

# H

The Magazine of The Heinz Endowments

## BUS STOP

The Healthy School Bus Fund offers school districts a big leap forward in air quality for students and neighborhoods.

# inside

The Heinz Endowments was formed from the Howard Heinz Endowment, established in 1941, and the Vira I. Heinz Endowment, established in 1986. It is the product of a deep family commitment to community and the common good that began with H.J. Heinz, and that continues to this day.

The Endowments is based in Pittsburgh, where we use our region as a laboratory for the development of solutions to challenges that are national in scope. Although the majority of our giving is concentrated within southwestern Pennsylvania, we work wherever necessary, including statewide and nationally, to fulfill our mission.

That mission is to help our region thrive as a whole community—economically, ecologically, educationally and culturally—while advancing the state of knowledge and practice in

the fields in which we work. Our fields of emphasis include philanthropy in general and the disciplines represented by our five grant-making programs: Arts & Culture; Children, Youth & Families; Education; Environment; and Innovation Economy.

In life, Howard Heinz and Vira I. Heinz set high expectations for their philanthropy. Today, the Endowments is committed to doing the same. Our charge is to be diligent, thoughtful and creative in continually working to set new standards of philanthropic excellence. Recognizing that none of our work would be possible without a sound financial base, we also are committed to preserving and enhancing the Endowments' assets through prudent investment management.

**h magazine** is a publication of The Heinz Endowments. At the Endowments, we are committed to promoting learning in philanthropy and in the specific fields represented by our grant-making programs. As an expression of that commitment, this publication is intended to share information about significant lessons and insights we are deriving from our work.

**Editorial Team** Linda Bannon, Linda Braund, Donna Evans, Carmen Lee, Douglas Root, Robert Vagt. Design: Landesberg Design

**About the cover** This Pittsburgh elementary school student may soon be entering a more healthy bus environment, thanks to the Healthy School Bus Fund, a program developed and managed through Heinz Endowments grantees. The fund has spurred a new policy in the Pittsburgh Public School system requiring retrofitting of all older buses in the district's fleet to eliminate harmful diesel fumes. That action is influencing suburban districts to do the same.

# h

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## Annual Report Online

In past years, the spring issue of *h* has done double-duty as a regular issue of the magazine and the annual report publication for the Endowments. To save more trees and to steer more paper-preferring annual report readers to the wonders of our Web site, the Endowments' annual report is now available exclusively at [www.heinz.org](http://www.heinz.org). We're confident that you'll enjoy the ease of access and the heightened viewing experience on the site. You'll also be endorsing our effort to reduce *h*'s carbon footprint.



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# feedback

Our Winter issue examined how plans for a new Pittsburgh hockey arena led to the region's first community contract to ensure that the surrounding neighborhood benefits from development. We also looked at how small arts groups in the Pittsburgh region are surviving the nation's economic crisis and at the ways in which the Great Allegheny Passage and other southwestern Pennsylvania trails have helped to stimulate the region's economy and promote healthy recreation.



## Uphill Battle

The community benefits movement started in Los Angeles, achieving its first major victory with the 2001 signing of the so-called Staples Center agreement. The deal gave low-income residents first consideration for jobs, helped fund construction of affordable housing and provided recreational amenities in the neighborhood bordering a sports-and-entertainment development that received \$150 million in public subsidies.

As executive director of the Partnership for Working Families, I was pleased to read in Jeffery Fraser's article "Uphill Battle" how Pittsburgh this year joined Los Angeles, Seattle, Milwaukee, Atlanta, Denver and a host of cities around the country that have participated in this movement. Local leaders in these urban areas have signed private contractual agreements or passed legislation making community benefits part of local redevelopment efforts. The Partnership for Working Families is a national nonprofit organization that provides hands-on research and technical assistance in the development of these community benefits coalitions and campaigns. Our movement's philosophy is simple: Public funds and other public resources expended to redevelop urban areas should create real value for workers, their families and their communities.

This approach may seem obvious, but it's actually a new vision for development. As Fraser's article points out, in the 1960s a large swath of the Hill District community was destroyed in the name of urban revitalization. In response to this and similar stories across the country, community benefits groups, like Pittsburgh's One Hill Community Benefits Agreement Coalition, are working to shift the vision of what makes an urban center vital to reflect the real hopes and dreams of the families who work hard to make ends meet day in and day out.

