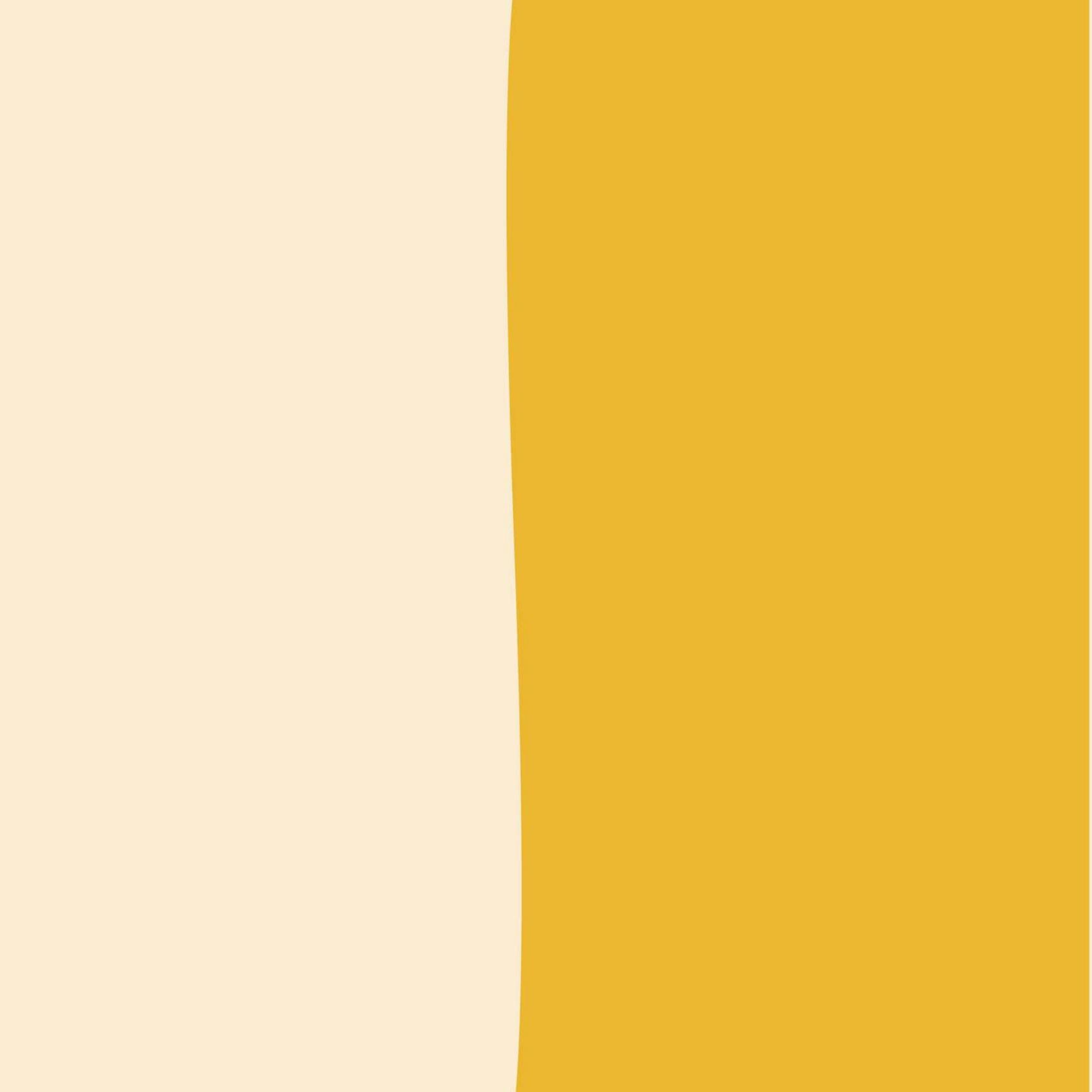


Momentum

**Expanding Leadership.
Strengthening Organizations.
Advancing Equity.**

**THE KRESGE FOUNDATION
2018 Annual Report**



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Momentum



Kresge grantees and partners are leading the way in improving the lives of people living in America's cities. This annual report focuses on a next generation of diverse leaders in grantee organizations, who are advancing new organizational models and are problem-solvers in their communities. Shown here, clockwise from top left, Rebecca Cordes Chan of Local Initiatives Support Corp., Sarida Scott of Community Development Advocates of Detroit, Margaret Reid and Monica Valdes Lupi of Boston Public Health Commission, Joe Kūhiō Lewis of the Council for Native Hawaiian Advancement and Lara Hansen of EcoAdapt.



What Makes a Good Leader?

A host of positive traits grounded in character and integrity

By **Elaine D. Rosen**

Chair
Board of Trustees

The Kresge Foundation 2018 Annual Report is about leadership — the subject I most love to witness, study, reflect upon and share.

In my view, **leadership is everything.**

As I contemplated the seeming audacity of extolling on a subject that has been covered by many held in high esteem, I uncovered that, at this stage of my life, I have an airtight case for offering sage advice. So allow me to share my thoughts for leaders of all kinds:

Good leaders care about people. They respect them, they invest in them, they rely on them. Communicating clearly, promptly and responsibly is another distinction. And good leaders attract and select great people. I once received memorable advice about selecting those great people: Before you bring someone into your precious organization, be certain you can spend a whole day together; because, hopefully, you will be together for years. Works every time.

Good leaders have a way of overcoming obstacles. They set a goal and create a plan to achieve it. They are realists and they are dreamers in just the right doses for the moment at hand.

Good leaders have the rare ability to grasp the big picture while focusing with great intensity on details. And they seem able to move effortlessly between the two. This latter trait can be summed up in one word — execution. Flawless execution is the rarefied air that leaders breathe.

Leadership is not an exclusive domain: **Anyone can be a leader.** Strong leadership traits find their way into every role. From how one treats others to

how they go about their work and exercise thought leadership — these are traits that stand out for every one of us up and down the line.

But, there is one ultimate measure. Good leaders know that all of the progress made in this life will be determined by — and ultimately measured against — standards of character and integrity. This is another way of saying **trust**. Character and integrity are inherently nonscientific, nonquantifiable and subject entirely to society's judgment. I know not one good leader who can't be trusted.

I heard a powerful statement recently: *The pace of change will never be this slow again.* In my view, effective leadership is the only approach to possibly keep up with that acceleration.

My term as board chair will conclude in a few short years. While I have welcomed the opportunity to contribute to the foundation's annual report over the past 13 years, the subject of leadership is an all-time favorite of mine. And I am compelled to say that there has never been a more important time to elevate it.



Elaine D. Rosen
Chair, Board of Trustees

CHAIR'S LETTER

I know few people these days who aren't worried about the state of things. Our country is more divided and angry than it has been in decades, preventing action on issues of consequence — immigration, education, climate change, health disparity, poverty, inequitable growth. But this did not happen overnight; nor did it happen since the 2016 election.

Plenty of finger-pointing and arguments abound, but we must focus our energies on solutions that combine addressing long-term root causes with immediate relief on the ground and in the field. I have confidence in our collective ability to do that, especially with Kresge and its philanthropic peers as catalysts, partners, initiators — in other words, **leaders** — involved in the work. This responsibility undeniably stems from the wealth that we steward, from our privilege to take the long view, and from the assemblage of very smart and compassionate people leading our country's philanthropies (from my view, Kresge President and CEO Rip Rapson is one of them).

Good leadership encourages people to stretch their capacity — to make room for new ideas while staying true to their values, and to never stop trying. No ifs, ands or buts.

A Welcome Addition

Let me take this opportunity to welcome Drexel University President John Fry, who joined our Board of Trustees in 2018. John is a well-known and highly regarded educator and leader who has demonstrated in Drexel's hometown of Philadelphia much of what Kresge stands for and aspires to do in America's cities. We are proud and lucky to welcome him as a trustee.



From top, Ashleigh Gardere at New Orleans Business Alliance, Joseph T. Jones Jr., founder of the Center for Urban Families, and Karen Stout of Achieving the Dream.



Philanthropic Leadership of an Equitable Kind

Reinforcing values that must become the norm — today, tomorrow and beyond

By **Rip Rapson**

President and CEO

The attributes of leadership have been described, analyzed, dissected and reconstructed for centuries in millions of academic treatises, historical profiles, motivational tomes and artistic media of all kinds.

And for good reason: Every act of leadership seeks to apply a unique combination of attitudes, skills and behaviors toward change. And because change churns constantly through every dimension of our lives, the possibility — indeed, the imperative — of leadership is constant and unrelenting. That is absurdly general and reductionist. But leadership can't be put in a box.

The intention of *Momentum*, our 2018 annual report, is not to add another leadership manual to the pile. It is instead to explore how one philanthropy has sought to use its institutional resources to promote a particular kind of change — expanding opportunities in America's cities — with a particular set of values, a particular collection of tools and a particular methodology. At a time when the origins of philanthropic privilege are being called into question ... when philanthropy is increasingly wading into the defining issues of our time ... when the roles and responsibilities of all sectors are increasingly being blurred, it seems important to define just how we view leadership and why that might be important for the partners with whom we work and the people we seek to serve.

Rethinking Leadership From the Ground Up

In the following pages, you'll see very personal reflections on those questions from our partners on the ground. The through lines are fixed in the values that animate our institution — respecting our partners' wisdom, voice and agency ... collaborating creatively with the full spectrum of community actors who seek the same change we do ... attacking the underlying drivers of inequality and injustice in all their forms.

Each of the reflections makes clear that a distributive model of urban leadership has become a valued and effective way of working in America's cities, as opposed to the concentrated, top-down, command-and-control structures of the past. Multiple players are now working collaboratively to construct a machinery of problem-solving, not simply getting out of the way as a single actor responds to a transactional



Rip Rapson
President and CEO



A cradle-to-career educational hub is being developed on the Marygrove campus in Northwest Detroit.



Kresge CEO Rip Rapson announces the foundation's 2018 pledge of \$50 million to support a cradle-to-career educational hub on the campus of Marygrove College in Detroit.

opportunity. Let me highlight two examples of Kresge's own leadership along these lines, and the partners who made it possible.

Community Development Centered on Education

During the past year, Kresge began to assemble a partnership designed to bring to life an integrated, high-quality cradle-to-career educational hub on the Marygrove College campus in Northwest Detroit. The vision: provide an educational, economic and civic anchor for children of all ages and their families living in the surrounding area. The University of Michigan School of Education and the Detroit Public Schools Community District jumped on board and are developing a new K-12 school. Kresge will underwrite the construction of a new early childhood education center, drawing on the design expertise of IFF, operated by Starfish Family Services, and incorporating community-driven wraparound services. A conservancy has been established to steward all partner activities and ensure they align with the 90-plus year educational legacy of the campus.

To get to this point, Kresge exercised leadership to be sure. Providing stabilization funds when Marygrove College was at risk of being consumed by creditors. Articulating a vision for comprehensive educational programming. Ensuring that community engagement shaped the evolution of planning for the campus. Securing the right mix of partners.

But the leadership required for such a complex undertaking was immediately assumed by individuals and institutions who stepped up with courage, creativity and political skill. It has been a great feat in atomistic leadership gelling into something far more powerful than its parts.

A National Platform for Inclusive Economic Growth

A second example is the Shared Prosperity Partnership — a collaboration among five national policy, research and urban practice organizations to explore the possibilities of inclusive, equitable economic growth in a dozen cities. Kresge, the Brookings Institution, Living Cities, the Aspen Institute and the Urban Institute began with the ambition of



bringing our toolbox to the aid of cities struggling to crack the code of one or two particularly difficult aspects of inclusive growth. We interviewed local stakeholders, identified the focal point the community wanted help with, provided data and policy analysis and held expansive community meetings.

In Fresno, we examined what capacities the community foundation could develop that would help them bridge deep divides across race and class. In Minneapolis-St. Paul, we explored how we might assist in bolstering a newly created regional center for economic inclusion. In Cleveland, we excavated possibilities for ensuring the city could adopt leading-edge practices for Opportunity Zone investments. In Memphis, we delved into ways of fortifying community lending systems. In Arlington, we elevated the possibility of having the community foundation play a significant role in anticipating the affordable housing challenges that will come in the wake of Amazon's second headquarters landing in that community. In Milwaukee, we unpacked the challenges of spreading economic opportunity from the city's downtown to its neighborhoods. We look forward to engagements with more cities in the coming year.

Again, Kresge provided leadership in the form of imagining the partnership, funding it and managing its evolution. And again, the leadership responsibilities distributed quickly. To the national partners, who had to recalibrate how they took their nationally oriented resources and methods to ground. To local residents and organizations, who used the roundtable convenings to clarify how they wanted to move forward as a community. To the local lead partners, who had to weave together their knowledge of a city's history, context, politics and resources with the

“At a time when the origins of philanthropic privilege are being called into question ... when philanthropy is increasingly wading into the defining issues of our time ... when the roles and responsibilities of all sectors are being blurred, it seems important to define just how we view leadership.”

external support being offered by the Partnership members. We are still in the early stages of fashioning a new machinery of change in each place, but each will involve layered, interconnected priorities, engagement strategies and investments across sectors and disciplines.

Distributive, Participatory Leadership is Diverse Leadership

These outward-facing examples of Kresge's bias toward distributive leadership casts in bright relief the imperative of locating racial and ethnic diversity at the heart of the matter. It simply isn't possible to pursue distributive leadership without the perspectives, skills and ownership of community residents, community-based organizations and community-based decision-making structures being formative and primary.

Kresge's approach to deconstructing the barriers to opportunity in American cities and substituting for them structures based in equity and justice has been driven by these considerations. You will see that evidenced in the examples that follow in this report.

But we also recognize that they have to shape and propel our organizational culture as well. By dedicating meaningful time and intense effort during the past year to leverage the life experiences and expertise



Top, Kresge Vice President and Chief Investment Officer Rob Manilla co-hosted a press conference with ABFE President Susan Taylor Batten (center) to announce Kresge's 25% by '25 commitment to invest 25% of the foundation's domestic investment funds with diverse investment managers by 2025. They are pictured with Marcus McGrew (right), Kresge's director of Program Operations and Information Management, who also served as an ABFE board member for six years.



of our staff to define our commitment to equity and explore how we will operationalize it. By developing guidelines to prioritize purchasing goods and services from companies owned and led by women and people of color. By ensuring that every new hire is selected from a pool of candidates that is diverse in all ways. By conducting frequent learning sessions with people whose stories and work underscore the enduring insidiousness of structural racism and shine a light on better paths. By committing that 25 percent of our domestic investment funds are managed by women or people of color by 2025.

This is philanthropic leadership of a different kind. Making sure that we are reinforcing values of leadership that are based in equity. It is a form of leadership that must become normative — today, tomorrow and beyond — for us at Kresge, but more importantly, for all of those who care about social change. That is true distributive leadership.



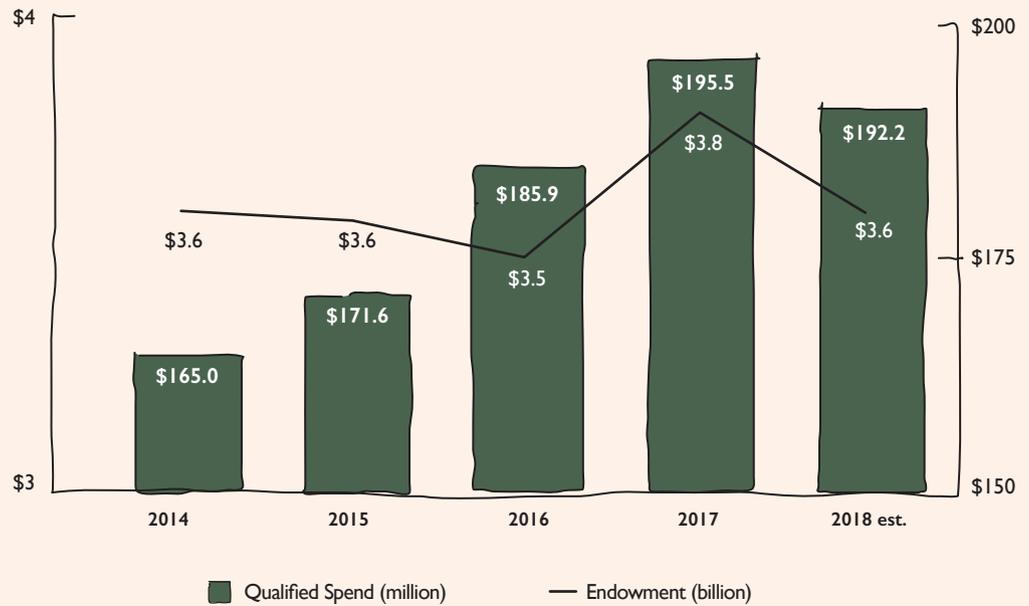
Center, besides championing leadership through an equity lens for grantees, Kresge has undertaken initiatives like this staff retreat to examine its own processes including hiring and investments. Bottom, scholars and advocates discuss the fight against poverty in segregated cities during a special gathering in Memphis hosted by *The Atlantic* and the Shared Prosperity Partnership.

