

SpotLight #3: William Penn Foundation – Regional Foundation’s Program Structure Evolves to Support Smart Growth

Abstract: The William Penn Foundation’s program structure has been evolving over several years to better support a smart growth agenda. A strategic planning process in 2000 culminated this evolution with the inclusion of an explicit smart growth and livable communities priority in the foundation’s grantmaking guidelines. The new program structure was designed, in part, to facilitate a more coordinated, cross-discipline approach to the Foundation’s grantmaking under the Environment and Communities program’s smart growth framework. While it is too early to derive lessons about the new approach, it is not too early to conclude that the William Penn Foundation has taken important steps toward institutionalizing the funding of efforts to improve the region’s competitive advantage as a place to live and do business.

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The William Penn Foundation is located in Philadelphia, Pennsylvania. It is an independent, family foundation that concentrates its work in the greater Philadelphia region. Created in 1945, the foundation today has assets of approximately \$1 billion and an annual grantmaking budget of \$60 million. With a mission to improve the quality of life in the Philadelphia region through efforts that strengthen children’s futures, foster rich cultural expression, and deepen connections to nature and community, the foundation makes grants in the categories of Arts and Culture; Children, Youth, and Families; and Environment and Communities. The foundation’s program structure has been evolving over several years to better support a smart growth agenda in a regional context. A strategic planning process in 2000 culminated this evolution with the inclusion of an explicit smart growth and livable communities priority in the foundation’s grantmaking guidelines.

Explicit Smart Growth Priority. Before 1998, the foundation worked toward the goals of preserving the natural environment and revitalizing communities under two separate grantmaking programs. In that year, the linkages between these goals were acknowledged with the creation of a single Natural and Physical Environment program area. The process of acknowledging the interconnectedness of these areas was continued in the 2000 strategic planning process, in which a comprehensive perspective was pushed even further. One outcome of this process, the results of which were released in April 2001, was the adoption of three priorities under an Environment and Communities program area. These priorities are: 1) Protect and restore watersheds and related ecosystems; 2) Stabilize and revitalize communities around existing infrastructure; and 3) Promote smart growth and livable communities within the region.

The foundation was making grants in the smart growth area before these structural changes. An example is a three year, \$3.8 million grant made in 1999 to the

Pennsylvania Economy League to provide critical information, perspective, and support to the business, civic, and government leadership of the region's communities in their efforts to make Pennsylvania a better place to live, work, and do business. The new program structure was designed, in part, to facilitate a more coordinated, cross-discipline approach to the Foundation's grantmaking under the Environment and Communities program's smart growth framework. Environment and Communities Program Director Geraldine Wang says membership in the Funders' Network for Smart Growth and Livable Communities was invaluable in this process. The program area's stated priority incorporates the language used by the Network to describe this issue arena. The strategic planning process itself drew from the Network's series of "Translation Papers," which highlighted important research in the field and the linkages between growth patterns and a variety of issue areas that the foundation supported. The papers and other Network resources, according to Wang, supplemented and leveraged the work of the program's staff.

Place-Based Funder. The William Penn Foundation is a regional funder, making a comprehensive approach even more important. When the program structure of a place-based organization is compartmentalized by issue area, linkages between projects are limited. But when the grantmaking infrastructure is organized in such a way that the same program staff work simultaneously on natural environment, built environment, and community revitalization projects, that staff is better able to promote collaboration among grantees and leveraging of grantmaking dollars.

Not only can this cross-pollination occur across issue areas – for example, linking projects to protect rural green space, to improve urban environmental quality, and to improve and better utilize existing infrastructure within the region – it can also occur over grantmaking strategies. Through the process of integrating the program structure around smart growth concepts, for example, it became easier for foundation staff and Board to see the need for grants that support advocacy and policy change, as a complement to the more traditional project grants. Regional community organizing around these issues, for example, is now a new area that is being explored by the Foundation.

Strengthening Area Community Foundations. Foundation staff is also becoming increasingly aware that the William Penn Foundation is often the sole or primary funder of the projects and efforts it supports. This raises concern about the long-term sustainability of these projects and grantee organizations. The foundation is examining ways to strengthen the region's community foundations as a way of addressing this issue. In order to enhance the role of community foundations as regional partners, the William Penn Foundation is considering ways to both enhance the capacity of community foundations and to bring more community foundations into the smart growth field. This objective mirrors the Funders' Network's own Community Foundations Leadership Project, which will complement the foundation's efforts to advance this strategic priority.

Grants Under New Structure Illustrate Next Steps. Two new grants made since the restructuring seek to connect the urban core with broader regional competitiveness issues through community organizing. Two Philadelphia faith-based organizations will receive funding to expand their membership and agendas into suburban areas and regional issues. Philadelphia Interfaith Action and Temple University, in partnership with the Eastern Pennsylvania Organizing Project, will be funded over two years in an effort to connect regional research and policy findings to local communities, especially as these relate to the relationship between smart growth and social equity.

Grants like these could have been made under the foundation's previous programmatic structure, but the adoption of an explicit smart growth grantmaking priority makes it easier to address such complex issue clusters under an institutionalized program area. While it is too early to derive lessons about the new approach, it is not too early to conclude that the William Penn Foundation has taken important steps toward institutionalizing the funding of efforts to improve the region's competitive advantage as a place to live and do business.

Resources. Additional information is available on the William Penn Foundation's website at www.wpennfdn.org or by contacting Geraldine Wang, Program Director, Environment and Communities Program, William Penn Foundation, Two Logan Square, 11th Floor, 100 North Eighteenth Street, Philadelphia PA 19103, Tel: (215) 988-1830, Fax: (215) 988-1823, Gwang@wpennfdn.org.