



# Ensuring Housing Stability and Affordability

June 2021

This brief is one of a four-part series examining how collaboratives funded through JPMorgan Chase's *AdvancingCities* and PRO Neighborhoods competitions adjusted their activities in response to COVID-19 and the racial justice movement in 2020. This brief focuses on the collaboratives' efforts to ensure housing stability and affordability. Visit [this page](#) to read the other briefs on supporting small businesses, making digital adaptations, and advancing racial equity.

The COVID-19 pandemic exacerbated long-standing challenges of housing instability and unaffordability as people lost income, were unable to pay landlords and mortgage companies, and spent more time at home because of shelter-in-place orders. The pandemic further exposed deep-seated housing inequity in the U.S. In 2020, collaboratives took steps to improve housing stability and affordability through a range of creative approaches.

## Key Findings

- Multiple collaboratives shifted the focus of their housing work from developing new housing or encouraging first-time homebuyers to providing **short-term rental and utility assistance** to stabilize households and prevent evictions and foreclosures.
- The pandemic shelter in place orders accelerated the need to **repair homes** to make them more livable and affordable as homeowners spent more time in their homes.
- Collaboratives provided funding to **property owners and landlords** as a way to stabilize multifamily properties in the midst of rent moratoria and other impacts of COVID-19.
- Many collaboratives delved deeper into work they were doing to create **systemic housing equity** in their communities.



## Background

Many of the collaboratives funded through JPMC's *AdvancingCities* and PRO Neighborhoods competitions aim to strengthen communities by supporting the development and preservation of affordable housing and expanding homeownership. Collaboratives provide funding and technical assistance to renters, homeowners, and housing providers, which help promote equity, stability, and affordability in target communities across the U.S.<sup>1</sup> In October 2020, Abt interviewed representatives from 16 *AdvancingCities* and PRO Neighborhoods collaboratives about the ways COVID-19 and the 2020 racial justice movement affected their communities' needs and the activities collaboratives undertake to meet those needs.<sup>2</sup> Of the nine collaboratives interviewed that were involved in affordable housing work before COVID-19, seven spoke about the ways the pandemic exacerbated housing insecurity and how they responded to intensified needs through their collaborative work to stabilize renters, homeowners, and housing providers.

## The Need

Renters, homeowners, and housing providers alike faced challenges due to COVID-19. Pandemic-related economic strain exacerbated longstanding racial inequities in housing and threatened the ability of households across the U.S. to remain in their homes. Collaboratives identified the most pressing housing needs as:

- Paying for rent and utilities amid COVID-related job closures;
- Funding for needed home repairs as residents sheltered in place;
- Covering building operating costs amid rent moratoria; and
- Long-term education and advocacy to remediate historic housing inequities in city policies.

## The Response

To address the short- and long-term housing needs of their communities, some collaboratives reallocated their resources to cover the costs of new housing activities. Others accelerated their activities to support housing stability and affordability, particularly for residents of color. This brief presents a few examples of the collaboratives' housing response activities.

**As people across the country lost or experienced reductions in their income due to COVID-19, many collaboratives witnessed and responded to an intensified need for rental and utility assistance.** This need was especially stark among the nation's Black and Latinx renters and homeowners, who were among those most impacted by the economic and health consequences of the pandemic.

1 All of the *AdvancingCities* and PRO Neighborhoods collaboratives are listed here: <https://www.abtassociates.com/files/Projects/PDFs/2021/advancingcities-and-pro-neighborhoods-collaboratives-2014-2020.pdf>

2 Abt interviewed representatives from the lead grantee organization from five collaboratives that received *AdvancingCities* challenge grants in 2019, seven collaboratives that received PRO Neighborhoods grants in 2019, and four collaboratives that received PRO Neighborhoods grants in 2018. Of these sixteen collaboratives, nine addressed housing as part of their JPMorgan Chase funded projects.



