American Journalism Project 2022 Year in Review

THE PEOPLE MUST KNOW **BEFORE THEY** CAN ACT, AND THERE IS NO EDUCATOR TO **COMPARE WITH** THE PRESS.

2022 brought with it a new optimism for the future of our democracy. Persistent reports of shrinking newsrooms and widespread layoffs symptoms of an ongoing market failure in commercial news - reinforced our belief in the strength and sustainability of the nonprofit model and its promise for communities.

a fundamental change in how we finance and sustain local news.

No one has inspired us more in the fight for local news than our grantee partners. They have met the moment with ingenuity, resilience, and determination. We're pleased to share a few snapshots that bring to life how we work together and how our portfolio is growing in service of essential local journalism.

Sarabeth Berman CEO of the American Journalism Project

-IDA B. WELLS, 1892

Nonprofit local news organizations are driving a major industry shift,

Bob Moore, founder of El Paso Matters talks to MSNBC talks about the shelter crisis at the border.

>

Jon Ralston weighs in on Nevada politics and Cortez Masto's victory (which he predicted).



The Nevada Independent has established itself as a reliable source for political news in Nevada. From a New York Times interview: "Few know Nevada politics more intimately than Mr. Ralston, the founder and editor of The Nevada Independent, a nonpartisan news organization based in Las Vegas."





Capital B covered hurricane recovery efforts overlooking a majority Black neighborhood in Florida, prompting FEMA to respond directly in a tweet quoting this story.

In Fort Myers, Black Residents Fear Hurricane Aid Will Bypass Their Neighborhoods

Surrounded by snapped power lines and toppled oak trees, the community begins the long road to recovery after Ian.

Margo Snipe 6:13 PM EDT on Sep 30, 2022



Frankie Romulus (left) and Kendrick Romulus stand outside their Fort Myers, Florida, apartment on Thursday to a boat that was pushed into their complex by Hurricane Ian. (Joe Raedle/Getty Images)

These are some of the many other critical stories our grantee news organizations published that uncovered important issues, demanded accountability from those in power and centered community voices.

Housing

Pregnant, Sick, Homeless and Afraid: Bronx Fire Survivors Say the City is Not Doing Enough

NYC raised \$2.5 million for survivors of the Bronx fire. Why has the Mayor's Office only distributed 10% of that fund to families in need?

CenturyLink offers slower internet service to Black and brown neighborhoods in Minneapolis, new report claims.

Families in low-income and high-income neighborhoods may pay the same price for CenturyLink internet service. But in whiter and wealthier neighborhoods, Minneapolis consumers can get internet speeds 50 times faster for the same price.



CITYWIDE

Center For COVID Control's 'Sham' Testing Sites Put People At Risk With False Results, Tests In Garbage Bags, New Suit Alleges

The lawsuit alleges the locally based company provided "false and delayed" COVID-19 test results, or no results at all, and workers stored tests in garbage bags for more than a week.

Jackson meets the man tasked with fixing its water system

Jackson residents meet man charged with rehabilitating city's troubled water system.

Images courtesy of Nevada Independent, New York Times, Capital B, MSNBC and El Paso Matters

Headlines via Documented, Block Club Chicago, Sahan Journal and Mississippi Today

The numbers

Since 2019, we've committed \$37 million in grants supporting business operations to a grantee portfolio of 33 news organizations. With our support, they're on track to grow their budgets from \$47.5M to \$123M annually by the end of their grants — and to have staffs of more than 1,000 in aggregate serving their communities with trusted local news.

American Journalism Project grantees are growing: the median grantee sees a 67% revenue increase in Y1 of the grant (excluding AJP funding). Early reporting from our first cohort of eleven grantees ending in 2022 demonstrated an average 4.6X return on investment, and it's translating to more original reporting—those eleven grantees collectively grew their editorial staff count by 110%. For every \$1 the American Journalism Project invests in our portfolio, our current projection indicates a 5X return in revenue for local news organizations.

This is how a 5x return can
strengthen an organization5xMore business/revenue capacity4xMore reserves3xMore editorial capacity1-2xSustaining costs of our investment
Revenue pre-AJP

\$37M COMMITTED IN GRANTS SINCE 2019

33 NEWS ORGANIZATIONS

67%

REVENUE INCREASE SEEN BY MEDIAN GRANTEE IN THEIR FIRST YEAR OF OUR INVESTMENT

110%

NEWSROOM GROWTH FOR OUR FIRST COHORT OF GRANTEES

\$127M+

RAISED FROM NATIONAL AND LOCAL PHILANTHROPY TO BE DEPLOYED THROUGH 2027; EXPANDING THE PHILANTHROPIC CAPITAL AVAILABLE TO LOCAL NEWS

IN 2022, AMERICAN JOURNALISM PROJECT AND OUR GRANTEES CONTINUED TO EARN ATTENTION:

THE NEW YORKER

"The American Journalism Project has one of the more comprehensive plans to aid local nonprofit news across the country." – <u>Claire Malone</u>

FORMER PRESIDENT BARACK OBAMA IN AN APRIL 21, 2022 KEYNOTE ADDRESS AT STANFORD UNIVERSITY

In a <u>speech</u>, former President Barack Obama hailed nonprofit start-ups (including call-outs to our <u>Houston</u> <u>project</u> and <u>Chicago grantee</u>) for "providing essential coverage of what's happening locally and in statehouses." These "new models," he said, are

"smart ways for communities to reinvigorate local news."

