

Albany, Georgia:

the East Albany neighborhood

■ OVERVIEW

East Albany is a distressed community in a poor city. Like many rural cities in the South, Albany has been moving from an agricultural past to a future with a more diversified economy, in the process becoming the retail and service hub for Southwest Georgia. A single bridge across the Flint River links residents of East Albany to the rest of the city.¹ Community stakeholders

pointed out that the Flint River, which has a long history of flooding, serves not only as the geographic divide in the city but also as the invisible line that separates the “haves” from the “have nots.” The city, they further noted, is divided by both class and race.²

East Albany has no major commercial or retail development and very few social services providers or community amenities. Ironically, the city of Albany’s five largest employers are located in East Albany, but the money earned by their employees is not spent where they work; according to Albany City Commissioner Jon Howard, “Eighty-five percent of the money made in the

city is made at industries in East Albany, and 90 percent of the money is spent outside the community.”³ The area’s lack of commercial development means that residents from outside East Albany have few reasons to visit. Several churches in the community draw individuals from across the city to their services, but for the majority of Albany residents, it is easy to avoid East Albany completely.

The isolation felt by East Albany residents pervades the economic and social fabric of this community. A local television station recently aired “Tale of Two Cities,” a program documenting the perception by East Albany

TABLE 1

Comparison Statistics

		East Albany	Albany MSA
Poverty Rate	Poverty rate 1970 ^a	21.8	28.5
	Poverty rate 2000 ^b	45.3	21.5
Income	Median household income ^c	\$19,601	\$33,655
Demographics	Population 2000 ^d	10,547	157,833
	% Population change, 1970 - 2000 ^e	5.6	24.5
	Racial/ethnic composition, 2000 ^f		
	% White	7.5	48.8
	% Hispanic/Latino	0.6	1.3
	% Black/African-American	90.9	48.5
	% Residents under age 18 ^g	33.9	28.3
	% Single-parent households ^h	40.9	14.0
	% Foreign born, 2000 ⁱ	1.1	1.6
	% Population in same house as five years ago ^j	46.7	55.2
Education	% Adults without a high school diploma, 2000 ^k	41.0	26.8
	% Adults with a college degree, 2000 ^l	5.8	15.7
	% Students proficient in reading, 2005 ^m	75.6	82.4
	% Students proficient in math, 2005 ⁿ	74.0	79.9
Labor Market	Unemployment rate, 2000 ^o	18.6	8.4
	% Adults in the labor force ^p	46.6	60.8
Housing	Homeownership rate, 2000 ^q	36.7	61.8
	% Renters with a housing cost burden ^r	50.3	40.3
	% Rental units that are HUD subsidized ^r	26.9	14.9
	Median value for owner-occupied units ^s	\$45,151	\$77,502
	Median year structure built ^t	1968	1976
Access to Credit	% Credit files that are thin, 2004 ^u	44.9	26.7
	% Credit files with high credit scores ^v	23.4	41.9
	% Mortgage originations that are high cost, 2005 ^w	36.4	33.6
	Mortgage denial rate, 2005 ^x	36.0	23.9

residents that all of the city's investment and resources are directed toward downtown and the west side of the river, while the needs of East Albany are ignored.⁴ Several interviewees referred to a time when the residents were called "river rats." Residents of East Albany do not appear to interact much with residents outside the community. "Most don't feel comfortable on the west side of the city," noted Commissioner Howard.⁵

Several other community stakeholders echoed this perception; they said that residents of East Albany see themselves first as "East Albanians." As one community leader noted, "Many residents of East Albany have never

left East Albany. It is the only community they have ever known."⁶

■ BACKGROUND

Albany was founded in the early 1800s along the Flint River in Southwest Georgia. The river has been a defining feature for the city, with good and bad consequences. While it helped establish the city as a transportation center, it also serves to divide the city, both literally and figuratively. The areas east and south of the river have always been home to predominantly poor minority

residents, while the areas to the north and west are mostly white and more affluent.

The Flint River most recently flooded in 1994.⁷ The 1994 flood destroyed parts of downtown Albany and South Albany and displaced many jobs and residents; however, it also generated new resources for the redevelopment of downtown Albany. Some businesses have returned, but the city is still struggling to develop a more vibrant downtown.