- The **Memphis CDFI Network** collaborative (Memphis, TN, 2019 grantee) shifted their grant activities to provide financial assistance and counseling to residents who lost their jobs or experienced reduced income. The collaborative had been providing down payment assistance, mortgages, and homeownership education to residents in the majority Black Frayser and Whitehaven neighborhoods to address the long-standing racial homeownership gaps in these communities. When the pandemic began, the collaborative recognized a pressing need for financial assistance to help residents remain housed as people lost income due to COVID-19 related closures. The collaborative swiftly shifted their activities and redirected some of their grant funds to provide \$85,570 in rental assistance to a total of 124 households. The collaborative also worked with a technological expert to develop an online system to streamline utility assistance applications and provided technical assistance to help renters and homeowners understand how to use the app, which allowed users to upload photos to document a COVID-19-related hardship and find guidance on how to access their utility bills. The collaborative also expanded their housing counseling program by increasing staff capacity. They hired two new staff: a counselor to provide rental counseling and utility assistance programming, and an intake specialist to support the collaborative’s rental and mortgage assistance program. Other counselors in the program attended Neighborworks’ virtual training institute and received housing counseling certification.
- **The 614 for Linden** collaborative (Columbus, OH, 2019 grantee) partnered with multiple local organizations to build a network of support services that helped Linden residents maintain stable and affordable housing during the pandemic. As part of their grant activities, the collaborative makes capital investments in affordable housing to advance equitable development and create an opportunity-rich neighborhood for residents of Linden, a predominately (51%) Black community. Through strong relationships with core partners, including St. Stephen’s Community House and Community of Caring Development Foundation, the collaborative identified residents’ needs, coordinated services, and provided multiple forms of support to help residents maintain their housing amid lost jobs and income. A referral through one organization directed residents to as many as four partner organizations that provided a range of support services that included a food pantry, utility assistance, rental assistance, and housing counseling. The collaborative also redirected \$100,000 of their grant to support the partners in expanding emergency support services to meet increased demand for food and rental assistance. Using PRO Neighborhoods and other funds, one of the collaborative partners provided over \$128,500 in rental and security deposit assistance to 88 very low-income families. The collaborative is also preparing to meet an expected increase in demand for rental and utility assistance when eviction and foreclosure moratoria expire.



When people began sheltering in place, some collaboratives recognized and responded to an increased demand for loans to make needed home repairs. These loans addressed housing stability and affordability by providing homeowners with the means to make their homes safer and more livable and to reduce utility costs.

- When the pandemic began, the Solar Energy and Loan Fund (SELF), the lead partner of the **South Florida Housing Link** collaborative (Miami, FL, 2019 grantee), witnessed increased demand for home repair loans. As part of their grant activities, the collaborative already planned to provide home repair loans to low-income aging and Latinx homeowners to help residents improve energy efficiency, implement clean energy technology, and address climate resiliency so residents could preserve their assets, increase their equity, and reduce their operating costs. In the wake of social distancing measures that required people to spend significantly more time in their homes, SELF's home repair loan activity increased by roughly 80 percent across their Florida and Alabama markets. With many people in multigenerational households all working, going to school, and playing in the home, particularly as temperatures got hotter and hurricane season began, families could no longer put off repairing a faulty air conditioning unit or addressing a needed roof repair. Many of the aging homeowners SELF works with have disabilities and needed upgrades to allow them to remain in their homes or address safety concerns. Such improvements were also key in making the homes more affordable as utility bills increased due to higher usage.

*"When COVID hit, demand skyrocketed. We have broken all lending records. Let's say you have a parent that used to go out to work and drop off the kids at school and then come home at night. And maybe they have a parent living with them, but they didn't have a full house the whole day, so they could be okay with an old AC working at 20% capacity and not really cooling the home. When everybody was forced to shelter at home, whole families are living together, at home working, going to school, playing."*

– Solar Energy and Loan Fund, lead partner of SFHL



As the pandemic left people jobless and unable to pay their rent, many multifamily housing providers struggled to keep their businesses afloat and continue to maintain their properties. Housing providers have been responsible for covering their operating costs during the pandemic but, as renters struggled to pay their rent, many providers have been left without income to do so. Collaboratives responded to these needs by supporting non-profit and “mom and pop” multifamily housing owners with operating loans and grants and flexible loan servicing supports.



