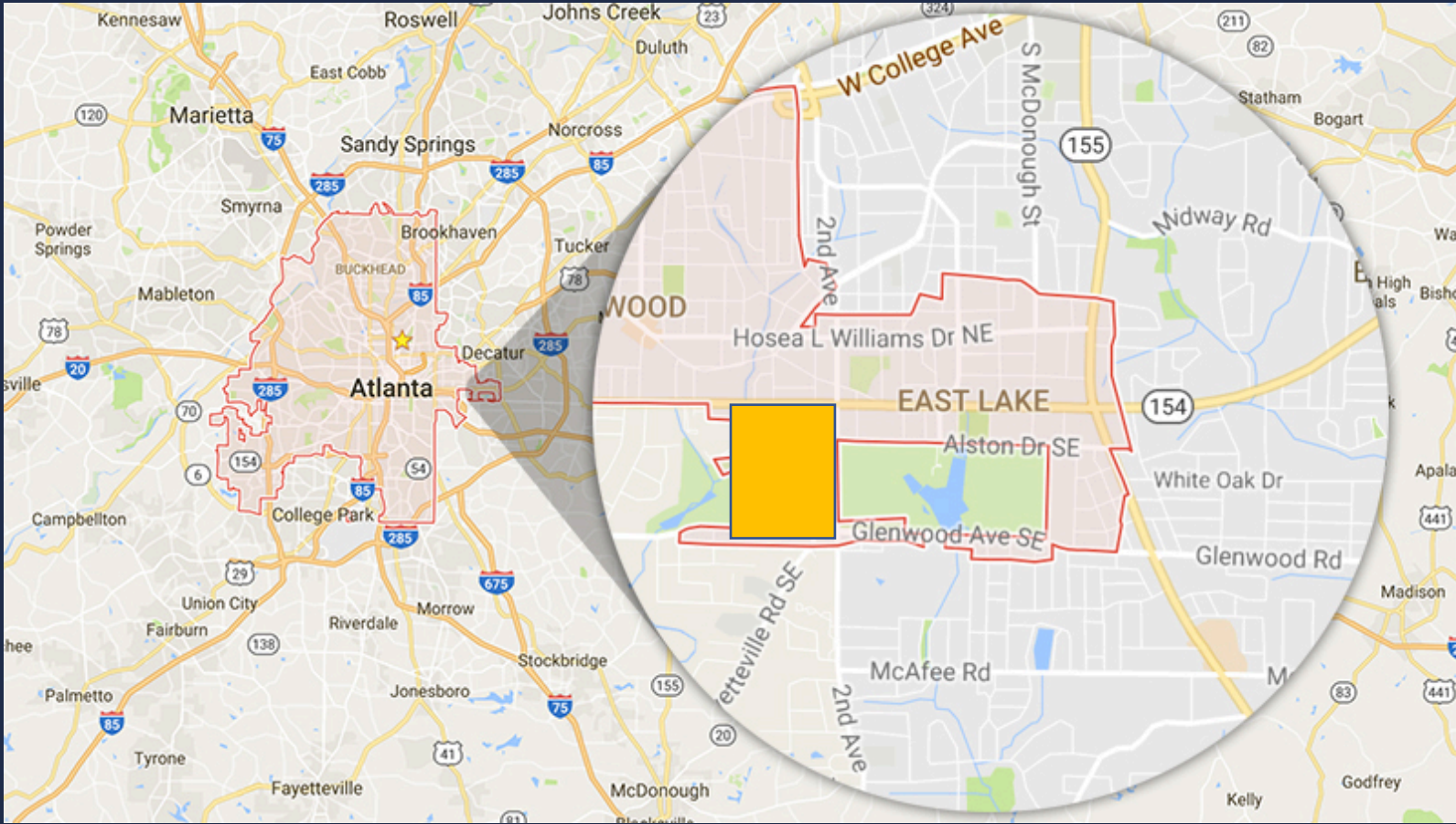


East Lake Meadows 1995



Concentrated effort into a small area – a neighborhood

Target area of investment (less than 1 square mile)

