

# Introduction

Community foundations are committed to improving the health and well being of their communities. A key aspect of this commitment, and one many community foundations have yet to embrace fully, is the air that its constituents breathe; the water they drink, fish and swim in; and the quality of the places in which they live and recreate. With poll after poll revealing people's strong desire for clean water and air, and the concern for unmitigated sprawl, community foundations have an opportunity to engage these issues knowing that they will be addressing a real need.

Such issues are often viewed as contentious with environmental groups and corporations fighting one another. However, new collaborative strategies offer approaches for protecting our air, water and open spaces and that build win-win relationships and outcomes. These strategies are ready made for community foundations that by their very nature are collaborative, representing the various interests and stakeholders of their communities. With the often local nature of many environmental issues, the community foundations, armed with collaborative strategies, can be a potent contributor to solving such problems. For the past four years, this idea has been tested in the Great Lakes. Following is the second progress report on that effort.

## **The Great Lakes Community Foundation Collaborative**

The Great Lakes are the largest ecosystem of fresh, surface water in the world, containing nearly 20 percent of the world's supply and 95 percent of the US supply. Its thirty-three million U.S. and Canadian citizens (from Indiana, Illinois, Michigan, Minnesota, New York, Ohio, Ontario, Pennsylvania and Wisconsin) use these glacially-formed lakes and the thousands of smaller lakes within the region for recreation and as source of water for drinking and commercial uses. Protecting this resource and the surrounding landscape has been the focus of state and federal governments as well as some of the region's private foundations for over thirty years. Through the Great Lakes Community Foundation Collaborative (GLCFC), a group of Great Lakes community foundations have joined these efforts. Funded in two phases, the GLCFC community foundation have established and built environmental programs into their and neighboring community foundations' portfolios. The impetus for the GLCFC and the substance of each phase follows.

## Phase One

In 1993, the Great Lakes Protection Fund, and the Charles Stewart Mott and Joyce Foundations convened a meeting of Great Lakes community foundations to discuss their participation in a collaborative effort to increase support for local environmental protection efforts. These foundations recognized the critical role community foundations could serve in protecting the Great Lakes ecosystem including:

1. Place-based environmental efforts can garner a great deal of local support, thus increasing the potential for success.
2. Community foundations already serve as a convener and facilitator on other local efforts such as youth issues; thus, as a group, they have some expertise and local credibility with such roles.
3. Community foundations are the fastest growing philanthropic sector (increasing by 60 percent since 1988<sup>1</sup>). Capturing some of that energy and interest for protecting and conserving the local environment was seen as an unexploited opportunity.

Led by the Council of Michigan Foundations (CMF) and two primary consultants<sup>2</sup>, the community foundations articulated an initial effort in the spring of 1996—phase one of the Great Lakes Community Foundation Collaborative (GLCFC or Collaborative) was underway. With input from a Project Advisory Committee (PAC) comprised of community foundations and environmental experts, CMF established three goals for the GLCFC’s first phase:

### Phase One GOALS:

1. Increase environmental literacy for Great Lakes shoreline community foundations;
2. Strengthen community foundation abilities to convene their community on environmental issues; and,
3. Increase local environmental grantmaking by either expanding existing permanent endowments or establishing new ones.

---

<sup>1</sup>The Foundation Center, *Foundation Giving*, 1998 ed., New York, NY

<sup>2</sup>Rob Collier, CMF Executive Vice President, spearheaded the effort with Sheila Leahy and David Hahn-Baker providing consulting services.

Due to the large number of community foundations in the Great Lakes (over one hundred) and the finite resources of the sponsoring regional private foundations, the PAC narrowed the number of potential community foundation participants in the GLCFC to those located on the shores of the Great Lakes—a total of thirty-nine. Two of these shoreline community foundations, The Chicago Community Trust and The Cleveland Foundation, were excluded from participating in the Collaborative due to their substantial endowments.

CMF received \$641,000 over two years from the Charles Stewart Mott Foundation and the Great Lakes Protection Fund to launch the Collaborative. Three hundred thousand dollars of these funds were allocated for matching grants (\$15,000 per participating community foundation) with another \$160,000 allocated for technical assistance. With these funds secured, the CMF and PAC solicited competitive grants from the thirty-seven eligible community foundations; twenty-one were funded.

The first phase, completed in the spring of 1998, was considered a qualified success. There was a *76 percent increase* in amount of dollars in environmentally-focused funds; staff and trustees became more educated on environmental issues and committed to including them in their community foundation's grantmaking portfolio; and the process by which CMF approached the GLCFC was successful.

