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California Zeros in on the Intractable

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LOS ANGELES

THE wildfires that ravaged communities from Malibu to San Diego last month set off an outpouring of charity from corporate California: the Walt Disney Company and Hewlett-Packard quickly pledged \$2 million each, and other local companies promised hundreds of thousands more.

But the avalanche of aid for disaster victims in the wealthy Southern California suburbs could divert attention from what has been a major transformation of the philanthropic landscape in the region, one that can be glimpsed in the ways charitable groups are tackling the most persistent problems of everyday life: poverty, health, housing, education, immigration and what could be simply called urban livability.

The big art institutions and universities continue to prove they can more than fend for themselves. In the last few years, [David Geffen](#) gave \$200 million to the medical school at the University of California, Los Angeles, [Eli Broad](#) \$60 million to the [Los Angeles County Museum of Art](#) and [George Lucas](#) \$175 million to the [University of Southern California](#)'s film school.

The most intractable social problems, by contrast, require much more than a good architect or hiring a new dean, and they seldom attract donations that reach six digits, let alone eight or nine.

So it was a radical departure when the [United Way](#) of Greater Los Angeles — which had long followed a pattern of spreading its \$60 million or so in annual largess in all directions — announced this year that it would narrow its focus and devote its discretionary giving only to programs that fight poverty.

For the first time, United Way required its affiliates to compete for grants, and the result was a drastic shake-up. Of 200 longtime beneficiary agencies, 90 were dropped, and 50 new recipients were selected. United Way also set 10-year goals, including raising the high school graduation rate to at least 75 percent and putting 10,000 adults through training programs and into jobs with good pay and career growth.

Elise Buik, who took over in 2005 as president of the long-struggling Los Angeles United Way, the nation's 10th largest, said poverty had become a "dirty word" and a "liberal issue" because of the region's geographic fragmentation and lack of a dominant urban center.

"When you have to walk over homeless people on the way to the subway, it's going to enter your psyche," she said. "But here, we don't touch and see it."

She added: "As we started to raise these issues, people were shocked, and they did care. Our job has been to try to broker this into a quality-of-life issue. What people are waking up to is, if we have a 50 percent dropout

rate, that's going to affect business and your quality of life."

Making matters more challenging for United Way, historically reliant on workplace campaigns, has been the loss of some corporate headquarters. "Bank of America's in Charlotte now," Ms. Buik said. "Times Mirror's in Chicago."

Targeted campaigns, measurable results and competitiveness have become the bywords for big philanthropies and small nonprofit groups alike, including the \$3.5 billion California Endowment, which has handed out \$1.8 billion in grants. In April 2006, the endowment — created 10 years earlier, when Blue Cross of California became a for-profit company — opened a \$62 million downtown headquarters.

Now, the endowment is grappling with how to focus its efforts to fulfill its mission: building healthy communities and ensuring that the state's estimated 800,000 uninsured children get health care.

"We've funded thousands of organizations, a lot of people have benefited, but what do we want to hang our hat on in 5 or 10 years?" said Paul Hernandez, a spokesman for the California Endowment.

The much smaller Liberty Hill Foundation might point the way, he said. The foundation, a self-described progressive underwriter of grass-roots community-organizing efforts, has as its motto, "Change, not charity." Mr. Hernandez said, "That's the kind of credo we want to subscribe to, too."

The California Endowment's impact is already being felt; it helped to end soda sales in the Los Angeles schools, a move later repeated at the state level. It is also helping the City Project, a fledgling nonprofit organization working to broaden access to parks and open space for inner-city residents and, more recently, to fight childhood obesity by guaranteeing that city students get enough physical education.

That long-term goals are still being set by so many of the region's philanthropies should be expected; more than two-thirds of California's foundations have been formed since 1990. But even the California Community Foundation, founded in 1915, only recently made a splash in affordable housing, setting up a land trust to build homes to sell to low-income families. (It has built 80, begun work on 220 more and set plans for an additional 350.)

The region's nonprofit sector mirrors its geography, said Paul Vandeventer, president of Community Partners, a Los Angeles incubator for community groups.

"Philanthropy tends to be by virtue of who I know, not where I go," he said. "We're so broad and spread out, there isn't deep interconnectedness. It's more like the Internet, with more nodes than hubs and spokes. If I straddle many networks, my philanthropy will be spread and varied."

It also might be invisible: the available data on philanthropy doesn't include the remittances from immigrants to their home countries, which often exceed the total United States foreign aid to those nations, said Sushma Raman, president of Southern California Grantmakers. That should not be surprising since, for example, the Guatemalan and Salvadoran populations of Los Angeles are second only to those of Guatemala City and San Salvador.

Immigrant workers, as it happens, are among the chief interests of the Liberty Hill Foundation, which focuses heavily on economic issues. In recent years, its beneficiaries have helped win an increase in the minimum wage at the state level and helped grocery workers in Koreatown negotiate with merchants for a “living wage” of \$8.50 an hour.

Other aid recipients include organizers of a rally in May calling for changes to immigration law, at which the police turned on both demonstrators and journalists.

One industry that never fails to generate big charitable dollars is Hollywood, a perennial source of some of the biggest individual gifts but also a thrumming machine that, judging from the red-carpet photos in the trade papers, seems to raise several million dollars every few days for one pet charity or another.

The big movie studios all have full-time philanthropy officers weighing an endless supply of gala invitations, usually in chunks of \$5,000 to \$50,000 a table.

On Oct. 23, for example, the Fulfillment Fund, which provides poor city students with high school tutoring and college scholarships, raised \$2.7 million in honor of Marc Shmuger, the chairman of Universal Pictures, at a gala where [Jamie Foxx](#) sang and Seth Rogen cracked jokes. The big Hollywood event has become “The Night Before,” [Jeffrey Katzenberg](#)’s benefit on the eve of the Oscars that helps the Motion Picture and Television Fund, which serves people in the entertainment industry in need.

Other favored causes include juvenile diabetes and cancer research, the Environmental Media Association and the Jewish Federation of Greater Los Angeles.

In Hollywood and elsewhere, recent years have seen a marked rise in donor-advised or donor-designated funds. “People in general, and particularly in L.A., don’t want to give their money to someone else to give away for them, they want to be involved in it,” said James M. Ferris, an expert on philanthropy at the University of Southern California.

That has hurt United Way in the past; about half of its \$60 million in annual giving is now earmarked by donors, leaving little for less popular but worthy causes. But Ms. Buik, the group’s president, said she hoped givers would begin to embrace the campaign against poverty.

“When you get clear about what you stand for,” she said, “it attracts people.”

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