



PRO Neighborhoods Program 2022 Annual Report

August 2022

Through the PRO Neighborhoods competition, JPMorgan Chase has invested more than \$153 million to support local action to tackle complex challenges in neighborhoods and cities across the country. This grant funding has been awarded to 36 collaboratives, consisting of 134 partner organizations in 28 states. Their initiatives span small business expansion, affordable housing, real estate development, financial health, jobs and skills, and other focus areas. With PRO Neighborhoods funding, they have been able to address communities' unique affordable housing needs, pivot quickly to support the emerging needs of small businesses related to the COVID-19 pandemic, and invest in communities to help keep residents living and working in their neighborhoods.

Through year-end 2021 the PRO collaboratives together made 36,993 loans and other investments, totaling \$622,591,533. Collaboratives were able to raise an additional \$1,144,199,688 through key partnerships. Due to their work, PRO collaboratives created or preserved 15,334 jobs and 5,897 housing units.

Exhibit 1: Cumulative Accomplishments of PRO Neighborhoods Grantees, 2014-2021

| | |
|--------------------------------------------------|------------------------|
| Total JPMorgan Chase investment (committed) | \$153,042,000 |
| Total JPMorgan Chase investment deployed to date | \$127,827,950 |
| Number of collaboratives | 36 |
| Number of partner organizations | 134 |
| Additional capital raised by collaboratives | \$1,144,199,688 |
| Leverage ratio* | 8.95 |
| Total loans + other investments made (#) | 36,993 |
| Total loans + other investments made (\$) | \$622,591,533 |
| Total jobs created or preserved | 15,334 |
| Total housing units created or preserved | 5,897 |

*Leverage ratio calculated as additional capital raised by collaboratives divided by the total JPMorgan Chase investment deployed to date.

For more information: A complete list of the PRO Neighborhoods collaboratives and other reports documenting their accomplishments can be found at <https://www.abtassociates.com/projects/evaluating-jpmorgan-chase-cos-advancingcities-challenge-and-pro-neighborhoods-competition>



Background

To respond to inequities in neighborhood investment across the country, particularly in many communities of color, JPMorgan Chase created the Partnerships for Raising Opportunity in Neighborhoods (PRO Neighborhoods) Competition in 2014. PRO Neighborhoods supports cross-cutting collaborations that implement creative, sustainable solutions to local challenges.¹

In the program, community development financial institutions (CDFIs) partner to form collaboratives and receive capital grants to provide targeted financing to meet the needs of underserved communities. Through the collaboratives, CDFIs align their talent, technology, and balance sheets to meet a common financing challenge, such as developing or preserving affordable housing, providing affordable and accessible loans to minority and woman-owned businesses, or supporting community services such as clinics and childcare centers in distressed neighborhoods.

Each PRO Neighborhoods collaborative identifies local needs and designs a capital strategy to address the needs. Their investments span multiple focus areas including small business expansion, affordable housing, real estate development, financial health, and jobs and skills.

Program Accomplishments

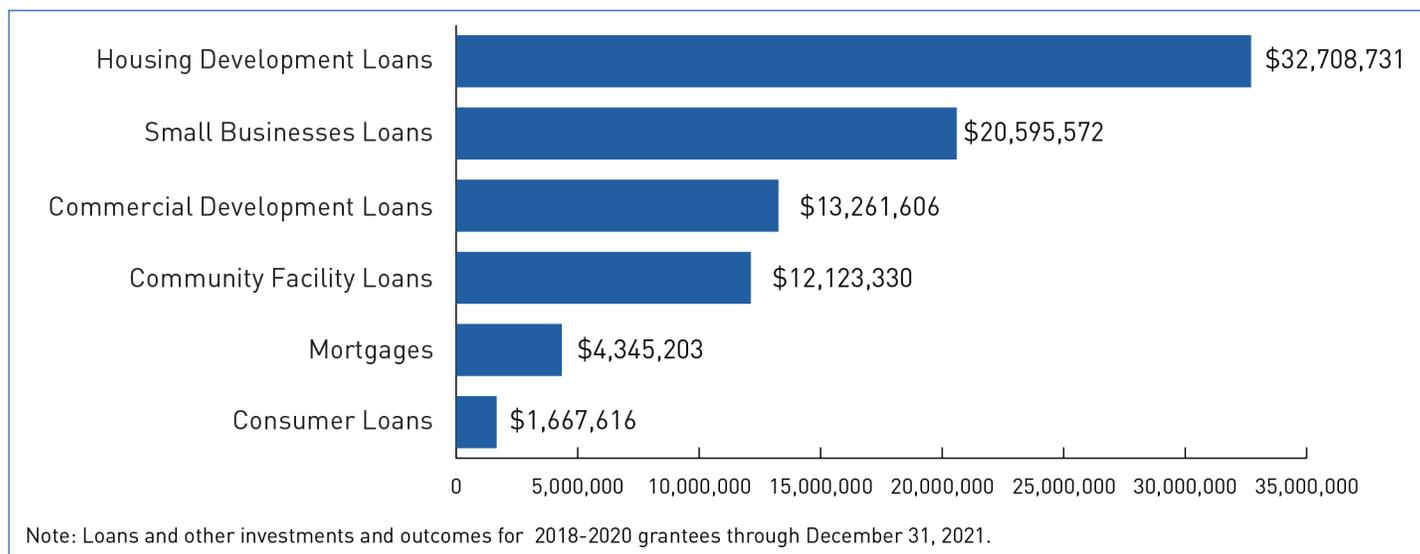
Of the 36 collaboratives receiving PRO Neighborhoods funding, 21 completed their programmatic activities before 2021 and the other 15 collaboratives were actively delivering programs and services in 2021. In total, these fifteen active collaboratives made 905 loans and other investments, totaling \$84,702,058 from the time they started their projects through the end of 2021. The largest share of these funds was invested in housing development loans (nearly 40% of total investments). The most common type of loan made was small business loans (about 45% of the total number of loans).