There's a bigger point, though. Urban economies have suffered as good jobs have moved out. Too many local leaders feel that

they have to take whatever development is offered—even if it only generates part-time, seasonal work that pays scant wages and offers no benefits. Though our leaders know that these jobs shortchange our workers, they often feel powerless to make greater demands. The community benefits movement is helping to change that calculation by giving our leaders the backing they need and reminding them of the values that got them into office in the first place. By expanding this work to more cities, we are showing developers and elected officials alike that community benefits negotiations can produce better development that still makes a profit.

The One Hill Coalition and its allies should be saluted for this historic victory.

Leslie Moody,  
*Executive Director,*  
*Partnership for Working Families*  
*Denver, Colo.*

## Trail Ways

Bicycles aren't just for kids. Lawrence Walsh's story "Trail Ways," about the 150-mile Great Allegheny Passage trail from Cumberland, Md., to Pittsburgh, is a wonderful reminder of how dedication to an idea resulted in a recreational asset enjoyed by generations today and for years to come.

As the Bike Tour Coordinator at Venture Outdoors, I am lucky to interact daily with folks connected to the trail, and their stories are always inspiring. From the young cyclists

who use the trail as a healthy spring break alternative to the middle-aged recreational rider who uses our bike tour as the goal in losing 35 pounds over the winter, the trail not only provides opportunities for enjoyment, it also inspires some to change their lives.

Riders on our tours are always impressed by two things: the smooth trail surface of the Great Allegheny Passage and the nice people they meet along the way.

Many of these residents, business owners and community leaders, along with the dedicated members of the Allegheny Trail Alliance, have worked for decades to see the trail completed to Pittsburgh. Generous funding from foundations has not only helped to complete the trail, it allowed Venture Outdoors to hire me and create bike excursions along the trail, such as our bed-and-breakfast and fall foliage tours. Now folks from Pittsburgh have a hometown group to guide them as they take what could be the vacation of a lifetime.

The Great Allegheny Passage is not only providing us with wonderful stories and a beautiful wilderness corridor, it also has provided the local economies with millions of dollars in revenue generated by trail users. With continued funding from foundations, corporations, nonprofits and citizens, the completed trail will help to support this region for decades to come. See you on the trail.

Seth Gernot  
*Bike Tour Coordinator,*  
*Venture Outdoors*  
*Pittsburgh, Pa.*



**You love us! (You love us not.)**

Or, maybe it's a little of both. No matter where on the scale, we want to know what you think of *h*! In September, we'll be asking our regular readers to take a brief (we promise!) survey that will help us better tell the stories behind the Endowments' grant making and report on the foundation community in our region. We appreciate your willingness to (briefly, we promise!) respond. Look for notice of the opening of the survey to come your way soon.

*Comments: The staff of h magazine and The Heinz Endowments welcome your comments. All print and e-mail letters must include an address with daytime phone number(s). We reserve the right to edit any submission for clarity and space. Published material also will be posted on The Heinz Endowments' Web site, which offers current and back issues of the magazine.*

# message



Barry Lavery

By Teresa Heinz  
Chairman, The Heinz Endowments

**T**he Obama administration's selection of Pittsburgh as the site this fall for one of the most important forums of world leaders—the G-20 Economic Summit—has taken Washington insiders by surprise. Many are scratching their heads, wondering how a mid-sized American city that still carries a few smudge marks from its time in the northeast industrial rust belt could win the hosting honor over much larger, internationally known cities.

We who are working in local philanthropy have a rare opportunity to validate this inspired selection by showcasing important stories from the Pittsburgh experience—stories about resilience and lessons learned in the face of economic crisis; about collaboration and community confidence building in the face of a fiercely competitive global marketplace; about risk taking and innovation in the face of expectations that call only for managing the status quo.

The theme running through all these stories is that grass-roots-generated community actions are lighting the path toward solutions to huge, complex problems. In case after case, local movements,

rates as a serious issue, several small nonprofits, a committed urban school district and a visionary bus fleet owner all had more than enough evidence to be worried about the health of students. They ignored the national–international policy vacuum and used an Endowments–state government–financed Healthy School Bus Fund to solve part of the air pollution problem.

Pittsburgh also is at the grass roots of a similar community-by-community response to a piece of one of the world's oldest and ugliest problems—how to free families trapped in the perpetual cycle of intergenerational poverty. The solution path charted by a group of Pennsylvania foundations, parent groups, educators, human service agencies and corporate executives was to improve long-term education prospects for children in these families by increasing access to quality pre-school learning programs in neighborhood settings.

The results, documented in independent evaluations, have shown dramatic improvement in students' elementary school performance. Armed with those successes, several statewide advocacy groups mobilized community campaigns that were key to winning state government

**The theme running through all these stories is that grass-roots-generated community actions are lighting the path toward solutions to huge, complex problems.**

often devised and financed through regional foundations and nonprofits, have made progress on problems that continue to hobble entire governments.