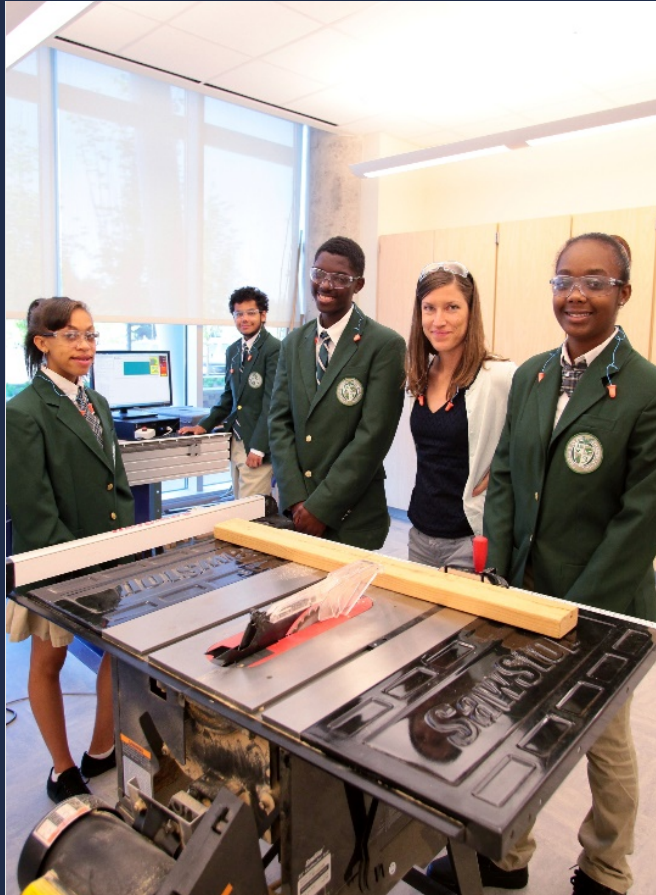


Replaced concentrated low-income housing with mixed-income housing

- 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



Promoted community wellness with quality amenities and support services



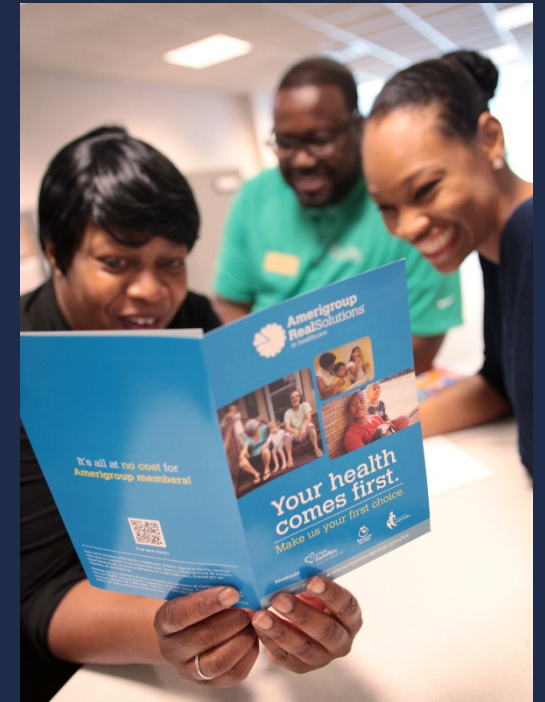