The press

Ehe New York Eimes

"There has been a tremendous flowering of innovation in local news nonprofits." - Lydia Polgreen, in <u>her column</u> highlighting American Journalism Project grantees, THE CITY and Sahan Journal



"But just as Americans have responded when our democracy previously faced challenges — remember how stateside Americans cut back on using rubber in World War II so our troops would have enough for their vehicles — Americans are thinking creatively about producing and delivering local journalism." – <u>William McKenzie</u>

Hiring outstanding operational and business talent

Grantees are attracting and retaining new talent. For grantees in our portfolio, staff has grown by nearly

90%

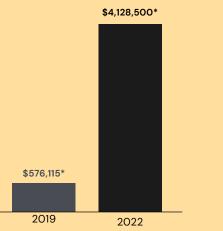
With the American Journalism Project responsible for 65% of the growth in revenue and operations staff in our portfolio since 2019.

+75 of the 94

new revenue and operations hires are new to the news industry and about one-third come from the corporate sector.

REACHING AMBITIOUS REVENUE GOALS

Individually and collectively, the portfolio is exceeding growth goals. Most important: we're seeing signs that this growth is sustainable.

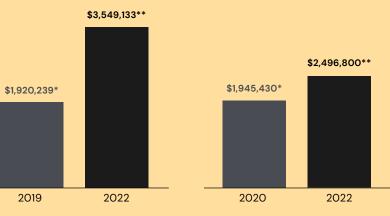


City Bureau's Documenters Network is a scalable model for grassroots, civic reporting that they are bringing to new markets via an affiliate strategy. This shift has led to an expansion of earned and philanthropic revenue, which has also helped to fuel the growth of their Chicago-based programming.

"The most common descriptor about the impact of being an AJP grantee was that it was 'transformative.'"

- Impact Architect on the results of AJP's 2022 annual survey of grantees

*All revenue shown is net of AJP payment **2022 is budgeted, not actual



VTDigger has doubled its revenue and seen a 30 percent growth in staff since 2019. The newsroom's continued role as the state's primary news source and its new senior leadership team has led to growth in membership, major gifts, and underwriting.

The Nevada Independent has increased its revenue by more than \$850,000 this year, supporting staff growth from 14 to 25. As the news organization of record in Nevada, the Indy is building a diverse, professional business team with responsibility for philanthropic support, reader revenue, and sponsorships, including the annual IndyFest.

Sustainable news organizations: growing impact & investing in talent

LAUNCHING AMBITIOUS NEW ORGANIZATIONS AND SERVING NEW AUDIENCES

In 2022, the country saw an explosion of local news startups. In fact, the Institute for Nonprofit News predicts a majority of the country's nonprofit news organizations will be local by 2024. This year, the American Journalism Project was proud to support the launch of many new organizations and newsrooms.

CHALKBEAT >

Launched Votebeat as a separate newsroom dedicated to covering voting at the local level after the success of the project as a pop-up newsroom experiment in 2020.

CAPITAL B >

Launched its first local newsroom in Atlanta – built by Atlantans, for Atlantans. Plans to equip more Black Americans in more cities with accessible, accurate, and need-toknow reporting are already underway.



Image courtesy of Capital B

New nonprofit newsroom launches in Cleveland with \$7.5M in funding



Image courtesy of Signal Cleveland

SIGNAL CLEVELAND >

We helped launch Signal Cleveland, named for the three-signal traffic light invented in the city, as the first newsroom of what will become a statewide network. The publication is backed by \$7.5 million in philanthropy and has already hired some of Cleveland's top journalists, including Lila Mills – a bold innovator and journalist with a deep connection to Cleveland neighborhoods - as the newsroom's founding editor-in-chief.

THE MARSHALL PROJECT >

Launched its first-ever local news team, bringing its criminal justice reporting to Cleveland. Its work will serve communities lacking criminal justice reporting infrastructure, and elevate the stories of those directly impacted by the criminal justice system. Two more local news operations are currently in design.

VERITE >

Launched in New Orleans as the sister news organization of Mississippi Today, with a twofold mission: to produce in-depth journalism that serves the whole community while training, developing and mentoring a new generation of minority journalists. The newsroom represents the first step toward a forthcoming network of mission-driven, local news organizations serving the Southern U.S.

Nonprofit Newsroom Verite to Launch, **Serving New Orleans**



Image courtesy of AdWeek





Image courtesy of Spotlight PA

SPOTLIGHT PA >

Launched its first regional reporting bureau in State College, Pa., focusing on State College, Centre County, northcentral Pennsylvania, and the Northern Tier. The team of four journalists will expand local, nonpartisan accountability reporting throughout the state.