- Two collaboratives, the **Memphis CDFI Network** collaborative (Memphis, TN, 2019 grantee) and **The 614 for Linden** collaborative (Columbus, OH, 2019 grantee) helped stabilize affordable housing in their areas by providing financial assistance to multifamily housing providers. Both collaboratives are addressing persistent needs for stable and affordable housing in their communities by investing in new housing development projects, supporting renters, and encouraging homeownership. The Memphis collaborative reallocated some of their funds to make grants to non-profit housing providers. The organizations used the grants to cover operating expenses such as payroll and maintenance costs while tenants were not paying their rents during the rent moratoria. The Columbus collaborative provided relief to multifamily housing providers in their lending portfolio by releasing reserves and waiving fees. Staff quickly assessed borrowers' needs as they received emergency requests for assistance and determined which asset management options the organization could employ to provide relief. These approaches indirectly helped to stabilize housing for residents in Memphis and Columbus. By ensuring that the housing providers could continue operating, despite not collecting rent or collecting reduced rent, the collaboratives helped prevent them from failing and, as a result, helped residents keep their housing.
- The **Claiborne Commercial Corridor** collaborative (New Orleans, LA, 2018 grantee) pivoted their grant activities during the pandemic to work with smaller “mom and pop” landlords and property owners to address a lack of rentable units available for Housing Choice Voucher (HCV) holders. Prior to the pandemic, the collaborative planned to focus its housing lending activities on emerging and large, established developers. Based on needs that emerged during the pandemic, the collaborative changed its approach and began lending to smaller “mom and pop” landlords and multifamily property owners and engaging in a new partnership with the Housing Authority of New Orleans (HANO). This change in approach was motivated by analysis showing that, over the previous two years, 1,100 New Orleanian households that had been offered Housing Choice Vouchers were unable to use them, despite a 20 percent vacancy rate. The collaborative determined that many of the city’s smaller property owners needed to make small to modest improvements to their properties—ranging from \$20,000 to \$60,000 per



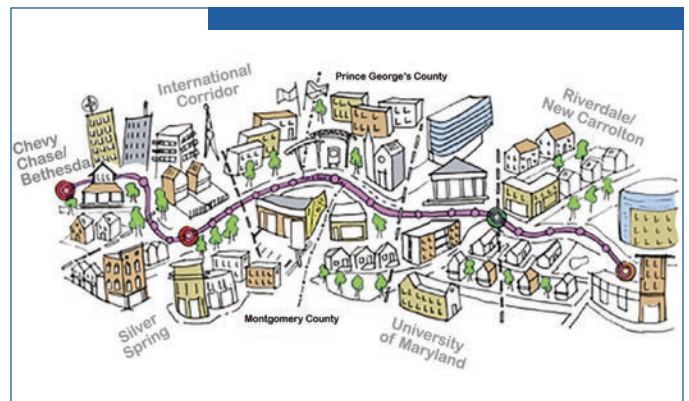
*“One of the biggest problems here in New Orleans is the lack of housing security... It was deeply rooted in centuries of racial inequality, and COVID exacerbated all of that.”*

– HousingNOLA, lead partner of Claiborne Commercial Corridor

property— to pass the HCV program quality inspections. To close the housing gap, stabilize voucher holder households, and meet landlords’ repair needs, the collaborative began issuing loans to smaller landlords and property owners to enable them to improve their properties if they agreed to rent to HCV recipients. The collaborative is coordinating with HANO to connect their borrowers with HCV recipients in need of safe and affordable housing.