This is why, in a year of economic upheaval, Pittsburgh is such a smart choice as the host city for this summit. As leaders representing 85 percent of the world economy meet to try to map the way forward in repairing tattered financial structures, their convening place has many pathways already marked.

How instructive is it, for instance, that the main summit meeting room is the LEED gold–certified David L. Lawrence Convention Center? This crown jewel of a foundation–nonprofit–government collaboration on a local green-building movement began in Pittsburgh more than 16 years ago, as the city was still recovering from the collapse of a steel industry that once put it on the world map. That effort has led to pursuit of a green-building products industry and the nurturing of several new technology sectors that promise green jobs as part of the city's future economy.

A huge environmental problem that has defied strong action at the national level is man-made air pollution as a primary cause of global warming. The cover story in this issue offers a prime example of strong, grass-roots activist groups and philanthropy coming together to score an impressive gain in one corner of the issue—diesel particulate pollution from older school buses.

In the midst of political dithering among many governments about whether or not air pollution as a cause of climate change even

support for one of the strongest pre-kindergarten program statutes in the country. Now, one of those groups, Pennsylvania Partnerships for Children, has joined with other state associations to advocate for federal early childhood education mandates.

These are just two examples of community programs making measurable gains against problems that often seem immeasurable. And there is good evidence that having summit goers take a break from their international agenda to explore local experiences would be worth the effort.

Bangladeshi economist Muhammad Yunus won the 2006 Nobel Peace Prize as the father of microcredit philanthropy—turning a minuscule \$27 loan project in one of his country's poorest villages into an anti-poverty juggernaut, Grameen Bank, which has made more than \$8 billion in tiny loans to millions of borrowers—most of them women—with an astounding 99 percent payback record.

“Our policy is simple and very different from national policies,” Yunus said in a *Forbes* magazine interview after winning the Nobel. “Nobody should be left behind. We go house to house in an outreach to touch every single poor household. When we lift enough households out of poverty, we have lifted up an entire country.”

Such an outsized success is no surprise to those of us who call Pittsburgh home, but we welcome the surprised reactions from our G-20 visitors when they discover that some of the most promising seeds for global economic recovery may be planted in our city of neighborhoods. *h*



WALL TO



Awash with vibrant colors and larger-than-life figures, this mural not only stretches the length of the Whitney Avenue pedestrian tunnel in Wilkinsburg, Pa., but also serves as a revealing object lesson on developing community-based public art.

# ALL

WHAT HAPPENS WHEN A PUBLIC ART PROJECT MEANT TO ENRICH COMMUNITY LIFE ENDS UP AS A CULTURAL LIGHTNING ROD? A STORY ON THE COMPLEX ARTISTRY OF GRANT MAKING IN NEIGHBORHOODS. BY REID FRAZIER PHOTOGRAPHY BY ANNIE O'NEILL

## **ILKINSBURG BOROUGH BUILDING, THIRD FLOOR AUDITORIUM. THIS IS A TOUGH, TOUGH ROOM: ABOUT 25 PEOPLE, YOUNG AND OLD, BLACK AND WHITE, BLUE COLLAR AND PROFESSIONAL, HAVE TRICKLED IN ON A WEDNESDAY NIGHT AND ARE SEATED IN A SEMI-CIRCLE. THERE IS DISCUSSION; THEN HEATED DISCUSSION, THEN FINGER POINTING AND, FINALLY, A VOLLEY OF PERSONAL INSULTS BETWEEN TWO IN THE GROUP.**

Denys Candy, a veteran community consultant who is facilitating the meeting, asks both the insulters to leave. When the door is closed behind them, he tells the survivors to take a time out—literally. He directs them to sit in silence and take three deep breaths.

“Typically with an altercation like that, a meeting would have ended in disarray. My job at that point is to save the meeting,” Candy says of the late January session more than a year ago.

All the verbal drama and emergency-meeting-saving procedures beg the big question: What principle of freedom and democracy is so in peril in work-a-day Wilkinsburg that neighbors nearly come to blows? Taxation without representation? Pursuit of happiness? Religious liberty?

No—none of these. It’s about art: Capital “A” art, meaning Public Art. And in this case, it’s about a bold, color-soaked mural lining the 100-foot Whitney Avenue pedestrian tunnel underneath the East Busway, a public transit corridor that connects downtown Pittsburgh to eastern city and suburban neighborhoods. Wilkinsburg was a small piece of a much larger project involving 100 youth painting murals at some 50 neighborhood locations under the supervision of accomplished artists.