Full service
YMCA



First Tee© of East
Lake Program



Publix Grocery Store
and bank branches



Resident
Support Services



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



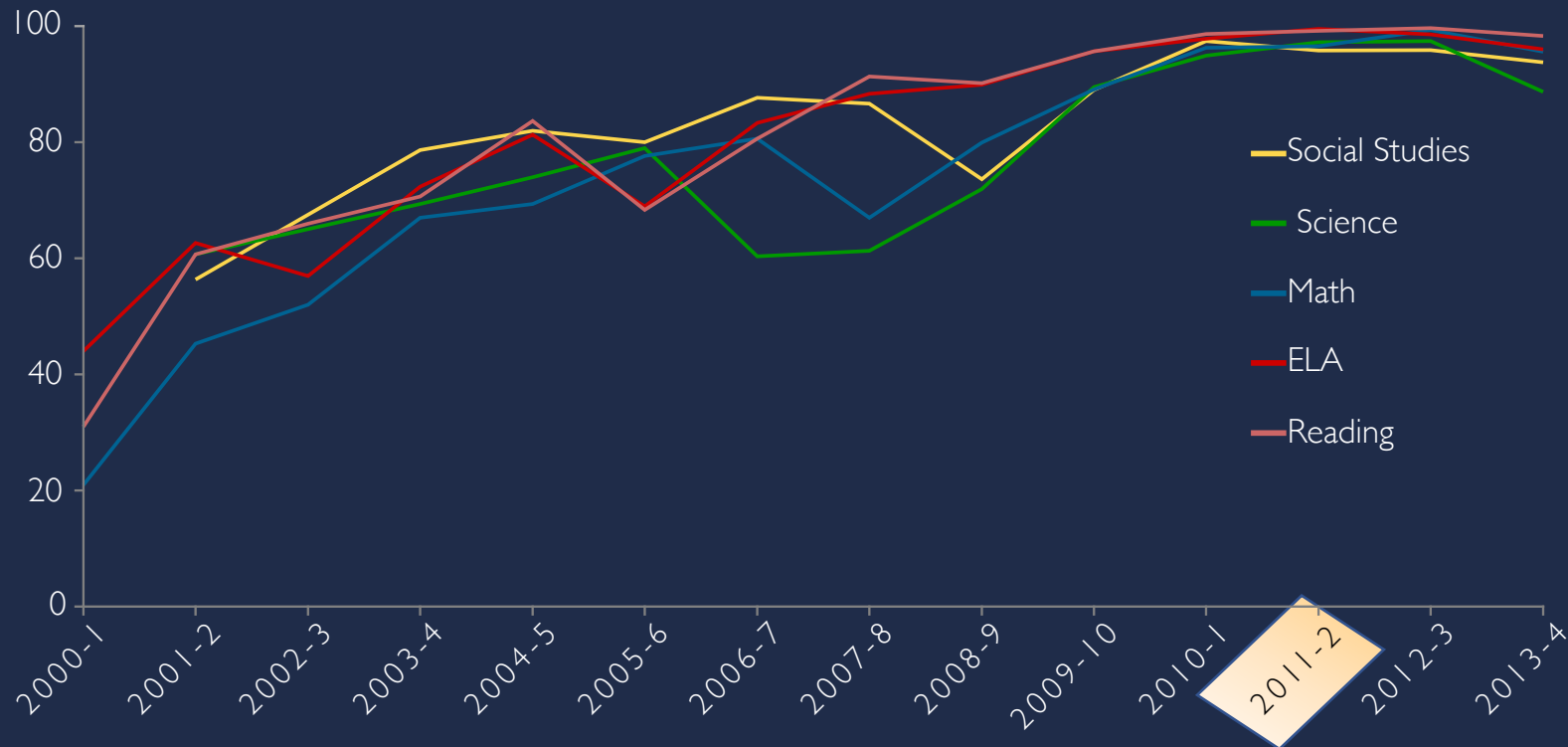
Danny Shoy, President of the East Lake Foundation