A handwritten signature in black ink, reading "Rip Rapson".

2018 Financial Report

Our primary investment objective is to preserve and grow our endowment by generating returns greater than our spending on grants, social investments, administrative costs and inflation. We believe measuring our performance over market cycles of at least five years is appropriate. For the five years ending Dec. 31, 2018, the endowment returned 6.7 percent annually, slightly below our spending plus inflation target of 6.8 percent annually.

In 2018, the Board of Trustees approved 426 grants totaling \$105.6 million. In addition, we made seven social investment commitments totaling \$27.9 million to organizations whose efforts support our goals through program-related investments.



Robert Manilla
Vice President and
Chief Investment Officer



Amy Robinson
Vice President, CFO and
Chief Administrative Officer



BUILDING MOMENTUM



Convenings give leaders from Kresge grantee organizations around the U.S. an opportunity to participate in shared learning and problem solving.



People in Motion

Advancing the next generation of leaders to effect change in America's cities

The Kresge Foundation is committed to diversifying and broadening opportunity in America's cities and recognizes that its grantees and partners are the true arms and legs of this work. Strengthening grantees' organizational capacity, investing in their individual leaders to enhance problem-solving skills and uniting with them to transform fields with new organizational leadership models is therefore essential to advancing Kresge's mission.

Kresge has long supported multifaceted components of leadership development. Now it is giving special attention to how it contributes to building the next generation of diverse leaders, organizations and fields.



LIFTing Up Leaders

One way the foundation is taking a bold step to put leadership development, in all its various forms, at the core of its work is through its internal Leadership and Infrastructure Funding Team, also called LIFT. This 13-member grantmaking committee includes representatives from every program and practice area within the foundation. Equipped with an annual budget of \$2 million, it is identifying and testing high-quality, equity-focused opportunities to build and enhance the talent of nonprofit leaders across the country.

Simultaneously, LIFT is accelerating strategies for capacity-building within organizations and strengthening relationships between and among membership associations, philanthropic affinity groups and nonprofit



ProInspire Leadership Institute delivers Kresge-sponsored leadership development programs for grantees around the United States.

infrastructure organizations. LIFT represents Kresge's commitment to develop leadership at the individual, organizational and systemic levels to bring lasting change to the nonprofit sector.

"All of this work is critical for enhancing the effectiveness of individual leaders and grantee organizations — so they can better solve local problems and challenges in the cities where they work," says LIFT's founder and leader, Caroline Altman Smith, who also serves as deputy director of Kresge's Education Program.



FUELing Racial Equity

Instead of prescribing leadership development for partners, Kresge's LIFT team opted to survey grantees

and asked: What do you need to cultivate effective leaders and durable outcomes in your organization?

Grantees indicated that they needed help developing stronger senior teams, more robust mid-level talent and more racially and ethnically diverse staff.

“We don’t define for grantees what they need,” says Neesha Modi, a senior program officer with the Detroit Program and a member of the LIFT committee that spearheaded the FUEL program. “It is a part of Kresge’s DNA to respond to what our grantees tell us.”

That feedback helped Kresge craft its groundbreaking Fostering Urban Equitable Leadership (FUEL) program, designed to examine and grow social sector leadership and organizations through a lens of racial equity. It is delivering transformational change for grantees while offering a fresh approach that could serve as a model for other funders.

“Kresge’s grantees are all working to dismantle inequities in America’s cities in some fashion, yet many of them lack sufficient resources to invest in their own leaders and racial equity work,” Smith says. “It has been very gratifying to hear how FUEL has enlivened their work and about how they put new racial equity practices into action immediately.”



“All of this work is critical for enhancing the effectiveness of individual leaders and grantee organizations – so they can better solve local problems and challenges in the cities where they work.”

—Caroline Altman Smith, The Kresge Foundation

Kresge unveiled FUEL in 2016 in collaboration with Community Wealth Partners, a Washington, D.C.-based consulting firm that crafts results-driven strategies for nonprofits. Committing \$1.3 million to this important work, FUEL set out to build the effectiveness of senior and mid-level nonprofit leaders at Kresge-funded organizations to strengthen their operations and bolster the resilience of the broader social sector.

The interest in FUEL’s programming was impressive,



with nearly 300 people from 120 organizations participating over the course of two years.

“About 85 percent of the grantees that the program teams nominated took advantage of the opportunity, even though they had to fit the commitment into their already demanding workloads,” Altman Smith says.

FUEL’s success hinged on offering a curated menu of services that grantees could tap as needed. These included individual leadership support, board capacity building, broad-based networking and leadership succession planning. That required Kresge to identify and partner with a cadre of specialized organizations to offer talent- and organization-building services to FUEL participants.

FUEL has also helped to deepen racial equity goals and understanding within the foundation itself. Kresge staff are embedding FUEL components into other grantmaking. For instance, the foundation’s Environment Program has unveiled a \$625,000 initiative that provides equity-based leadership development to environmental nonprofits.



Building Momentum

LIFT and its FUEL program underscore Kresge’s role in pioneering philanthropic practice, particularly with leadership development programs that serve organizations working in cities.

“We need to support the people who are at the front of this work, who have on-the-ground knowledge,” says Modi. “They have strong problem-solving skills, they have the ability to bring strong connectivity, they are the stewards of this work.”

This support comes at a pivotal moment. The nonprofit sector is bracing for a wave of talent turnover, fueled to a large degree by shifting demographics as Baby Boomers in leadership roles retire. Some of that change is also sparked by burnout and other inherent challenges that come from working on the front lines of human need, where missions are urgent and intense, and the challenges can be overwhelming and complicated.

By building the strength, resiliency and diversity of grantees so they are equipped to achieve their goals as well as equitable outcomes in their communities, The Kresge Foundation expects to magnify the impact of its investment while supporting grantees on multiple levels — helping them be even better equipped to bring remarkable and resilient change to America’s cities.

This is the momentum Kresge is championing.

Strengthening grantees’ organizational capacity, investing in their individual leaders and uniting with them to create transformation are integral parts of Kresge’s mission.





Ashleigh Gardere – New Orleans Business Alliance

Working Toward a Prosperous New Orleans

Economic equity is the mission in the Crescent City

Tackling deep-seated economic inequity in New Orleans requires a thorough understanding of local business dynamics.

It also demands strong leadership that can unite nonprofits, workforce developers and the public sector behind a common economic development strategy.

“Our goal is to take the best of who New Orleans is and really use that as an ingredient to get to a thriving economy,” says Ashleigh Gardere, executive vice president and chief operating officer of the New Orleans Business Alliance. “We believe the very things that make New Orleans so special provide the solutions for getting to a thriving economy.”

Gardere’s fresh perspective has been instrumental in shaping local efforts to reverse the tide of income inequity. She’s channeling her strengths to better connect workforce training programs, underemployed workers and the businesses that can hire them. Recent increases in the hiring of such workers show that the strategy is beginning to work.

The tragedies that grew from Hurricane Katrina also sparked new ways of thinking about how to create opportunities for residents.

“It helped us understand that while we were rebuilding every system, we could reimagine what New Orleans could be for everybody,” Gardere says, “not just the lucky ones.”

Shifting Culture, Changing Behaviors

Gardere’s experience includes spearheading revitalization efforts in New Orleans neighborhoods, first as an executive with Chase Bank Louisiana and later as a member of the city administration under then-Mayor Mitch Landrieu. In those endeavors, Gardere developed her understanding of what many workers, particularly individuals of color, are up against as they seek to share in local economic growth. While local two- and four-year



Supporting Innovation in the Crescent City

While The Kresge Foundation maintains a deep commitment to New Orleans, it began investing more intensively after Hurricane Katrina. Chantel Rush, senior program officer with Kresge's American Cities Program, notes that the foundation put some \$28 million into recovery efforts and non-Katrina-related initiatives, the goal being to improve economic mobility for New Orleans residents.



Kresge is more active in New Orleans since Hurricane Katrina.

Today, the foundation partners with leaders committed to expanding opportunity for local residents. For example, Kresge has contributed \$1 million to the BuildNOLA Mobilization fund that provides access to capital for city-based, minority-owned and minimally capitalized businesses. The fund helps companies staff up and equip themselves to take on city and private-sector projects. The New Orleans Business Alliance approach aligns closely with Kresge's commitment to expanding economic opportunity for people and in areas that

Top and center, Ashleigh Gardere participates in activities launching the BuildNOLA Mobilization Fund, which provides access to financing for businesses that don't have access to mainstream lending sources. Bottom, Nathanael Scales was one of the first local business owners to tap the fund.

colleges and accelerated workforce training programs could help individuals acquire technical skills, the training didn't offer insights into succeeding in team-based work environments. These discoveries sparked creative thinking about how to give workers and small businesses a leg up.

While employed with the city, Gardere helped shape the Network for Economic Opportunity, which marshaled the strengths of local organizations behind the revitalization of impoverished neighborhoods. She also urged adoption of a policy that mandates higher participation by local workers in city contracts. Three years in, local worker representation in city projects rose from 15 percent to 40 percent, with a goal of 50 percent by 2020.

"My experience with the city taught me that government alone cannot deliver a strong economy," Gardere says. That realization led her to join the New Orleans Business Alliance, the Crescent City's lead economic development agency.

"After having maximized what policy reform could deliver, we realized the next big move had to be to shift culture and behaviors within the private sector," she says.

A Fresh Model for Economic Development

Gardere enlisted the support of other nonprofits, including the Greater New Orleans Foundation, one of the city's largest philanthropic institutions. Foundation Vice President for Programs Carmen James Randolph says she and Gardere "are of a similar mind" about how to increase minority participation in the economy.

A key resource was the BuildNOLA Mobilization Fund, which provides financing to businesses that typically have difficulty accessing mainstream lending sources. Loans from the fund help small companies



“It’s very exciting that the Business Alliance is focused on talent development and workforce as critical components of economic development.”

—Amy Liu, Brookings Institution

staff up and equip themselves to work on large private and municipal contracts. A \$1 million contribution from The Kresge Foundation helped grow this pool to \$5 million during the past year.

Nathanael Scales, president and CEO of the Garden Doctors landscaping firm, was among the first local business owners to tap the mobilization fund. It helped him hire 16 more workers and qualify to win a contract not available to him previously.

Gardere and the Business Alliance also focused on lifting local workers by urging key agencies that provide workforce services to adopt a training curriculum called STRIVE, which prepares workers for the job-

seeking process and helps ensure success. It could prove to be a game-changer.

“Ashleigh was able to see all these organizations as a whole economic piece,” says Thelma French, president and CEO of Total Community Action, which provides workforce services in New Orleans.

Gardere and the Business Alliance also have garnered national attention. Amy Liu, vice president and director of the Metropolitan Policy Program at the Washington, D.C.-based Brookings Institution, says the Business Alliance is giving traditional economic development work a much-needed update.

“Rather than just give away tax incentives to attract companies to a city, the future model for economic development focuses on how to grow local talent in support of business needs,” Liu says.

And helping to ensure the availability of a ready workforce to support growing businesses is vital to erasing economic disparities among neighborhoods.

“This new economic development model is about us delivering for all the people who live in the city,” Gardere says. “I love New Orleans. That’s why I do what I do.”

often do not share equally in economic growth.

Rush says Ashleigh Gardere’s approach is visionary. The Alliance emphasizes enticing those that will employ New Orleanians, supporting local companies and better preparing workers for employment.



Making economic development local in New Orleans.

“Aligning the workforce development systems with traditional business attraction and retention efforts and doing so with a focus on equity in local neighborhoods is a cutting-edge model for enhancing economic development,” she says.

With its many nonprofits, strong local foundations and rich cultural history, New Orleans is primed for partnership with Kresge.

“We wanted to support efforts that are laser-focused on dramatically improving quality of life for New Orleanians with low incomes,” Rush says. “Ashleigh and the Business Alliance are showing how high-level economic development activities can improve lives in the neighborhoods.”



At the conclusion of each STRIVE program, participants are honored during a graduation ceremony. STRIVE is designed to help prepare workers for the job-seeking process and help them be successful in the long term.





Rebecca Cordes Chan – Local Initiatives Support Corporation

Narrowing the Equity Gap Through Creative Placemaking

Connecting culture, people and place

Early on, Rebecca Cordes Chan recognized the power of the arts to bring people together.

Chan grew up in Skokie, one of the most ethnically diverse cities in Illinois. It was there that she saw how participating in the arts helped make the community more cohesive.

“It was usually the arts that brought people together,” she says. “It transcends languages and culture and other kinds of social boundaries. I always thought about (it), but it’s really kind of manifesting in what I’m doing now.”

It was a formative insight — as was hearing about family members who had been denied opportunities because of the color of their skin. As a person of mixed race, she also sometimes encountered bias.

“As a kid, that really stung,” Chan says.

Chan grew determined to confront those injustices. Today, she is an emerging leader in the field of Creative Placemaking, combining her appreciation for the arts with her passion for social justice.

Creative Placemaking fuses arts and culture with community development, bringing fresh perspectives and creative approaches to the challenges facing American cities. With Kresge-supported leadership opportunities, Chan is helping make the field more equitable and impactful.

“The different positions I’ve held have always been about shedding a light on injustices — and now, correcting them,” she says.

Expanding Scope

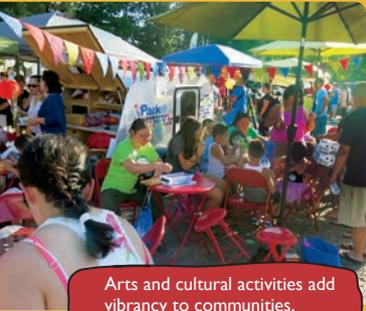
Like Creative Placemaking itself, Chan started out at the neighborhood level, engaging residents in projects ranging from murals to miniparks at Baltimore’s Station North Arts and Entertainment District and the Robert W. Deutsch Foundation.



Improving Lives in Marginalized Communities

“Creative Placemaking” — as a term and field of practice — is less than a decade old.

This notion of public, private, nonprofit and community partners working together to animate the unique attributes of a neighborhood with arts and cultural activities dates to the 2010 launch of ArtPlace America. Its mission is to position arts and culture as a core sector of community planning and development nationwide. Creative Placemaking is also central to Kresge’s mission.



Arts and cultural activities add vibrancy to communities.

“For historically marginalized people in disinvested communities, arts and cultural activities offer pathways to creative solutions that can lead to a sense of agency and rebuild social cohesion,” says Regina Smith, managing director of Kresge’s Arts & Culture Program.

The work of Creative Placemaking is unfolding in thousands of neighborhoods across the country. To support that hyperlocal

Her next position afforded a broader view of the city and its challenges. In 2015, Chan accepted a fellowship — sponsored by Kresge and the Surdna Foundation — at The Reinvestment Fund, a Baltimore-based community development financial institution (CDFI). As a mission-driven lender, the fund provides capital for nonprofits and small businesses.

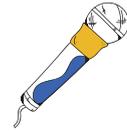
The city saw a difficult time when protests ensued after Freddie Gray died in 2015 from injuries suffered while in Baltimore police custody. Memories of chaotic demonstrations and soldiers in riot gear were painfully fresh. Against that backdrop, the fellowship offered an opportunity to examine arts and development funding in relation to Baltimore’s deep-rooted inequities.

“We were asking, ‘How is capital flowing, to whom and for what?’” Chan says. Her research revealed that many artists and entrepreneurs, especially those from low-income communities of color, were unable to access capital. Without targeted technical assistance, such as financial coaching, community development funds tended to bypass those who needed them most.

That discovery process “widened the aperture” for the fund, says Regina Smith, managing director of Kresge’s Arts & Culture Program. “It expanded their understanding of the needs and opportunities in the community, and how creativity could offer different approaches to address issues in the community.”

Digging Deeper

Chan moved to the national arena when she took a position in 2016 as program officer at the Local Initiatives Support Corp. (LISC), one of the nation’s largest CDFIs. In partnership with PolicyLink and with support from Kresge and the National Endowment for the Arts (NEA), she designed a technical assistance program for the funder’s Creative Placemaking grantees across the U.S. Chan is also helping to integrate Creative



“Rebecca is kind of the invisible hand in helping to guide or shape broader thinking and goal setting around equity. This journey of inquiry doesn’t stop with her. She also inspires others to come along.”

—Jennifer Hughes, National Endowment for the Arts

Placemaking into LISC’s national work on inclusive economic growth.

At the same time, she has “retained the ability to effectively support and understand what happens on the ground,” says Jeremy Liu, senior fellow for Arts, Culture and Equitable Development at PolicyLink. She also serves as a bridge between partners such as artists and elected officials, says NEA Director of Design and Creative Placemaking Jennifer Hughes.

