

THE THREE "C"S OF BUILDING FOR LARGE-SCALE IMPACT By Red Philanthropy Written for the Client April 30, 2021

BUILDING TO SCALE

Scale has always been a big question in the philanthropic sector. Expanding ideas while maintaining the best of the original concept is a life's work. This paper will examine the following questions:

- When a philanthropist builds sites to create positive impact, how have these facilities created a long-lasting social purpose?
- When the funders discover the incredible impact of giving in this way, how has that family historically approached expansion to create a cohesive strategy while ensuring optimum impact?

The following paper introduces three American philanthropic families: Andrew Carnegie, Joan Kroc, and the Schnitzer Family. Each with a unique vision but similar in core concepts. The most prominent of these core concepts are that building a space for a social purpose has the potential to scale when done with the three "C"s: customization, collaboration and continuity.

MEET THE FAMILIES

Andrew Carnegie

One of the most enduring legacies of steel titan and philanthropist Andrew Carnegie is the Carnegie Libraries. Between 1893 and 1919 he spent approximately \$1.3 billion bringing 1,700 public libraries to the U.S.¹ Carnegie liked the idea that libraries and museums were seen as a way to make learning and culture available to the average person.

Nearly all of Carnegie's libraries were built according to the "Carnegie formula." This formula required financial commitments from the town receiving the library for the purpose of maintenance and operations. Carnegie preferred public support for his libraries in order to ensure public interest and ownership. He required local governments to do the following:

- demonstrate the need for a library,
- provide the building site,
- draw from public funds rather than private philanthropy to pay staff and maintain the library,
- allocate ten percent of the library's total construction cost (Carnegie's grant) to support its operations,
- provide free service to all users.

The <u>Carnegie Library in Pittsburgh, PA</u> famously followed this formula. They provided free access to women and children as well as men, a rather unprecedented move at the time. They provided land for

¹ https://www.bloomberg.com/news/articles/2014-10-28/how-andrew-carnegie-built-the-architecture-of-american-literacy



the library as well as \$15,000 annually for maintenance.² Over time, Carnegie increased his gifts to this library.

More than half of the Carnegie Libraries in the US still serve their communities as libraries in some form, many in lower to middle-income neighborhoods. For example, most of the libraries in the New York Public Library system in NYC are Carnegie libraries, as well as in Pittsburgh. While not all libraries have remained in use for this purpose, many still do operate as public libraries. In the event other libraries were created, the ownership of the land and property by the local municipality enabled the town to determine how the property could best be useful over time. Regardless of how the libraries are used today, the fact remains that the Carnegie Library movement inspired equal access to books and the need for libraries universally.

Joan Kroc

The widow of McDonald's founder Ray Kroc was nicknamed "St. Joan of Arches" due to her investment in communities around the country. She left an indelible mark by funding causes like the fight against homelessness and serving the American poor.

Specifically, Kroc partnered with the Salvation Army for the construction of more than 20 community centers and 15 camp experiences in the amount of \$1.5 billion, the largest single gift given to a single charity at one time as of 2013. Permanently found on the <u>Salvation Army</u> website is an alliance with Kroc's support, reading "Ray and Joan Kroc Corps Community Centers provide facilities, programs, and services that encourage positive living, offer life-changing experiences for children and adults, strengthen families, and enrich the lives of seniors... In accordance with the Christian mission of The Salvation Army, these resources will be offered without discrimination to uplift individuals and benefit communities in need."³

Unlike Carnegie, Kroc did not require financial investment on the part of the communities in which the centers were to be built. She gave immediate gifts to organizations that proved themselves high functioning.⁴ However, with that gift, she did make specific wishes clear. These community centers were to be built in lower-income areas, and the Salvation Army was to work with the communities receiving the centers to support their creation. In this way the centers would be more likely to meet local needs.

The first Salvation Army Ray and Joan Kroc Corps Community Center was built in the Rolando neighborhood of Joan Kroc's hometown of San Diego. In accordance with her wishes, the center provides a safe community gathering space, facilities suited to childcare, and promotes appreciation of the arts and athletic potential.⁵

One example of these well-known centers is the Ray and Joan Kroc Center in Coeur d'Alene, Idaho. The center was built with the wishes of its home community in mind. It features a competition pool

² https://www.carnegielibrary.org/about/history-of-carnegie-library-of-pittsburgh/

³ https://centralusa.salvationarmy.org/usc/kroc/

⁴ https://www.learningtogive.org/resources/kroc-joan

⁵ https://kroccenter.org/KrocPortal/home



which was the number one space requested by the community.⁶ There are also offerings for families with children including Camp Kroc, a play-care area, and homeschool offerings. It also provides emergency services to residents of Kootenai County, where Coeur d'Alene is located.