East Lake
FOUNDATION

Drew's performance over time has been slow and steady

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

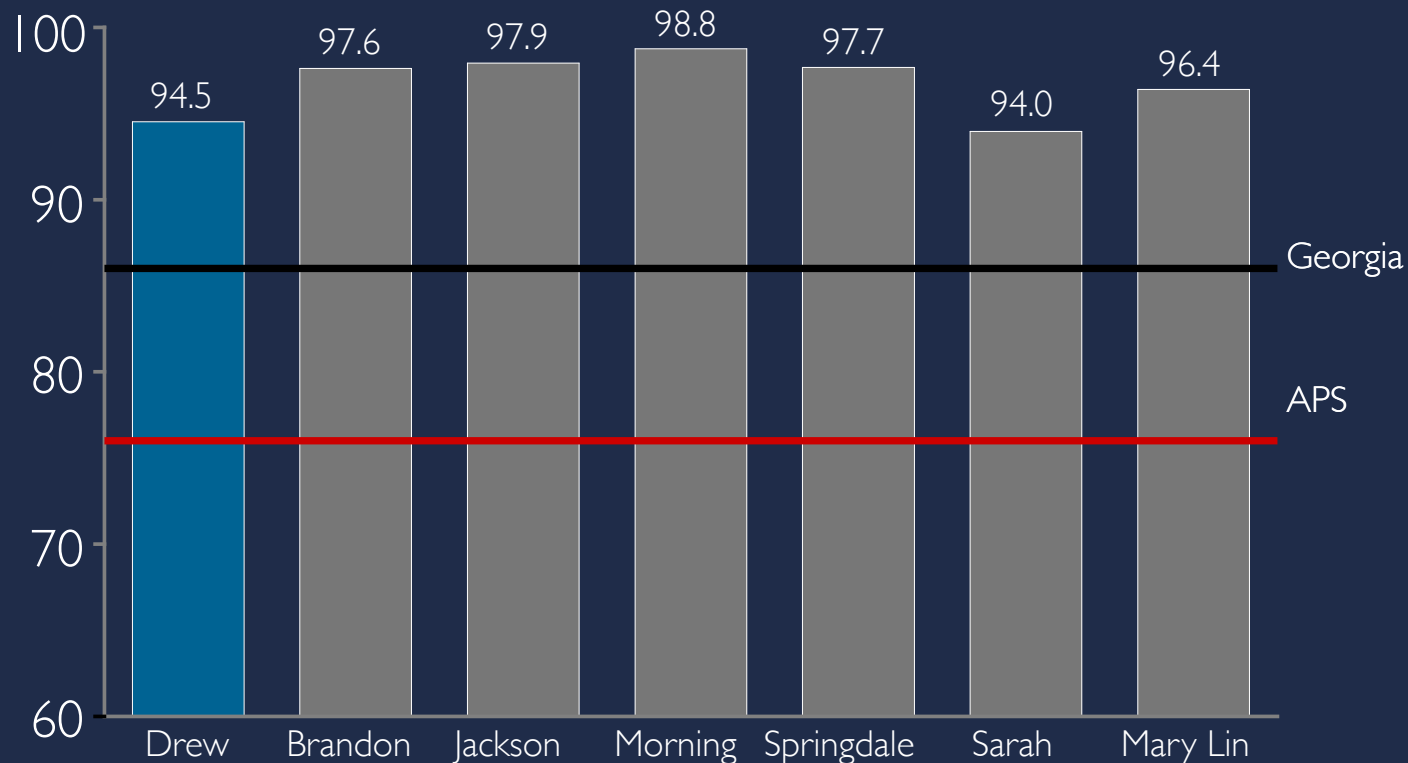


Note: Decreases in % Meets and Exceeds were consistent with district and state trends (a result of changes made to the Georgia state standards and CRCT); Social Studies and Science were not assessed in 2000-01 and 2002-03; only 4th grade assessed in 2000-1 and 2002-3