To the group of foundations—Grable, Pittsburgh, Poise and The Heinz Endowments—government agencies, the Multi-Cultural Arts Initiative and National City Bank, which awarded a total of nearly \$500,000 for the three-year project, there was never a discussion of the possibility of neighborhood-level friction. Neither was there any

worry that the public process devised to pave the way for the Whitney Avenue mural might not be broad enough to deal with differences that are present in every community—generational, class, racial and political, among them.

“There was a lot we didn’t anticipate and adjust for as grant makers because, as we all realize now, there was very little of the community anchored in the management of this grant,” says Justin Laing, a program officer in the Endowments’ Arts & Culture section. “What was needed was a sponsoring organization based in the borough that had credibility broadly across neighborhoods and was clearly defined as the manager of the project.”

By all accounts, that was the most important of several lessons that program officers have taken from the Wilkinsburg piece of the mural project. But this is not the regrettable foundation practice where, in the aftermath of bumpy grant making, lessons are duly noted, funders quickly move on to smoother roads and the community is left to find its own way.

For two years, long after the vivid murals were painted on tunnel walls, long after some residents were so put off by the murals and the process that they wrote complaint letters, the funders continued their support. The mural project moved through its remaining locations and was completed last summer. But during that same period, Laing stayed with Wilkinsburg and, with local stakeholders, began an intensive analysis of the project from management style to resident opinion to community expectations.



That led to another Endowments grant in December—\$35,000 awarded directly to Wilkinsburg Borough officials—to fund the development of a stronger, more comprehensive process for community decision making on public art. Now, after a series of public working sessions (born from the bracing shock of that resident-ejection session in January), guidance from Pittsburgh public art experts and strong support from the borough council, the new process will soon be in place.

“Instead of taking the lessons we learned from Whitney Avenue and applying them in the future for other projects, we asked ourselves if there weren’t an obligation to stay with Wilkinsburg and apply them there.” In doing that, says Laing, “we realized we were developing a reliable public art process that we hope will benefit many other municipalities that have little experience in public art selection.”

That exercise in responsive philanthropy will likely pay important dividends for Wilkinsburg, which has for several decades suffered a steady erosion of property values and population, in stark contrast to thriving neighboring municipalities. “Every dollar spent on public art has to go a long way,” says Wilkinsburg Councilwoman Tracy Evans, who as a newly elected member in 2006

cast the lone “no” vote in the council’s 8-to-1 approval of its portion of the mural project. Now, her worries about lack of an ability to review a proposed piece of art have been turned around and she is one of the borough officials on the art advisory committee helping set new guidelines.

The way most funders and participants remember it, the Wilkinsburg portion of the “Moving the Lives of Kids: Community Mural Project” (named deliberately with Martin Luther King’s initials in mind), didn’t officially get the “controversial” label until the letters started arriving. It was only a handful of complaints about the jarring nature of the artwork and the lack of notice that a mural was being planned, but several funders confirm that the letters raised alarms, since foundations are not used to receiving negative mail. They needed to respond to the neighborhood concerns, they say, but they also needed to continue supporting the other communities to make sure the grant met its goals.

The two key determiners of the mural project’s success were its creator and implementer, 30-year-old Kyle Holbrook, an impassioned local artist who also has been prolific nationally for his mural work; and Hill House Association, an experienced social service agency awarded the grant. While that arrangement worked well for coordinating the

Kyle Holbrook, owner of Pittsburgh-based KH Design, hires local artists and high school students to create public murals for the Moving the Lives of Kids: Community Mural Project. Though some scenes, like this one in the Whitney Avenue tunnel, are not his personal handiwork, Holbrook is still the man in charge.



Pittsburgh Office of Public Art Director Renee Piechocki, above, and her staff helped Wilkinsburg residents form a public art steering committee to create guidelines for bringing future projects into the borough. At this June 3 meeting, Cordell Harris, below, and other committee members reviewed a presentation about the group's work that would be shown later to Wilkinsburg council members.

business side of the project, funders say they didn't pay as much attention as they might have to the geography gap. Hill House, based in Pittsburgh's Hill District, is in the thick of the city, about eight miles west of Wilkinsburg.

"In hindsight, it wasn't fair of us to expect people in an organization based across town to know the community well enough to anticipate problems, or deal with issues quickly," says Laing. It's important, he says, since many problems can be dealt with more effectively by those more distanced from the actual doing.