Most of the development in recent years has taken place outside Albany, and both population and economic growth have been directed toward the outer regions of the Albany Metropolitan Statistical Area (MSA) rather than downtown. Overall, between 1990 and 2000, the city lost almost 2 percent of its population, while the population in the Albany MSA increased almost 8 percent. (See Table 1)

The decline in the city's population is attributable to several factors. First, in the mid-1970s the Georgia section of Interstate 75, running some 40 miles east of Albany, was constructed; since its completion, much of the region's new growth has occurred near the interstate. Second, several large employers in the region closed, including Firestone, the U.S. Naval Air Station, and Merck Pharmaceuticals. Finally, white residents have migrated out from the city to adjacent counties in the MSA.⁸ These demographic shifts have led to a significant change in the racial composition of the city of Albany and Dougherty County overall. Between 1980 and 2000, Albany became a predominantly black city, with African Americans making up 65 percent of the total population.

The case study area (hereafter referred to as East Albany) comprises a community of about 10,500 residents living in four distinct neighborhoods: Cremartie Beach, East Towne, Columbia Village, and Jackson Heights. The community is almost entirely black (91 percent). The poverty rate in East Albany in 2000 stood at 45 percent, double that of the Albany MSA (21.5 percent), although both rates far exceed national figures. For black households in East Albany, the poverty rate was 48 percent, almost eight times greater than the poverty rate for white households (6.2 percent).

High teen pregnancy rates and a large proportion of single-parent families in East Albany are strongly correlated with the high rates of poverty in East Albany. Forty-one percent of households in East Albany are single-parent households, compared with 14 percent in the MSA. Almost 64 percent of East Albany's single-parent

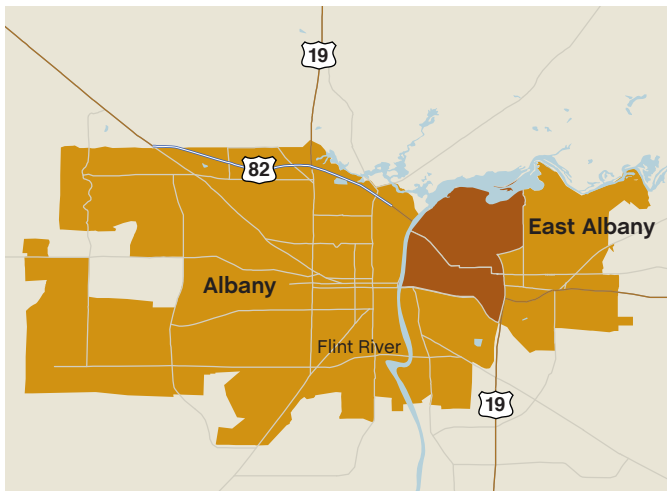
households are living in poverty. While recent data for the case study community are not available, in the city of Albany, according to the 2005 American Community Survey, the percent of unwed mothers age 16 to 24 (79.6 percent) was almost three times the national average. Most of the individuals interviewed for this case study referenced teen pregnancy as a major problem for young women in East Albany.⁹

The large number of subsidized housing units in East Albany also contributes to the community's economic isolation and concentration of poverty. While only 13 percent of the city's rental units are in East Albany, over one-quarter of the subsidized housing units are located in the community. As of 2004, 67 percent of the city's Low Income Housing Tax Credit (LIHTC) units were located in East Albany, and the development of additional LIHTC units in the neighborhood is under way.¹⁰

Many community leaders cite affordable housing as one of the biggest needs facing the community—in particular, the need for more new homeownership opportunities.¹¹ More than one-third of households in East Albany own their homes (36.7 percent), but according to community leaders, many of the buildings are in need of rehabilitation.¹² According to the 2000 census, the median housing value in the community was \$45,151, approximately 40 percent lower than the median housing value in the MSA. There is concern about the number of elderly homeowners who are passing on their homes to children who no longer live in Albany and to other absentee landlords who may not maintain the properties.

Despite East Albany's need for investment in housing, affordable housing developers in the community are scarce. The city's Department of Community and Economic Development has overseen the recent development of a new HOME-funded multifamily housing project in the neighborhood. The city also has a housing rehab program that is acquiring vacant lots and substandard housing with an aim to redevelop them as affordable housing.¹³ Greater Second Mt. Olive Baptist Church, the only community housing development organization (CHDO) active in East Albany, is the primary recipient of the city's HOME funding for CHDOs. The church, which provides homeownership counseling along with housing development and other community services, is planning to renovate some 300 units of housing on an old military base to provide new homeownership opportunities.

