

Regional Equity: Challenges, Successes, Solutions

A report on a meeting presented by

Council of New Jersey Grantmakers

and

Delaware Valley Grantmakers

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What is Regional Equity?

The Community and Resource Development Unit of the Ford Foundation defines the term “regional equity” indirectly. According to the unit, “the new regional equity approach to development offers an opportunity to combine the strength of community-driven efforts to build strong institutions with regional policies that foster public and private investment that is equitable, just and environmentally sustainable.”

Roland Anglin, executive director of the New Jersey Public Policy Research Institute, noted that regional equity is “not a strategy; it’s a vision, a concept, an end goal.” He stated regional equity requires breaking the concentration of poverty in urban and rural areas. People in isolated communities need public policies to assure mobility up the social and economic ladder. The concentration of poverty cannot be broken without linking impoverished communities to financial support for education, job opportunities and community development. It also cannot be broken without public policies that help communities and individuals confronted by the challenges of poverty to overcome these challenges.

Steven Minter, Executive in Residence, Cleveland State University and former president of the Cleveland Foundation, described regional equity as one way to address an issue apparent in every community and around the world: *disparity*. He observed this requires bridging significant chasms and, in his experience, has been the challenge of every generation.

Regional Equity: A Look from Several Perspectives

The Council of New Jersey Grantmakers (CNJG) and Delaware Valley Grantmakers (DVG) convened a meeting of grantmakers on November 9, 2004 at the South Jersey Performing Arts Center in Camden, New Jersey. The meeting was titled “Regional Equity: Challenges, Successes, Solutions,” and was the culmination of an 18-month initiative to identify philanthropic leadership in New Jersey and southeastern Pennsylvania, inform these grantmakers about regional equity issues and create an environment where they could discuss regional equity demonstration strategies in community development. CNJG and DVG each received a grant from the Ford Foundation for the initiative and collaborated in programming for all funders that have interests in the region. CNJG members and a segment of DVG’s membership have a special interest in the revitalization of the city of Camden.

The purpose of the meeting was to “shine light” on regional equity issues, in the words of CNJG’s director Barbara Rambo. The participants’ charge was to identify ways that members of the grantmaking community might work individually and together to improve the situation in the region and reduce disparities not only among the southern region and the rest of New Jersey and southeastern Pennsylvania but also among urban, rural and suburban areas. The day’s activities focused on lessons learned from recent projects in Camden, which in turn highlighted issues applicable to regional equity initiatives throughout the region.

Approximately sixty representatives from some twenty funders, ranging from large national foundations to smaller regional and local philanthropies, attended. In addition, funders were encouraged to invite leading executives from their grantee organizations to attend. Among local nonprofits represented were the Camden Center for Youth Development, the Food Bank of South Jersey, Parkside Business and Community in Partnership, Camden Churches Organized for People, the Fair Share Housing Center, HomeFront and Perkins Center for the Arts. For a list of participants, see attached appendix.

The components of the meeting were:

- Opening remarks by Randy Primas, chief operating officer of the City of Camden, on challenges and successes in Camden’s ongoing revitalization.

- A panel discussion moderated by Roland Anglin, executive director of the New Jersey Public Policy Research Institute (NJPPRI), with five panelists representing regional philanthropic efforts in five sectors:
 - *Community Development*: Denise McGregor Armbrister, Senior Vice President, Wachovia Corporation, and Executive Director, Wachovia Regional Foundation and Wachovia Regional Community Development Corporation
 - *Education*: Ross Danis, Education Program Director, The Geraldine R. Dodge Foundation
 - *Health*: Gretchen Hartling, Co-Director, New Jersey Health Initiatives, a program of the Robert Wood Johnson Foundation
 - *Arts*: Kate Moore, Public Affairs Manager and Vice President of Corporate Communications, PNC Financial Services Group
 - *Environment*: Geraldine Wang, Director, Environment & Communities Program, The William Penn Foundation
- Breakout group discussions to identify challenges, model grantmaking programs and strategies, and recommended steps for grantmakers to decrease disparity and improve equity. Group clusters focused on: community development, education, health, arts and the environment. After the discussion, group rapporteurs reported findings.
- A keynote address by Steven Minter of Cleveland State University about grantmaking strategies that the Cleveland Foundation and other Ohio funders have devised to improve regional equity in Ohio. He highlighted the relevance of community foundations in helping to develop viable communities and indicated that southern New Jersey and many other areas in the region seemed ripe for this type of philanthropic development.

