

Leveraging Opportunity Zones to Improve Child Outcomes

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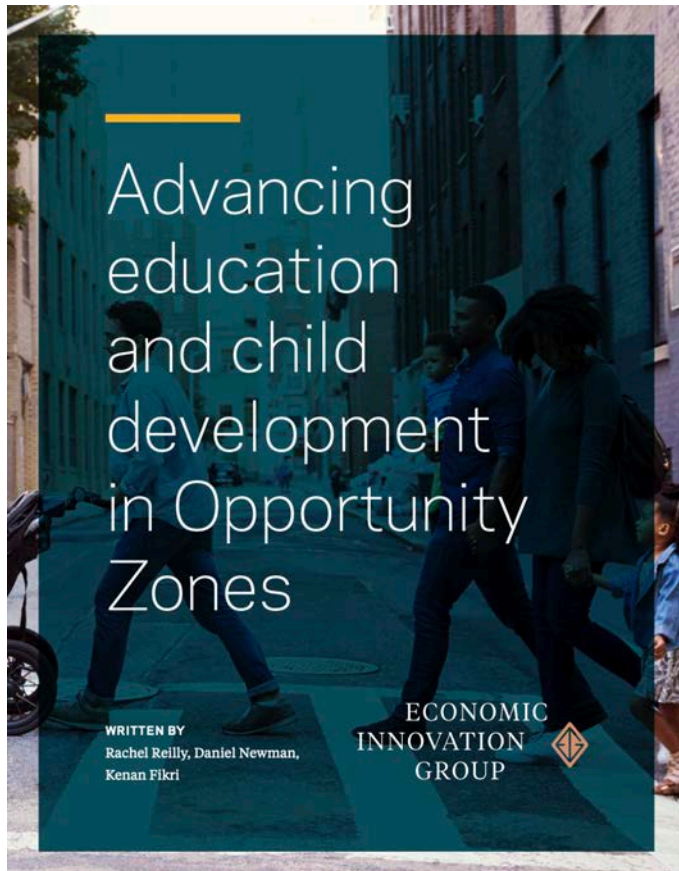
September 29, 2020

OZ Webinar Series

Agenda

- Overview of *Advancing education and child development in Opportunity Zones*
- Analysis: Indicators of child opportunity
- Strategies for financing education, childcare, and businesses in Opportunity Zones
- Investment-ready projects
 - Teachers Village Atlanta
 - DreamHouse 'Ewa Beach
 - American Life Phase II and Pathways
- Strategies for public and private sector leaders
 - YWCA USA
- Q&A

Analysis, Strategies, Deals, and Convening Guide



Advancing Education and Child Development in Opportunity Zones

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Growing up in Opportunity Zones



More than 7.5 million children live in Opportunity Zones.

- 37% live in poverty
- 40% live in single-parent households
- 22% do not live in a home where there is a computer with internet access
- 6% of teens are not enrolled in high school

But, many of these communities are rich in talent and assets.

- 78 Fortune 500 companies
- 284 accelerators or entrepreneurship incubators
- 972 institutions of higher education
- 1,146 hospitals
- 1,300 libraries
- 1,587 charter schools (plus 2,465 adjacent)
- 11,187 public schools (plus 26,345 adjacent)

Opportunity Zones across the country are among the most distressed places to live.