For Holbrook, his reputation in Pittsburgh has always been that he is his own agent, fiercely protective of his artwork and the young people

That makes the foundation's investment in the youth-development aspects—"paying kids for the summer to create art and thinking about art as a serious career"—a better risk. "Also, we wanted to support Kyle as an instigator for public art, to get people to look at murals," says Williams. "It's a valuable thing for the city."

In Allegheny County alone, Holbrook's company has enlisted youth to produce some 150 murals. Beyond Pennsylvania, he has led public projects in Charlotte, Houston, even cities in Brazil and Haiti. But Holbrook-orchestrated murals also are commissioned by clients for their private property. One of his pieces splashes across walls of Strength Inc., a social services nonprofit

**"WE DON'T HAVE THE RESOURCES TO DO PUBLIC ART VERY OFTEN, SO WHEN WE DO, WE NEED TO MAKE SURE THERE'S A PROCESS IN PLACE THAT HAS THE CONFIDENCE OF THE COMMUNITY."** **Tracy Evans** Wilkinsburg borough council

he hires as apprentices. Working through the firm he started, KH Design Co., he approaches both missions with full-bore intensity. The firm is dedicated to working with young people from neighborhoods in which the projects are based. "At 10 o'clock at night, I've got teenagers out there painting—that's inspiring," says Holbrook, who was raised in a middle-class neighborhood in Wilkinsburg by parents who worked as educators in city and suburban school districts.

Despite that environment, Holbrook says he remembers from his own teenage years the luring power of street life and knows its dangers well: Several of his friends were killed as the result of gang violence. Holbrook says art was the only class he attended regularly, and he believes his passion for art saved him from becoming a crime statistic.

"His life example has allowed him to establish a special credibility with young people," says Germaine Williams, the Pittsburgh Foundation program officer who handled the MLK grant.

in Wilkinsburg's business district.

The Rev. Marcus Harvey, Strength's executive director, who also serves as board president of the MLK project, says Holbrook typically plans months ahead of the actual painting work, running community meetings, scouting sites and promoting the project to young people.

Harvey describes Wilkinsburg's community makeup as a "stew," which should complement Holbrook's mural work, and he's surprised that some ingredients have been working against it. "You throw in some tomatoes, some onions, but you might want some garlic in there," he says. Holbrook's art creates just as strong a mix of flavors, says Harvey. "This art is alive. This art is living."

One of the more ardent objectors to the Whitney Avenue mural was long-time Wilkinsburg resident Bonny Alonzo, whose condominium unit in a neatly landscaped white brick building is at the corner of Whitney and Penwood avenues, directly across from the pedestrian tunnel.

As the project got under way in the spring of 2007, public protest of the artwork was, she says, the furthest thing from her mind. Despite notice of Holbrook-led meetings and the formal borough council session in which the mural project was approved, Alonzo says she was surprised when a group of teenagers and an adult supervisor appeared one morning to unload cans, spread drop cloths and begin preparing the tunnel for painting.

As for the painting itself, she actually liked it, she says, in its beginning stage. There was an aquatic

scene with fish and mermaids. But then, the way she remembers it, the mermaids were soon eclipsed by faces; the aquatic palette became red and purple.

In its final form today, the tunnel mural is relentlessly eclectic, an agglomeration of figures and motifs. Influenced by Puerto Rican muralist Andres Ortiz-Ferrari, who worked with the students on the project, the images include a pair of stark, elongated faces with deep semi-circles beneath the eyes, a series of cubist figures, complete with a Picasso-esque guitar, and a Latin American campesina girl in a straw hat. Stylistic gestures are strong in the piece—a cubist flourish here, a Dali-esque plate of bacon and eggs over there.

In her letter, Alonzo rendered a withering review of the finished mural, writing that Wilkinsburg “is being overrun” by Holbrook’s “giant, abstract paintings,” in reference to the Strength Inc. piece and others along the busway. “It sticks out as an eyesore. . . .and the tunnel now boils down to basic graffiti, with loud colors and shapes that are an assault to the senses.”

Other letters had similarly dismal opinions of the work and its effect on the community.

Holbrook was frustrated, given the borough council’s approval and the positive response he received at several community meetings. But there was criticism, too, about his defensive response to neighborhood opinions. At the least, some residents say, he should have met with those whose homes would have front-and-center views of the artwork. In the wake of the complaints, others in the community lined up to support the artist, especially young people connected to the project and younger professional residents in the borough.

Indeed, community residents familiar with the painting and those who were invested in it by virtue of participation or location, seemed to divide along classic lines. City planners, museum curators and public art managers say this is often the result when art is employed as a permanent marker of community life—especially at the local level and especially in a locality as diverse as Wilkinsburg.