Southern New Jersey and Camden: A Case Study to Illustrate the Challenges of Achieving Regional Equity

In introducing Camden's Primas, Mark Murphy, executive director for The Fund for New Jersey, put the issue of regional equity in some historical and geographical perspective. Murphy noted that over the last three decades, New Jersey has attempted to improve regional equity statewide through three significant initiatives:

- The New Jersey Supreme Court's Mt. Laurel rulings holding that New Jersey's municipalities must meet specific "fair share" affordable housing obligations to meet regional housing needs.
- The court's Abbott vs. Burke decision, ruling that the state must provide educational reforms, funding and new and rehabilitated facilities to make public education in 30 low-income communities across the state comparable to the state's wealthier suburban schools. Abbott also mandates the provision of pre-school education for all children in these high-need districts.
- The New Jersey State Development and Redevelopment Plan that targets wilderness and other environmentally sensitive areas for protection and directs and redirects economic growth and real estate development to urban areas.

Despite these landmark efforts, Murphy noted, southern New Jersey and especially Camden still face disparities relative to the rest of New Jersey. Southern New Jersey comprises Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem counties. According to *New Jersey Gives*, a report on philanthropy published in 2001 by CNJG, residents of southern New Jersey have significantly lower average incomes based on tax returns than residents of north and central New Jersey. Average income in 1999 in southern New Jersey was \$46,136, and in north and central New Jersey, \$60,291 and \$66,220 respectively.

Primas noted that most of the poverty in southern New Jersey is concentrated in the city of Camden. Information published by the Education Law Center, an advocacy organization for New Jersey's public school children, gives perspective on Camden's status. According to the center, in 2000, average residential property value in Camden was \$24,456; New Jersey-wide the

average value was \$147, 475. Camden faces additional disparities: according to the center, the distribution by race and ethnicity in Camden public schools for 2000 was 9, 743 black children, 7, 093 Hispanic, and 226 white. Primas noted that 50% of Camden residents over age 50 lack a high school diploma. These challenges notwithstanding, Primas highlighted several positive developments resulting from efforts on the part of the state and private investors to turn Camden around. Among these developments are

- The opening of the Victor apartment complex, the first market rate housing built in the city in 50 years,
- Rising test scores in the elementary schools, and
- Pennsylvania governor and former Philadelphia mayor Ed Rendell's acknowledgement that there are "two cities and one waterfront" and that both cities will benefit from the development of their shared stretch of the Delaware River.

According to *New Jersey Gives*, philanthropic giving in New Jersey mirrors the unequal distribution of resources. Only five of the 100 top private foundations in New Jersey are located in the southern region. Southern New Jersey lacks a funding advocate in the philanthropic sector. There are only four community foundations in New Jersey, all located in north or central New Jersey. Two new community foundations are beginning to emerge, however, in southern New Jersey.

How Regional Disparities Challenge Funders and the Sectors They Support

During discussions throughout the day, participants identified several general challenges to improving regional equity that are common across sectors:

- " 'Regional equity' is not at the top of most grantmaking portfolios," observed Anglin, of the New Jersey Public Policy Research Institute. Others commented that the concept of regional equity is hard to define and its value may be difficult to convey to foundation boards that may have missions focused on particular communities or specific sectors.
- Because of the magnitude and complexity of regional issues affecting disparity, addressing them will likely require collaboration among funders. Although effective collaborative models exist, some funders have found that such collaboration can be difficult to achieve.
- Many participants observed that funders like to measure outcomes. They pointed out, however, that outcomes relative to achieving regional equity may have to be redefined. For example, can a grant's impact on desegregation be measured? Can capacity building (for example, bringing diverse people together at a table, or forging bonds or trust among diverse partners) be measured?