Comparing Opportunity Zones on measures of socioeconomic well-being

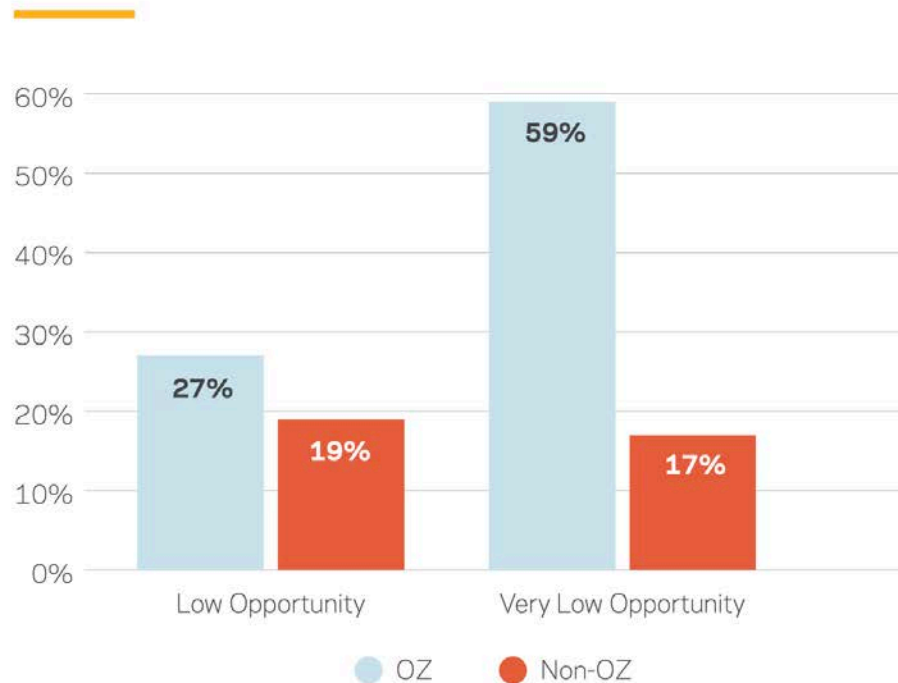
Figure 1. Source: EIG analysis of the U.S. Census Bureau's American Community Survey 5-Year Estimates 2014-18 and U.S. Centers for Disease Control and Prevention Small-Area Life Expectancy Estimates 2010-15.

Geography	Median Family Income	Poverty Rate	Child Poverty Rate	Minority Share	Adults (25+) without a High School Diploma	Adults (25+) with a Bachelors Degree	Prime Age Population (25-54) Not Working	Life Expectancy
United States	\$74K	14%	20%	39%	12%	32%	22%	79
Opportunity Zones	\$47.3K	28%	37%	56%	21%	18%	31%	75

Where a child grows up has important consequences for their life outcomes far into the future.