CITY BUREAU >

Expanded its **Documenters Network** beyond the Midwest this year. The national network for grassroots, participatory media welcomed Atlanta, Fresno, Calif. and Omaha, Neb., to its network, joining Chicago, Detroit, Cleveland, and Minneapolis.

SERVING COMMUNITIES

Our grantees' reporting has real-world impact, proving that investing in local journalism has an outsized effect on the health of democratic institutions and civic infrastructure.

A Block Club Chicago exclusive revealed how at least four Chicago-based COVID testing companies took advantage of the pandemic, billing the federal government more than \$582 million for testing that often gave inaccurate - or completely fake - results. Block Club's reporting led federal and state investigations and the shuttering of 300 questionable COVID-19 sites across the nation.

Mississippi Today deployed its entire newsroom against the Jackson drinking-water crisis, set up a text line to answer community member questions, and conducted interviews to help national audiences understand the crisis. The newsroom won a Sidney Award for its coverage; the monthly award honors outstanding journalism in service of the common good. The team also led the investigation into a massive welfare corruption scandal and when the New York Times reported on the issue, it noted that the welfare scheme had "seeped out over years now, largely because of the dogged reporting by Mississippi Today."

New York City Mayor Eric Adams announced the distribution of an additional \$4.4 million to the 150 families affected by a devastating Bronx fire, just one week after **Documented** reported that the mayor's office had only distributed 10% of the donations raised to support survivors of the fatal incident.









Images courtesy of inewsource, Chalkbeat, MLK50, and Open Campus

We're ending 2022 with 33 grantees.

We'll announce our next round of grantees this January, growing our portfolio by five in just the first months of the year, including another new organization we are seeding in partnership with Indiana philanthropy. Based on the success we had helping to launch Capital B and Mountain State Spotlight in West Virginia, we'll begin accepting applications for our newly launched incubator, where we'll support promising entrepreneurs in launching and scaling viable startups. Stay tuned for more dots on this map.





Image courtesy of Open Campus

So what's ahead? The work continues.

press will represent, inform, diverse public it serves.

We're keeping our eye on the prize: sustaining great local journalism, and more of it. We're humbled and grateful to have you alongside us in this work.

We'll keep placing big bets in pursuit of our vision for the field: that by 2040, an independent, resilient, and ubiquitous civic and engage every member of the

Thank you to our board, advisors and supporters.

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\$1,000,000+

KNIGHT FOUNDATION



democracy fund

ABRAMS FOUNDATION

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FACEBOOK JOURNALISM PROJECT

Popplestone Foundation

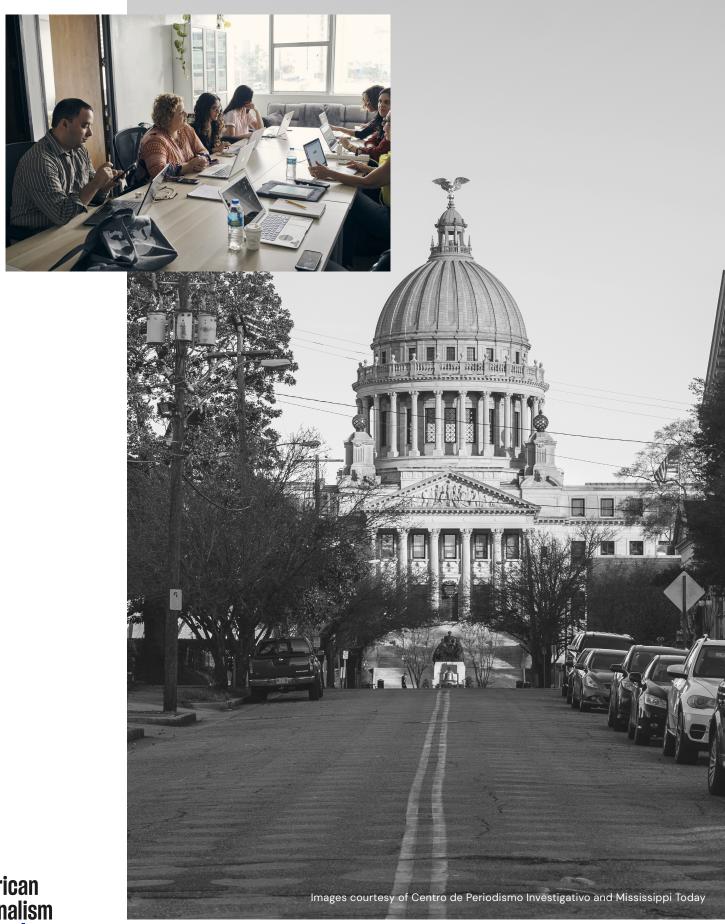
\$200,000 to \$999,999

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American Journalism Project

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