The funders and nonprofit leaders in the breakout group discussions were charged with identifying challenges by sector. The five panelists, who each represented a sector, also identified sector-specific issues in their remarks. Sector-specific challenges are summarized below:

- *Community Development*—The challenge in community development is to define "who is my neighbor?" Politicians look to their local constituents—not across political boundaries. The field itself is not structured regionally: community development corporations are place-based. Denise Armbrister of Wachovia, commenting in follow up to the meeting, noted that certain key organizations do work across boundaries and can be engaged in community development efforts. These organizations include religious institutions that may draw congregants from diverse communities, universities that serve a regional market and hospitals and academic medical centers that employ staff from diverse environments
- *Education*—The education sector faces a dual challenge. On the one hand, parents in disadvantaged areas must be engaged and organized to create better schools. On the other hand, class and race barriers between suburbs and urban/rural areas must be bridged, and the value ingrained that "My kids are somebody else's kids, and somebody

else's kids are mine." After the meeting, Ross Danis of The Geraldine R. Dodge Foundation reflected that the Abbott decisions may not help this divide in the near term. He stated "Many believe their own schools are not getting the services they deserve in spite of paying high property taxes and even higher state taxes that go to children other than theirs." But he remains optimistic over the long run: "We know that universal pre-school is going to have a big impact on reducing the cycle of poverty. Wait until we begin to feel the economic benefits of a broader tax base in 15 to 18 years! It may change some minds!"

- *Health*—Poor health outcomes in impoverished areas reflect all the disparities in other sectors—especially in employment, housing, and education. Poverty affects health status at two levels: poor people with low education levels often lack information or understanding about how to stay healthy, and are less likely to be able to adopt healthier lifestyles and avoid many illnesses. Once they are ill, they are less likely to get adequate care due to lack of health care insurance, lack of access to health care facilities because of transportation difficulties or language and cultural barriers between them and their health care providers.
- *Arts*—The arts community still lacks an effective language to counter the perception that it is an unnecessary benefit (despite research confirming its importance to education) and to communicate the importance and impact of the arts on the health of a community or region. Partly as a result of this communication problem, the sector receives little public funding and arts organizations are often competing among themselves for the little money available. Some institutions nonetheless "get" it. PNC and many other corporations recognize and promote the idea that a strong community needs the arts to strengthen its economy.
- *Environment*— The connections between the benefits of open space, sustainable agriculture and rural preservation and the wellbeing of urban areas are not clear to the general public. Clean air and water are not perceived as important environmental issues in urban neighborhoods, and the idea of conservation is often perceived as of concern only to wealthy whites. Urban areas lack capacity to organize around environmental issues. Part of this problem is driven by public policy: federal environmental regulations are implemented at the state level and don't take into account the cumulative impact of various pollutants on urban areas, so the impact is not known to urban residents. Desire for economic development also puts cities in a bind: factories bring in tax revenues and jobs, but generally are located in poor neighborhoods that may suffer from a factory's air and/or water pollution.

What Can Funders Do to Promote Regional Equity?: Recommendations from Meeting Participants

Throughout the day, participants offered examples and suggestions about how grantmakers might promote the building of trust and alliances that will be necessary to achieve increased regional equity across political, community, racial and class boundaries. Their recommendations follow, accompanied by many examples of philanthropic efforts to overcome disparities in many sectors and to improve regional equity through grantmaking:

- ▶ **Demonstrate cross-boundary approaches in grantmaking.** The William Penn Foundation integrated two priority funding areas--the environment and community development--under a regional framework to steer development to urban areas, provide access to natural recreation space for urban and suburban dwellers alike and protect environmentally important areas such as watersheds. Their support of such groups as the Greenspace Alliance of Southeastern Pennsylvania facilitates cross-sector collaboration across political boundaries. Within the regional framework, noted Geraldine Wang of The William Penn Foundation, they are also better able to address concerns specific to lower-income communities including mobility and transportation. The Geraldine R. Dodge Foundation is considering merging its three grantmaking portfolios—education, the arts and the environment—under a unified

docket, because of the many integrated programming opportunities (especially for school children) that would be created by working across these sectors.