While traveling to communities across the country, Chan has affirmed the need to center racial equity in





Fusing arts and culture with community development, Creative Placemaking shines through in Little Mekong Night Market in St. Paul, Minnesota (top and bottom left), a community feast in Philadelphia (center below) and public art in Minneapolis (bottom).



her work. She particularly remembers visiting grantees in what Liu calls a “racial equity-challenged context.” The grantees’ project would have obscured an important piece of local African American history. Her African American colleagues came away feeling invisible.

“I just wondered to myself, ‘How in this moment do I deliver constructive criticism in a way that’s not going to alienate me from them?’” Chan says. “I realized I’ve done some work in this area, but I need to dig deeper.”

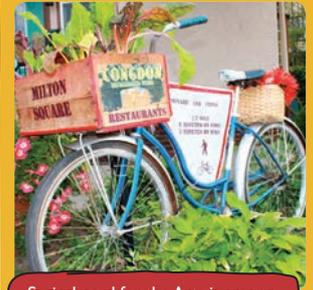
An opportunity to do just that soon arrived. In 2018, Chan was awarded a PLACES fellowship by the Funders’ Network for Smart Growth and Livable Communities. Supported by Kresge, the fellowship helps grantmakers embed the values of racial, social and economic equity into their work. Chan especially valued the fellowship’s practical training on how to deal with bias and racism.

She recently helped launch a Racial Equity Learning Group within LISC. Open to all staff, it draws nearly 70 people to its monthly calls and gatherings.

At LISC, and in the broader field of Creative Placemaking, “Rebecca is kind of the invisible hand in helping to guide or shape broader thinking and goal setting around equity,” says the NEA’s Hughes. “This journey of inquiry doesn’t stop with her. She also inspires others to come along.”



work at a national scale, Kresge funds community development intermediaries — including ArtPlace America, The Reinvestment Fund and LISC — that in turn redistribute through grants and loans to local groups.



Springboard for the Arts is among those funded by ArtPlace.

Kresge funding boosts the intermediaries’ ability to support a range of activities as well as their leaders. At the same time, Kresge’s support enables leaders to cultivate a racial equity focus to their work. That is essential in marginalized communities that have been scarred by redlining, segregation and disinvestment — and still struggle with systemic racism.

In 2018, Kresge-sponsored research found that the field of Creative Placemaking is gaining momentum and still growing.

“It is not considered a strong field yet,” Smith says, “but the Creative Placemaking field’s strength will come from individuals like Rebecca who are committed to doing the work through the lens of equity and opportunity.”



Sarida Scott – Community Development Advocates of Detroit

An Advocate for Giving Residents a Voice

Changing the face of community development

When Sarida Scott started heading up Community Development Advocates of Detroit (CDAD) in September 2012, the organization was facing hard times. Its assets included a cell phone and two crates of files, but not a single computer.

Today, it's Detroit's only citywide membership organization advocating for public policies and resources that advance the work of nonprofit, neighborhood-based groups. And it's thriving. CDAD provides a vehicle to communicate neighborhood needs and interests to city-level decision-makers. At the same time, the organization builds capacity by providing training, peer-to-peer learning events, research and tools for its members to enable them to better engage citywide systems, operate more effectively and improve their knowledge of and access to resources.

According to 2018 research from the University of Michigan and Local Initiatives Support Corp., CDAD members have provided more than \$250 million in economic development, including 3,500 new or rehabilitated units of affordable housing and more than 600,000 square feet of new or renovated retail space.

"What she's done with that organization has been extraordinary," says Tasha Tabron, senior vice president of Invest Detroit and a CDAD board member. "Because of Sarida's leadership, CDAD has been asked to be that advocacy group that makes sure these neighborhood residents have a voice."

Elevating Leaders

Sarida Scott's journey began in a middle-class Detroit family. Her dad had relocated from Alabama in the 1950s and her mom had grown up in the city's predominantly African American Black Bottom community. Scott went from Renaissance High School to the University of Michigan to a law degree at University of California, Berkeley, which included an eye-opening summer



Lifting Up a New Generation of Leaders

Bryan P. Hogle joined The Kresge Foundation around the same time Sarida Scott began directing Community Development Advocates of Detroit (CDAD).



Kresge is committed to supporting nonprofit leadership.

A senior program officer in Kresge's Detroit Program, Hogle worked closely with Scott both in relation to CDAD and in her new advisor role with the Detroit Revitalization Fellowship program. In those roles, Scott is an example of how nonprofit leaders can help foundations like Kresge better support those essential organizations.

One suggestion was to earmark money toward general operating expenses for community organizations. Relieving them of some fundraising and grant application duties frees time to do the more important work of mentoring staff, cultivating relationships with community leaders and even collaborating with other nonprofits.

Kresge has committed funds and resources to help make



Community Development Advocates of Detroit encourages groups to “get on the map” through the Detroit Community Organization Mapping Project, which lists city neighborhood associations, block clubs and service providers.

working for the City of Oakland's law department.

“I was really excited by how working for the city, you touch on so many aspects of revitalization,” she says. “So I came back here and started working for the City of Detroit law department.”

That was more than a decade ago. Next Scott joined Michigan Community Resources, and also joined the first class of The Kresge Foundation-funded Detroit Revitalization Fellowship (DRF) in 2011. The fellowship provided a number of young professionals with a deep dive into revitalization work in the city, the idea being to promote a cohort of future leaders.

Scott, who moved to CDAD during her association with the fellowship, immediately impressed her peers.

“She took on a kind of natural leadership role out of the gate,” says Michael Forsyth, who was in the original DRF cohort. He's since worked with city revitalization organizations and is a partner in Detroit City Distillery. “She's honest and straightforward, and doesn't pull any punches — and was really good at keeping us on track.”

When DRF came along, many longstanding leaders in funding, nonprofits and community development work were retiring. Thanks to a growing conversation about equity and inclusion, many who replaced them have been people of color and women.

Of course, women have been instrumental in the work of revitalizing the city. For decades, they were the block club leaders — the people who ran after-school programs and food pantries. They seldom, however, rose to lead larger organizations.

“They flew under the radar, were poorly paid, didn't really get the recognition that was important,” says Robin Boyle, a professor of urban planning at Wayne State University who played a key role in organizing DRF.



“Too often the leader of an organization feels so disconnected, because of their aloofness or their inability to connect with core needs. ... She leads from the heart.”

—Shamyle Dobbs, Michigan Community Resources

When the city went through its 2013-2014 bankruptcy crisis, recalls Boyle, “Gradually there was a realization that these women who’d been leading at the community level needed to be given more support.”

Empowering Advocates

At CDAD, Scott saw an opportunity to change the way nonprofits are perceived.

“We always see the nonprofit in this weaker position, and that anyone with the money has the power,” she says. “It should be a mutually beneficial relationship.”

She also recognized that her role as a leader wasn’t just about strengthening CDAD.



“It’s about making our members better so they can better serve the communities,” she says.

Service is central to Scott’s idea of leadership.

“One of the things that really stuck with me through the DRF is that it’s all focused on this idea of servant leadership,” she says. “I do believe in and subscribe to that. It’s in the way you talk to people, the way you treat people.”

Scott coaches her staff, also making sure they receive ongoing training — for their own professional development and to strengthen CDAD’s effectiveness.

“My job isn’t to just have this great small team here,” she says, referring to her staff of eight full-time employees. “Our job is to have a great team helping other organizations cultivate this leadership so that people in neighborhoods are in charge of what’s happening in their neighborhoods.”

It’s a gut-level, instinctive way of leading that longtime friend and CEO of Michigan Community Resources Shamyle Dobbs says sets Scott apart.

“Too often the leader of an organization feels so disconnected, because of their aloofness or their inability to connect with core needs,” Dobbs says. On the other hand, there’s Scott, Dobbs adds. “She can connect to anyone. And she leads from the heart.”



CDAD member organization Detroit BLOCK Works is working to rebuild neighborhoods in northwestern Detroit.

that possible. This also helps keep nonprofits working together instead of seeing one another as rivals that are competing for funding.



CDAD works to empower residents of city neighborhoods.

“I think, historically, this is the fault of funders, who have created a competitive environment,” Hogle says. “If funders are willing to approach this process a little bit differently ... and make it a collaborative process, then everybody is looking out for the best interests of the city.”

Central to that collaboration are leaders who know the city and can translate the desires and energy on the street into programs that have broad local buy-in.

“The thing that always surprises me is how often we’ve just missed things,” Hogle says. “There’s a growing understanding that we shouldn’t assume we know the best way to achieve our goals, but should instead rely on our nonprofit partners to tell us the best way to achieve those goals.

“Executive directors like Sarida help us to form our programs. We value that expertise — and are using that to develop the way that we fund.”



Karen Stout – Achieving the Dream

Enhancing the Path to Success for Community College Students

Changing the achievement paradigm

While Karen Stout was always a top student, she points to athletics for helping shape her into the leader she is today.

A standout in three sports, she was consistently at the center of the action. “I was always distributing the ball, setting people up, playing middle of the field,” she says.

That’s how she sees her leadership role now.

“I look at the leader as the one who has to set up the systems and distribute the ball, to help other people score the victories,” she says.

Stout has scored her own share of career victories, first as a top administrator or president of several community colleges. Now she’s president and CEO of Achieving the Dream (ATD), a national nonprofit dedicated to helping community colleges improve student success with customized coaching, data analysis, technical assistance and other supports. Conceived by Lumina Foundation in 2004, ATD now leads the most comprehensive nongovernmental reform movement for student success in higher education history.

Its network of more than 220 postsecondary institutions, 100 coaches and advisers, and numerous investors and partners working throughout 40 states and the District of Columbia is helping more than 4 million community college students. ATD also serves as an invaluable data-coaching partner to Siyaphumelela (“We Succeed”), which is a project of Saide, a South African organization committed to increasing equitable success in postsecondary education.

Those achievements did not come without hard work and self-examination. When Stout took the helm in 2015, ATD’s model looked strong. The organization enjoyed solid partnerships, healthy philanthropic support and considerable loyalty from the colleges benefiting from its work.



Positioning Colleges to Support Success

For more than a decade, The Kresge Foundation has supported Achieving the Dream (ATD). The nationwide network of community colleges helps low-income and historically underrepresented students get to college and complete degrees.



Amarillo College has instituted a wide range of student supports.

ATD asks penetrating questions: Why aren't more economically challenged populations going to college? Why aren't they graduating?

When the resulting evidence reveals stark equity gaps, ATD then offers services to help colleges reach their goals.

"ATD has set the tone and helped define the strategy for postsecondary access and success in the United States and, increasingly, around the globe," says William F.L. Moses, managing director of Kresge's Education Program.

Among ATD's partners is Russell Lowery-Hart, president of Amarillo (Texas) College. Working

But as time went on, Stout explains, it became evident that ATD had lost its voice and was no longer leading the narrative describing the arc of higher education reform.

"We also failed to effectively embrace our failures as lessons for improvement and our successes as moments to leverage momentum," Stout says.

She took on those challenges by approaching them from the perspective of someone who had worked in the field.

"I didn't have any understanding of what nonprofit leadership looks like and what nonprofit finance models look like," Stout admits. "But I was able to take (to ATD) what I had learned about being a community college president and building alternative revenue systems to keep a college viable."

She made the case for why ATD's old model was not sustainable and, with her team, came up with a new one.

"Our new model moves from a one-size-fits-all approach of leadership and data coaching only to one that focuses on building fundamentals with leadership and data coaching and the offering of customized coaching supports in areas like holistic student supports, guided pathways, teaching and learning and equity," she says.

Getting there required a difficult restructuring — one that needed leadership qualities her admirers say Stout has in abundance: courage, discipline, passion and eloquence.

"Karen brings a relentless focus on impact," says Robert Templin, former president of Northern Virginia Community College and the founding ATD board chair. "She drives herself hard, sets a high standard, and that is what the field needs."

Adds board member Pam Eddinger, president of Bunker Hill Community College, "Karen is always able to bring things back to what it feels like to be a student."



"Karen is always able to bring things back to what it feels like to be a student."

— Pam Eddinger, Bunker Hill Community College



Transformation: Personal and Organizational

Stout entered the field essentially by accident. The first in her family to go to college (the University of Delaware), she hoped to become a sportswriter. But a community college admissions job and a succession of college president mentors helped steer her in a different direction.

Her first mentor told her she could be a community college president someday, which taught her that it's important to let young people know when their potential is evident. Her second mentor became her "No. 1 ally and No. 1 critic," she says. She appreciates the third for giving her a project that





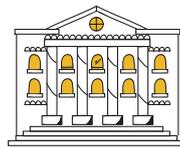
Left, Success Coaching helps incoming students transition to college at Bunker Hill Community College in Massachusetts. Center left, Karen Stout with international student Khadijah Parnell at Montgomery's Takoma Park/Silver Spring campus.



became a memorably instructive failure — successful in process, but lacking because she underestimated “the political context within which it was being shaped.” Now she routinely considers politics when making decisions, noting, “Process plus politics plus people usually equals success.”

Stout is proud that ATD’s network of educational institutions has grown under her watch — and now includes almost all of the tribal colleges in the U.S. She’s also happy that ATD has helped colleges adopt open educational resources — publicly accessible teaching aids versus costly textbooks — and further customize holistic student assistance.

“Thanks to a lot of support from Kresge, we’ve been able to strengthen our strategy and be right in the middle of the new demand for supports that community colleges need,” she says. “What brings me joy is seeing firsthand the influence we have on the lives of students and their families. Seeing the transformational ripple effect keeps me energized, excited and engaged.”



Opposite page and bottom left, Montgomery College and Bunker Hill Community College are participating in Achieving the Dream.

with ATD, his team learned that Amarillo students typically had fewer economic and social resources to support their college dreams. Many faced hunger and homelessness. The college instituted supports and its outcomes began to improve.

“There would be no Amarillo College story without Achieving the Dream,” says Lowery-Hart.



Student outcomes at Amarillo College have improved.

In April 2019, ATD announced a strategic merger with Gateway to College, a Portland, Oregon-based nonprofit that partners with more than 30 colleges and 200 public school districts to help high school dropouts earn diplomas along with college credits. Together, the organizations are better able to serve at-risk students, expand dual-enrollment options and link ATD members with students who have yet to finish high school. Kresge’s newest grant to ATD supports the integration of the two entities, enabling both to expand and strengthen pathways from high school diplomas to postsecondary degrees.



Lara Hansen – EcoAdapt

Bringing Equity Into Perspective

Addressing climate change with diversity and inclusiveness

The year was 1998. Lara Hansen had just begun studying the ecology of coral reefs when it happened: the first global coral bleaching event. Triggered by warming oceans, bleaching causes corals to shed algae, transforming thriving reefs into ghostly white skeletons. It also changed the trajectory of Hansen's life and career.

"I couldn't continue my previous course of study and pretend climate change wasn't happening," she says.

Hansen began exploring ways to make ecosystems — and those who rely on them — more resilient in a warming world. First, she signed on as chief climate scientist at the World Wildlife Fund, creating its International Climate Change and Adaptation Program. Then in 2008, she co-founded EcoAdapt to shape a rigorous, holistic approach to climate change adaptation.

EcoAdapt has since emerged as a pillar of this fast-growing field. Today, the organization works with diverse players across the U.S. — from nonprofits to governments — to reshape planning and management in response to a warming world. Thanks to two Kresge-supported leadership development programs, Hansen and EcoAdapt are also helping that field become more diverse, inclusive and equitable.

Unequal Impacts

Just as there is no pretending that climate change isn't happening, there's no pretending that it affects everyone equally. Low-income communities and communities of color are hit first and worst by the changing climate. That's why it's crucial to emphasize equity in adaptation, by focusing on the most vulnerable people and places.

It is a new perspective for many in the field who, like Hansen, hailed from the environmental sciences.

"Early adaptation had a strong focus on protecting natural resources



Inspiring Grantees to Dig Deeper

As a large cohort of senior managers in the nonprofit sector nears retirement age, cultivating a new — and more diverse — generation of leaders is imperative.

“Racial equity is important because, in so many ways, an individual’s race is a predictor of outcomes in life,” says Lois DeBacker, Kresge Environment Program managing director.

Seizing that opportunity, Kresge has made significant investments in equity-focused leadership development. That includes two programs in which EcoAdapt’s Lara Hansen participated: Fostering



Messaging reflects the urgency of adaptation challenges.

Urban Equitable Leadership (FUEL), which approaches leadership development from an equity standpoint; and the Racial Equity Learning Program, helping longstanding climate grantees find their footing in equity-focused leadership.

“There was a recurring demand on the part of grantees to better understand the dimensions of equity and how to apply



Right, Lara Hansen was part of a Kresge equity-focused leadership development program. Below right, groups participate in a National Adaptation Forum.

from change,” Hansen says. “People were clearly part of the picture, but they were not the focus.”