Access to credit and mainstream financial services is limited in East Albany. There are no bank branches



located in the immediate community, and a tour of the community indicated that there are a significant number of vendors offering check-cashing services, including grocers, liquor stores, pawnshops, and title lenders. Thus, residents appear to rely on high-cost alternative financial service providers for their banking needs. Almost 45 percent of residents in East Albany had a thin credit file, and of those with a credit history, 58 percent had a credit score that was considered low or subprime.¹⁴

Home lending in East Albany is also very limited, and there are very few home purchases occurring in the community. East Albany has 7 percent of the population in the MSA, but according to 2005 Home Mortgage Disclosure Act (HMDA) data, East Albany accounts for just over 1 percent of all home purchase loan applications and less than 1 percent of originations for home purchases.¹⁵

■ ISSUES TO CONSIDER

In addition to the community's geographic, economic, and social isolation, several key issues emerged as contributors to the high level of poverty in East Albany. Employment conditions are bleak, with residents disadvantaged by low educational attainment, a lack of job readiness skills, and a shortage of suitable jobs. In addition, there is a significant lack of leadership and capacity to address the issues that perpetuate the cycle of poverty in East Albany.

School Quality, Educational Attainment, and Youth Issues

Poor school quality and low levels of educational attainment are important factors contributing to concentrated poverty in East Albany. Dougherty Comprehensive

High School, the high school serving East Albany, has failed to meet the adequate yearly progress (AYP) standards for the past two years because of its low graduation rate (under 50 percent), and reading and math proficiency are well below the state average. The quality of the schools is a significant concern throughout Dougherty County; none of the high schools met the AYP standards in the 2005–2006 school year.¹⁶

Low levels of educational attainment are also a significant problem in East Albany. According to the 2000 census, 41 percent of the population age 25 and older in East Albany did not have a high school diploma, compared with about 27 percent in the MSA. Only 6 percent of East Albany residents had a bachelor's degree.

Community leaders repeatedly cited improving school quality and increasing educational attainment as the greatest needs for the city.¹⁷ There is widespread concern that low educational attainment and the perception of a low-skilled workforce will negatively affect the city's opportunities for future economic growth. The Albany Area Chamber of Commerce and the Albany/Dougherty County school system, together with many private-sector and community-based organizations, are working to improve school quality, to keep young people in school, and to strengthen the connection between education and employment. Because of the high rate of teen pregnancy in Albany, there is a particular focus on increasing the educational attainment of young mothers. According to Keisha Davis, director of the East Broad CDC Head Start, "The major issue for parents of my Head Start students is the lack of education and the need for a GED."¹⁸

A number of organizations have been working to improve the educational outcomes of girls in the community. For example, Girls, Inc., an affiliate of a national organization, is helping to reduce teen pregnancy in East Albany. The program provides life skills and leadership training to young women; in 2006 the program served more than 2,200 girls citywide. According to Executive Director Lakisha Bryant, the program has been very successful: 100 percent of the girls who have participated in the program have graduated from high school, 98 percent of them without getting pregnant.¹⁹

Employment and Job Training

Residents in East Albany and throughout the region struggle with high rates of unemployment, poor job opportunities, and the need for more job training. In East

Albany, less than half of the working-age population is actively participating in the labor force and the unemployment rate is almost 20 percent. Job and labor-force growth rates in Dougherty County and the Albany MSA have been significantly lower than the state averages in the past 10 years, with most of the growth occurring outside the city.²⁰

East Albany also suffers from a general lack of quality jobs. Many of the residents in East Albany are employed in low-skill and low-paying jobs. The workforce in East Albany is primarily employed in educational, health, and social services (17 percent); manufacturing (16 percent); accommodations and food service (15 percent); and retail (11 percent).²¹

Despite high unemployment and high poverty rates, some job opportunities could be available to residents of East Albany. Although manufacturing jobs have been declining for the past 10 years, many of the largest manufacturing employers that remain in the city are located in East Albany, including Procter and Gamble, Miller Brewing, Cooper Tires, and, until recently, Merck Pharmaceuticals. With Albany–Dougherty County the retail and services hub for Southwest Georgia, there has been job growth in these sectors. Education, health care, and defense are also growing employment sectors.²²

Several barriers appear to keep residents of East Albany from accessing these jobs. First, with educational attainment in the community so low, residents may lack the basic reading, writing, and math skills required for the newer jobs. “There is not much opportunity for unskilled labor with the city’s major employers like Miller Brewing, Cooper Tire, and Procter and Gamble,” said Jennifer Clark, director of Albany’s Department of Community and Economic Development.²³ Many of the jobs at these companies require at least a high school diploma.²⁴