## Phase Two

Due to an interest by funders and the participating community foundations, an overall positive assessment of phase one, and the need to further nurture the seeds sown in phase one, a second phase of the GLCFC was launched at the beginning of 1999. Based on the lessons and gains from phase one including feedback from the community foundations, the evaluation, and the experience gained by CMF and its consultants, CMF and the PAC established five goals for phase two:

### Phase Two GOALS:

1. Actively participate in innovative strategies addressing watershed, brownfield or land use issues in their regions;
2. Establish environmental collaboratives with other community foundations that share the same watershed (as a way to expand the number of community foundations addressing environmental issues);
3. Facilitate the development of agency endowed funds at community foundations for environmental nonprofits;
4. Increase community foundation's interactions with local policymakers and policy organizations on environmental issues; and,
5. Assist community foundations with less than \$20 million in assets with efforts to increase the foundation's environmental endowment.

The Charles Stewart Mott Foundation and the Great Lakes Protection Fund chose to continue supporting the GLCFC. They were joined by the Joyce Foundation for a total of \$XXX.<sup>3</sup> Eighteen community foundations from phase one participated in the second phase.<sup>4</sup> They received a total of \$525,000. Table A summarizes the number of community foundations participating in, and the total amount of funds awarded for, each goal.

**Table A**  
**Number of Community Foundations Participating in, and**  
**Sum of Funds Awarded to, Each Goal**

<b>Goal</b>	<b>Number of participating community foundations</b>	<b>Amount of funds awarded</b>
1: Participate in addressing an environmental issue	10	173,000
2: Work with neighboring community foundations that share the same watershed	6	75,000
3: Establish and build agency endowments	6	127,000
4: Increase policymaker interactions	7	90,000
5: Build environmental endowments	12	60,000
<b>TOTAL</b>	18*	525,000

\*Total number of foundations less than sum of those participating in all the goals as each participated in more than one goal.

<sup>3</sup>Joyce Foundation support was for policy-related efforts—Goal 4—only

<sup>4</sup>The three phase one foundations that did not participate in phase two were not invited to submit proposals due to insufficient interest or lack of progress in phase one.

# Lessons Learned

## General

### 1. Plant Seeds, Nurture Them, Be Patient

For most community foundations environmental grantmaking and having an environmental endowment is a new concept. It is perceived as high risk with little return to the community foundation. The GLCFC dispels these concerns through products and outcomes that are positive for the community, the environment, and the community foundation.

However, it does not happen overnight. Developing a knowledge and comfort base internally with a community foundation's staff and board; establishing local advisory committees committed to the program, knowledgeable of the issues, and representative of the community-at-large; ensuring a non-profit community that understands the goals of the community foundation and that government agencies are aware of this new community resource for them; and having donors cognizant and desirous of environmental funding all take time.

The GLCFC is now four years old and there are many positive signs that after the first two years some of the first seeds sowed were taking root, and after four years there are strong, and healthy initiatives throughout the Great Lakes participants. It started small in relative financial terms and expectations. Through education, nurturing, and patience it is growing straight and strong.

### 2. Credibility Is the Leverage, Funds Are the Catalyst

Credibility of the private foundations underwriting the GLCFC and that of the participating community foundations is the one, if not the, underlying reasons for success of the effort. Community foundations need to exploit the credibility of the sponsors internally and of themselves to the larger community.

Support from well respected private foundations assured community foundation trustees that this effort was legitimate. It also helped share some of the perceived risk of pursuing environmental programming with these funders. While the funding helped make the GLCFC happen, without the credibility to reassure trustees, the money did not matter.

As importantly, the respect and credibility that the community foundations have in their own communities was critical for success of many phase two goals. For example:

- For goals 1 and 4 in which government agencies, corporations and environmental nonprofit groups were involved, the community foundation imprimatur and venue made it safe for these various partners to join. It also allowed the partners to raise monies from government sources that also saw the community foundation as not only a credible partner but as one that could provide, though small, some matching funds.
- For goal 3, environmental agencies that established endowments with the community foundation found their partnership with community foundation further legitimized their organization, thus made their endowment-building efforts easier and more legitimate to donors. As one agency development director stated, “The community foundation’s credibility gave us a ‘gold seal’ of approval.”

### **3. Receiving and Providing Assistance and Training Important**

Technical assistance, education, and training are three key factors for success. This common sense lesson revealed itself in many different aspects of the GLCFC. For example:

- From the beginning of phase one, CMF has had two seasoned consultants skilled in identifying needs and helping the community foundations work through challenges of starting up a program. They understood environmental issues (from first hand experience), the complexities of working at the local level, and need for the local efforts in environmental issues. Community foundations found their help a necessity. “We could not have done it with out them” was a common statement from many of the participants.