Share of “low” and “very low” Child Opportunity Index scores

Source: Diversitydatakids.org Child Opportunity Index 2.0 Database, 2015



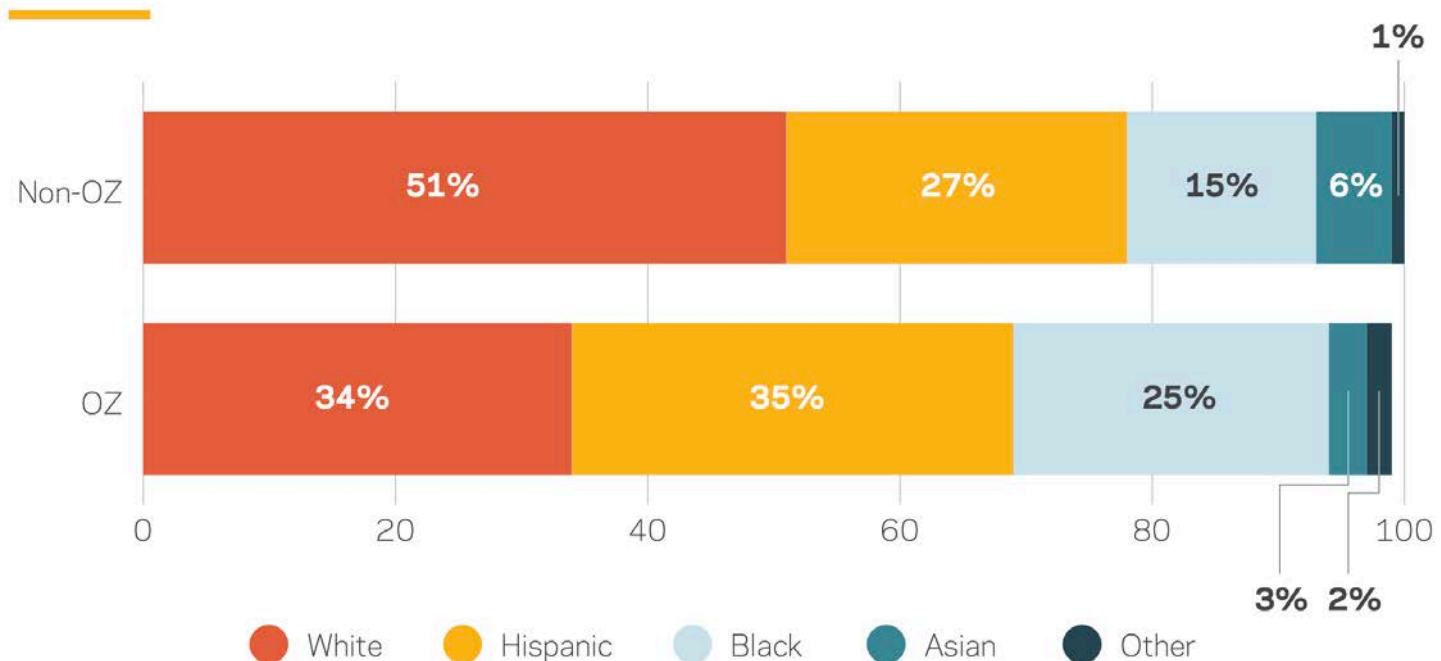
Nine out of 10

Opportunity Zones lack high-quality early childcare and schools, safe places for children to live and play, and economic opportunity, according to the Child Opportunity Index.

The racial breakdown of the public-school student population in OZs varies greatly from that outside of zones.

Race of public school student population

Figure 4. Source: EIG analysis of data from PolicyMap



Community anchors can play an outsized role in strengthening the neighborhoods in which they reside.

Community anchors in OZs include:

- Third-spaces
- Colleges and universities
- Incubators and accelerators
- Major employers
- Libraries
- Hospitals

Higher education in Opportunity Zones

472

colleges, universities, and
professional schools

309

community colleges

191

technical and trade schools

Opportunity Zones Investment Strategies



Expanding and improving spaces for learning and care

- Creating space within a mixed-use development
- Developing build-to-suit property
- Improving or expanding existing facilities

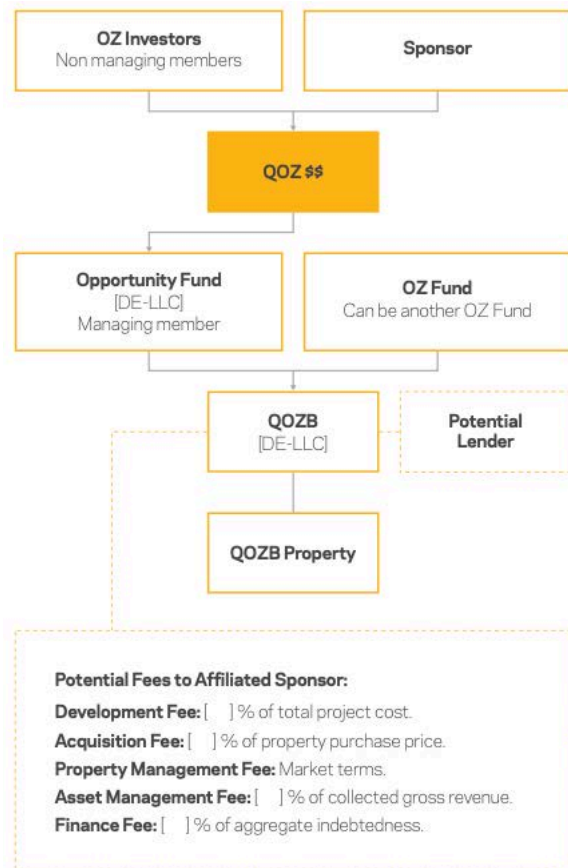
Strengthening businesses that improve the delivery of education and care

- Education technology companies
- Childcare providers and Education Management Organizations
- Internet service providers and companies expanding open-access networks

Building local workforce capacity

- Attract and retain talent
- Build a pipeline of new highly skilled workers
- Activate latent talent

Opportunity Zones Investment Models and Use Cases



Charter school facility capital stack

Figure 8. Source: Local Initiative Support Corporation and Pacific Charter School Development.



