

The Washington Post

Democracy Dies in Darkness

JPMorgan Chase commits \$5 million to combat gentrification along the Purple Line

By **Robert McCartney**

Oct. 22, 2019 at 5:00 a.m. EDT

A major national bank has committed \$5 million to nonprofits to support affordable housing and small businesses threatened by development expected to follow the Purple Line being built in Washington's Maryland suburbs.

The award by JPMorgan Chase, announced Tuesday, is the largest grant so far for efforts to combat gentrification that could displace residents along the 16-mile route of the light-rail line linking Bethesda in Montgomery County and New Carrollton in Prince George's County.

The investment, spread over three years, aims to help preserve or create 1,000 affordable homes, according to a draft news release obtained by The Washington Post.

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The funds also will provide backing for small-business loans totaling \$900,000 to support more than 200 firms. The money will pay for bilingual technical assistance and protect or create 300 jobs, according to the release.

The light-rail line is being built with a \$5.6 billion public-private partnership — one of the broadest of its kind for any U.S. transit project.

Under the most recent timetable, the rail line, which will have 21 stations, would begin carrying passengers in late 2022, starting in Prince George's.

Many small firms in the project corridor, including in predominantly Latino communities such as Langley Park, are concerned about the loss of business owing to disruption during Purple Line construction.

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Community leaders welcomed the JPMorgan Chase investment, saying local governments did not have sufficient resources to do what was needed to ensure low- and middle-income communities benefit from the transit project.

“Here’s some real money from a real bank foundation, to do some of the things that got cut out of the budget when the whole Purple Line was launched,” said Gerrit Knaap, director of the National Center for Smart Growth at the University of Maryland at College Park.

He referred to a gap left when the administration of Gov. Larry Hogan (R) scaled back the project to cut costs as a condition of building it. The National Center for Smart Growth administers the Purple Line Corridor Coalition, a public-private coalition that promotes economic and community development.

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“Five million dollars isn’t a trivial amount of money to invest in the corridor, particularly for affordable housing and small-business preservation,” Knaap said. “The counties don’t have a lot of money.”

The funds will allow three community organizations — Enterprise Community Partners, the National Housing Trust and the Latino Economic Development Center — to offer loans and other resources for housing and small-business projects.

Previously, the biggest grant for such projects in the Purple Line corridor was a \$2 million award from the Federal Transit Administration. Kaiser Permanente has also contributed money to the effort.

The award is part of a \$1.75 billion, five-year global philanthropic commitment to promote inclusive growth by JPMorgan Chase's department of corporate social responsibility.

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“What we’re seeing is inequality is continuing to be a huge issue in the communities where we’re working,” said Colleen Briggs, the bank’s head of community innovation. “It’s not good for business. . . . Despite a growing economy, people are working harder and not getting ahead.”

She added: “Governments and charities alone can’t tackle these issues. Companies like JPMorgan have a responsibility to be part of the solution.”

The bank’s effort includes a \$25 million, five-year commitment in the greater Washington region. In 2017, it awarded a \$5 million grant for the 11th Street Bridge project in the District.

The news release included comments supporting the grant from Hogan, Montgomery County Executive Marc Elrich (D) and Prince George’s County Executive Angela D. Alsobrooks (D).

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Hogan said the JPMorgan Chase investment represented “exactly the kind of forward-thinking project that other leaders across the country should be thinking about — a partnership between the federal, state and local governments and the private sector.”

Elrich said the effort would help build “a more equitable and inclusive region.” Alsobrooks said, “We have a responsibility to ensure that those who work here are able to live here, while also ensuring that our seniors are able to age in place.”

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