Fusing the natural sciences with social equity doesn’t happen by itself, as Hansen learned the hard way. In 2013, EcoAdapt held the first of its biennial conferences, the National Adaptation Forum. Afterward, several attendees called out the forum’s lack of racial and ethnic diversity.

In hindsight, Hansen recognized that the model didn’t serve equity-oriented groups that weren’t part of the conference network.

“In our minds, we thought we’d created this very inclusive process,” Hansen remembers.

For subsequent conferences, Hansen and her colleagues solicited the involvement of groups outside the network. A more diverse planning team now recruits submissions and evaluates session proposals, which are required to include information about how the work being presented considers equity and inclusion. EcoAdapt also offers travel subsidies so underresourced and underrepresented groups can attend.

Time Out for Training

As EcoAdapt worked to become more inclusive, two Kresge leadership development programs provided a powerful assist. In 2016, Hansen participated in an equity-focused talent and leadership development program for Kresge grantees. She credits the program for improving the organization’s communication with partners — and among EcoAdapt’s far-flung staff.

EcoAdapt’s second leadership development experience, with the Racial Equity Learning Program, proved more transformational. Through that



"I couldn't continue my previous course of study and pretend climate change wasn't happening."

—Lara Hansen, EcoAdapt

program, EcoAdapt partnered with Marcelo Bonta of the Raben Group on a customized, 18-month engagement designed to "up our game on a holistic, equity-inclusive approach to adaptation," Hansen says.

Step one was to create a JEDI (justice, equity, diversity and inclusion) team. Including all of EcoAdapt's 13 staff members, the team conducted deep dives into each of EcoAdapt's four programs, finding ways to codify equity and inclusion internally and in its engagement with partners.

Now the organization includes thinking about equity, inclusion and diversity when undertaking an adaptation process.

"Our team works to ensure that equity is part of adaptation," she says. "We firmly believe that the best adaptation is holistic in all aspects of that term."

Hansen's leadership on equity is "exemplary," says Bonta, noting, "She brings her science-y, analytical brain to the work, but also her empathy, curiosity and humility."

A Positive Ripple Effect

EcoAdapt's "JEDI" are having a broader impact. The 2019 National Adaptation Forum included racial equity among its themes. Nearly 1,000 attendees learned, for example, what local governments must do differently to center equity in climate-adaptation planning and how community-based organizations are highlighting inequities associated with urban flooding in low-income areas and communities of color.

In this way, Kresge's investment in leadership development is shaping a nascent field.

"There's a big opportunity when you can work with leaders like Lara Hansen," says Lois DeBacker, Kresge Environment Program managing director. "If you can expand her concept of the relevance of equity to her work, she can influence her organization. And, because she is such a thought leader in the field, it has broader ramifications for the number of people exposed to those concepts. There's a really positive ripple effect."



EcoAdapt has evolved to embrace a focus on equity, inclusion and diversity.

it in their work," DeBacker says.

Incorporating equity is not "one and done," DeBacker adds. Rather, "developing competency around racial equity is a journey."



Sharing ideas at the 2017 National Adaptation Forum.

Community Wealth Partners (CWP), a consulting firm to nonprofits and foundations, helped develop and implement both programs. Some 150 staff members of Environment Program grantees engaged in training through the Racial Equity Learning Program over 18 months.

For some, that means developing a better understanding of the fundamentals of racial equity. Others were already approaching their work with equity firmly in mind, but want to apply it with greater nuance or incorporate it more thoroughly throughout their programmatic work.

Going forward, Kresge and CWP will evaluate lessons learned and explore ways to solidify grantees' enduring commitment to equity.

"The challenge," DeBacker says, "is to inspire the individuals and organizations to go further on that learning journey."





Margaret Reid (left) and Monica Valdes Lupi – Boston Public Health Commission

Championing Equity in Boston

Neutralizing disparities in public health

Leveling the playing field has always been a priority for Boston Public Health Commission (BPHC) Executive Director Monica Valdes Lupi and her colleague, BPHC Office of Health Equity Director Margaret Reid.

Valdes Lupi is a first-generation immigrant; her parents moved from the Philippines to the United States when she was 3 years old. Growing up, her family was among just a few families of color living in a small town. Racism was a factor as her family met challenges accessing services and community resources, she recalls.

Reid comes to social justice from another angle. She spent much of her 20s and 30s working as a community labor organizer, mostly with low-wage women of color. Advocating for people who were living from paycheck to paycheck, she learned firsthand how important government services were to their survival.

"It's an issue that can't change for people without advocacy of some kind," Reid says.

Developing Leaders

Advocacy is what a recent BPHC health initiative is all about. Earlier this decade, after an assessment revealed disparities in how health resources were being communicated and administered among different populations, Valdes Lupi, Reid and other BPHC leaders set out to rethink their approach and establish the department as the city's health equity hub. They identified the need to change organizational practices to align better with racial justice values, engage other city departments in the cause and create new community advocates and organizers to ensure that health equity is key in all decisions, policies and programs.

The commission turned to The Kresge Foundation in 2017, receiving about \$125,000 in grant funding through Kresge's Emerging Leaders in



Supporting Fearless and Bold Initiatives

Unity. The notion of municipal departments working together is akin to the Holy Grail — every governing body aspires to it. It's also what inspired leaders at The Kresge Foundation upon learning about the plans of the Boston Public Health Commission (BPHC) to embrace equity.



Boston leaders seek a more equitable health landscape.

The commission sought to equalize disparities in public health by becoming Boston's go-to source for health equity strategy. According to David Fukuzawa, managing director of Kresge's Health Program, this is precisely the kind of tactical leadership that Kresge's Emerging Leaders in Public Health (ELPH) initiative is designed to celebrate.

"No one entity or sector can address a public health problem, so the idea that public health can become a strategic force in bringing together multiple components of government is a really big deal," he says. "The idea is to see public health play

Public Health (ELPH) later that year. ELPH is a leadership development initiative funded through the foundation's Health Program that equips public health officers with knowledge and skills to lead in today's changing health care environment. Through ELPH, Valdes Lupi and Reid spent 18 months working on projects designed to enhance organizational and leadership competencies in business, planning and public health systems development. Armed with additional skills and tools, Valdes Lupi and Reid set out to inspire trickle-down leadership by emphasizing narratives.

"In the past, we haven't done a great job in describing the innovative work we've done and the resources we have," Valdes Lupi says. "Being part of the ELPH cohort has helped me be more aware of how to tell stories about what we do, and how we do it in more effective ways."

Advancing Health Equity

With the rest of their colleagues at BPHC, Valdes Lupi and Reid created an interagency task force to promote health equity citywide.

To ensure that community voices were being heard, they created advisory boards that equally represented mothers receiving services and physicians administering them. They also redesigned the format for community dialogues they hold to present data differently. Instead of giving hard and fast numbers, they used the numbers to tell stories designed to keep constituents engaged.

In addition, at their prompting and at the behest of the BPHC, city transportation department crews shifted from prioritizing street repairs by the number of complaints to a more chronological approach.

"Data indicated that when (the city) got complaints, most of them came from wealthier, whiter neighborhoods," Reid explains. "Now crews are responding on a need basis (regardless of who complains), which levels the playing field quite a bit."

"Being part of the ELPH cohort has helped me be more aware of how to tell stories about what we do, and how we do it in more effective ways."

—Monica Valdes Lupi, Boston Public Health Commission

Engineering Change

Valdes Lupi and Reid engineered other major changes.

Take procurement. Each year, the commission doles out approximately 1,000 contracts for services. In the past, there had been no mandate to prioritize awarding contracts to minority- or women-owned companies. Now BPHC is being joined by other agencies in pushing to source from a more diverse roster of companies.

Valdes Lupi and Reid also redesigned new public-facing messaging. BPHC's "Moving Equity Forward Together" social media campaign featured print and online ads and banners, as well as a video series designed to demonstrate — rather than define — racial





The Boston Public Health Commission, under the direction of Margaret Reid and Valdes Lupi (pictured left top and bottom and on opposite page), is changing organizational practices to better align with racial justice values, involve other city departments and create new public health advocates at the community level.

justice and health equity in public health practice.

“These are stories of amazing work that’s going on with job training for our homeless clients, with recovery programs (and) how recovery services need to look a little different for women (than they do) for men, with how we’re reaching other lingual communities,” Reid says.

And because Valdes Lupi and Reid participated in an ELPH cohort with public health organizations from around the country, including neighboring states such as New Hampshire and Rhode Island, they will continue to sharpen their approach as they turn to colleagues to share best practices and resources.

“The world of public health is always changing,” Valdes Lupi says. “When we’re having challenges, we can connect with like-minded people who may be trying things in different places — and learn.”

With the support of other Emerging Leaders in Public Health, county and local health departments can think beyond their traditional roles and transform public health in their community.



a more expansive role, and to have public health departments working with a host of other departments to, in a sense, take on the role of chief health strategist for an entire city or area.”



Access to quality health services affects quality of life.

Phyllis Meadows, a Kresge senior fellow who has overseen ELPH from the outset, says public health equity issues are ubiquitous, so an effort to unify agencies to make programs more equitable seems fearless and bold.

Interdepartmental collaboration, renewed messaging about equity and raising awareness of fair treatment and racial justice in relation to housing are examples of true leadership, she says.

“This wasn’t lip service; they really wanted to build meaning around equity within their department and with other departments, and focus on how the issue is seen by others across the city,” she says. “Putting this on people’s radar screens is not as easy as it sounds, and the work they accomplished (moved the agenda) in a big way.”





Joseph T. Jones Jr. – Center for Urban Families

Recognizing That Fathers, Families Make a Difference

A holistic approach to economic and domestic well-being

Joseph T. Jones Jr. knows all too well what it means for a child to grow up without a dad around.

"My mother and father divorced when I was 10," he recalls. "When he left the home, we were so poor we had to move out of the projects. I ended up having all this time on my hands to run the streets.

"So the issue of fatherlessness has always gnawed at me. It seems so much the norm with my peers."

Jones began using heroin at age 13. He spent 17 years addicted to drugs and in and out of incarceration.

Today he's in recovery from his addiction and is a citizen who only wants to give back. He founded the nonprofit Center for Urban Families (CFUF) in Baltimore to strengthen his hometown's most impoverished neighborhoods.

His idea was to help fathers and families achieve economic and domestic stability, though the effort is clearly a two-way street.

"Given where I was once in my life, I could do this all day long," he says. "I took so much from the city, I needed to give back. I'm in a love affair with the city of Baltimore — all its grit and all its promise."

Helping Families, One at a Time

CFUF is a recipient of a Kresge Foundation Next Generation Initiative grant, which gives a cohort of direct services organizations the opportunity to improve leadership growth and create organizational and action plans that center on family and workplace development to advance and accelerate social and economic mobility.

"We built a new 32,000-square-foot building, and on the front there's a placard that reads, 'Helping Fathers and Families Work,'" Jones says. "I didn't want some guy walking past us to say, 'Center For Urban Families



'Emerging Ecosystem Leader' Has Influence

Baltimore's Center for Urban Families is a standout example of the kind of nonprofit human services leader The Kresge Foundation seeks to engage and energize through its Next Generation (NextGen) Initiative.



NextGen supports families with a two-generation approach.

"They have a specific focus on traditional systems of support that have historically excluded fathers," says Raquel T. Hatter, managing director of Kresge's Human Services Program. "That sets them apart from many other investments in our portfolio.

"I see them as what we call an 'emerging ecosystem leader' — one that has influence across multiple systems and implications for families and communities."

NextGen is a two-year program designed to advance social and economic mobility using a two-generation, whole-family approach. It has three components: leadership development, development of a community practice and the creation of organizational and cohort action plans.

From top, Joseph T. Jones addresses graduates of the CFUF STRIVE employment training program; CFUF's Practitioners Leadership Institute provides training to those who work with strengthening fathers and families and in related fields; and fathers and children take a museum field trip.



... that must be for women.' I wanted them to know there was a place in here for them as a man and as a dad." Jones' vision is to elevate and equip fathers with the tools they need to be supportive of their families.

"Joe is known for saying, 'There's a difference between a deadbeat dad and a dead-broke dad,'" says Raquel T. Hatter, managing director of Kresge's Human Services Program. "They focus on the entire family, but one thing that makes them unique is they are addressing this historical issue of marginalizing and oppressing fathers."

A Fork in the Road

The NextGen grant arrived at a critical point for CFUF, which was reevaluating the very core of its mission.

"First of all, we just felt very honored," he says. "But we were in the middle of changing our DNA, reengineering the entire organization."

Jones says he had grown increasingly frustrated with CFUF's definition of what makes a successful outcome.

"The folks who really ascended to a place where they were stable in terms of their economic situation were with us three to five years," he says. "So we wanted to change our model to focus on working with folks long term, but continue to do what we do at baseline."

Kresge came along with its support just at the right time, he adds, helping propel the organization in the direction it needed to go.

"This is a big deal for us," Jones says. "And to be in an environment with Kresge where you have big



“They focus on the entire family, but one thing that makes them unique is they are addressing this historical issue of marginalizing and oppressing fathers.”

—Raquel T. Hatter, The Kresge Foundation

thinkers who are doing real systemic kind of work, this is the benefit of the Next Generation investment.

“We’re trying to create an ecosystem for our entire city, and they’re giving us the opportunity to see different approaches to uplifting people out of poverty.”

Through Jones’ leadership, CFUF has become an organization that incorporates direct services, program design and policymaking to have a huge impact on the community.

CFUF is also helping to strengthen the human services sector as a whole, advancing urban opportunity across the nation. Its nationally focused Practitioners Leadership Institute is designed to provide training and information to strengthen the skills of those who work to support families, black male achievement and workforce development.

“When you think about Joe’s personal story, in the context of Baltimore and its history, and the fact he had a vision bigger than himself and undertook it, it’s inspiring,” Hatter says. “That’s a reason foundations like Kresge exist, to find those types of visionaries around the country and support them.”



From right, CFUF’s Couples Advancing Together program is designed to help couples move toward economic and domestic stability; and STRIVE graduates surround CFUF founder Joseph T. Jones.



“NextGen allows us to engage with organizations we believe have the greatest level of impact within their communities and learn alongside them,” notes Joelle-Jude Fontaine, a senior program officer for Kresge’s Human Services team. “We’re learning from them, with them, as they learn from each other. It really is an incredible opportunity. “Ultimately we’re trying to redefine what a high-functioning human service organization is. What would it look like? How will it impact the field?”



The Center for Urban Families puts a focus on fathers.

Grantees also collaborate in a learning network that meets twice annually.

“Though there’s a grant attached to the program, it’s really more about learning,” Hatter explains. “Bringing together high-performing organizations with a history of demonstrated outcomes and an emphasis on social and economic mobility to learn from one another, take in new information and see how they might use that information to advance the field can only improve overall outcomes with the communities and families they serve.”



Joe Kūhiō Lewis – Council for Native Hawaiian Advancement

Young Leader Remakes Impact Investing in Hawaii

A vision for possibilities that benefit everyone

Joe Kūhiō Lewis leads the Council for Native Hawaiian Advancement, an organization fighting for his Native Hawaiian community to gain better access to capital, housing and human services. He's managing the state's biggest community development financial institution and helping to remake the state's impact investing profile along the way.

He's doing it all as a single father who, 20 years ago, was a high school dropout.

But those who know his full story know not to underestimate him.

"Kūhiō is an intentional leader, whose experience demonstrates a remarkable ability to bring together a wide range of stakeholders and allies to address the most entrenched problems facing the community," says Jeff Gilbreath, executive director of Hawaiian Community Assets.

Breaking the Cycle

As a teen, Lewis dabbled in drugs and alcohol. He ran away from home, following the path he says he saw so many men in his community follow.

"My mom's brothers are all in prison, and that was kind of the cycle in our family," Lewis says. "I was headed down a very dark road."

Lewis fathered a child at age 16 and another 18 months later — a boy and a girl. Along the way, he dropped out of high school. Then, at age 18, he and his children's mother split, and he became a single father.

"Some lightbulb went off in my head that said I had a chance to break this cycle that has been prevalent in our family," he says. "I have the opportunity to provide for my kids and give them things that I never had growing up — love and compassion. So, I started turning my life around by first going back to school."

By the time he decided to go back to school, Lewis was 20. He wanted a diploma, but Hawaii would only allow students to complete a GED at that age.





Clearing the Way for Investing in Housing

The Kresge Foundation made a \$500,000 program-related investment loan to the Council for Native Hawaiian Advancement (CNHA) in 2017.

Kresge invested \$30 million via community development financial institutions (CDFIs) and development financial institutions through Kresge Community Finance (KCF). CNHA earned an investment with Kresge's Human Services team because of its advocacy and policy chops, reach as a membership organization and barrier to capital.



CNHA works to expand opportunity for Native Hawaiians.

The CDFI sector in Hawaii is underresourced, says Joe Evans, who led KCF.