Opportunity Zones Projects



Investment-ready projects:

- Teachers Village Atlanta
- DreamHouse 'Ewa Beach
- American Life Phase II

More information on [OppSites](#)



Teachers Village Atlanta



Teachers Village Newark, NJ

RBH Group

89 Market Street
Newark, NJ 07102

(T) 973-273-1600
(F) 973-273-1660

info@rbhgrp.com
www.rbhgrp.com



Teachers Village Atlanta



Project Sponsor: RBH Group

Location: Atlanta, GA

Uses:

- Affordable homes for education and healthcare professionals
- Life-long learning center
- Retail
- Parking and other amenities

Community benefits:

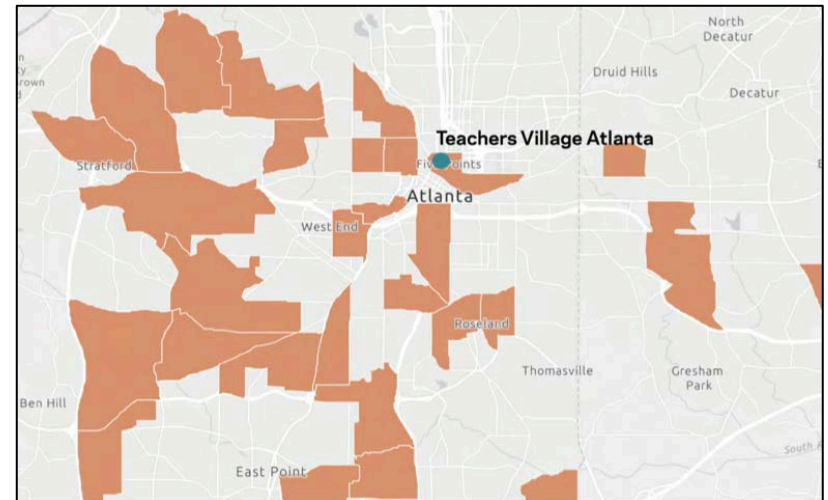
- Creation of affordable homes
- Creation of a venue for education and collaboration
- Generation of tax-revenue for the city

Teachers Village Atlanta

RBH proposes to build approximately 445 apartments in a 31-story residential tower over parking and two levels of commercial space. The development will include approximately 15,000 square feet of neighborhood retail space, approximately 10,000 square feet of commercial space in the form of a life-long learning center for residents and community members, and 407 parking spaces in an existing deck and two upper levels of the new development.

Project Description:

- Gross square footage: 536,319 square feet
- Rental residential area (workforce housing): 267,849 square feet
- Retail area: 25,752 square feet
- Amenity area: 24,163 square feet
- The “Q” learning center for educators and life-long-learners



DreamHouse 'Ewa Beach



DreamHouse 'Ewa Beach

55 Valley Forge Street
Kapolei, HI 96707

(T) 808-437-7771

info@dreamhouseewabeach.org
www.dreamhouseewabeach.org



DREAMHOUSE
'EWA BEACH

DreamHouse 'Ewa Beach



Project Sponsor: DreamHouse 'Ewa Beach

Location: Kapolei, HI

Uses:

- Charter school expansion
- Potential mixed-use master development

Community benefits:

- Expansion of education space
- Potential creation of community-serving amenities, living and work space
- Generation of tax-revenue for the city

DreamHouse 'Ewa Beach



DreamHouse 'Ewa Beach Launches

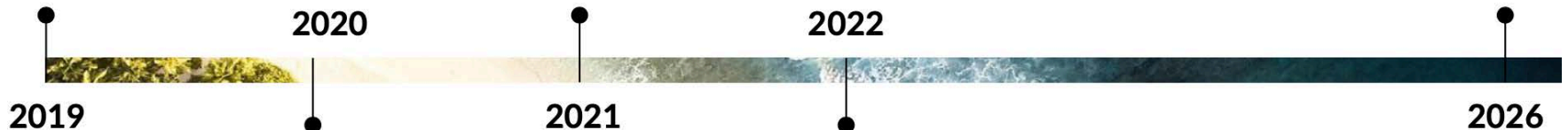
After nearly 7 years of planning and development, DreamHouse opens its doors to an inaugural 6th grade class of 100 families.
Students: 100