- In conjunction with the hands-on technical assistance from CMF were two adjunct services; 1) annual meetings of all the participants to learn from one another and experts on the issues they were facing and strategies to address; 2) a compendium, updated periodically, of educational materials on environmental issues in the Great Lakes. While often more than could be digested, the material provided background information as needed to the participants. This was especially helpful in phase one when many of the GLCFC community foundations were at the early end of the environmental learning curve.<sup>5</sup>
- Community foundations also had opportunities to provide technical assistance. Those that recruited environmental groups to establish endowments at the community foundation were well positioned to educate these agencies on how to build endowments. Agencies that received help were excited and actively building their endowments. Those that did not offer such help saw their agencies languish. In some cases, the successful participants in goal three sponsored specific workshops for the participating agencies along with one-on-one assistance from foundation's development staff. In other cases, the recruits were invited to attend broader agency endowment services the community foundation offered to all of its agencies with endowments at the foundation.

---

<sup>5</sup>Two services offered by CMF were underutilized, thus not very effective. One was the specific technical assistance it provided on building endowments. Often it was considered insufficient or not specific enough for any one community foundation. The other was the listserv which was intended for the participants to post questions, successful strategies, etc. It was not utilized seemingly due to the participants just being too busy.

## Institutional

The lessons learned from an institutional perspective, i.e. that of the internal functions and necessary components of the participating community foundations, are ones that are important for any program to succeed. It is the responsibility of both the community foundation and the sponsors (in this case, CMF) to make such a determination.<sup>6</sup> Two key lessons are:

### 4. Ensure Stable Leadership

The individual responsible for implementing the program whether that is the executive director, a program officer, volunteer, or consultant needs not only to be fully engaged, but also present for the tenure of the effort. Participants without such stability did not fare as well or outright failed.

### 5. Identify Competing Programs

Community foundations have a lot on their plate including building their various endowments, educating their trustees and donors, and responding to new initiatives and challenge grant opportunities. These competing time- and resource-allocation challenges were faced by many of the participants especially those in Michigan. Soon after Phase two commenced, the Michigan participants (along with all other community foundations in Michigan) had the opportunity to participate in a state-wide effort to attract new donors. In order to participate, each community foundation had to meet some basic fundraising and financial management standards. To meet and to assure those standards were met was no small task for many of the rural, smaller participants. However, the payback promised to be significant, thus all were compelled to attempt to meet the standards. With staff and time limitations, this opportunity drew attention away from the GLCFC, thus limiting the ability to meet the agreed upon outcomes.

The lesson regarding allocation issues is simple. As much as reasonably possible, participants and sponsoring funders (in this case CMF) need to anticipate and assess the numerous competing programs and determine if there truly is sufficient time and staff resources to undertake and succeed at another major effort. If not, then creative ways to reschedule delivery of products/grant obligations should be attempted; the program should be outsourced if possible and with reasonable assurance of success; or, the program should not be undertaken.

---

<sup>6</sup>This responsibility falls especially on the sponsor, as it is difficult for many community foundations to say to “no” to potential funds. The sponsor needs to say “no” for them.

## Programmatic

The two overarching programmatic lessons learned are simple and universally applicable especially to new initiatives; 1) identify and exploit opportunities; and 2) collaborate. Each is discussed in the context of the phase two program-related goals.

### 6. Identify Opportunities, Momentum and Leadership — Then Use Your Credibility to Exploit

Participant success in meeting agreed upon outcomes is almost universally linked to their ability to exploit opportunities in their communities, i.e. programs that were underway or in the formative stages; or issues that already had been vetted in the community and where there was energy and a direction to pursue; and where there were experienced individuals involved in a leadership or mentor role. In other words, successful participants started where their constituents were, not where they wanted them to end-up. The credibility that the participants brought to those issues (along with the funding), helped move these issues to greater prominence in the community. Following are some examples drawn from the community foundations pursuing one or more of the five phase two goals.

#### ***Pursue Specific Environmental Initiatives and Policy Makers (Goals 1 & 4)***

In phase one, participating community foundations convened one or more community meetings to learn about the environmental issues facing their communities. They also created one or more advisory committees to further guide them in this identification as well in strategies for addressing them. These two activities helped them collectively identify current environmentally-focused initiatives underway in their communities in which they could add value or had a well defined issue with an audience, energy and some experienced partners—watershed initiatives, reuse of brownfields, and managing land use issues.