Second, residents need job readiness and job training, according to many interviewees.²⁵ Several such programs are now available in the city; the largest, Albany Tech, offers workforce training that is responsive to the specific needs of area employers. The program has also tried to address barriers to job training, developing creative outreach strategies to inform the community about its programs and partnering with schools and faith-based organizations. The placement rate for program graduates in their field is 90 percent, and most individuals are placed in permanent full-time jobs, many with benefits.²⁶

Despite the program’s success, however, participation is low, and there are often more jobs than program

graduates.²⁷ According to Matt Trice, vice president for economic development at Albany Tech, the training programs are consistently underutilized. “The biggest issue we face at Albany Tech is getting enough people trained through our programs to fill the jobs that employers make available.”²⁸

Third, residents lack knowledge of such job opportunities. “Many residents of East Albany do not know what is available to them, regardless of their education and skill level,” added Trice.²⁹ According to an administrator at Greater Second Mt. Olive Baptist Church, word of mouth is a primary source of job information. Given the neighborhood’s high unemployment rate, however, there is not a strong, established network for sharing information about available jobs.³⁰ Interviewees suggested that employer perceptions and practices may constitute an additional barrier to employment; longstanding negative views of East Albany and its residents may discourage some employers from hiring applicants from the community.³¹

Lack of Community Leadership and Capacity

Strong leadership is needed to address the myriad challenges facing East Albany. However, formal and informal leadership in the community is lacking. Albany’s Community and Economic Development Department has designated East Albany as a neighborhood revitalization strategy area and has created a redevelopment plan for the community.³² The city has successfully accomplished several of the plan’s goals but lacks the resources to fully implement it. The city is trying to engage nonprofit partners, but there are very few in the community.³³

According to interviewees, Greater Second Mt. Olive Baptist Church, the one active nonprofit community development organization in East Albany, is the major leader in the community. As noted earlier, the church is planning housing and commercial development projects in the neighborhood and provides direct services to the community. However, it lacks the resources to implement a comprehensive strategy to address the issues in the community. There are also few informal networks in the community, and only one of the four neighborhoods in the case study community, East Towne, has an active neighborhood association.

There is also a dearth of business and private-sector involvement in the community. Despite the presence of several large, well-known employers in East Albany, only one was mentioned by a community leader for its leadership

in a community project.³⁴ Finally, banks are not widely referenced as significant partners for affordable housing or community development activities in East Albany.

■ CONCLUSION

Within a city and region facing many economic challenges, the obstacles for East Albany are even greater. Always one of the poorest communities in the city, East Albany has experienced decades of negative stereotyping and disinvestment that it must overcome.

There are some signs of new investment. The Jackson Heights Elementary School was recently renovated and a new community center was built in the neighborhood. The city is working in East Albany to eliminate blighted properties, and some new subsidized housing has been built or is in the planning stages.³⁵ East Albany also stands to benefit from some changes happening in downtown Albany. There has been a significant amount of new investment in downtown Albany, including a recently completed hotel and aquarium. The city is focused on attracting tourism and new business and residential development to downtown. East Albany's proximity to downtown should mean that these projects hold some potential for it as well.

Still, the dynamics of concentrated poverty present in East Albany—including low educational attainment, a lack of basic job skills, a high rate of teen pregnancy, poor housing conditions, and the lack of mainstream financial services—create a level of social and economic isolation in the community that makes it very difficult for residents to take advantage of the opportunities that are available. In addition, both the community and the city lack the leadership necessary to address the conditions that contribute to the concentration of poverty in East Albany. The success of interventions depends on participants' commitment; so far, engaging East Albany residents has been challenging for some organizations.³⁶

This case study was prepared by Jessica LeVeen Farr, regional community development manager, and Sibyl S. Slade, regional community development manager, both of the Federal Reserve Bank of Atlanta.

Endnotes

1 The city's redevelopment plan for the community proposes a second bridge that is supposed to be under construction by 2009.

However, the project is still in the early planning stages, and several of the individuals interviewed were not optimistic that it would ever be completed. East Central Albany Neighborhood Strategy Area Urban Redevelopment Plan, City of Albany Department of Community and Economic Development, January 2001.