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

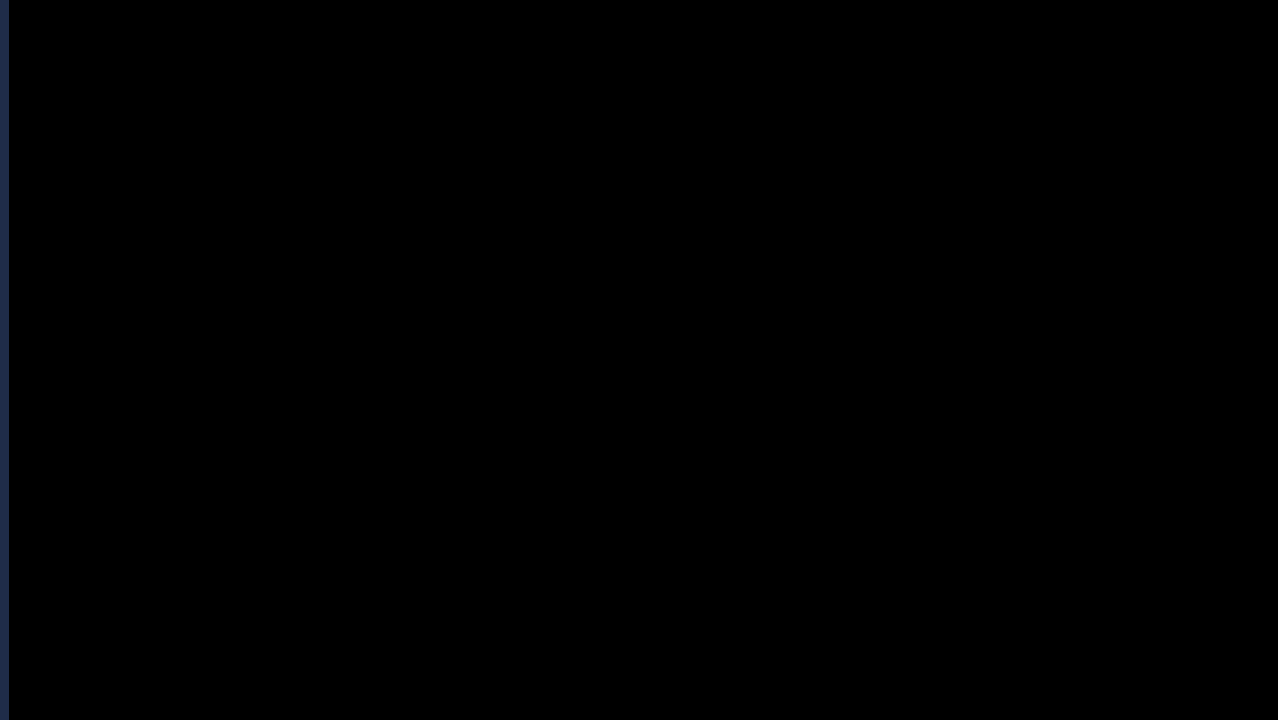


5x Gain in Incomes

Public housing residents' incomes 5x higher



2017 Milestone – Cradle to College Complete!



The Secret to Success is the Community Quarterback