Middle School Full Capacity

The school adds an 8th grade and is at full capacity at its initial Kalaeloa site.
Students: 300

First Graduating Class

After a linear, 7-year growth trajectory, DreamHouse reaches terminal capacity and graduates its first class of seniors in 2026.
Students: 700



2020

DreamHouse Doubles in Size

DreamHouse grows from 100 to 200 students, expands a grade, creates seven new jobs, and moves to new site in Kalaeloa.
Students: 200

2022

High School Opens

DreamHouse officially opens its high school with the launch of its 9th grade. At this point, 400 students attend the school and a new high school campus is opened.
Students: 400

2026



American Life Phase II and Pathways

Pathways Early Learning Center

We have over 30 years experience serving homeless women and children in the Birmingham area. We serve approximately 1,600 women each year.

Our mission

Empowering women and children on their path out of homelessness through hospitality, housing, and hope.

Our vision

A Birmingham free of homelessness.

Current programs

- Day center
- Stepping stones
- Safe haven

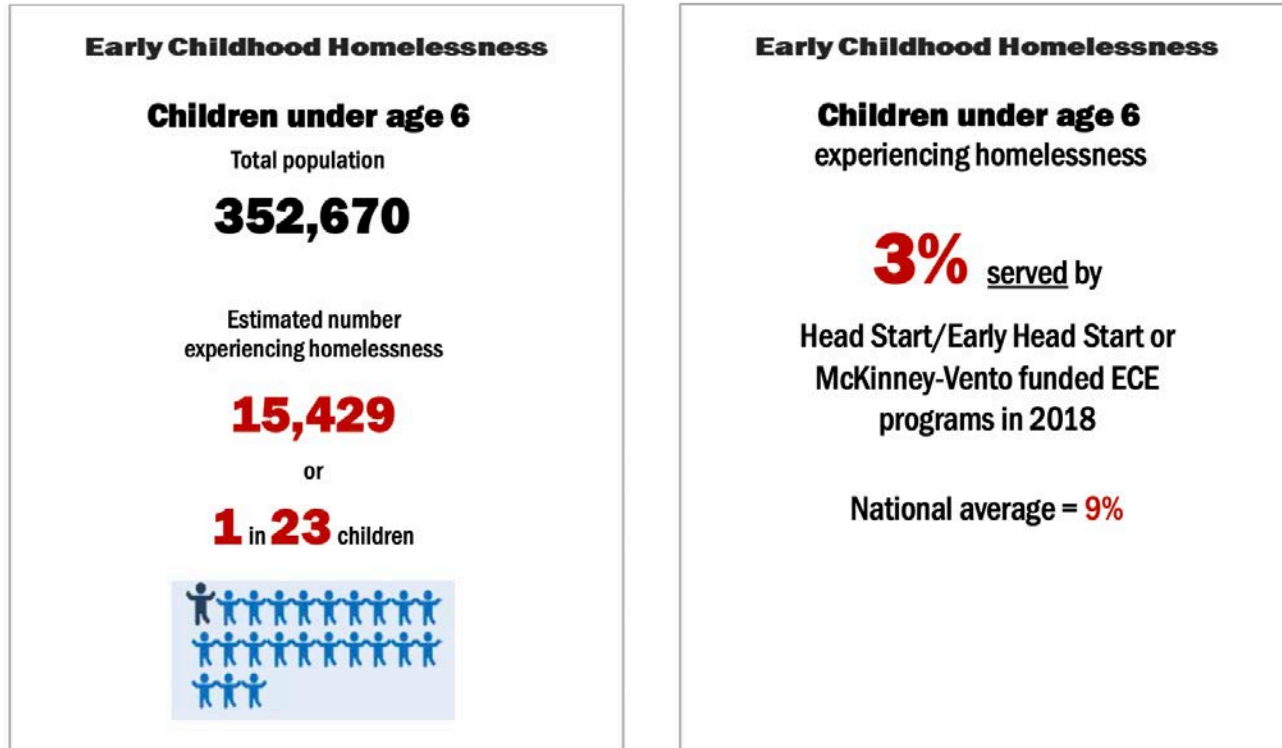
... But there is a major gap in services.