- 2 Community stakeholder interviews conducted in Albany, March 7–9, 2007.
- 3 Jon Howard, City Commissioner, Ward 1. Personal interview in Albany, March 7, 2007.
- 4 Ben Roberts, "WALB Special Report: A Tale of Two Cities," February 2, 2007, available at <http://www.walb.com/Global/story.asp?s=6025513>
- 5 Jon Howard, City Commissioner, Ward 1. Personal interview in Albany, March 7, 2007.
- 6 Tina Phipps, Program Coordinator, First Steps, Phoebe Putney Memorial Hospital. Personal interview in Albany, March 6, 2007.
- 7 Georgia Flood Mitigation, available at: <http://www.floods.org/publications/mit%20succ%20stories/mssiiiga.htm> (July 2007). Peter Applebomes, "Flood Threatens to Wash Away Dreams," *New York Times*, July 16, 1994.
- 8 Albany-Dougherty County Comprehensive Plan 2005–2025, available at http://www.albany.ga.us/pd/pd_comprehensive_plan.htm.
- 9 Meetings with community stakeholders held in Albany, March 7–9, 2007.
- 10 Department of Housing and Urban Development (HUD), *A Picture of Subsidized Households, 2000*. Available at <http://www.huduser.org/picture2000/index.html>.
- 11 Stakeholder meetings held in Albany, March 7–9, 2007; Dorothy Hubbard, City Commissioner, Ward 2. Telephone interview, May 16, 2007.
- 12 Jon Howard, City Commissioner, Ward 1. Personal interview in Albany, March 7, 2007; Dorothy Hubbard, City Commissioner, Ward 2. Telephone interview, May 16, 2007.
- 13 Jennifer Clark, Director, City of Albany Department of Community and Economic Development. Personal interview, March 5, 2007.
- 14 Credit score data were obtained from the Federal Reserve Board of Governors and are drawn from a 10 percent sample of all credit records from a major credit bureau in December 2004. The cut-off for a high credit rating corresponds to the cut-off in the market for prime loans.
- 15 2005 Home Mortgage Disclosure Act data.
- 16 AYP standards are set by each individual state based upon the federal guidelines set forth by No Child Left Behind. State of Georgia Governor's Office of Student Achievement, 2005–2006 Public School Annual Report Card, available at <http://reportcard2006.gaosa.org> (May 2007).
- 17 Community stakeholder meetings held in Albany, March 7–9, 2007.
- 18 Keisha Davis, Director, East Broad CDC Head Start. Personal interview in Albany, March 6, 2007.
- 19 Lakisha Bryant, Executive Director, Girls, Inc. Telephone interview, April 25, 2007.

- 20 U.S. Census Bureau, Census 2000.
- 21 Ibid.
- 22 Albany is home to Albany State University, Darton College, and Albany Tech. Phoebe Putney Memorial Hospital is the largest employer in Albany, which is driving the job growth in the health services sector in the city. Finally, the U.S. Marine Corps logistics base is in Albany, and it is one of the largest regional employers. Albany-Dougherty County Comprehensive Plan 2005–2025, available at http://www.albany.ga.us/pd/pd_comprehensive_plan.htm.
- 23 Jennifer Clark, Director, City of Albany Department of Community and Economic Development. Personal interview in Albany, March 5, 2007.
- 24 Greg McCormick, Interim Executive Director, Albany Tomorrow. Personal interview in Albany, March 7, 2007.
- 25 Community stakeholder meetings held in Albany, March 7–9, 2007.
- 26 For example, Albany Tech provides on-site child care for students and transportation subsidies to help students get to school. In addition, the school has created the “Tech Mobile,” a mobile one-stop shop that provides everything needed to get people into their programs. Thus, child care and transportation should no longer be barriers to access to programs offered at Albany Tech.
- 27 Matt Trice, Vice President, Economic Development at Albany Tech. Telephone interview, May 2, 2007.
- 28 Ibid.
- 29 Ibid.
- 30 Reverend Heard, Greater Second Mt. Olive Baptist Church. Personal interview in Albany, March 7, 2007.
- 31 For example, Greg McCormick, acting president of Albany Tomorrow and a local business leader, indicated that because of the perceived poor quality of Dougherty Comprehensive High School, graduates might be overlooked for employment opportunities. Greg McCormick, Acting President, Albany Tomorrow. Personal interview in Albany, March 7, 2007.
- 32 East Central Albany Neighborhood Strategy Area Urban Redevelopment Plan, City of Albany Department of Community and Economic Development, January 2001.
- 33 The City of Albany’s Consolidated Strategy and Action Plan 2006–2010, City of Albany Department of Community and Economic Development, 2006.
- 34 According to Lakisha Bryant, Executive Director of Girls, Inc., Merck Pharmaceuticals has been a strong supporter of the organization and its work in East Albany. Lakisha Bryant, Executive Director, Girls, Inc. Telephone interview, April 25, 2007.
- 35 Jennifer Clark, Director, City of Albany Department of Community and Economic Development. Personal interview in Albany, March 5, 2007.
- 36 Community stakeholder meetings held in Albany, March 7–9, 2007.