## THE ARTISTRY OF PUBLIC PROCESS

When it comes to art, beauty certainly is in the eye of the beholder. But in a public art setting, the eye of the grant maker needs to be focused on how well artists and project commissioners deal with an entire community of beholders.

In keeping with The Heinz Endowments’ goal of sharing its grant-making experiences in the region, Arts & Culture Senior Program Officer Mary Navarro and Program Officer Justin Laing offer some advice to all those working at the intersection of art and the public realm. These points are derived from recent adventures in public processes that have turned artists’ ideas into valued markers of community life:

**1.** In most cases, the role of commissioning a public art project should go to a respected community organization that can support the artist and manage the intricacies of developing, fabricating and installing the work.

**2.** Commissioners and funders of permanent projects need to consider long-term maintenance issues and costs. For temporary projects, there needs to be support for the eventual removal of the artwork. For both types of projects, funding must be available to support key elements of the public process: education, documentation and community celebration.

**3.** Public art project proposals should evidence strong and authentic collaboration between the artist and the community. A deliberate, competitive and open process helps ensure that an artist’s skills match community needs.

**4.** Project participants must use all the expert resources available. Expert practitioners can offer practical advice and identify potential problems and opportunities.

**5.** Before submitting a proposal for funding a public art project, planners must be the devil’s advocate and draw out as many potential controversies as possible for discussion. A quality project plan will include strategies to address them should they occur.

**6.** Stakeholders should talk early in the planning stage with artists on public projects about how they will engage with the community in which they’re working. Artists must be able to incorporate valid public commentary, including criticism, into the work without compromising artistic vision. The goal is to communicate, educate and illuminate throughout the process.

**7.** The end result is worth the effort. There are few public endeavors more lasting or meaningful than producing art that reflects the individual artist’s creative vision and the values of an entire community.



In the opinion of borough officials, the Endowments' Laing and those observing attendance at public meetings, those who were giving the artwork a thumbs up tend to be younger, predominantly African American and representing a mix of professional and working class backgrounds. Those who were giving a thumbs down skew older and white (the mural location is in the middle of a predominantly white neighborhood), and many are retired.

"As funders, we had all these expectations of the artist," says Laing, "but we never asked ourselves whether there might be different responses to the artist's work based on the varying demographics in the participating communities."

In the complex circumstances of producing public art, most people look for elements of themselves and their own experiences in the finished piece. Years after the paint has dried on the mural, Alonzo says she still can't relate. "It would have been nice to see a little old white lady planting flowers instead of angry men," she says wistfully.

And while no public art process, no matter how well constructed, can deliver on the promise of unanimous satisfaction, there are planks that can be hammered in place to make art quality and resident participation more likely.

To that end, Laing worked with his Arts & Culture Program colleague, Mary Navarro, and Renee Piechocki, director of the Endowments-funded Pittsburgh Office of Public Art, to offer education and training for Wilkinsburg residents on how to create a formal public art process. In one community meeting, Piechocki and Lea Donatelli, also of the Office of Public Art, gave a PowerPoint presentation on how different cities—Alexandria, Va.; Chapel Hill, N.C.; and New York City—run their art programs. Navarro helped lead a three-year,

\$350,000 Endowments investment, in concert with the Greater Pittsburgh Arts Council and city government, to create an Office of Public Art. It complements another Endowments-supported position, the city's public art manager, whose responsibilities include staffing the city's Art Commission.