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



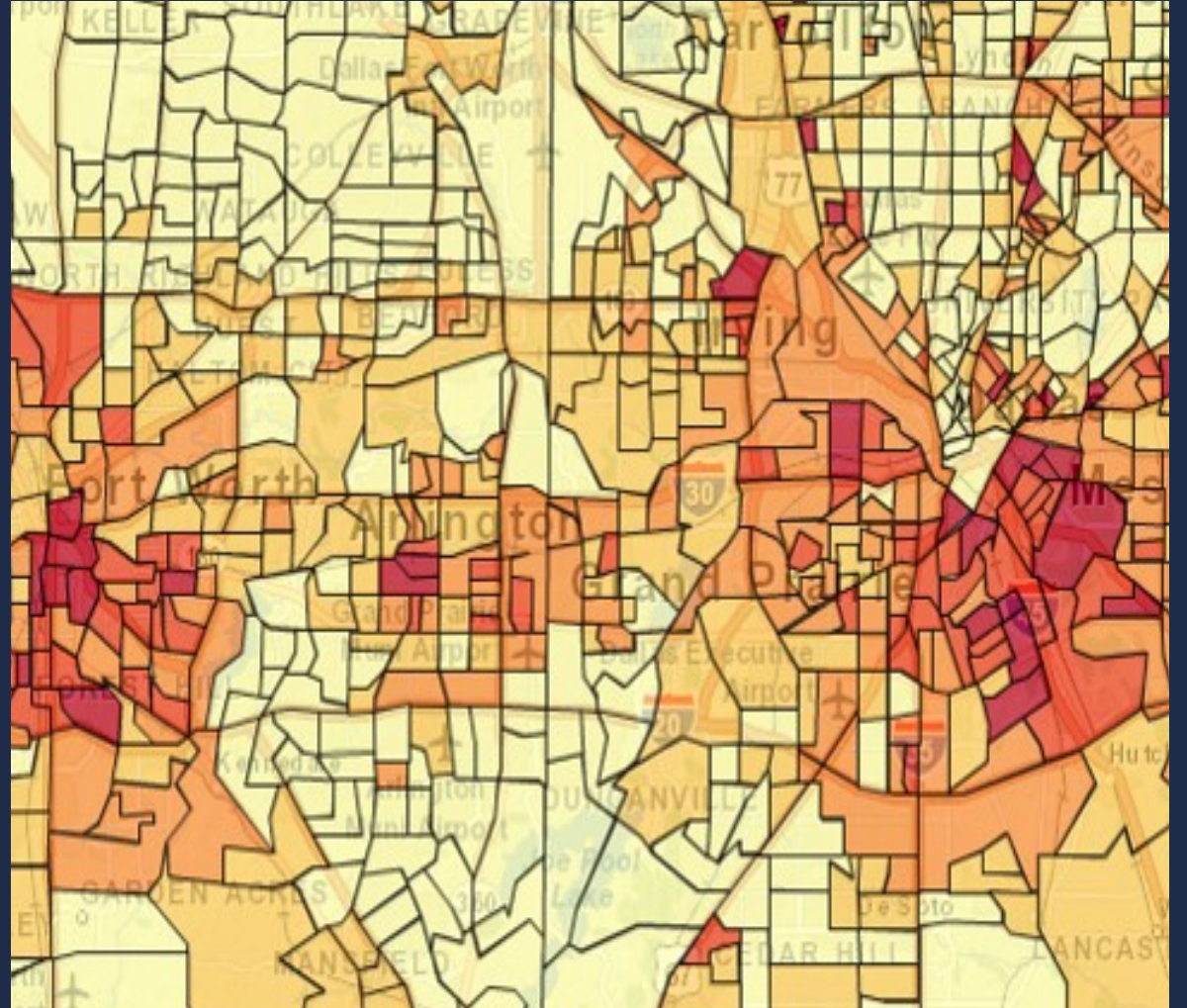
Lead organization design and implementation

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



Our mission is to replicate our model...