American Life Phase II and Pathways

Many children in Alabama experience homelessness.

- The largest concentration of homeless children is in Jefferson County.
- 97% of Alabama's homeless children are not being served by Early Care and Education (ECE) programs.



American Life Phase II and Pathways

Pathways' vision:

- An innovative partnership between ADECE, community investors, and Pathways.
- A national model for the provision of early care and education to homeless families and children.

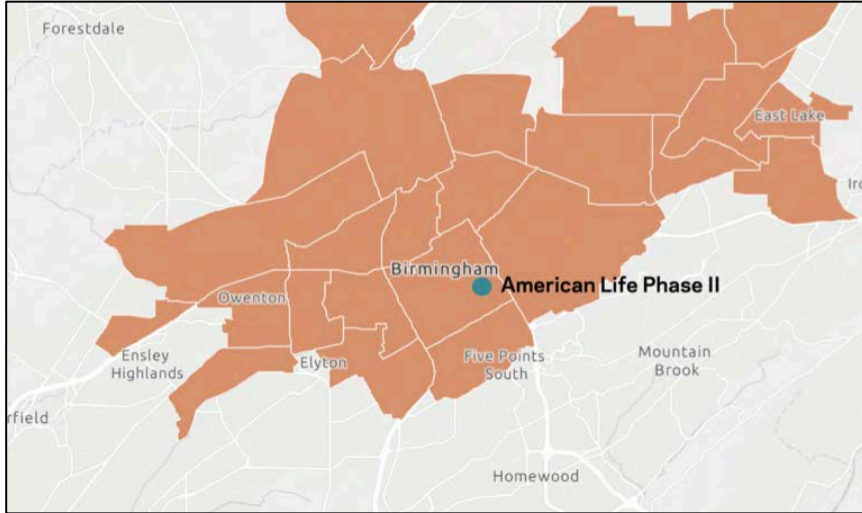
Services will be tailored to meet the unique needs of homeless families.

- Trauma informed approach to care
- Emergency child care
- Infant/early childhood mental health services
- Parent coaching/home visitation
- Strong emphasis on parent leadership
- Pre-K classroom

Collaboration and partnerships are critical. Top needs:

- Funding
- Early care and education expertise
- Space

American Life Phase II and Pathways



Project Sponsor: EPT Holdings, LLC

Key Partner: Pathways

Location: Birmingham, AL

Uses:

- Workforce housing
- Daycare for homeless mothers and children

Community benefits:

- Rehabilitation of vacant building
- Creation of affordable homes
- Expansion of affordable childcare space for an at-risk population
- Generation of tax-revenue for the city



Strategies for Public and Private Sector Leaders



State and local government

- Ground OZ strategies in local education and childcare
- Leverage vacant, underutilized, and surplus property
- Target and enhance public resources and incentives
- Remove regulatory hurdles

Funders

- Supporting capacity building initiatives
- Participating in OZ transactions
- Partnering with Opportunity Funds

Community anchors

- Create Opportunity Funds and support OZ transactions
- Leverage vacant, underutilized, and surplus property
- Partner on projects and initiatives

YWCA USA



- For 162 years, [YWCA USA](https://www.ywca.org) has been at the forefront of the most critical social issues and movements - from women's empowerment and civil rights, to affordable housing and pay equity, to violence prevention and health care.
- Our network includes 200+ YWCAs, each a 501(c)(3), serving as community anchors in 44 states and the District of Columbia.
- Each year, YWCAs serve 2.3 million women, children and their families.
- In 1864, YWCA opened the first childcare facility in the U.S. Today, there are 130+ YWCA childcare centers across 38 states.
- YWCAs are the largest provider of domestic violence shelters in the U.S.