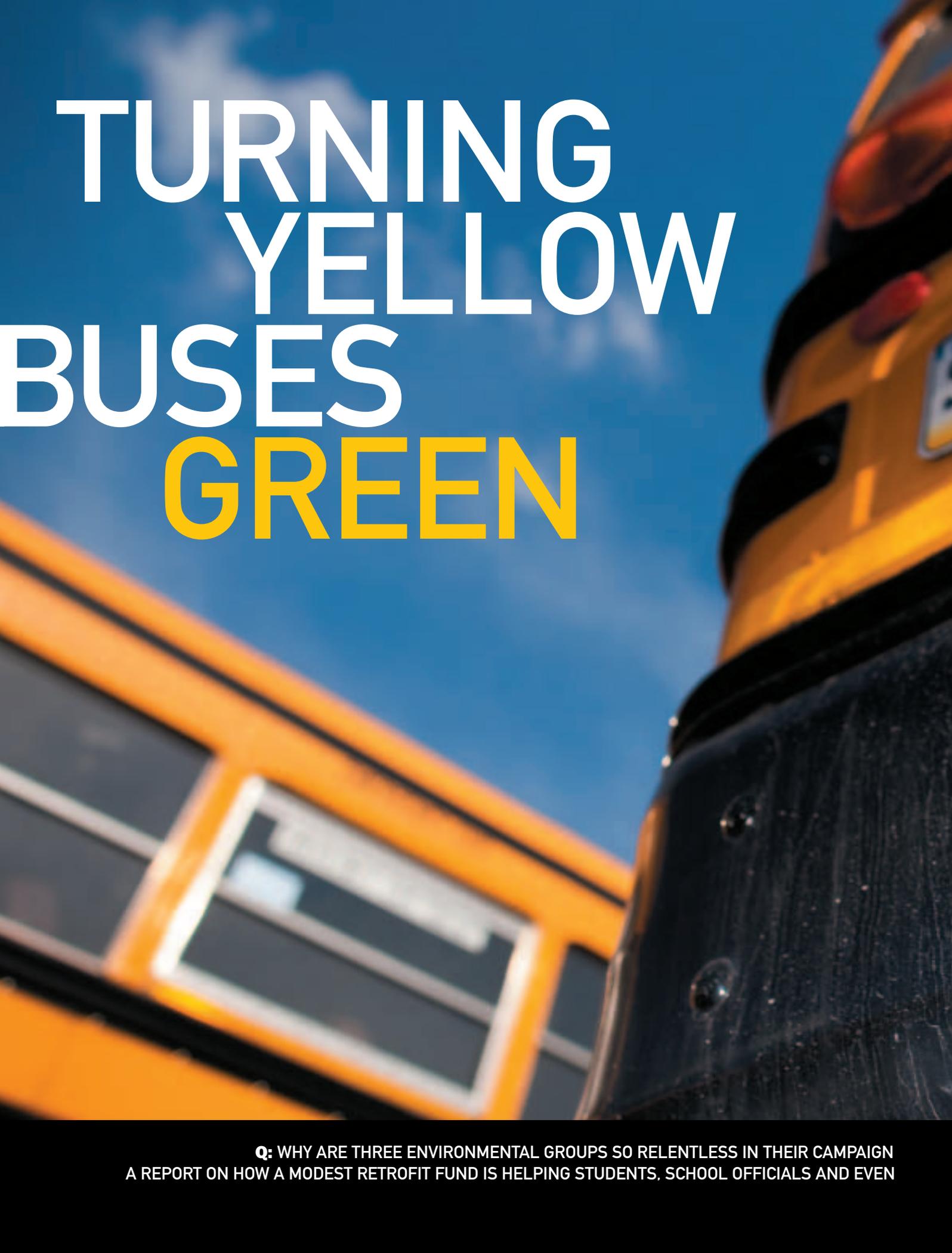
The Endowments grants to the borough and the Office of Public Art have made Piechocki and Donatelli available as consultants to assist Wilkinsburg's newly formed local public art committee in developing guidelines for future projects.

As that process heads to a conclusion this year, the anger-filled January session is a distant memory. Many in the borough are looking forward to other projects but with the benefit of having taken stock of the Whitney Tunnel experience.

Holbrook is proud that he accomplished his objective of engaging youth through public art. "When you stay positive and do what you want to do, nothing can stop you," he says. Laing and Navarro are already discussing how to transfer the soon-to-be-completed Wilkinsburg art committee guidelines to other smaller communities in the region. And several of the mural-project funders are now supporting another Holbrook project on Pittsburgh's North Side by way of a strong nonprofit manager, the North Side Fair Housing Coalition.

Natisha Washington, one of the apprentice painters from the borough who worked with Holbrook, is headed to The Pennsylvania State University this fall. She says she will have more confidence in dealing with college life based on her experience of painting a pair of praying hands and a portrait of Tiger Woods on a busway mural. "People would stop to just admire it, and that felt so good," she says. *h*

As part of the Moving the Lives of Kids: Community Mural Project, teenagers and young adults use the walls of businesses and public infrastructure across the Pittsburgh region as their canvas. Here, Derrick Tajiri, 19, (above left) and D'aja Mallory, 16, (above right) help bring to life artist Danny Devine's nod to Little Italy, fresh food and open air markets, which are depicted in a mural on the side of Del's Restaurant in the city's Bloomfield neighborhood.