"They get little to no grants from the CDFI Fund, banks don't lend to them and their balance sheets are small," Evans says. "The need is great."

CNHA also tackles issues that expand opportunity for people with low incomes in the Native Hawaiian community. CNHA works to improve

"I wrote to the principal of the high school," Lewis says. "He told me, 'No, you're too old.' I went to the district superintendent, and that person backed up the principal. Then I went to the deputy superintendent of the Department of Education in Hawaii."

Again, the answer was no. He tried next to schedule a meeting with the superintendent, who refused. He decided he needed a new strategy. So, with his daughter in tow, he waited on the steps outside the building where the superintendent worked. When she emerged, he approached her:

"I introduced myself to her," Lewis says. "I told her, 'All I want to do is go back to school. I just want to finish up the 13 credits that I'm short, and nobody's giving me the chance.'"

She agreed to a meeting the next day, when Lewis shared his story with her. She personally called the principal and asked him to let Lewis back in.

"I felt so empowered in this moment," he says. "I realized, 'Wow, I actually won this battle.' Most people would have given up."

Young, Scrappy and Effective

That was the beginning of the rise that brought him to his current role as head of CNHA, an important advocacy organization and one of the state's few CDFIs.

First, he enrolled in classes and walked across the graduation stage at age 21, with his son watching and cheering. He then went to a community college before finishing his education with double bachelor's degrees from the University of Hawaii. There, he served as student body president, which sparked his interest in public service.

After graduation, he ran for the board of the Office of Hawaiian Affairs (OHA), a \$600 million trust. He didn't win, but 46,000 people voted for him,

"He brings a focus on the big picture and a willingness to find ways to work that benefit everyone. His experiences, his connections and his vision have opened a whole set of possibilities about the future of CDFIs in Hawaii."

—Joe Evans, Kresge Social Investment Practice

and the publicity he attracted brought new mentors into his life.

One offered him a position at OHA as the community engagement manager.

"I had 22 staff," he says. "I was the youngest manager working over there. I really got to know the Native Hawaiian community in that role. The good, bad, the ugly. It helped me develop as a leader."

After eight years, the former leader of CNHA recruited him to succeed her, telling him, "If you can





Top and center, a tiny home in Hawaii is under construction; and plans for a new home. Kresge's Social Investment Practice supports the Council for Native Hawaiian Advancement's work developing housing for native residents.



pass this challenge, you can do anything.”

Now at CNHA, he's taking the organization to new heights. He's raised more than \$500,000 in new support in under a year. He's achieved historic highs for CNHA in terms of loan dollars out the door; restructured the staff, and brought greater focus to managing the loan fund and the organization's financials.

“Our staff are getting trained, they're getting updated on new housing rules, compliance-related matters,” Lewis says. “We're using the resources from Kresge, and Kresge's public vote of confidence, to go after new funds.”

In short, “Joe has vision,” said Joe Evans, from Kresge's Social Investing team. “He brings a focus on the big picture and a willingness to find ways to work that benefit everyone. His experiences, his connections and his vision have opened a whole set of possibilities about the future of CDFIs in Hawaii.”



Opposite page and left, Joe Kūhiō Lewis leads the Council for Native Hawaiian Advancement. The organization 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.



access to capital for homeowners with challenges obtaining traditional mortgages to build or repair homes on homestead properties owned in trust by the government.

The KCF investments came with a grant worth up to 5% of the loan amount. Kresge's additional capacity-building grant enabled CNHA to train a loan officer.



Helping to provide housing is one of CNHA's initiatives.

The results? CNHA loaned \$250,000 to Hawaiian Community Assets, which then financed a facility to house a LISC Opportunity Center providing financial counseling services to residents. Since Lewis's arrival, CNHA deployed the second \$250,000 to a homestead in Honolulu for rehabbing about 12 dilapidated, vacant homes.

“We need strong leaders who can assemble the right tables and pull off the relationship side of the work,” Evans says, noting CNHA CEO Joe Kūhiō Lewis is doing that. “Kūhiō has opened a number of new doors to investors in CNHA and its lending programs.”



Supporting early childhood development in Detroit

WORK iN MOTiON



Investing Through the Lens of Place

Advancing solutions that increase socioeconomic mobility

By **Chantel Rush**

Senior Program Officer
American Cities Program

AND

By **Benjamin Kennedy**

Vice President, Place-Based Programs
Managing Director, American Cities Program

America's cities — where more than 80 percent of Americans with low incomes live — are linchpins of socioeconomic mobility. Our urban centers are on the front lines of advancing solutions that increase socioeconomic mobility. These include access to quality, affordable housing; vibrant, connected neighborhoods; good jobs; meaningful workforce preparation; and reliable transit.

Kresge's American Cities Program is witnessing a wellspring of local leaders dedicated to making these opportunities a reality. In places like Memphis, Milwaukee, Fresno and New Orleans, local leaders and organizations are working across sectors to define challenges, shape solutions and drive catalytic change.

In 2018, we continued our work to accelerate opportunity for people with low incomes in cities by supporting locally driven efforts to create shared and lasting prosperity. Whether by funding new ways of working or supporting creation and implementation of strategies shaped by communities, we are using the foundation's full toolbox — grantmaking, social investing, convening and connections to national networks — to accelerate change. Take a look at these 2018 milestones.

Knowledge Exchange Among Community & Economic Development Practitioners:

- Supporting the publication of "Inclusive Recovery in



U.S. Cities," the first empirical analysis of the interaction between economic recovery and inclusion in U.S. cities over several decades;

- Stewarding the Shared Prosperity Partnership — Kresge, Brookings Metropolitan Policy Program, Urban Institute and Living Cities explore how national organizations can support local leaders to eliminate wealth gaps, with convenings in Minneapolis-St. Paul, Cleveland, Fresno and Memphis.

MultiCity Initiatives to Expand Urban Opportunity:

- Financing pilot approaches that draw on the experiences of community development practitioners to identify bellwether solutions through initiatives such as the Working Cities Challenge; and
- Developing models for reinvesting in urban public spaces through Reimagining the Civic Commons.

Community & Economic Development in Focus Cities:

- Strengthening Memphis' community and economic development system by partnering with local funders, resourcing organizations and building citywide supports; and
- Deepening community, philanthropic and economic development networks in New Orleans.

As we look ahead through the lens of place, we remain inspired by the ingenuity and determination of our partners.

2018 American Cities Program Grants

Grants: 16 Total Committed: \$5,784,000

Association of Black Foundation Executives Inc.*
New York, N.Y.
\$15,000

The Brookings Institution
Washington, D.C.
\$1,255,000

The Brookings Institution
Washington, D.C.
\$400,000

Center for Transforming Communities
Memphis, Tenn.
\$140,000

Draper Richards Kaplan Foundation
Menlo Park, Calif.
\$600,000

In Our Backyards Inc.
Brooklyn, N.Y.
\$107,000

Invest Detroit Foundation*
Detroit, Mich.
\$445,000

Living Cities Inc.
New York, N.Y.
\$100,000

Louisiana Disaster Recovery Foundation
Baton Rouge, La.
\$70,000

Mayor's Institute for Excellence in Government Inc.
Memphis, Tenn.
\$1,240,000

Memphis Medical District Collaborative
Memphis, Tenn.
\$60,000

New Orleans Business Alliance*
New Orleans, La.
\$400,000

SDSN Association Inc.*
New York, N.Y.
\$300,000

The Greater New Orleans Foundation
New Orleans, La.
\$230,000

U3 Advisors Inc.
Philadelphia, Penn.
\$222,000

Urban Institute
Washington, D.C.
\$200,000

**Denotes cross-team grant*



CITIES AS ENGINES

The Brookings Metropolitan Policy Program delivers research and solutions that help metropolitan leaders build an advanced economy that works for all. The Kresge Foundation's grant supports the program's engagement in the Shared Prosperity Partnership — a collaboration of Kresge, the Brookings Metropolitan Policy Program, the Urban Institute and Living Cities.



Creative Placemaking: Next Steps

Informing our understanding of what progress looks like

By **Regina R. Smith**

*Managing Director
Arts & Culture Program*

The best terms to describe the work of Kresge's national Arts & Culture Program during 2018 are "Field Building" and "Reflection."

It's been six years since the program set its sights on helping low-income communities leverage arts, culture and community-engaged design as crucial components of community development and planning. We've learned a lot over the years, but never as intentionally as we did in 2018, thanks to multiple research projects and publications designed to inform our understanding of what progress looks like.

Examples of those efforts, which will help provide direction for the Creative Placemaking field's next steps, include:

- Partnering with the National Endowment for the Arts to convene our national Creative Placemaking grantees.
- Conducting four regional focus groups with our grantees, to hear the challenges and needs of community-focused work.
- In partnership with our Health Program, we convened 23 grantees from our Fresh, Local & Equitable (FreshLo) cohort who are executing cross-sector projects integrating food, culture and Creative Placemaking. We also supported a case study on equitable evaluation using FreshLo as a model.



- With the Bridgespan Group, we co-commissioned an assessment of the Creative Placemaking field. The findings concluded that after eight years, Creative Placemaking has become a "moderately strong" field and identified needs including codified standards of practice, concrete evidence base and better-organized funding streams.

- With other foundations, we co-commissioned research on the alignment of place-based arts and cultural strategies to social cohesion, and their contribution to equitable community well-being.

- Partnering with our American Cities Practice to support 30 next-generation leaders' participation in the Salzburg Global Forum for Young Cultural Innovators, which helps early-career Creative Placemaking practitioners strengthen their capacity to address critical issues in their communities.

- Publishing three Kresge-authored Creative Placemaking white papers that illuminate and reflect on the foundation's multifaceted approach to grantmaking,

sharing lessons and encouraging conversations. The collection provides guidance for practitioners and funders to build even stronger communities through Creative Placemaking.

While 2018 was focused on Field Building and Reflection, we remain committed to and inspired by those working to incorporate arts and cultural strategies to leverage safer, healthier, more vibrant neighborhoods.

2018 Arts & Culture Grants

Grants: 27 Total Committed: \$6,143,000

Alameda County Deputy Sheriffs' Activities League
Oakland, Calif.
\$300,000

Arizona State University Foundation for a New American University
Tempe, Ariz.
\$500,000

Building Bridges Across the River
Washington, D.C.
\$45,000

The Carnegie Hall Corporation*
New York, N.Y.
\$150,000

City of Fargo
Fargo, N.D.
\$250,000

Community Loan Fund of New Jersey
New Brunswick, N.J.
\$200,000

CultureTrust Greater Philadelphia
Philadelphia, Pa.
\$75,000

Define American*
Louisville, Ky.
\$160,000

District of Columbia Office of Planning
Washington, D.C.
\$90,000

EmcArts Inc.
New York, N.Y.
\$600,000

Enterprise Community Partners Inc.
Columbia, Md.
\$450,000

Illinois Institute of Technology
Chicago, Ill.
\$98,000

Juxtaposition Arts Inc.
Minneapolis, Minn.
\$300,000

Lincoln Park Coast Cultural District
Newark, N.J.
\$75,000

Massachusetts Institute of Technology
Cambridge, Mass.
\$100,000

Metropolitan Area Planning Council
Boston, Mass.
\$300,000

Neighborhood Reinvestment Corp.
Washington, D.C.
\$700,000

Next City
Philadelphia, Pa.
\$75,000

Resident Action Council of Seattle Housing Authority
Seattle, Wash.
\$300,000

Rockefeller Philanthropy Advisors (ArtPlace America)
New York, N.Y.
\$25,000

Salzburg Global Seminar*
Washington, D.C.
\$325,000

Smart Growth America
Washington, D.C.
\$400,000

Starfire Council of Greater Cincinnati Inc.
Cincinnati, Ohio
\$150,000

Storyville Center for the Spoken Word
New York, N.Y.
\$200,000

Tides Foundation
Berkeley, Calif.
\$100,000

The Trust for Public Land
San Francisco, Calif.
\$75,000

ULI Foundation
Washington, D.C.
\$100,000

**Denotes cross-team grant*



THE ART OF COMMUNITY

Juxtaposition Arts is a nonprofit arts and community design organization integrating Creative Placemaking principles along a commercial and cultural corridor in a historically African American community in Minneapolis.



The Power of Us

Equitable neighborhood development is the priority

By **Wendy Lewis Jackson**

*Managing Director
Detroit Program*

Six years post-bankruptcy, Detroit stands at the cusp of possibility, with a booming downtown, balanced budgets, rising property values, population near stabilizing, new businesses gradually transforming commercial corridors and greater access to home loans reviving the real estate market.

But we can't ignore the significant problems lingering from our past: Poverty, joblessness, low rates of educational attainment, underinvestment outside of the central business district and other measures reflect the crushing burden felt by far too many Detroiters, especially children.

Over the next decade, Detroit simply must wrestle with this paradox — a sleek, new city rising while most neighborhoods still struggle.

That's why we've made equitable neighborhood development a priority within our Detroit Program strategy. That means investments to:

- **Build the power, leadership and voice of Detroiters:** We invest in granular resident-led engagement as an essential complement to our support for more formal institutions and organizations.



- **Strengthen the community development finance sector to power equitable development:** We recognize the importance of investing in institutional capacity to deploy capital at scale.

- **Emphasize distributive leadership:** We believe that leadership needs to be distributed and shared across the public, private, philanthropic and civic sectors.

- **Kick-start projects that catalytically transform place:** We stack and align capital to create proof points.

Our priorities intentionally place hometown leaders at the top; they've been steadfast in their commitment to the city's transformation and are essential to it. Sarida Scott and Shamyle Dobbs, highlighted in this annual report, are just two Detroit trailblazers among many we have been fortunate to meet and invest in. And as we write a new narrative of recovery in Detroit, its authenticity can only be rooted in all of their contributions. These are

leaders who represent the power of us.

That's the power we need more than ever. That's the power that can shape a future Detroit where no one is marginalized. A city that endures. A city of excellence. A city of hope. A city of beauty, dignity and strength for all Detroiters, for all of us.

2018 Detroit Grants

Grants: 98 Total Committed: \$23,070,740

360 Detroit Inc.
Detroit, Mich.
\$150,000

Allied Media Projects Inc.
Detroit, Mich.
\$150,000

Allied Media Projects Inc.
Detroit, Mich.
\$150,000

**Arab Community Center
for Economic and Social
Services**
Dearborn, Mich.
\$50,000

ARISE Detroit!
Detroit, Mich.
\$50,000

**Black Family
Development Inc.**
Detroit, Mich.
\$14,100

**Black Family
Development Inc.***
Detroit, Mich.
\$75,000

Brilliant Detroit
Detroit, Mich.
\$150,000

**Campaign for Black Male
Achievement**
New York, N.Y.
\$15,000

Capital Impact Partners*
Arlington, Va.
\$475,000

**Center for Community
Progress**
Flint, Mich.
\$8,800

Chalkbeat Inc.
New York, N.Y.
\$150,000

**The Children's Center of
Wayne County Inc.**
Detroit, Mich.
\$300,000

CitizenDetroit
Detroit, Mich.
\$85,000

City Connect Detroit
Detroit, Mich.
\$25,000

College for Creative Studies
Detroit, Mich.
\$10,000

College for Creative Studies
Detroit, Mich.
\$125,000

College for Creative Studies
Detroit, Mich.
\$150,000

**Community Reinvestment
Fund Inc.**
Minneapolis, Minn.
\$250,000

Creative Many Michigan
Detroit, Mich.
\$220,000

Culture Lab Detroit
Detroit, Mich.
\$100,000

**Detroit Economic Growth
Association***
Detroit, Mich.
\$100,000

**Detroit Educational
Television Foundation**
Wixom, Mich.
\$300,000

**Detroit Hispanic
Development Corp.***
Detroit, Mich.
\$75,000

**Detroit Hispanic
Development Corp.**
Detroit, Mich.
\$300,000

Detroit Horse Power
Detroit, Mich.
\$35,000

**Detroit Land Bank
Community Development
Corp.**
Detroit, Mich.
\$200,000

Detroit Sound Conservancy
Detroit, Mich.
\$35,000

**Detroit Strategic Framework
Inc.**
Detroit, Mich.
\$3,295



CULTIVATING CONNECTIONS

Kresge Innovative Projects: Detroit grantee College for Creative Studies is partnering with Freedom Freedom to support that group in building a pavilion to help transform two vacant lots in the Jefferson/Chalmers neighborhood on Detroit's east side. Freedom Freedom is dedicated to helping develop a community that works for the people who live there, with its motto, "Grow a garden, grow a community."