In addition to the short-term support collaboratives provided to renters, homeowners, and housing providers to help stabilize them and maintain affordable housing during the pandemic, multiple collaboratives also delved deeper into work they had been undertaking prior to the pandemic to ensure their grant activities engender racial equity throughout their communities.

- In 2020 the **Purple Line Equitable Transit-Oriented Development Collaborative** (Prince George’s and Montgomery Counties, MD, 2019 grantee) expanded their advocacy efforts with federal, state, and local policymakers to address COVID-19 related housing inequities. Collaborative partners support policy and investments in affordable housing to mitigate potential displacement along the Purple Line Corridor, a planned light rail expansion in the Maryland suburbs of Washington, D.C., where nearly two-thirds of residents are Black, Latinx, Asian, or American Indian and Alaska Native and over one-third of residents are housing cost burdened, paying more than 30 percent of their income on housing. During the pandemic, the lead partner of the collaborative supported policy changes to extend eviction prevention, make stimulus funds available to help landlords cover basic operating and repair costs, provide rental assistance to local residents, and contract with businesses led by people of color. The collaborative also hosted multiple meetings, events, and other advocacy touchpoints, including letter writing and one-on-one engagements with elected officials to support equitable development. In addition to serving an important purpose for housing equity, collaborative leaders view their policy work as instrumental to advancing racial equity in their community.





## Lessons Learned

COVID-19 jeopardized many people's housing stability and exacerbated housing unaffordability.

Collaboratives shifted and deepened their housing activities, working creatively with multiple stakeholders across the housing field to address a range of new and intensified housing needs.

- 1. Addressing the housing challenges posed by COVID-19 required diverse solutions that supported multiple stakeholders.** Collaboratives shifted and strengthened their grant activities to address the emerging immediate housing needs in their community. Collaboratives worked with renters, landlords, homeowners, and developers, each of which needed unique supports. The grant programs took different approaches but shared the goal of working collaboratively with partners to ensure residents in their communities could remain stably housed. In some cases, such as with emergency rental assistance, their work complemented and extended government support programs. In other cases, such as stabilizing small multifamily properties, the collaboratives' work filled an unmet need not well addressed by government assistance programs.
- 2. Funding flexibility enabled collaboratives to quickly pivot to meet changing community needs.** The collaboratives repurposed and reimagined some of their services and funding priorities to meet changing needs. They were able to quickly adapt, in part, because the PRO Neighborhoods grant structure provides the organizations flexibility in spending their grant funds. By providing rental assistance rather than mortgage lending and working with "mom and pop" landlords rather than large-scale property owners, collaboratives helped stabilize their communities and make housing more affordable amid COVID-19 economic strain.
- 3. Residents facing income shortfalls may need multiple forms of assistance to maintain stable housing.** For most households, housing expenses comprise the largest share of the household budget. As a result, multiple forms of emergency assistance can contribute to helping families remain stably housed. The collaboratives that provided direct emergency assistance to residents recognized that their support could come from multiple key partners and take various forms, including rental, utility, and food assistance. These combined emergency assistance services enabled households to maintain stable housing while facing income disruptions.

This report was prepared by Abt Associates as part of its evaluation of *AdvancingCities* and PRO Neighborhoods.

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 and *AdvancingCities*.

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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. *AdvancingCities* is a \$500 million, five-year initiative to drive inclusive growth and create greater economic opportunity in cities across the world.

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## About *AdvancingCities* and PRO Neighborhoods

The benefits and hardships that result from changing economic conditions accrue unevenly; some communities, neighborhoods, and individuals thrive while others are left behind. To help more people benefit from a growing economy, JPMorgan Chase created two initiatives, the *AdvancingCities* Challenge and the Partnerships for Raising Opportunity in Neighborhoods (PRO Neighborhoods) Competition, to support cross-cutting projects that enact creative, sustainable solutions to local challenges. The competition winners are collaboratives, comprising two or more local organizations from among the nonprofit, government, and business sectors. Collaborative partners work together to apply innovative approaches to solve complex local challenges.

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