For example:

- The **Bay Area Community Foundation** (Saginaw, Michigan) identified the Saginaw Bay watershed as a critical to the health of the region. Due to the Bay being listed as an Area of Concern<sup>7</sup>, the Bay and its watershed received the attention of local, state and federal officials. With a high level of awareness of it by the public and with the nascent Partnership for Saginaw Bay Watershed as a partner, the community foundation seized the opportunity to build its environmental program on a low-risk effort that had high return for the community and itself.

The effort has been a success as the community foundation: 1) underwrote an assessment of the critical environmental problems of the watershed; 2) helped secure two additional grants to it from the Michigan Department of Environmental Quality to continue with the assessment; 3) recruited 200 individuals to help work on the assessment; and 4) through these efforts made itself very competitive for receiving a \$400,000 contribution for its environmental endowment.

- The **Marquette Community Foundation** (Marquette, Michigan) was able to build on its phase one efforts that identified and convened efforts to protect three key watersheds in the Marquette County. Due to its support and with strong leadership identified in phase one, in phase two a county-wide watershed initiative evolved from the three watershed effort; over \$300,000 in grants from the state, county and others was raised; and over twenty new volunteers were brought into the process along with every county township and the county. Critical to its success was its partnership with the local soil and water conservation district which provided the effort with in-kind staff support, and the local state university that helped in establishing water monitoring sites and collecting the monitoring data.

---

<sup>7</sup>An Area of Concern (AOC) is a term used by the International Joint Commission to identify highly polluted waters in the Great Lakes. Each of the forty-three AOCs must develop a Remedial Action Plan. These RAPs and the local committees that develop them are highly visible in many of the AOC communities.

- In phase one, the **Milwaukee Community Foundation** (Milwaukee, WI) identified redevelopment of an old industrial part of the city as its environmental priority. In addition to the internal education of its trustees, it also did outreach to the key sectors interested or already involved in the issue. Phase one concluded with the foundation awarding a \$35,000 grant to one of the lead organizations. Phase two built on this phase one efforts by helping its original grantee and its partners with more grants, totaling another \$67,000. These commitments provided the redevelopment efforts with sufficient credibility to attract over \$3 million in federal and state government funding. Their recipe for success was straightforward: identify a key problem and leadership to solve it, educate key players (internally and externally), and fund it which besides the money allows the groups to use the community foundation's credibility to leverage much larger resources.
- The eastern end of Michigan's upper peninsula is home to one of the world's rarest ecosystems, a burgeoning second home development market, and a local citizenry that loves to hunt and fish. In phase one, there were some nascent efforts between conservation groups, local businesses including the local chamber of commerce and others to protect both local jobs and businesses along with the rare ecosystem. **The Les Cheneaux Community Foundation** embraced this opportunity by both funding some of these efforts and being the fiscal agent for the Les Cheneaux Economic Forum. Using its name and matching grant opportunities, the community foundation was able to raise an additional \$205,000 for this effort.

### ***Work with Neighboring Community Foundations (Goal 3)***

A shared resource such as a river or lake, or a common threat such as unmanaged growth, offered opportunities for participants to work with a non-participating, neighboring community foundation on real issues. By bringing their GLCFC experience, credibility as a colleague and some technical and financial resources, GLCFC participants partnered successfully with their neighboring colleagues.

For example:

- The Muskegon River empties in Lake Michigan at Muskegon, Michigan. An industrial river in its final few miles, its upper reaches are much more pristine. The Community Foundation of Muskegon County’s phase one and two work focused resources on the industrial part of the river and its tributaries. It successfully marshaled government and private foundation resources to address those issues. Knowing that the entire watershed needed protection, it turned to its upstream counterpart, the **Fremont Area Foundation** (FAF). Due to its credibility and long-term collaboration with it on other projects, it convinced its Fremont neighbor to explore environmental programming on the upper reaches of the Muskegon River. The success of that project on-the-ground and internally inspired the FAF board to incorporate environmental programming into their long-term strategic plan. As FAF noted, “Without the Community Foundation of Muskegon County asking to get involved on the Muskegon River, FAF would not have embraced environmental grantmaking.”
- Toronto shares the shore of Lake Ontario with several communities on both sides of the Lake including Hamilton and Burlington on the Canadian side, and Buffalo and Rochester on the US side. The **Toronto Community Foundation** has been deeply invested in restoration of the Toronto waterfront. It recognized that the lessons it was learning from that experience and the need to expand lakeshore protection across the north shore led it to identify other Lake Ontario, Canadian community foundations with whom it could partner. After two educational meeting, the Burlington and Hamilton community foundations chose to begin setting the stage for environmental grantmaking in their communities. As in phase one, these two community foundations are convening an environmental roundtable to discuss and begin to prioritize the critical environmental issues their communities face. “The Toronto Community Foundation was very instrumental in this effort,” stated the executive director of the community foundation.