WORK IN MOTION: DETROIT PROGRAM

Detroit Strategic Framework Inc.
Detroit, Mich.
\$466,705

Detroit Strategic Framework Inc.
Detroit, Mich.
\$1,000,000

Detroiters Working for Environmental Justice
Detroit, Mich.
\$75,000

Detroiters Working for Environmental Justice
Detroit, Mich.
\$100,000

Develop Detroit
Detroit, Mich.
\$900,000

Downtown Detroit Partnership Inc.
Detroit, Mich.
\$550,000

Downtown Detroit Partnership Inc.
Detroit, Mich.
\$75,000

Early Childhood Funders Collaborative
Boston, Mass.
\$50,000

Eastern Market Corp.
Detroit, Mich.
\$300,000

The Empowerment Plan
Detroit, Mich.
\$200,000

Genesis HOPE
Detroit, Mich.
\$15,000

Global Detroit
Detroit, Mich.
\$35,000

Global Detroit
Detroit, Mich.
\$35,000

Grace in Action Collectives
Detroit, Mich.
\$150,000

HighScope Educational Research Foundation
Ypsilanti, Mich.
\$30,000

Hope Community Outreach and Development
Detroit, Mich.
\$45,000

IFF
Chicago, Ill.
\$100,000

IFF
Chicago, Ill.
\$1,465,000

International Institute of Metropolitan Detroit
Detroit, Mich.
\$35,000

Invest Detroit Foundation
Detroit, Mich.
\$820,000

Jefferson East Inc.
Detroit, Mich.
\$174,064

Jefferson East Inc.
Detroit, Mich.
\$81,000

JOURNi
Detroit, Mich.
\$25,000

Keep Growing Detroit
Detroit, Mich.
\$164,000

Living Arts
Detroit, Mich.
\$45,000

Living Arts
Detroit, Mich.
\$300,000

Mack Avenue Community Church*
Detroit, Mich.
\$107,000

Marygrove College
Detroit, Mich.
\$890,000

Marygrove College
Detroit, Mich.
\$50,000

Marygrove College
Detroit, Mich.
\$540,000

Marygrove College
Detroit, Mich.
\$650,000

Marygrove College
Detroit, Mich.
\$1,400,000

Marygrove College
Detroit, Mich.
\$1,000,000

Marygrove College
Detroit, Mich.
\$300,000

Metro Solutions Inc.
Detroit, Mich.
\$35,000

Michigan Community Resources
Detroit, Mich.
\$100,000

Michigan Community Resources
Detroit, Mich.
\$500,000

Michigan Environmental Council
Lansing, Mich.
\$9,000

Michigan Environmental Council
Lansing, Mich.
\$120,000

NURTURING LIVES THROUGH ART

Living Arts is a nonprofit organization engaging Detroit youth, teachers and families in transformative experiences in the performing, visual, literary and media arts. Through artist residencies in schools and out-of-school offerings, Living Arts helps increase academic achievement, develops leadership and artistic skills and strengthens schools and communities.



WORK IN MOTION: DETROIT PROGRAM

Midtown Detroit Inc.
Detroit, Mich.
\$125,000

Midtown Detroit Inc.
Detroit, Mich.
\$450,000

Millan Theatre Company
Detroit, Mich.
\$50,000

Mothering Justice
Ferndale, Mich.
\$150,000

**Motown Historical
Museum Inc.***
Detroit, Mich.
\$1,300,000

**National Kidney Foundation
of Michigan**
Ann Arbor, Mich.
\$300,000

New Detroit Inc.
Detroit, Mich.
\$10,000

**North Rosedale Park Civic
Association**
Detroit, Mich.
\$150,000

**North End Christian
Community Development
Corp.***
Detroit, Mich.
\$150,000

**Nortown Community
Development Corporation**
Detroit, Mich.
\$25,000

**Oakland Avenue Artists
Coalition**
Detroit, Mich.
\$20,000

Popps Packing*
Hamtramck, Mich.
\$55,000

Race Forward
New York, N.Y.
\$19,750

Regional Area Initial Link
Detroit, Mich.
\$1,000,000

Ruth Ellis Center Inc.
Highland Park, Mich.
\$35,000

**School Readiness
Consulting LLC**
Silver Spring, Md.
\$110,000

Sierra Club Foundation
Oakland, Calif.
\$5,000

Starfish Family Services Inc.
Inkster, Mich.
\$5,000

TSNE MissionWorks
New York, N.Y.
\$150,000

U3 Advisors Inc.
Philadelphia, Pa.
\$264,000

**United Way for Southeastern
Michigan**
Detroit, Mich.
\$4,030

University of Detroit Mercy
Detroit, Mich.
\$700,000

University of Detroit Mercy
Detroit, Mich.
\$75,000

**The University of Michigan -
Dearborn**
Dearborn, Mich.
\$150,000

Urban Institute
Washington, D.C.
\$15,000

**Vanguard Community
Development Corp.**
Detroit, Mich.
\$550,000

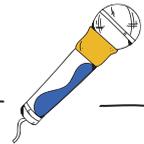
WARM Training Center
Detroit, Mich.
\$10,000

Wayne State University
Detroit, Mich.
\$180,000

Wayne State University
Detroit, Mich.
\$249,996

Write A House
Detroit, Mich.
\$75,000

**Denotes cross-team grant*



MOTOWN MEMORIES

Established by Berry Gordy in 1959, Motown Records launched such legendary success stories as Diana Ross & the Supremes, Smokey Robinson & the Miracles, Marvin Gaye and countless others. The record label's

iconic history is commemorated at the Motown Historical Museum in Detroit, which, as this rendering shows, is slated for an expansion that includes development of a community gathering place for education and community programs.





Kresge Arts in Detroit

Celebrating a decade of direct support for artists

Several hundred Detroit artists and arts enthusiasts gathered in a refurbished Detroit firehouse in the summer of 2018 for a double celebration.

It was the 2018 Kresge Arts in Detroit (KAID) award event honoring metro Detroit artists who collectively received \$470,000 in unrestricted funding — 18 Kresge Artist Fellowships, which come with \$25,000 no-strings-attached grants, and four Gilda Awardees, which offer \$5,000 gifts.

The gathering also commenced a yearlong celebration of a decade of KAID, a program created and supported by The Kresge Foundation through the College for Creative Studies (CCS). Since 2008, KAID has annually awarded fellowships as well as a \$50,000 Kresge Eminent Artist award to one honoree for a lifetime of artist achievement and community contributions. The annual Gilda Awards began in 2015.

In its first decade, KAID presented 200 awards totaling \$5 million. Artists also benefited from the creation of videos and

monographs, creative practice development and events like the one at the firehouse and others to elevate their profiles.

“We’re celebrating far more than the dollars,” says Wendy Lewis Jackson, managing director of Kresge’s Detroit Program, which includes KAID for individual arts and the parallel Detroit Arts Support initiative for arts institutions. “Individual artists have seen their lives improved through the financial shot in the arm, but artists also benefit from the recognition that comes with the awards.”

Jackson also says the award has upshots beyond the individual artist level, citing an evaluation of KAID released in 2018. It found “abundant, clear and positive impacts on ... the Detroit arts ecosystem and civic leaders and infrastructure.”

According to the report, fellowship funds went to “critical life and art-making expenses” — from travel to paying for a family member’s funeral. For some, the award provided validation that they were no longer “just doing art on the side.”



Opposite page, in 2018, 18 metro Detroit artists received Kresge Artist Fellowships that come with \$25,000 no-strings-attached grants, and four Gilda Awardees received \$5,000 gifts, through Kresge Arts in Detroit. This page, the 10th Kresge Eminent Artist Award went to Detroit jazz musician Wendell Harrison.

Kresge President Rip Rapson said the evaluation demonstrated that KAID-recognized artists have played a significant role in correcting the outside world's narrative of Detroit "to that of a culturally vibrant city where culture is taken seriously." The report concluded that Kresge's efforts have paved the way for broader philanthropic art support, greater business investment in arts and culture and a heightened appreciation of the arts' transformative possibilities.

The 2018 Kresge Artist Fellowships were awarded in the categories of Live Arts (including dance, choreography, theater directing, playwriting and performance art) and Film & Music (film directing, screenwriting, music composition and music performance), with more than 450 artists applying for 18 fellowships. As in past years, selections were made by independent local and national artists and arts professionals.

Among the Film & Music panelists was Regina Carter, jazz violinist, MacArthur Genius Award recipient and Pulitzer Prize jurist. She grew up and began her career in Detroit.

"It was very clear to me that Detroit continues to inspire and nurture an incredible range of creative talent," Carter says.

For KAID Executive Director Christina deRoos, each of

the 2018 awardees remind her why Detroiters are known around the world for their ideas, innovation and dedication.

"The creativity, talent and contributions of these individuals are unmistakable," she says of the 2018 fellows and Gilda Award recipients, whose disciplines ranged from storytelling and screenwriting to puppetry, theater and choreography.

The 10th Kresge Eminent Artist award went to jazz musician Wendell Harrison. As a teen, Harrison studied with Detroit jazz legend Barry Harris. In his 20s, he played in New York with such notables as Hank Crawford, Grant Green and Sun Ra. In his 30s, he made his home in Detroit, where he continues to practice and preach self-determination among fellow musicians to this day.

"Almost everyone in Detroit who went on to do something important musically in the last 40 years has been influenced, inspired and educated through performing with and being mentored by Wendell," says bassist Rodney Whitaker, director of Jazz Studies at Michigan State University who benefited from Harrison's tutelage.

Despite that influence, Whitaker says, Harrison hasn't enjoyed the fame he deserves — until now, as Eminent Artist.

Leveling the Playing Field

Eliminating equity gaps and increasing college access

By **William F.L. Moses**

Managing Director
Education Program

College enrollment is at its highest rate in our nation's history. But while college-going is up, degree completion among underrepresented groups including black, Latino and Native American students lags behind their white peers.

These disparities exacerbate longstanding societal inequities and keep opportunities out of reach for students. For those from low-income households, earning an affordable, quality postsecondary credential, especially a bachelor's degree, is one of the most effective pathways to increased economic mobility and ultimately, the middle class.

Our commitment to these students and efforts to support and accelerate their success persist. In 2018, the Kresge Education Program team saw the completion of an extensive strategy review that deepened our focus on eliminating equity gaps and increasing college access and success for historically underrepresented students.

- Our support for pathways to college is now focused on first-generation and underrepresented urban students, especially in our focus states: Michigan, Texas, California and Florida.

- We're concentrating more on building the student success capacity of urban institutions.

- We remain committed to strengthening and aligning



Urban Higher Education Ecosystems in ways that forge student success-driven collaborations between higher education institutions, K-12 systems, businesses, nonprofits, advocates, local governments and philanthropy.

Our partners are making incredible strides to advance this work. Colleges — especially community colleges — increasingly recognize that the key to improving student outcomes relies as much on enhancing classroom learning as it does on supporting basic needs like food and housing security. Amarillo College, winner of Achieving the Dream's 2019 Leah Meyer Austin Award, is among many institutions with leaders who have sought to respond to the material needs of its students in creative and thoughtful ways.

In 2018, we also proudly supported the production and distribution of two full-length feature films. *Unlikely* investigates the college completion crisis and student success interventions through the lives of four students. *Fail State* traces the resurgence of the for-profit college industry with stories

of students who were misled by these institutions. Both vividly depict the challenges facing students from low-income households and historically underrepresented communities.

The new year brings renewed opportunities to work with partners who, like us, are committed to increasing college completion rates, advancing economic mobility, eliminating equity gaps and strengthening urban communities.

2018 Education Grants

Grants: 50 Total Committed: \$15,271,188

Achieving the Dream
Silver Spring, Md.
\$50,000

Achieving the Dream
Silver Spring, Md.
\$140,000

Achieving the Dream
Silver Spring, Md.
\$650,000

Achieving the Dream
Silver Spring, Md.
\$50,000

ACT Inc.
Iowa City, Iowa
\$300,000

Administrators of the Tulane Educational Fund
New Orleans, La.
\$50,000

American University
Washington, D.C.
\$1,000,000

Arkansas Community Colleges
Little Rock, Ark.
\$150,000

The Aspen Institute Inc.
Washington, D.C.
\$750,000

The Century Foundation Inc.
Washington, D.C.
\$260,000

Coalition of Urban and Metropolitan Universities (CUMU)*
Towson, Md.
\$20,000

College Forward
Austin, Texas
\$400,000

Communities Foundation of Texas
Dallas, Texas
\$300,000

Community Partners
Los Angeles, Calif.
\$500,000

Complete College America
Indianapolis, Ind.
\$54,700

Council for A Strong America
Washington, D.C.
\$75,000

Council for Adult and Experiential Learning
Chicago, Ill.
\$800,000

Council for Advancement and Support of Education
Washington, D.C.
\$159,000

Detroit Educational Television Foundation*
Wixom, Mich.
\$30,000

Education Commission of the States
Denver, Colo.
\$1,400,000

Education Trust Inc.
Washington, D.C.
\$750,000

Education Writers Association
Washington, D.C.
\$150,000

Families in Schools
Los Angeles, Calif.
\$110,000

Feeding America
Chicago, Ill.
\$300,000

Foundation for California Community Colleges
Sacramento, Calif.
\$350,000

Graduate Network Inc.
Philadelphia, Penn.
\$250,000

Institute for Higher Education Policy
Washington, D.C.
\$750,000

Institute for Women's Policy Research
Washington, D.C.
\$150,000

Institute of International Education Inc.
New York, N.Y.
\$125,000

Institute of International Education Inc.
New York, N.Y.
\$59,000

International Documentary Association
Los Angeles, Calif.
\$75,000

Inyathelo
Cape Town, South Africa
\$32,243

Jobs for the Future Inc.
Boston, Mass.
\$350,000

John N. Gardner Institute for Excellence in Undergraduate Education
Brevard, N.C.
\$550,000

MDC Inc
Durham, N.C.
\$150,000

MDRC
New York, N.Y.
\$150,000

Miami Dade College Foundation Inc.
Miami, Fla.
\$270,000

National College Access Network Inc.
Washington, D.C.
\$1,000,000

Oakland University Foundation
Rochester, Mich.
\$225,000

One Million Degrees*
Chicago, Ill.
\$500,000

OneGoal
Chicago, Ill.
\$750,000

Prison University Project Inc.
San Quentin, Calif.
\$300,000

Results for America
Washington, D.C.
\$75,000

Rockefeller Philanthropy Advisors Inc.
New York, N.Y.
\$286,459

Student Borrower Services Inc.
Washington, D.C.
\$400,000

Temple University
Philadelphia, Pa.
\$50,000

United Negro College Fund Inc
Washington, D.C.
\$250,000

University of Pittsburgh
Pittsburgh, Pa.
\$374,786

Veterans Education Success Inc.
Chevy Chase, Md.
\$200,000

Wayne State University
Detroit, Mich.
\$50,000

*Denotes cross-team grant



SUPPORTING VETERANS

Veterans Education Success works to advance higher education success for veterans, service members and military families.

Cities Provide Sources of Hope, Innovation

Doubling down as climate change urgency increases

By **Lois DeBacker**

Managing Director
Environment Program

We were reminded again in 2018 that climate change is not only a threat for our future, but a current-day reality with profound consequences for people, their health and their communities.

California experienced its deadliest and most destructive wildfire season, with entire communities lost to flames and stifling smoke affecting people hundreds of miles away. Towns in Florida's Panhandle were devastated by Hurricane Michael, the fourth-strongest windstorm ever to make landfall in the U.S. Communities in Michigan, Minnesota and Wisconsin were hit by extreme summer storms that washed out roads, created sinkholes and caused extensive flooding.

Published reports from the Intergovernmental Panel on Climate Change and the U.S. Global Change Research Program both spoke to the urgent need to reduce greenhouse gas emissions while preparing for the impacts of climate change that no longer can be avoided. Grantees of Kresge's Environment Program continued to work diligently on both fronts, focusing on climate-positive actions that cities can take and on working to ensure that such actions produce



equitable outcomes for people with low incomes and in communities of color.

Early in the year, the Environment team released a Kresge-commissioned report, "Rising to the Challenge, Together," a review and critical assessment of the state of the U.S. climate adaptation field. The authors concluded

that the emerging field of climate adaptation is growing in sophistication and influence, but there is a significant gap between the magnitude of the challenge and existing efforts to protect people and property from climate volatility. We are partnering with organizations that are working to document and disseminate promising adaptation practices, support peer exchange within the field and strengthen the sense of urgency to close what the Union of Concerned Scientists first coined as the "resilience gap."

We also welcomed release of the Kresge-supported book, *Life After Carbon: The Next Global Transformation of Cities*,

which documents the work of leaders in cities across the globe that are pursuing bold strategies toward achieving carbon neutrality. For every troubling climate change headline we read, we need inspiring stories that offer hope for the future.

Kresge grantees are working to build a safer, more equitable climate future. For that, we are grateful.