Collaboratives' investments generated wealth for low- and moderate-income individuals and people of color, promoted the development of safe and affordable



¹ In 2020 the PRO Neighborhoods Initiative was combined with JPMorgan Chase's AdvancingCities Challenge. This report includes data on collaboratives that received awards in 2020 through the AdvancingCities Challenge "Place-based" track.

Exhibit 2: Loans and Other Investments by 2018-2020 Grantees

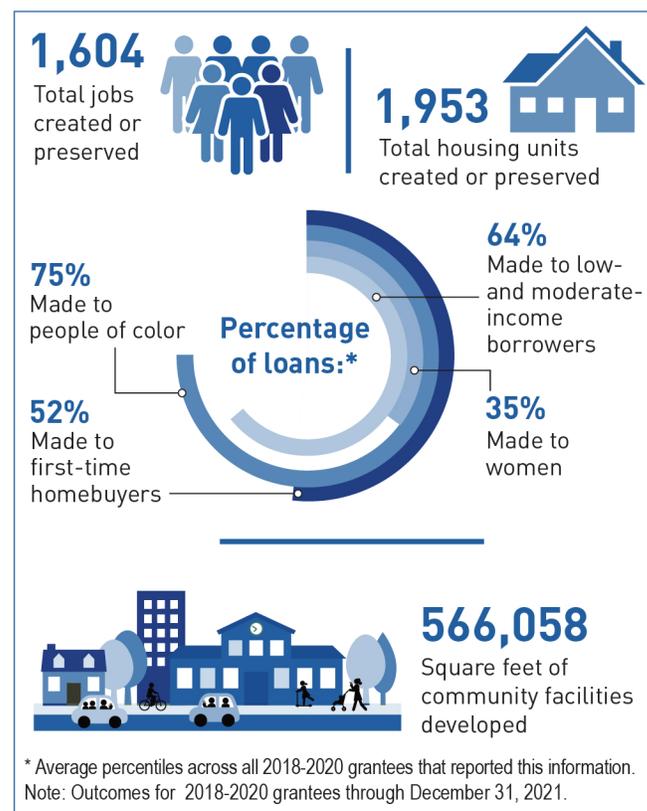


housing options, and developed and tested innovative financing approaches. The investments of the fifteen active collaboratives have supported 1,604 jobs and the creation or preservation of 1,953 housing units. Most of the funds supported women, people of color or low- or moderate-income borrowers.

In 2021, many PRO collaboratives witnessed instability and displacement amid rising commercial and residential rents and continuing pandemic-related challenges. Collaboratives responded by sharpening their strategies to address affordable housing, broadening their scope to address residents’ multifaceted needs, and partnering with a range of stakeholders to help keep residents living and working in their neighborhoods. Examples of collaboratives’ recent efforts include:

- **The Memphis CDFI collaborative** (Memphis, Tennessee, 2019 grantee) adjusted their approach to respond to pandemic-related housing instability and prevent what they called “a COVID-19 housing crisis” in their community. One partner, United Housing, created a COVID-19 Mortgage Relief Program that

Exhibit 3. Outcomes of 2018-2020 Grantee Activities



provided financial assistance and counseling services to help homeowners who suffered income loss due to the pandemic. United Housing also provided financial support to renters that, combined with support to homeowners, totaled over \$1 million. In addition, they provided \$300,000 in grants to enable residents affected by COVID to make needed home repairs.



- In the first year of their grant program, the **Collaborative and Equitable Capital Strategies that Deliver Commercial and Residential Affordability and Neighborhood Stabilization in Rapidly Gentrifying Portland** (Portland, Oregon, 2020 grantee) deployed \$2.5 million of JPMorgan Chase capital to provide a total of 15 commercial, business, and housing development loans. This included a \$500,000 loan to Ladybug Academy, a Black woman-led childcare business. The funds supported the build-out of a new 50-slot Early Learning Center in the Beatrice Morrow affordable housing development. This development prioritized housing for historic residents of North and Northeast Portland and was one of the first in Portland to make use of the city's new N/NE Preference Policy, that aims to address gentrification by giving preference to housing applicants who are or have been impacted by displacement in the area. Supporting a high-quality childcare center in this development helps make sure that these families have access to essential services as well as a place to live.



- Amid an expansion of the DC area's Metro system, the **Purple Line Collaborative** (Montgomery and Prince George's Counties, MD, 2019 grantee) is supporting the preservation and expansion of existing small businesses. The collaborative prioritized supporting these small businesses because they provide goods and services that meet longtime residents' needs and contribute to the community's identity. However, these businesses face significant challenges including construction-related disruption, displacement due to development, and the effects of the COVID-19 pandemic. The collaborative helped to preserve over 155 small businesses by providing financial support and technical assistance. They provided loans and grants, helped small businesses access pandemic relief programs such as the Payroll Protection Program and the Restaurant Revitalization Fund, and helped businesses develop social media and other marketing campaigns to promote their businesses.

This report was prepared by Abt Associates as part of its evaluation of the PRO Neighborhoods Competition.

Abt Associates is an international policy and research organization with a 50-year history of conducting rigorous evaluations and supporting implementation of housing and community development initiatives. In 2018, JPMorgan Chase selected Abt Associates to be the national evaluator of PRO Neighborhoods.

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JPMorgan Chase is one of the oldest financial institutions in the United States. JPMorgan Chase invests millions of dollars each year to enable more people to contribute to and share in the rewards of a growing economy. PRO Neighborhoods is a \$125 million initiative designed to support communities with the capital and tools they need to drive local solutions to address key drivers of inequality.

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