- ▶ **Foster strategic partnerships.** The PNC Regional Foundation created a special partnership with two of Philadelphia's major nonprofits, the Philadelphia Museum of Art and the Philadelphia Horticultural Society, that broadly benefited the greater Philadelphia region and specifically benefited community nonprofit partners. The foundation invited the Greater Philadelphia Tourism Marketing Corporation to help them promote two events that the foundation was sponsoring: the horticultural society's annual flower show and a special Degas exhibit put on by the museum. These two events not only generated \$50 million for the region from tourists and visitors, but also delivered proceeds that were distributed to local non-profits. Proceeds from the annual flower show (approximately \$1 million) went to Philadelphia Green, a program of the horticultural society that develops and cares for community gardens, neighborhood parks and other green spaces in the city. Proceeds from the special exhibit helped support neighborhood arts education outreach activities. Expanding on the possibility of fostering such partnerships in southern New Jersey, Kate Moore of PNC followed up with a suggestion that the opening of the renovated aquarium in Camden might be an opportunity for a regional promotion with groups such as the South Jersey Cultural Alliance, the Delaware River Port Authority, ArtPride New Jersey (an arts advocacy group) and the Southern New Jersey Chamber of Commerce.

New Jersey Health Initiatives is funding an effort in Cumberland County that brings together mayors, employers, health care providers and other community leaders to improve healthcare outreach to the area's migrant workers and their families and assure that these workers know what resources are available to them and where to go for health care.

- ▶ **Support advocacy groups and advocate to strengthen and protect sectors whose value may not be widely understood or appreciated.** Funders can leverage their credibility on behalf of vulnerable sectors. For example, people understand the need for curative health care but perhaps not the need for a strong public health infrastructure, a core building block of regional equity in health, according to Gretchen Hartling of New Jersey Health Initiatives. The Robert Wood Johnson Foundation has long supported the strengthening of the public health infrastructure. The local arts sector has benefited from PNC's advocacy on their behalf. Eric Breit of the NonProfit Finance Fund reported on the proactive role The Geraldine R. Dodge Foundation played in the recent advocacy for reinstated public funds for the New Jersey arts community during winter and spring 2003. ArtPride, a Dodge Foundation grant recipient, led the charge for reinstated funding by reaching out to every arts organization throughout New Jersey, organizing letter writing campaigns to the state legislature and curtain calls requesting support from the public and other activities. Funders can also help take up the defense of public spaces in an era of increasing privatization—The William Penn Foundation, for example, has invested \$20 million in renovating Philadelphia's Fairmount Park.
- ▶ **Support policy research and development.** Private funders can step in where public capacity does not exist. Recognizing that the state department of education has little capacity to support research and development, The Geraldine R. Dodge Foundation has supported the development of a number of educational models; their arts school model became the eleventh whole school reform model for Abbott districts approved by the New Jersey Board of Education. Another Dodge Foundation grant recipient, Project SEED in Voorhees, is expanding an educational model developed for disadvantaged students in Berkeley, California to schools in Camden and Trenton after a pilot test in one Camden school resulted in improved student math test scores at that school. Two teachers in the school used the model's methods to encourage student-teacher feedback, promote student questioning and improve student focus.