### ***Building the Environmental Endowment (Goal 5)***

This goal had the greatest number of participants, twelve. It also had the greatest number of participants (gross and as percentage) that had as of August 2000 not completed, or some cases even begun, to pursue this goal.

Successful participants had one common feature. All utilized current environmental endowments or agency endowments and successes tied to those to raise additional funds. They exploited the opportunities at hand and in the process increased collectively their endowments by over 3000 percent or \$1,765,000. While some or all of the additional funds may have been raised without GLCFC's additional \$5,000 in marketing funds, the fact that these additional fundraising dollars were in place, at a minimum, quickened the pace at which contributions were made.

Failure to raise additional funds to date appears to be for one of two reasons:

- Too many other deliverables (for the GLCFC and other efforts) which made meeting this goal difficult. For example, see the *Competing Programs* piece above regarding the participating community foundations from Michigan.
- Lack of sufficient success stories or activities on which to market an endowment. Not surprisingly, participants that yet had no substantive product to market, e.g. a success story, found it difficult to sell a concept.

## **7. Collaboration With All Sectors Crucial: Early Involvement and Participation Key**

As was true for phase one, collaboration with the private sector, government agencies and environmental groups proved again to be important. Often the opportunities in which community foundations joined and added value were ones that had or more of these sectors involved. As mentioned above, the convening function of the community foundation helped bring these groups, and their projects to the community foundation. With the direction of representative advisory committee, projects and agencies were then identified, and appropriate projects pursued. Every project single project under goals one and four followed this strategy; all had strong involvement from these other sectors.

# Conclusion

Phase two of the GLCFC reinforced lessons learned from phase one and those from other such initiatives in the U.S.—community foundations play an important role in addressing local environmental issues. By filling that role, they can: build their own and affiliated agency endowments; increase their credibility and visibility in the community; address real issues; and leverage significant outside resources into their communities.

To succeed, however, a few key issues need to be followed:

1. Give the effort ample time to work—at least three-to-five years.
2. Bring in the stakeholders and opinion leaders early through advisory committees, internal community foundation committees, and public meetings. You need their support. The only caution is that it must be the RIGHT leaders. Use common sense and your community contacts to determine who those are.
3. Identify and exploit opportunities to partner with existing efforts or on issues in which leadership is emerging. This will help ensure that the initial experience your community foundation has with an environmental issue has a greater chance of being positive and successful.
4. Request and provide ample and targeted technical assistance and training. Equally important is to use experienced providers.

Clean air and water, and plenty of open spaces are fundamental to the quality of life wanted by all of us. Community foundations, with the experiences and lessons from the GLCFC and other similar efforts, now have new tools to promote these cornerstones of their communities' future vitality.

<sup>1</sup>The Foundation Center, *Foundation Giving*, 1998 ed., New York, NY

<sup>2</sup>Rob Collier, CMF Executive Vice President, spearheaded the effort with Sheila Leahy and David Hahn-Baker providing consulting services.

<sup>3</sup>Joyce Foundation support was for policy-related efforts—Goal 4—only.

<sup>4</sup>The three phase one foundations that did not participate in phase two were not invited to submit proposals due to insufficient interest or lack of progress in phase one.

<sup>5</sup>Two services offered by CMF were underutilized, thus not very effective. One was the specific technical assistance it provided on building endowments. Often it was considered insufficient or not specific enough for any one community foundation. The other was the listserv which was intended for the participants to post questions, successful strategies, etc. It was not utilized seemingly due to the participants just being too busy.

<sup>6</sup>This responsibility falls especially on the sponsor, as it is difficult for many community foundations to say to “no” to potential funds. The sponsor needs to say “no” for them.

<sup>7</sup>An Area of Concern (AOC) is a term used by the International Joint Commission to identify highly polluted waters in the Great Lakes. Each of the forty-three AOCs must develop a Remedial Action Plan. These RAPs and the local committees that develop them are highly visible in many of the AOC communities.

GROWING COMMUNITY  
FOUNDATIONS AS  
ENVIRONMENTAL STEWARDS  
P H A S E T W O