YWCA USA



<https://oz-map.ywca.org>

YWCA USA



- 85 YWCAs are headquartered in Opportunity Zones across 33 states.
- 680,000 women, girls and their families are served by YWCAs headquartered in Opportunity Zones.
- 54 YWCAs headquartered in Opportunity Zones across 26 states have a childcare center.
- 83 YWCAs are located on a New Markets Tax Credit ("NMTC") designated track.
 - 22 Qualified
 - 72 Severely distressed

YWCA USA

YWCA Organization Name	City	State	Census Tract Number
YWCA Alaska	Anchorage	AK	020200010002447
YWCA Central Alabama	Birmingham	AL	010730027007204
YWCA Southern Arizona	Tucson	AZ	040190002005150
YWCA Monterey County	Salinas	CA	060530013003120
YWCA Silicon Valley	San Jose	CA	060855009012370
YWCA Sonoma County	Santa Rosa	CA	060971520003481
YWCA Southern Colorado	Pueblo	CO	081010035004768
YWCA Hartford Region	Hartford	CT	090035246004088
YWCA New Britain	New Britain	CT	090034171005052
YWCA Delaware	Wilmington	DE	100030028004345
YWCA South Florida	Miami	FL	120860034002797
YWCA Hawaii Island	Hilo	HI	1500102030011117
YWCA Black Hawk County	Waterloo	IA	190130001002955
YWCA Clinton	Clinton	IA	190450001002790
YWCA Fort Dodge	Fort Dodge	IA	191870007003520
YWCA Lewiston Clarkston	Lewiston	ID	1606996030016831
YWCA Kankakee	Kankakee	IL	170910123002995
YWCA University of Illinois	Champaign	IL	17019000401886
YWCA Central Indiana	Muncie	IN	180350028005076
YWCA Evansville	Evansville	IN	181630018002698
YWCA Greater Lafayette	Lafayette	IN	181570004002952
YWCA North Central Indiana	South Bend	IN	181410029002385
YWCA Northeast Kansas	Topeka	KS	201770040005243
YWCA Central Massachusetts	Worcester	MA	250277317003727
YWCA Lowell *	Lowell	MA	250173111002452
YWCA Malden	Malden	MA	250173413004710
YWCA Northeastern Massachusetts	Lawrence	MA	250092501002333
YWCA Southeastern Massachusetts	New Bedford	MA	250056518005890
YWCA Great Lakes Bay Region *	Bay City	MI	260172865004288
YWCA Greater Flint *	Flint	MI	26049002800
YWCA Kalamazoo	Kalamazoo	MI	260770002013956
YWCA Metropolitan Detroit	Detroit	MI	261635171001429
YWCA Duluth	Duluth	MN	271370019002870
YWCA Mankato	Mankato	MN	2701317707004285
YWCA Metropolitan St. Louis	St. Louis	MO	295101193002293
YWCA St. Joseph	St. Joseph	MO	290210012002927
YWCA Great Falls	Great Falls	MT	300130108001980
YWCA Helena	Helena	MT	3004900080020720
YWCA Missoula	Missoula	MT	300630002019964
YWCA Asheville and Western North Carolina	Asheville	NC	370210009009277
YWCA Cass Clay	Fargo	ND	380170006006375
YWCA Minot	Minot	ND	38101010100
YWCA New Hampshire	Manchester	NH	33011200400
YWCA Northern New Jersey *	Hackensack	NJ	340030231007735
YWCA Union County	Elizabeth	NJ	340390399004204

