



Low Income Investment Fund, JPMorgan Chase Pilot \$6M Social Investment In Distressed Communities, New Orleans' Columbia Parc

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SAN FRANCISCO – The first two investments from a new \$6 million social capital product will accelerate neighborhood transformation efforts at large-scale public housing in San Francisco and Los Angeles, as well as a New Orleans community still rebuilding a decade after Hurricane Katrina.

Launched by the national nonprofit Low Income Investment Fund (LIIF) in partnership with JPMorgan Chase & Co., “Equity with a Twist” (EQT) provides flexible, low-cost financing to support and incentivize integrative, outcomes-driven solutions to poverty.

Through EQT, LIIF and JPMorgan Chase are providing two strong nonprofit organizations, BRIDGE Housing (BRIDGE) and the Bayou Development Fund (BDF), with \$2 million each in low-cost, 10-year financing for their multi-sector efforts to tackle poverty in California and Louisiana, respectively.

BRIDGE and BDF are undertaking large-scale revitalization efforts that incorporate mixed-income housing, K-12 educational achievement and high quality, early learning programs. EQT financing will enable the organizations to knit these strategies together.

BRIDGE is working in the Potrero neighborhood in San Francisco and Jordan Downs in Los Angeles. BDF’s investment will support its work in Columbia Parc in New Orleans.

In return for this catalytic capital, BRIDGE and BDF will measure the impact of their work on resident health, neighborhood safety, child development, education and local market strength – as well as provide investors with a financial return.

“Neighborhoods that provide low income families with healthy, affordable places to live, learn, work and play create opportunities for people to climb out of poverty,” Nancy O. Andrews, President and CEO of the Low Income Investment Fund, said. “Transforming distressed places into opportunity-rich neighborhoods requires a silo-busting approach, long-term commitment from partners and an organization willing to be accountable for change,” “Equity with a Twist is a flexible and patient social capital tool that supports high-impact work with strong social returns, while also generating a modest financial return for investors.”

“Local leaders need flexible tools they can tailor to meet the needs of their individual neighborhoods and adapt to complex challenges,” said Janis Bowdler, Head of Community Development and Small Business Initiatives for JPMorgan Chase Foundation. “JPMorgan Chase is proud to work side-by-side with local change agents such as LIIF, BRIDGE Housing, and Bayou District Foundation who are at the forefront of testing new approaches to helping communities expand inclusive economic growth.”

“This equity-like investment will help us refine our holistic community development approach, take it to scale and inform the field,” said Cynthia A. Parker, President and CEO of BRIDGE. “Equity with a Twist represents exciting new thinking about how to catalyze revitalization inclusively and for the long term.”

“Equity with a Twist is a perfect fit for Bayou District Foundation, as we continue our anti-poverty work through multiple platforms,” Gerard W. Barousse, Jr., Chairman of the Board, Bayou District Foundation, said. “Specifically, LIIF and JPMorgan Chase have given us the flexibility and resources needed to help complete our ‘cradle to college’ education pipeline and related community support services. Bayou District Foundation looks forward to being a prototype for the Equity with a Twist program as the place-based redevelopment model emerges in communities across the country.”

BRIDGE is one of the largest developers of affordable housing in California. Their EQT financing will accelerate two of their comprehensive, large-scale redevelopment projects: the Potrero Terrace and Annex in San Francisco, a HOPE SF site, and Jordan Downs in Los Angeles. These projects will transform dilapidated, isolated public housing developments into vibrant mixed-income communities, offering programs and services

for residents from infants to seniors. BRIDGE has deeply engaged residents in the development plans and both are scheduled to break ground in 2016.

BDF, a New Orleans-based nonprofit founded in the aftermath of Hurricane Katrina, will use EQT financing to support its comprehensive revitalization of Columbia Parc in the Bayou District of New Orleans. Following the Purpose Built Communities model, the Columbia Parc redevelopment includes more than 685 mixed-income housing units, a health clinic, a high quality early childhood education school and a planned K-8 charter school.

Comprehensive, outcomes-driven, mixed-income communities have shown promise in providing low income families with greater access to economic opportunity, organizers said. LIIF and JPMorgan Chase partnered to launch EQT in response to the need for a longer term, enterprise-level capital product that supports these integrative people and place based strategies. LIIF and JPMorgan Chase's \$6 million EQT pilot aims to accelerate this work and create a model for other investors seeking social and financial returns.

EQT-supported initiatives incorporate mixed-income housing, K-12 education and early learning at a minimum but can include additional programs identified by the investee. Investees must agree to track common social outcomes, which will demonstrate impact for each project as well as across the recipients.

EQT investees must demonstrate exceptional organizational capacity, a stable financial history and strong financial position.