2018 Environment Grants

Grants: 61 Total Committed: \$17,057,566



American Council for an Energy-Efficient Economy
Washington, D.C.
\$25,000

American Public Health Association*
Washington, D.C.
\$500,000

American Rivers Inc.
Washington, D.C.
\$140,000

Carpe Diem West
Sausalito, Calif.
\$75,000

Center for American Progress
Washington, D.C.
\$255,000

Center for Planning Excellence Inc.
Baton Rouge, La.
\$25,000

Clean Energy Group Inc.*
Montpelier, Vt.
\$650,000

Communities for a Better Environment
Huntington Park, Calif.
\$175,000

Community Wealth Partners
Washington, D.C.
\$75,000

Council of Michigan Foundations Inc.
Grand Haven, Mich.
\$225,000

Deep South Center for Environmental Justice Inc.
New Orleans, La.
\$400,000

EcoAdapt
Bainbridge Island, Wash.
\$75,000

EcoAdapt
Bainbridge Island, Wash.
\$600,000

EcoAdapt
Bainbridge Island, Wash.
\$150,000

ecoAmerica
Washington, D.C.
\$20,000

EcoDistricts
Portland, Ore.
\$10,000

Emerald Cities Collaborative Inc.*
Washington, D.C.
\$600,000

Environmental Community Action Inc.
Atlanta, Ga.
\$125,000

Environmental Grantmakers Association
New York, N.Y.
\$227,306

Funders' Network for Smart Growth and Livable

Communities Inc.
Coral Gables, Fla.
\$120,000

George Mason University*
Fairfax, Va.
\$500,000

Georgetown University
Washington, D.C.
\$620,000

Global Philanthropy Partnership
Chicago, Ill.
\$55,000

Global Philanthropy Partnership
Chicago, Ill.
\$60,000

Global Philanthropy Partnership
Chicago, Ill.
\$1,100,000

Global Philanthropy Partnership
Chicago, Ill.
\$487,600

Great Lakes Aquatic Habitat Network and Fund Inc.
Petoskey, Mich.
\$100,000

GreenLatinos
Washington, D.C.
\$150,000

Groundwork USA
Yonkers, N.Y.
\$705,890

Health Care Without Harm
Reston, Va.
\$125,000

Hip Hop Caucus
Washington, D.C.
\$150,000

Inclusive Prosperity Capital
Rocky Hill, Conn.
\$300,000

Innovation Network for Communities
Tamworth, N.H.
\$44,000

Innovation Network for Communities
Tamworth, N.H.
\$217,770

Institute for Market Transformation Inc.
Washington, D.C.
\$300,000

Institute for Sustainable Communities
Montpelier, Vt.
\$550,000

Institute for Sustainable Communities*
Montpelier, Vt.
\$800,000

International Living Future Institute
Seattle, Wash.
\$75,000

Lake Pontchartrain Basin Foundation
New Orleans, La.
\$50,000

Leonardo DiCaprio Foundation
Culver City, Calif.
\$25,000

Milwaukee Environmental Consortium Inc.
Milwaukee, Wis.
\$150,000

Movement Strategy Center
Oakland, Calif.
\$250,000

Movement Strategy Center
Oakland, Calif.
\$100,000

Movement Strategy Center
Oakland, Calif.
\$1,200,000

National Association for the Advancement of Colored People
Baltimore, Md.
\$50,000

National Fish and Wildlife Foundation*
Washington, D.C.
\$250,000

National Wildlife Federation
Reston, Va.
\$300,000

Nature Conservancy
Arlington, Va.
\$200,000

New Venture Fund
Washington, D.C.
\$1,000,000

Northeastern University
Boston, Mass.
\$300,000

PolicyLink
Oakland, Calif.
\$250,000

Public Health Institute
Oakland, Calif.
\$25,000

Race Forward
New York, N.Y.
\$400,000

Solar One
New York, N.Y.
\$175,000

The Greater New Orleans Foundation
New Orleans, La.
\$150,000

The San Diego Foundation
San Diego, Calif.
\$400,000

UPROSE Inc.
Brooklyn, N.Y.
\$125,000

US Climate Action Network
Washington, D.C.
\$10,000

US Climate Action Network
Washington, D.C.
\$200,000

US Water Alliance
Washington, D.C.
\$585,000

West Oakland Environmental Indicators Project
Oakland, Calif.
\$50,000

*Denotes cross-team grant

Putting Equity Front and Center

New focus areas help guide grantmaking decisions

By **David D. Fukuzawa**

*Managing Director
Health Program*

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

In 2018, our new strategy statement put equity front and center. Although equity has certainly been implicit in our work for more than a decade, especially in our support for environmental health, food systems and healthy housing efforts, we felt compelled to call this out explicitly as we kicked off the next phase of our grantmaking, which includes three new program focus areas:

- Community-driven solutions
- Institutional investments for community health and
- Integration of health and human services

Our work since 2008 has opened our eyes not only to the inequitable conditions that people in so many communities of low wealth experience, but also to the unjust and historically racialized policies that are at the root of those conditions. It is commonplace now, for example, to hear about how what ZIP code we live in is a better indicator of our health than our health care. But those ZIP codes may reflect the “redlining” policies of the 1930s and the

cumulative impact of disinvestment, predatory actions by extractive industries and over-policing.

The first new funding opportunity we launched in 2018 was Advancing Health Equity through Housing. From among nearly 200 applications, we awarded 13 grants totaling \$2 million to primarily community-led campaigns

and efforts to build a public health case for affordable and stable housing. The grants are intended to surface the most promising, innovative and solutions-oriented advocacy efforts to reverse housing instability for families with low incomes, with a focus on communities of color. A second round is planned for 2019.

Equity was also the guiding principle for a new multiyear initiative, Climate Change & Health Equity. A collaboration with Kresge’s Environment team, the initiative is aimed at elevating the roles of the broader health community and also grassroots organizations in generating solutions to the planet’s most urgent challenge. Amplifying

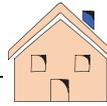
these voices within the broader climate change movement is especially critical now, given the enormous impact a warming planet will have on the health and well-being of people living in vulnerable communities.

In 2019, we will continue to make equity an integral part of what we do, while working with our grantee partners to help people flourish and achieve well-being.



2018 Health Grants

Grants: 62 Total Committed: \$15,831,869



Atlanta Volunteer Lawyers Foundation
Atlanta, Ga.
\$400,000

Berrien County Health Department
Benton Harbor, Mich.
\$124,866

Black Hawk County
Waterloo, Iowa
\$125,000

Blue Cross Blue Shield of Massachusetts Foundation for Expanding Healthcare Access
Boston, Mass.
\$18,500

Boston Medical Center Corp.
Boston, Mass.
\$50,000

Catholic Charities USA*
Alexandria, Va.
\$150,000

Center for Active Design Inc.
New York, N.Y.
\$265,000

Center for Community Solutions
Cleveland, Ohio
\$125,000

Center for Health Research and Transformation*
Ann Arbor, Mich.
\$562,000

Center for Youth Wellness
San Francisco, Calif.
\$100,000

Center on Budget and Policy Priorities
Washington, D.C.
\$800,000

ChangeLab Solutions
Oakland, Calif.
\$75,000

Chatham County
Pittsboro, N.C.
\$124,968

City of Detroit
Detroit, Mich.
\$100,000

City of Jersey City
Jersey City, N.J.
\$125,000

City of Lubbock
Lubbock, Texas
\$125,000

City of Nashua
Nashua, N.H.
\$119,100

Common Market Philadelphia Inc.
Philadelphia, Pa.
\$650,000

Comunidades Latinas Unidas En Servicio Inc.
St. Paul, Minn.
\$100,000

Convergence Center for Policy Resolution
Washington, D.C.
\$50,000

County of Berrien
Champaign, Ill.
\$121,850

County of Orleans
Albion, N.Y.
\$125,000

County of Ramsey
St. Paul, Minn.
\$124,605

County of San Diego
San Diego, Calif.
\$125,000

County of Tompkins
Ithaca, N.Y.
\$125,000

DAISA Enterprises LLC.
South Hadley, Mass.
\$125,000

de Beaumont Foundation
Bethesda, Md.
\$1,200,000

The Democracy Collaborative
Cleveland, Ohio
\$700,000

Dudley Street Neighborhood Initiative
Roxbury, Mass.
\$400,000

Essential Hospitals Institute
Washington, D.C.
\$125,000

Fenton Communications Inc.
Washington, D.C.
\$150,000

George Washington University
Washington, D.C.
\$440,000

George Washington University
Washington, D.C.
\$100,802

Grantmakers In Health
Washington, D.C.
\$195,000

Gulf Coast Housing Partnership
New Orleans, La.
\$100,000

Habitat for Humanity International
Atlanta, Ga.
\$100,000

Hawaiian Community Assets Inc.
Honolulu, Hawaii
\$100,000

Institute for Sustainable Economic, Educational and Environmental Design*
Oakland, Calif.
\$125,000

Isles Inc.
Trenton, N.J.
\$356,500

Las Animas-Huerfano Counties District Health Department
Trinidad, Colo.
\$125,000

Mahoning County District Board of Health
Youngstown, Ohio
\$124,760

Neighborhood Funders Group*
Oakland, Calif.
\$1,000,000

The Nemours Foundation
Jacksonville, Fla.
\$500,000

New Kensington Community Development Corp.
Philadelphia, Pa.
\$150,000

Occidental College
Los Angeles, Calif.
\$199,000

Occidental College
Los Angeles, Calif.
\$448,000

Piedmont Housing Alliance
Charlottesville, Va.
\$400,000

Project HOPE - The People-to-People Health Foundation*
Bethesda, Md.
\$750,000

Public Health Institute
San Francisco, Calif.
\$200,000

Salt Lake County
Salt Lake City, Utah
\$124,900

Snohomish Health District
Everett, Wash.
\$125,000

Social Finance Inc.
Boston, Mass.
\$200,000

Southeastern Michigan Health Association
Detroit, Mich.
\$125,000

Stewards of Affordable Housing for the Future
Washington, D.C.
\$800,000

Strategic Actions for a Just Economy
Los Angeles, Calif.
\$400,000

Tacoma-Pierce County Health Department
Tacoma, Wash.
\$200,000

Thomas Jefferson Health District
Charlottesville, Va.
\$124,568

Truman Medical Centers
Independence, Mo.
\$125,000

University of North Carolina at Chapel Hill
Chapel Hill, N.C.
\$53,000

Virginia Organizing Inc.
Charlottesville, Va.
\$200,000

Virginia Organizing Inc.
Charlottesville, Va.
\$305,000

Yakima Health District
Union Gap, Wash.
\$124,450

*Denotes cross-team grant

Building Well-Being for People and Communities

Meeting grantee partners where they are — and where they dream

By **Raquel Hatter, Ed. D.**

Managing Director

Human Services Program

Throughout 2018, our Human Services grantee partners continued to lead the way in demonstrating how to address poverty and advance social and economic mobility in communities across the country. Through our work together, we saw our partners' commitment grow stronger every day to authentic family engagement, person-centered outcomes, racial equity and two-generation whole-family approaches that include the important role of fathers.

In 2017, we had asked our grantee partners if they were interested in participating in peer learning exchanges with other grantees. The answer was a resounding "yes!" So in 2018, we partnered with the American Public Human Services Association to kick off a "North Star Convening" series with

a session focused on racial equity. This inspiring day of learning with an amazing group of 40 leaders was driven by an acknowledgement that racial inequity is a significant barrier to economic progress for communities of color.

Also in 2018, we were excited to announce Detroit as our first Next Generation Initiative city. Over the next two years, five organizations with a shared vision of advancing a

two-generation, whole-family approach to boosting social and economic mobility using a racial equity lens will have the opportunity to become a network that collectively works to improve outcomes for children and families living in Detroit.



The Detroit Next Generation Initiative, an integral part of Kresge's commitment to advance the human services sector and accelerate social and economic mobility for people with low incomes, will be informed by the many lessons we continue to learn from our national Next Generation Initiative and its cohort of 13 leading organizations.

We were also excited to establish seven place-based opportunity ecosystem partner sites through our collaboration with APHSA. These teams are excellent examples of how we can realize a shared vision around building well-being for people and communities from the ground up and achieve person-centered systems change in seven cities.

Our grantee partners are maintaining their momentum despite the current social and political environment. They are forging a movement, and we are grateful and honored to partner with them on this learning journey to support families and communities by meeting them where they are and where they dream.

2018 Human Services Grants

Grants: 33 Total Committed: \$11,178,790

Agape Child & Family Services
Memphis, Tenn.
\$375,000

American Public Human Services Association
Washington, D.C.
\$200,000

American Public Human Services Association
Washington, D.C.
\$1,260,000

Arab Community Center for Economic and Social Services
Dearborn, Mich.
\$250,000

Bell Policy Center*
Denver, Colo.
\$245,000

Benefits Data Trust
Philadelphia, Pa.
\$75,000

Center on Budget and Policy Priorities
Washington, D.C.
\$200,000

Coalition on Temporary Shelter
Detroit, Mich.
\$250,000

Council for Native Hawaiian Advancement
Kapolei, Hawaii
\$100,000

Economic Policy Institute
Washington, D.C.
\$500,000

The Forum for Youth Investment
Washington, D.C.
\$100,000

Funders Together to End Homelessness
Boston, Mass.
\$20,000

Housing Opportunities Commission of Montgomery County
Kensington, Md.
\$200,000

Institute for Alternative Futures
Alexandria, Va.
\$154,000

Institute for Alternative Futures
Alexandria, Va.
\$36,000

Jefferson County Department of Human Services
Golden, Colo.
\$750,000

Jobs to Move America*
Los Angeles, Calif.
\$750,000

LIFT
Washington, D.C.
\$25,000

Matrix Human Services
Detroit, Mich.
\$250,000

Montgomery County
Rockville, Md.
\$750,000

National Council on Crime and Delinquency
Madison, Wis.
\$300,000

National Federation of Community Development Credit Unions Inc.
New York, N.Y.
\$100,000

Philanthropy New York Inc.
New York, N.Y.
\$245,000

Prosperity Now
Washington, D.C.
\$750,000

Restaurant Opportunities Centers United Inc.
New York, N.Y.
\$450,000

ROCA Inc.
Chelsea, Mass.
\$40,000

Social Finance Inc.
Boston, Mass.
\$800,000

Starfish Family Services Inc.
Inkster, Mich.
\$250,000

State of Connecticut
Hartford, Conn.
\$550,000

Third Sector Capital Partners Inc.*
Boston, Mass.
\$800,000

Urban Institute
Washington, D.C.
\$53,790

Vibrant Memphis
Memphis, Tenn.
\$100,000

Wayne Metropolitan Community Action Agency
Detroit, Mich.
\$250,000

*Denotes cross-team grant



A HELPING HAND – AND A HOME

The Coalition on Temporary Shelter (COTS) alleviates homelessness in the city of Detroit by providing an array of services that include emergency shelter for families, developing affordable housing and offering permanent supportive housing assistance. Its goal is to enable the people it serves to achieve self-sufficiency.



Helping Cities Bloom

Investing in community development to change lives

By **Kimberlee R. Cornett**

*Managing Director
Social Investment Practice*

In 2018, our team followed the advice touted famously by President John K. Kennedy, who said, “There are risks and costs to action, but they are far less than the long-range risks of comfortable inaction.”

That sentiment toward action was evident in 2018, when we invested in an emergent community development market, to fast-track the adoption of a climate resiliency technology, and in the future of entrepreneurs and business owners. Over the long term, some investments will pay dividends to communities and individuals; some will not. But we have tried to embrace the risk of the unknown to open the possibility of significant social or environmental returns.

One area of important focus was Opportunity Zones, the first major new piece of tax code to affect community development in 15 years. With this legislation came the distinct possibility that billions of dollars in new investment will flow into underresourced communities.

At face value, that’s good — the more than 8,000 communities eligible for these investments are largely places that have gone underdeveloped and overlooked. However, there are no guarantees that these investments will track with community needs, nor measure any kind of social impact.



Our response was twofold. First, we granted \$325,000 to Calvert Impact Capital to provide technical assistance to five socially minded organizations to further their thinking and know-how in developing Opportunity Zone funds. Then, in early 2019, we committed \$22 million in non-cash guarantees to two funds — Arctaris Impact and Community Capital

Management — which expect to raise up to \$800 billion and invest it in transactions that will create lasting economic and social value in communities. Other investments we made furthered:

- Solar+storage, the next frontier of climate resiliency, through a \$10 million guarantee that will allow three lenders to invest in these projects in low-income communities;
- Minority business enterprise access to capital in Detroit, New Orleans and Memphis. Each city received an investment to lower barriers to capital for minority entrepreneurs; and
- Our field’s racial diversity, through

support to Net Impact Fellowship, which seeks to increase the pipeline of people of color into impact-investing jobs.

Cities bloom only where there is a well-resourced community development finance system. We are privileged to partner with our borrowers to strengthen the system overall and invest in individual organizations working to make change in communities across the country.

