

## EMBEDDED PHILANTHROPY PROFILE

From “Moving Forward While Staying in Place: Embedded Funders and Community Change”  
(Chapin Hall Discussion Paper, 2004)

### **JAMES FORD BELL FOUNDATION**

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#### **SUMMARY**

The James Ford Bell Foundation began its Central Neighborhood Initiative in 1998 with an initial \$1 million commitment over 3 years. The Foundation established initial credibility and momentum by helping to rehabilitate the neighborhood’s most troubled section and later widened its efforts throughout the neighborhood. It focuses on physical development, youth opportunities, and building social capital. In 2001, it renewed its commitment to Central through 2004 with a strategy of “stepping down” its grant-making in the neighborhood to about \$100,000 annually.

#### **HOW AND WHY DID THE FOUNDATION EMBED ITSELF IN THIS PARTICULAR NEIGHBORHOOD?**

In the mid-1990s, Foundation trustees decided to concentrate their health and human services program grant-making into a single “hands-on” neighborhood approach. They thought a neighborhood approach made sense given that “youth at risk organize their lives around neighborhoods” and that they wanted to move away from the common practice of providing support that was “a mile wide and an inch deep.” Over the next year and a half, the foundation conducted an extensive, in-depth investigation into possible neighborhoods for this initiative.

Bell decided on the Central neighborhood because it had both critical needs and some impressive individual and community assets, including beautiful housing stock (in various states of repair) and strong community nonprofits. It was not the most desperate of the areas they investigated but instead was a neighborhood “on the cusp.” Also, existing philanthropic and public revitalization efforts had targeted other Twin Cities neighborhoods, but no one else had focused on Central. Foundation leaders believed Central merited philanthropic attention and that it presented the Foundation with an opportunity to be a proactive leader. With the decision to focus on Central, the staff developed a plan for the initiative after a series of conversations with leaders in the community, including a day-long community planning process. The Foundation decided on a plan with a \$1 million budget over 3 years. In 2001, Bell decided to continue working in Central for another 3 years but to step down the financial commitment.

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### **WHAT BELIEFS AND THEORIES OF CHANGE INFORM THE FOUNDATION’S WORK?**

The initial goals were to improve the housing stock, improve public safety, build social capital through neighborhood meetings, support youth development, and stabilize the neighborhood’s most troubled strip—the Fifth Avenue corridor. The murders that occurred there the previous summer had helped Minneapolis become tagged as “Murder-apolis.” Progress toward these goals was expected to stem the tide of violence, revitalize the neighborhood, and improve the quality of life for residents.

### **WHAT STRATEGIES HAS THE FOUNDATION USED?**

Foundation representatives developed relationships with the four main community organizations and relied on these partners for guidance in setting priorities and implementing programs. They also established a mini-grant program aimed at eliciting and supporting individual community initiatives.

Bell started small, with a tight focus on the Fifth Avenue corridor, and planned to expand its focus from there. To revitalize the corridor, the Foundation used a “curb-to-alley” strategy, which focused on getting “problem properties” rehabilitated by offering matching grants up to \$7,500 for building repairs and involved supporting other improvements such as security lighting, streetscaping, and neighborhood cleanup efforts by volunteers. The twin priorities in this initiative were to reduce code violations to prevent evictions and abandonment, and to improve safety and security. Within 3 years, 85 percent of the buildings on the corridor had received some investment and rehabilitation. After this success, the Foundation staff broadened the geographic scope of the building rehabilitation grants to the surrounding neighborhood. They also contributed about \$600,000—above and beyond their \$1 million commitment—to lead an effort to renovate an architecturally significant neighborhood church, which allowed the church to expand its role as a community, social, and service center.

Youth development programs include efforts aimed at offering youth construction-training opportunities on Foundation-supported rehabilitation projects, and summer and afterschool recreational programs.

To build social capital, the Foundation funded projects proposed by block clubs, sponsored community-wide events, and paid for a community organizer position housed in a local nonprofit organization. In recent years, a Problem Property Resolution Committee has emerged as a key

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institution for community cooperation, bringing together various stakeholders with local government to address issues with properties before they become entrenched nuisances or are abandoned.

### **WHAT INTERNAL PRACTICES, STRUCTURES, AND POLICIES HAS THE FOUNDATION DEVELOPED TO SUPPORT THE WORK?**

The Foundation established a mini-grants program to learn about and support individual initiative of community residents. Individuals can receive up to \$400 for a project that they want to undertake on behalf of their community. Neighborhood beautification projects, a health fair, youth mentoring programs, and many others have received mini-grant support.

The Foundation has adopted some unconventional and direct roles to fill crucial gaps in the work. When political turmoil within a local group threatened the work of a key community organizer, the Foundation brought the organizer onto its payroll to ensure the continuity of this important role. When another partner organization experienced financial trouble, the Foundation stepped in with intensive consulting and support services to get the organization’s books in order.

### **WHAT CHANGES IN THE COMMUNITY DOES THE FOUNDATION POINT TO AS SIGNIFICANT?**

The neighborhood has undergone a dramatic physical transformation. Residential, institutional, and commercial properties in the neighborhood are in better repair. A historic church was rehabbed and now serves as a vital center for community activities. Streets are cleaner, brighter, and greener. The community’s social fabric has also received care. Hundreds of neighborhood youth have participated in educational, community service, recreational, vocational, and leadership opportunities. The Foundation gave financial and personal support to dozens of community projects designed and implemented by residents.

### **WHAT WERE THE BIGGEST CHALLENGES? HOW DID THE FOUNDATION CONFRONT THEM?**

**Managing neighborhood change.** The biggest challenge has been maintaining healthy partnerships with organizations and individual leaders in the community. Many of the Foundation’s initial partner organizations underwent profound changes, prompted by shifts in leadership, financial issues, and legal problems. Compounding this problem, many of the

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individuals who emerged as leaders in Central eventually moved away or cut back on their participation. The Foundation responds by trying to identify, develop, and partner with community leaders in a variety of ways. It uses the grant-making process (especially the mini-grant program) to learn about and support leaders and activists in the community and offers various capacity-building opportunities to individuals and organizations. When some of the Foundation’s major institutional partners in the community ran into problems threatening the initiative’s viability, the Foundation remained committed to the initiative’s goals and continued supporting key leaders. It did not take these setbacks as cues to shut down the project.

**Scale and indigenous initiative.** Through careful attention to appropriate scale, the Foundation nurtured initiatives and leadership from within the community. The Foundation tries to balance two dangers. If it gives too little support, local initiatives may stagnate or starve; too much support can create dependency instead of capacity by prompting unsustainable growth. When a foundation dangles a large pot of money in front of a community, many people are tempted to drop what they have been doing and grab the money, which can undermine and distort local initiative. The J. F. Bell Foundation tries to identify positive efforts already occurring in the community and to amplify them at a sustainable scale.

**Competing budget priorities.** The Central Initiative has been one important priority among many within the Foundation’s philanthropic portfolio. The Foundation also had major commitments to local cultural institutions. When a declining stock market created pressure on the grants budgets, the Foundation could not maintain its stepped-up levels of giving in Central and elsewhere.

### INTERVIEWEES

**Ford Bell**, Trustee, James Ford Bell Foundation

**Elena Garder**, community organizer and administrator of J. F. Bell small grants program

**Connie Hilliard**, Senior Program Officer, James Ford Bell Foundation

**Dianne Niemann**, Executive Director, James Ford Bell Foundation