YWCA Organization Name	City	State	Census Tract Number
YWCA Elmira and Twin Tiers	Elmira	NY	360150007006596
YWCA Greater Capital Region	Troy	NY	360830407004243
YWCA Jamestown	Jamestown	NY	360130305005089
YWCA Mohawk Valley	Utica	NY	360650203004008
YWCA Niagara Frontier	Lockport	NY	360630237001977
YWCA NorthEastern New York	Schenectady	NY	360930335005444
YWCA Rochester and Monroe County	Rochester	NY	360550094006871
YWCA Ulster County	Kingston	NY	361119524006715
YWCA Yonkers	Yonkers	NY	361190003002447
YWCA Alliance	Alliance	OH	391517104001292
YWCA Canton	Canton	OH	391517001003177
YWCA Dayton	Dayton	OH	3911300150110480
YWCA Elyria	Elyria	OH	390930708004297
YWCA Greater Cleveland	Cleveland	OH	390351087013205
YWCA Lorain	Lorain	OH	390930973004368
YWCA Mahoning Valley	Youngstown	OH	390998137008719
YWCA Northwest Ohio	Toledo	OH	390950028002181
YWCA Enid	Enid	OK	400470001003656
YWCA Allentown	Allentown	PA	420770097004542
YWCA Bradford	Bradford	PA	420834202004501
YWCA Butler	Butler	PA	420199024004628
YWCA Carlisle	Carlisle	PA	420410120005227
YWCA Greater Harrisburg	Harrisburg	PA	420430213003019
YWCA Greater Johnstown	Johnstown	PA	420210002002320
YWCA Northcentral Pennsylvania	Williamsport	PA	420810004002087
YWCA Oil City	Oil City	PA	421212009002923
YWCA Tri-County Area	Pottstown	PA	420912089041837
YWCA Greater Memphis	Memphis	TN	471570074002269
YWCA Knoxville and the Tennessee Valley	Knoxville	TN	470930001005618
YWCA Beaumont	Beaumont	TX	482450117005492
YWCA Houston	Houston	TX	482013134004426
YWCA Central Virginia	Lynchburg	VA	516800005002866
YWCA Bellingham	Bellingham	WA	530730010006223
YWCA Kitsap County	Bremerton	WA	530350805003323
YWCA North Central Washington	Wenatchee	WA	530079610003337
YWCA Olympia	Olympia	WA	530670101005275
YWCA Spokane	Spokane	WA	530630024004237
YWCA Southeast Wisconsin	Milwaukee	WI	550791860001736
YWCA Wausau	Wausau	WI	550730001003292
YWCA Wheeling	Wheeling	WV	540690027007332



YWCA USA

Plank-Calumet/Oswego Mixed-use Development

Location: 3538 Plank Rd, Baton Rouge, LA 70805

Project: [YWCA Baton Rouge](#) early childcare center in mixed-use development

YWCA benefit: New facility co-located with affordable housing and a mission-aligned nonprofit

Community benefit: High-quality, affordable childcare that overtime will serve 160 children

A new mixed-use development is slated to replace an underutilized property in a corner of Baton Rouge, LA, once the center of life for the African American community. The plan was finalized in 2019 after a year-long urban planning and community engagement effort, breaking ground is expected by December 2020 and the project is expected to be completed by 2022.

The three-story building will have ground floor commercial space and 30 apartments, 51% of which will be affordable to residents earning less than 80% of Area Median Income. Commercial space on the ground floor is already pre-leased by the YWCA Baton Rouge and the city's redevelopment authority, Build Baton Rouge. YWCA Baton Rouge will operate an early childcare center at the property.

Financing for the \$10.7 million development may include subsidy through the Community Development Block Grants program, below market-rate financing, and private equity.

Additional information about this project can be found on [The Opportunity Exchange](#).

Strategies for Hosting an Opportunity Zones Convening



Purpose: Provide information to a diverse group of cross-sector stakeholders and highlight local investment opportunities.

Topic	Presenters	Time Allotted
Networking	N/A	15 minutes
Purpose of convening and desired outcomes	Convener	15 minutes
Overview of OZ policy and market activity	Local or national OZ expert	30 minutes
Investment pitch	Local business or project sponsor	5 minutes
Models for OZ investment and partnerships	Panel of service providers, government leaders, and community representatives and anchors	45 minutes
Investment pitch	Local business or project sponsor	5 minutes
Networking	N/A	15 minutes
Local strategy for maximizing the potential of OZ designations	Panel of local stakeholders, including: government leaders, service providers, and community representatives and anchors	30 minutes
Investment pitch	Local business or project sponsor	5 minutes
Investor insights and strategies for raising capital	Panel of capital providers and recipients of OZ equity	45 minutes
Summary of information presented and identification of next steps	Convener	15 minutes
Networking	N/A	15 minutes

Advancing Education and Child Development in Opportunity Zones