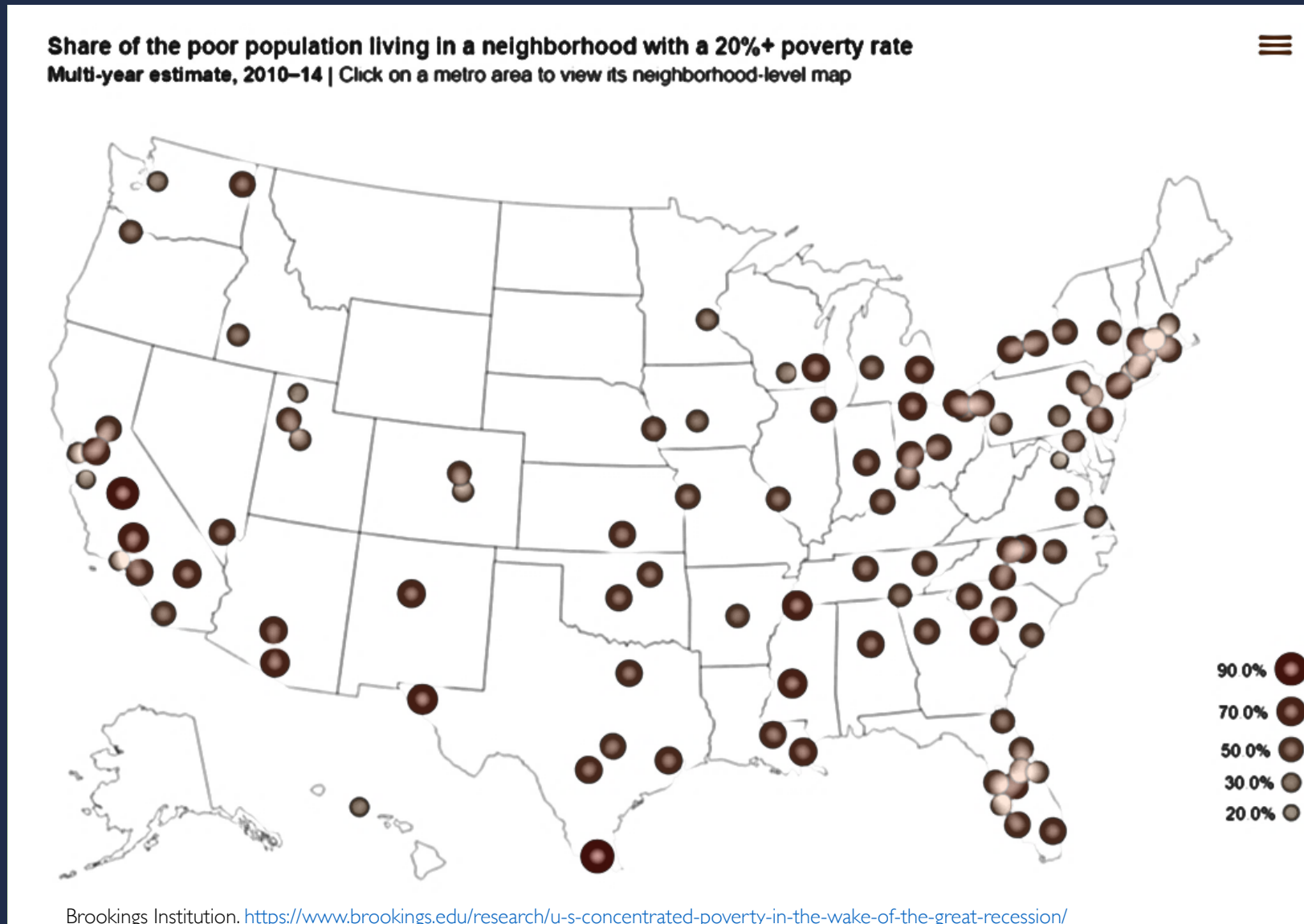
- 14 million Americans live in urban neighborhoods of concentrated poverty
- We estimate there are approximately **825 highly-distressed urban neighborhoods** in metro regions across the country (*at least 40% of population lives below poverty line*)



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



...In neighborhoods of concentrated poverty



The Purpose Built Communities Network





Purpose Built is helping transform neighborhoods across the country





Purpose Built Communities can help

- We provide **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 & Communications
 - Lead organization design and implementation
- Our Network Members learn from and leverage each others efforts



PURPOSE
BUILT
COMMUNITIES

Thank you!



Contact Us

Purpose Built Communities

3445 Peachtree Road, NE

Suite 175

Atlanta, Georgia 30326

(404) 591-1400

(877) 205-7481 (toll free)

Shirley Franklin – Executive Board Chair

sfranklin@purposebuiltcommunities.org

David Edwards – CEO

dedwards@purposebuiltcommunities.org

Carol Naughton – President

cnaughton@purposebuiltcommunities.org