The multifaceted and yet unique nature of each Kroc Center and Camp Kroc across the country is indicative of Kroc's generosity and foresight into the power of customization according to community feedback. Ultimately, it's the feedback Kroc invited that has engendered a high-level of community use and local ownership.

Arlene, Harold, and Jordan Schnitzer

The Schnitzer family, who made their wealth from steel, has a long history of appreciation for the arts. According to Jordan Schnitzer, he purchased his first painting at age 14 from his mother, Arlene Schnitzer, who owned a contemporary art gallery in Portland, Oregon.⁷

Jordan Schnitzer and the Schnitzer Family Foundation are committed to invest in philanthropy that makes art as accessible as possible throughout the Pacific Northwest. The family has lent collections to and sponsored exhibitions at more than 100 museums.⁸ Moreover, the family helped establish three museums throughout the Pacific Northwest; the <u>Jordan Schnitzer Museum of Art at Portland State</u> <u>University</u> (PSU), at <u>Washington State University</u> (WSU), and at the <u>University of Oregon</u> (UO).

The PSU and WSU museums are both free to the public, and the UO museum is free to members of the university community. Each museum brings art to the forefront of university life to instill an appreciation for art at an educational level. Each museum features works by artists from the Pacific Northwest among their collections and encourages work by younger artists through the School of Art and Design's Arlene Schnitzer Visual Arts Prize. By enhancing the artistic presence of public universities and amplifying the renown of regional artists, the Schnitzers have influenced the arts community in the Pacific Northwest.

It is difficult to find a family who has done as much for promoting the arts in the Pacific Northwest as the Schnitzers. Their ideal partners were highly respected public universities. While the philanthropic family built the buildings, they also established terms with the university partners such as the need to feature local and/or native artists, a competition to engage the students, and collaboration opportunities with other donors and exhibits. In response, the colleges undertook the operating of each museum in perpetuity.

CONCLUSION

While building sites in the name of philanthropy is common, some projects have sustained over time better than others. Those whose projects lasted created buildings consisting of more than brick and mortar. Their projects were a part of a larger, overarching purpose of inclusion. For Carnegie, he wanted to bring reading to the masses. Kroc wanted to offer the homeless and poor a center to access

⁶ https://www.kroccda.org/kroc-cda/facility

⁷ http://www.jordanschnitzer.org/jordan-schnitzer

⁸ http://www.jordanschnitzer.org/jordan-schnitzer



greater opportunities. And, the Schnitzer family sought to make art more accessible to the Pacific Northwest.

Customization

While each mission is different and the ways in which the ongoing legacy of the operations varied, some similarities emerge. Foremost among them is that, while embarking on these building projects, they collaborated with the local communities in which the buildings were located to create something the community would use and own. Carnegie obtained financial buy-in from the government where his libraries were to be built. Kroc ensured that the Salvation Army Community Centers that bore her name were built around the needs of those communities, rather than by a top-down approach on the part of the Salvation Army. Finally, the Schnitzers ensured that their museums were both accessible and relevant to artists from the Pacific Northwest region, as well as community members. While these philanthropists all took different approaches to community collaboration, they collaborated nonetheless.

Obtaining community input for a philanthropic building project is integral to the continued success of that endeavor. There is a reason over half of Carnegie Libraries still function as libraries and why the Kroc Community Centers successfully offer such a wide array of services. They meet the needs and desires of the communities in which they are located. Moreover, in many cases, the philanthropists have sought input from multiple community stakeholders.

Collaboration

Additionally, each of these philanthropists carefully selected their partners and their locations. Carnegie partnered with local municipalities to ensure taxed income would be enrolled in this effort. This ultimately influenced how the government saw their role in offering library services. Kroc selected Salvation Army as her partner due to its deep experience working with the poor and its history of Christian values. This experience offered a level of expertise that brought comfort to Kroc knowing that the target demographic would be served with a high-level of acumen. Lastly, the Schnitzer's sought partnerships with universities to enroll students into the arts at an early and teachable age. Additionally, the credibility of the university immediately set the museums ahead in establishing their own brand of authority.

Continuity

Lastly, this work largely happened in the donor's lifetime. They sought to be thought-partners while not overly dictating the direction of the project. Selecting the partner carefully enabled each donor to step out of the day-to-day in order to maintain focus on the over-arching goal they sought to achieve.

Throughout these legacies, customization, collaboration and continuity were at the heart of these philanthropic success stories. They created impact that lasted beyond a single lifetime and continue to be adored by the communities in which they serve.