2018 Social Investment Practice Investments & Grants

Investments: 7

Total Committed: \$27,900,000

College Forward
Austin, Texas
\$600,000

Financing Resilient Power
\$10,000,000

NewCorp Inc.
New Orleans, La.
\$2,000,000

Pathway Lending
Nashville, Tenn.
\$2,500,000

East Jefferson Development Company LLC
Detroit, Mich.
\$2,000,000

Inclusive Prosperity Capital
Rocky Hill, Conn.
\$10,000,000

Detroit Development Fund
Detroit, Mich.
\$800,000

Grants: 9

Total Committed: \$798,000

Aeris Insight Inc.
Philadelphia, Pa.
\$50,000

Calvert Impact Capital*
Bethesda, Md.
\$390,000

Council of Development Finance Agencies
Columbus, Ohio
\$10,000

Enterprise Community Partners Inc.
Columbia, Md.
\$50,000

Georgetown University
Washington, D.C.
\$50,000

Mission Investors Exchange
New York, N.Y.
\$48,000

Net Impact
Oakland, Calif.
\$50,000

Opportunity Finance Network
Philadelphia, Pa.
\$50,000

ULI Foundation*
Washington, D.C.
\$100,000

**Denotes cross-team grant*

INVESTING IN CLIMATE RESILIENCE

Kresge's guarantee to Inclusive Prosperity Capital will help the new organization attract private capital investments to support its financing of clean energy and other climate resilience projects. Those efforts will include third-party solar for housing authorities, community facilities and municipal buildings, and also support clean energy for affordable single- and multi-family developments.



Standing Ready to Respond

Protecting core values requires flexibility

By **Ariel H. Simon**

Vice President

Chief Program and Strategy Officer

Kresge's Opportunity Fund is intentionally *sui generis*: It is a responsive, flexible, cross-cutting funding pool that sits outside of any one program's strategic bulls-eye. It balances Kresge's commitment to strategic grantmaking with our civic obligation as a national institution to address challenges to core values and tackle unexpected threats to the communities we serve.

Those challenges and threats have continued. From tragedies at the Tree of Life synagogue in Pittsburgh to racially motivated murders at a grocery store in Kentucky to political figures targeted with mail bombs, events of 2018 bracingly reinforced the impulses that drove us to create the Opportunity Fund in 2016.

Be it unprecedented breakdowns in democratic norms, fraying social ties or a fever pitch of racial and religious animus, attacks on Kresge's — and America's — core values profoundly affected our ability to advance our mission. The Opportunity Fund expanded Kresge's reach, adding to our toolkit and broadening our gaze. We identified and addressed blind spots in our work; we strengthened a responsive capacity to back our words and commitments with actions; and we provided a vehicle to address crises that involve multiple Kresge teams and values.



On some issues, that has meant joining other foundations on shared priorities, such as ensuring an accurate 2020 census, addressing the family separation crisis, highlighting threats to public charge regulations and protecting voting rights. In other cases, Kresge has become a central philanthropic figure on issues including preemption and the civil legal justice gap.

Closer to home, it has meant supporting our neighbors across racial and religious lines, as well as bolstering emergent movements and policy reforms that seek to broaden Michigan's opportunity landscape.

The Opportunity Fund's structure and priorities evolved in 2018 in response to those daunting challenges. We refined our focus areas to increase access to justice, strengthen democracy and civic agency, and protect human dignity. Those are more a description of how we have clustered our grantmaking than they are imperatives.

In the past two years, the Opportunity Fund has added an essential dimension to Kresge's grantmaking. This work suggests that foundations can elevate their impact and relevance by letting go of their proverbial strategic agendas — if even just a bit — and be flexible and responsive to priorities defined outside of their buildings. It has highlighted the value of philanthropy showing up and stepping up — however imperfectly — as engaged members of the community and active participants in one of the world's great constitutional democracies.

2018 Opportunity Fund Grants

Grants: 33 Total Committed: \$4,645,000

American Civil Liberties Union Fund of Michigan
Detroit, Mich.
\$100,000

The American Constitution Society for Law and Policy
Washington, D.C.
\$75,000

Amplifier
Seattle, Wash.
\$150,000

Anti-Defamation League
New York, N.Y.
\$150,000

Asian Americans Advancing Justice - Atlanta
Norcross, Ga.
\$50,000

Bend the Arc: A Jewish Partnership for Justice
New York, N.Y.
\$50,000

Civic Consulting USA
New York, N.Y.
\$35,000

The Gathering for Justice Inc.
New York, N.Y.
\$10,000

Georgetown University
Washington, D.C.
\$55,000

The Mayor's Fund to Advance New York City
New York, N.Y.
\$150,000

Michigan Nonprofit Association*
Lansing, Mich.
\$600,000

Michigan Organizing Project
Detroit, Mich.
\$150,000

National Domestic Workers Alliance*
New York, N.Y.
\$250,000

National Immigration Law Center
Los Angeles, Calif.
\$150,000

National Opinion Research Center
Chicago, Ill.
\$75,000

NEO Philanthropy Inc.
New York, N.Y.
\$45,000

NEO Philanthropy Inc.
New York, N.Y.
\$200,000

The New Florida Majority Education Fund
Miami, Fla.
\$50,000

New Venture Fund
Washington, D.C.
\$150,000

New Venture Fund
Washington, D.C.
\$300,000

Progress Michigan Education
Lansing, Mich.
\$100,000

Proteus Fund Inc.
Amherst, Mass.
\$150,000

Public Allies (The Power Coalition)
Milwaukee, Wis.
\$25,000

Public Justice Center Inc.
Baltimore, Md.
\$100,000

Public Religion Research Institute
Washington, D.C.
\$240,000

Sargent Shriver National Center on Poverty Law*
Chicago, Ill.
\$200,000

Social Finance Inc.
Boston, Mass.
\$60,000

Sojourners
Washington, D.C.
\$200,000

Southern Poverty Law Center
Montgomery, Ala.
\$200,000

Syracuse University
Syracuse, N.Y.
\$150,000

ThinkTennessee
Nashville, Tenn.
\$25,000

Vera Institute of Justice
New York, N.Y.
\$150,000

Young Invincibles*
Washington, D.C.
\$250,000

*Denotes cross-team grant



ADVOCATING FOR IMMIGRANT AND REFUGEE FAMILIES

With support from the Opportunity Fund, the National Domestic Workers Alliance — the nation's leading voice for dignity and fairness for millions of domestic workers in the United States — planned and implemented a national public relations and citizen engagement campaign to end family separation and reunite immigrant and refugee families.



2018 Presidential Discretion Grants

Grants: 14 Total Committed: \$2,226,000

American Academy of Arts and Sciences
Cambridge, Mass.
\$150,000

Charles H. Wright Museum of African American History
Detroit, Mich.
\$262,500

CultureSource
Detroit, Mich.
\$100,000

Greater New Orleans Fair Housing Action Center*
New Orleans, La.
\$75,000

Home by Hand Inc.
New Orleans, La.
\$45,000

Louisiana Homebuyer Education Collaborative Inc.
New Orleans, La.
\$75,000

Milton S. Eisenhower Foundation
Washington, D.C.
\$25,000

National CLT Network
Portland, Ore.
\$75,000

National Public Radio
Washington, D.C.
\$1,000,000

Oakland University Foundation
Rochester, Mich.
\$60,000

The Aspen Institute Inc.
Washington, D.C.
\$25,000

The Aspen Institute Inc.
Washington, D.C.
\$193,500

Transportation Riders United
Detroit, Mich.
\$80,000

Wayne State University
Detroit, Mich.
\$60,000

TRANSPORTATION MATTERS

Transportation Riders United educates residents throughout metro Detroit about the benefits of regional mass transit, believing that it is essential for the long-term, sustainable revitalization of Detroit. Here, residents shared their sentiments about why transportation matters in their lives.



2018 Special Initiatives/Other Grants

Grants: 23 Total Committed: \$3,616,100

BMe Networks

Miami, Fla.
\$100,000

Campaign for Black Male Achievement*

New York, N.Y.
\$25,000

Center for Effective Philanthropy

Cambridge, Mass.
\$150,000

Community Wealth Partners

Washington, D.C.
\$60,000

Community Wealth Partners

Washington, D.C.
\$208,200

Council of Michigan Foundations Inc.

Grand Haven, Mich.
\$140,400

Council of Michigan Foundations Inc.*

Grand Haven, Mich.
\$150,000

Council on Foundations Inc.

Washington, D.C.
\$250,000

FFWD

San Francisco, Calif.
\$100,000

FSG, Inc.

Boston, Mass.
\$25,000

Funders' Network for Smart Growth and Livable Communities*

Coral Gables, Fla.
\$405,000

Grantmakers for Effective Organizations

Washington, D.C.
\$75,000

Guidestar USA Inc.

Williamsburg, Va.
\$225,000

National Committee for Responsive Philanthropy

Washington, D.C.
\$25,000

National Council of Nonprofits

Washington, D.C.
\$250,000

Neighborhood Funders Group

Oakland, Calif.
\$145,000

Prolinspire

Washington, D.C.
\$160,000

Prolinspire

Washington, D.C.
\$150,000

Public Allies

Milwaukee, Wis.
\$150,000

Rockefeller Philanthropy Advisors Inc.

Washington, D.C.
\$300,000

Southeastern Council of Foundations

Atlanta, Ga.
\$120,000

Tides Center

New York, N.Y.
\$272,500

Young Nonprofit Professionals Network

Portland, Ore.
\$130,000

*Denotes cross-team grant

LEADERSHIP & RACIAL EQUITY

Community Wealth Partners (CWP) works with Kresge's Leadership and Infrastructure Funding Team to run its flagship initiative, Fostering Urban Equitable Leadership (FUEL), which helps to address grantees' talent and leadership development needs through a racial equity lens.

CWP staff are pictured here with participants from Kresge's first FUEL cohort, which marked the first time that Kresge invested in the leadership of grantees across all six of the foundation's program areas in a coordinated way. It was also Kresge's inaugural investment in leadership with an intentional focus on racial equity.





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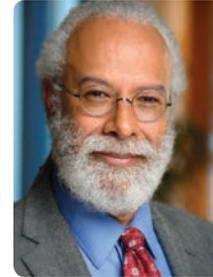
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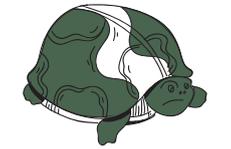
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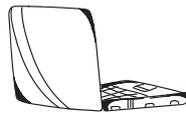
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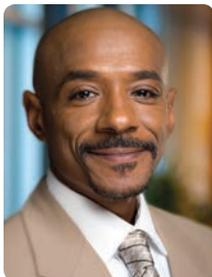
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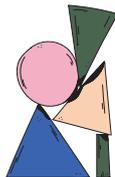
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Diversity's Dividends

Finding the right stuff, right at home



In 2018, Kresge and Wayne State University rolled out a \$2 million Student-Managed Investment Fund. The foundation also created a similar fund at Oakland University in 2015.

While driving to the airport early one morning, a thought hit Kresge Vice President and Chief Investment Officer Rob Manilla like a ton of bricks. He was headed to the East Coast on a trip he made twice a year. Upon arrival, he would stand in the hallway of a prestigious business school and spend the next six hours wooing undergraduates. The goal: identify a few outstanding students and recruit them to Michigan to help manage Kresge's nearly \$4 billion endowment.

Manilla grew up and went to school — and is raising his family — in southeastern Michigan. Before joining Kresge in 2005, he worked in the auto industry. Over the years, he had hired countless local graduates and had seen homegrown and locally trained young people go toe-to-toe with candidates from better-known — or perhaps more prestigious — coastal institutions.

So that morning, he questioned why he was going to such great lengths to compete for talent alongside the likes of globally renowned investment banks. If the Midwest work ethic had worked for him and other professionals that he had worked with along the way, why not seek talent for Kresge closer to home?

Conversations with local business schools started almost immediately — first, with Manilla's alma mater, Oakland University, and next with Wayne State University. At each, Kresge carved out a \$2 million fund for students to manage as part of a new course designed to teach the essentials of asset management, stock selection and portfolio evaluation. Courses provide hands-on experience and expose aspiring finance professionals to the

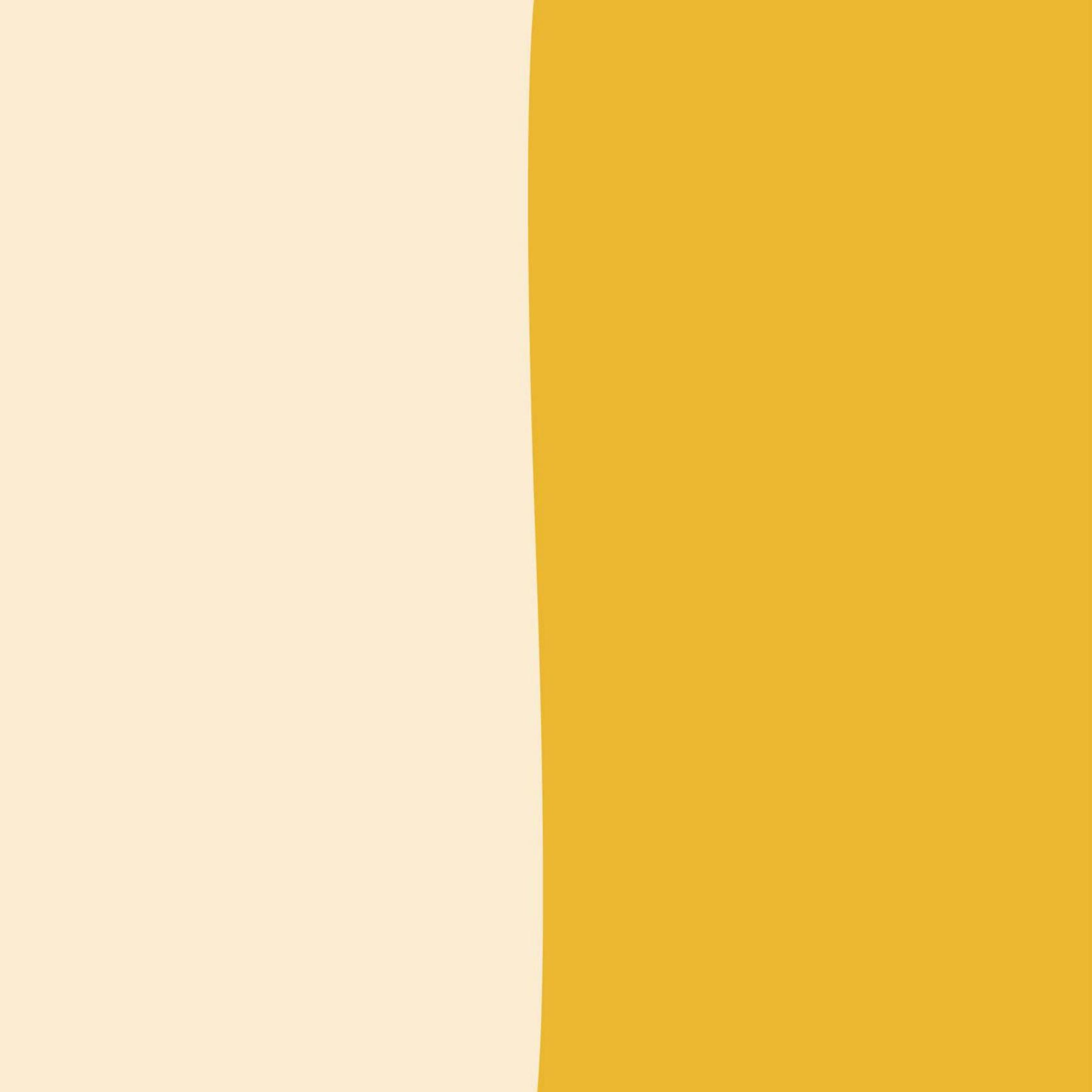
unique career opportunities that exist in metro Detroit, a region that is home to hundreds of private and publicly held companies, academic and health institutions, and nonprofit organizations that manage sizeable pension plans, endowments and trusts.

Today, both universities are producing a diverse pipeline of qualified, experienced graduates ready to be hired by Kresge and other Detroit-area businesses and organizations — no airline ticket required.

Cultivating a diverse pool of skilled talent is especially important given that less than 2 percent of assets under management are invested with women and people of color. That's why Manilla's team also began to set goals for itself to champion opportunities for investment firms that have been underrepresented within the foundation's endowment.

By 2025, Kresge has committed that 25 percent of its U.S. assets under management will be invested in women- and minority-owned firms. To achieve "25 by '25," Kresge is taking a three-pronged approach to advance diversity, equity and inclusion in the investment sector: intentionally attracting more diverse candidate pools; diversifying the foundation's endowment managers; and, encouraging peer organizations and the investment industry to follow suit.

"This is about equity. It's about accountability. And it's about better economic outcomes," Manilla says. "We believe that diversity of thought, background and beliefs leads to better investment decisions and returns — and the data proves it. Our efforts to diversify our investment managers, support a broader pipeline and drive awareness in the industry is not only the right thing to do, it's the smart way to work."



THE KRESGE FOUNDATION

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