- ▶ **Invest in capacity building.** Although difficult to measure, investments in such processes as technical assistance, planning, and community engagement are essential if low-income communities and their advocates are to be able to create change. The Wachovia Regional Foundation supports a grantmaking program intended to build capacity at the neighborhood level and enable civic participation and added a new planning component to that program. Wachovia has funded its first round of planning grants to local nonprofits ranging from \$25,000 to \$75,000 to enable them to identify and collaborate with local and regional partners to develop comprehensive neighborhood plans. These plans address services to families and children, affordable housing, economic development including small business development, job training and transportation, and neighborhood building through citizen involvement. The foundation plans to award development grants of \$100,000 to \$750,000 to selected neighborhoods over three to five years. In the Parkside community of Camden, over 600 residents participated in development of the plan.
- ▶ **Use philanthropies' power to convene diverse stakeholders.** Because of their impartiality, funders can invite disparate groups that may not know each other, or competing groups that may otherwise not come to the same table, to speak together on issues that require cooperation and begin to build trust among groups. Convening groups with similar interests or similar challenges can promote cross-group learning. Wachovia regularly brings together its grantee communities across 62 counties in the region to promote learning and build trust, and also convenes funders with shared interests to learn about approaches to common problems.
- ▶ **Spotlight and support people on the ground who are doing good work.** The Geraldine R. Dodge Foundation tries to “amplify positive deviance.” That is, Ross Danis explained, to communicate how innovators in the community seem to make things work through their processes of problem solving. As well as “telling their stories,” funders can connect these innovators to funding, to mentors and to colleagues to support and “amplify” what they are doing. For example, Dodge is supporting an “interactive learning community” composed of educators in Camden County public schools. Educators from such diverse communities as Camden, Voorhees and Cherry Hill regularly meet to exchange lesson plans and other information and ideas and develop collegial relationships across what is otherwise a huge socio-economic divide.
- ▶ **Help communicate the connections and interdependence among urban, suburban and rural areas.** The advantages of regional equity are not obvious or compelling to all. Funders, and in particular the regional associations of grantmakers, CNJG and DVG, could help convey to local governments, businesses and other stakeholders in the well being of the region how the goal of regional equity benefits all. For example, open space is often viewed as something that benefits only rich white communities, whereas its environmental, recreational or health value may be greater to urban areas, as long as they have access to such space. In fact, noted The William Penn Foundation’s Andy Johnson, property values in Burlington County may be holding because of the county’s abundance of preserved open space. Funders could disseminate such information to help build constituencies for regional equity, or could partner with faith communities, for example, to explain why all citizens should share in the task of improving equity.
- ▶ **Collaborate on behalf of the region.** To address the lack of a philanthropic champion in southern New Jersey, CNJG and several of its members have been discussing ways to expand the presence of community foundations or other philanthropic vehicles in southern New Jersey. The Cleveland Foundation, the nation’s oldest and second largest community foundation, has promoted two collaborative initiatives on behalf of disadvantaged regions of Ohio. The rural Appalachian region of southeastern Ohio suffers similar social, economic and health disparities relative to the state as a whole as does southern New Jersey. To address these disparities, in 1988 the Cleveland Foundation and other funders in the state established the Foundation for Appalachian Ohio to generate funding and advocate for that

area of the state. The funders went to the state legislature and persuaded the legislature to appropriate \$1 million in funds for a community foundation to be matched by private fundraising efforts. Through its support, the state of Ohio created an infrastructure for private giving. The Foundation is now supported by various charities and private funders, develops programming specific to the needs of Appalachia and convenes people around issues affecting the welfare of the area, such as cultural tourism.

A second effort still underway is addressing the economic development of northeastern Ohio, which has suffered from de-industrialization. The Cleveland Foundation and other major Ohio funders catalyzed the creation of the Fund for Our Economic Future. The fund will support regional economic entities to establish an economic “dashboard” for the region to help monitor and anticipate economic trends and will fund initiatives that enable the region to prepare for trends. The founders’ goal was to raise \$30 million for the fund. To date, 60 local and regional foundations in eight Ohio counties have committed to the fund; only five of these had previously made grants to this type of economic initiative. Each contributing funder will have one vote in the governance of the fund, regardless of contribution size. The founders also plan to ask each funder to put two to three percent of the funders’ investment portfolio in high-risk, pre-venture capital (“almost a grant,” said Cleveland’s Steve Minter) to stimulate economic development in the region.

Next Steps: Suggestions for Grantmakers

- Use the regional associations of grantmakers to identify and convene potential collaborators and regional stakeholders to learn more about regional equity issues and help inform funding decisions.
- Promote and attend the “Advancing Regional Equity and Smart Growth” conference to be held in Philadelphia, May 23 – 25, 2005 co-sponsored by PolicyLink and Funders’ Network for Smart Growth and Livable Communities.
- Identify opportunities to fund policy research and development on regional equity issues; leverage that funding by sharing the information with grantmaking colleagues and other stakeholders.
- Develop communications tool(s) to share information on regional equity issues among interested funders. Through communication, participants can identify and strengthen collaborative funding opportunities as well as inform novice funders about critical issues facing the region.
- Join in the Southern New Jersey Initiative being rolled out by CNJG in 2005 to expand charitable giving in southern New Jersey with a focus on citizen education about the advantages and positive impacts available through local community foundations.
- Develop and support a major marketing campaign to inform citizens about the connections between open space, rural preservation and healthy urban areas. Include opportunities for citizens across the socio-economic spectrum to engage in activism on environmental issues.
