



## THE KRESGE FOUNDATION

# Foundation

### OVERVIEW

**“Creating opportunity for low-income people is a hallmark of our work at The Kresge Foundation. Our programs reflect the inflection points where we think we can actually make a difference in the life trajectories of people who are poor, disadvantaged or underserved in fundamental ways.”**

**RIP RAPSON,**  
PRESIDENT AND CEO

### ABOUT THE KRESGE FOUNDATION

The Kresge Foundation was founded in 1924 to promote human progress. Today, Kresge fulfills that mission by building and strengthening pathways to opportunity for low-income people in America’s cities, seeking to dismantle structural and systemic barriers to equality and justice. Using a full array of grant, loan, and other investment tools, Kresge invests more than \$160 million annually to foster economic and social change.

### HISTORY

In 1924, with an initial gift of \$1.6 million, Sebastian Spering Kresge established The Kresge Foundation in Detroit. He did this to commemorate the 25th anniversary of the S.S. Kresge Company, which began as a single five-and-10-cent store and grew into a nationwide chain. Many years later, the enterprise became known as Kmart Corp. Mr. Kresge served on the foundation board until his death at age 99. By then, he had contributed \$60.5 million to the foundation. All along, he maintained a steadfast commitment to charitable giving.

### THE FOUNDATION TODAY

In 2006, we embarked on a multi-year transition to redefine ourselves for the needs of the 21<sup>st</sup> century. What resulted is a strategic philanthropy. We view issues in their entirety, take measured risks, and employ an array of grantmaking and social investing tools to help expand opportunities for low-income people living in cities.

Since our founding, improving the life circumstances for underserved adults and children has been our constant philanthropic focus. In 2012, we narrowed our geographic focus to the nation’s cities. More than 80 percent of the U.S. population lives in and around urban centers. Working in them offers us the greatest potential to assist the largest groups of people experiencing hardship and poverty.

### OUR WORKSPACES

The foundation is based in metropolitan Detroit. Our headquarters consist of an original 1852 farmhouse and barn juxtaposed with a modern aluminum and glass office building and convening center. Our campus reflects our dedication to reducing the environmental impact of our own operations. We also operate a Detroit office in the city’s midtown neighborhood.

## HOW WE OPERATE

Six values guide everything we do as a foundation. They are: Creativity, Equity, Opportunity, Partnership, Respect and Stewardship. Embedded within these values is a deep and abiding commitment to transparency and accountability. Both are fundamental to our operations, day-to-day and over the long term.

## OUR PROGRAMS

### American Cities

We seek to expand opportunity by promoting effective and inclusive community development practice in American cities.

### Arts & Culture

We position culture and creativity as drivers of more just communities.

### Detroit

We collaborate with civic, nonprofit and business partners to promote and expand long-term, equitable opportunity in Kresge's hometown for its current and future residents.

### Education

We focus on increasing postsecondary attainment while eliminating gaps for low-income students and students of color in the United States and South Africa.

### Environment

We help cities implement comprehensive climate-resilience approaches grounded in equity.

### Health

We help build equity-focused systems of health that create opportunities for all people to achieve well-being.

### Human Services

We support the advancement of human services to accelerate social and economic mobility for people with low income in America's cities.

## FUNDING METHODS

Central to our work is the ability to draw on an array of versatile, flexible grantmaking and social investing tools.

### Grantmaking

Kresge awards operating support, project and planning grants to advance the strategic objectives of its seven programs.

### Social Investment Practice

Our Social Investment Practice works across Kresge's seven programs to complement grantmaking with loans, deposits, equity investments and guarantees. These funds often address funding barriers, draw other investors to the project and make capital available in otherwise disinvested communities. Typical projects include investments in health care clinics, affordable housing, social service providers and real estate to advance economic development.

*The Council for Native Hawaiian Advancement works to enhance housing opportunities for Native Hawaiians by drawing on resources from The Kresge Foundation to provide loans to individuals and native-serving organizations, and to also seek other philanthropic support.*

*Photo credit: Marco Garcia*



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## The Kresge Foundation

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