# TURNING YELLOW BUSES GREEN

**Q:** WHY ARE THREE ENVIRONMENTAL GROUPS SO RELENTLESS IN THEIR CAMPAIGN  
A REPORT ON HOW A MODEST RETROFIT FUND IS HELPING STUDENTS, SCHOOL OFFICIALS AND EVEN



TO ELIMINATE THE DIRTY AIR SPEWING FROM OLDER SCHOOL BUSES? **A:** PRECIOUS CARGO. BUS-FLEET OWNERS BREATHE EASIER. BY CHRISTINE H. O'TOOLE PHOTOGRAPHY BY JOSHUA FRANZOS

# B



**BILL ROENIGK** is nobody's idea of a poster child. The affably blunt vice president of a southwest Pennsylvania school bus company has the crash-resistant build of the oversized vehicles he manages. When local air pollution activists began their fight two years ago to limit pollution from school buses, they might have sought a frail young passenger as the face of the campaign. Instead, the 53-year-old Roenigk signed up for a pilot program to clean up part of his fleet and ended up as an unlikely environmental hero.



“I’m not a tree-hugger,” he asserted on a damp May 1 morning before an informational meeting that doubled as a bargaining session. At the battered downtown office of the Pittsburgh School District’s transportation department, cell phones buzzed with updates from dispatchers and drivers as Roenigk and a dozen other bus contractors gathered. The ensuing discussion wrapped children’s health, green technologies and the ongoing struggle to clean Pittsburgh’s air into a 60-minute presentation with a \$600,000 carrot.

It was the \$600,000 part that caught the contractors’ attention. “Who gives bus companies money?” joked Rick Linder, whose firm runs 54 buses and 36 vans on city routes. The answer was a Heinz Endowments-supported effort to reduce school bus diesel emissions. Roenigk’s family-owned company, W.L. Roenigk Inc., was the first to take advantage of the Pittsburgh Healthy

School Bus Fund, which offers the companies a 100 percent rebate on the cost of retrofitting old engines with equipment that significantly reduces carcinogenic emissions. His firm has completed 50 retrofits and will put another 20 buses with modified engines on the road this fall. Linder expects his company, MIL Transit, to retrofit 40 buses over the summer using money from the fund and a similar Allegheny County program.

Both men had the foresight to voluntarily take advantage of available funding that would cover the upgrade costs before Pittsburgh school board members voted in May to approve among the country’s most innovative contracts between a school district and local carriers. The agreements with 19 bus companies require them to have diesel particulate filters on at least 85 percent of their diesel-powered vehicles, and to have closed crankcase ventilation systems on all diesel vehicles by the

Bill Roenigk, vice president of W.L. Roenigk Inc., was the first to sign up his transportation company for an Endowments-supported effort to reduce school bus diesel emissions. Pictured standing in the Etna, Pa., lot of his family-owned firm, Roenigk has served as one of the more prominent faces in the local campaign to make school buses more environmentally friendly.

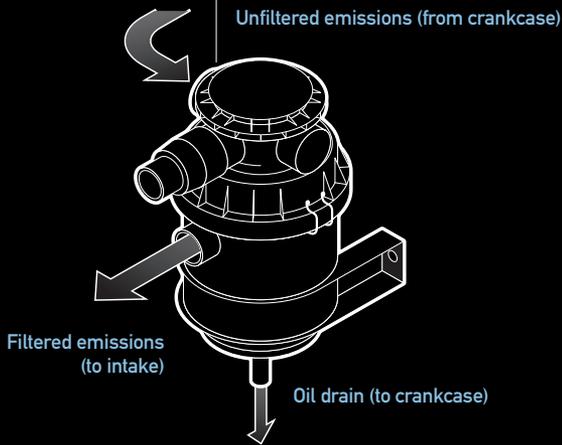
# DIESEL RETROFIT 101

Upgrading a school bus to significantly decrease its diesel emissions is usually a two-stage process. A diesel particulate filter must be attached, often replacing the muffler, to pull fine particulates from the tailpipe, reducing the amount of pollutants released into the air. A closed crankcase ventilation system has to be installed to keep fumes from seeping into bus cabins.

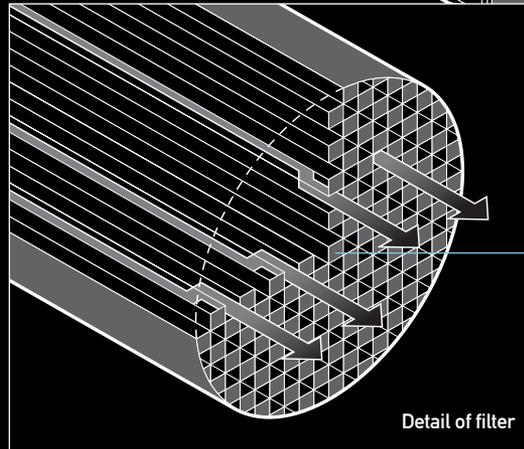
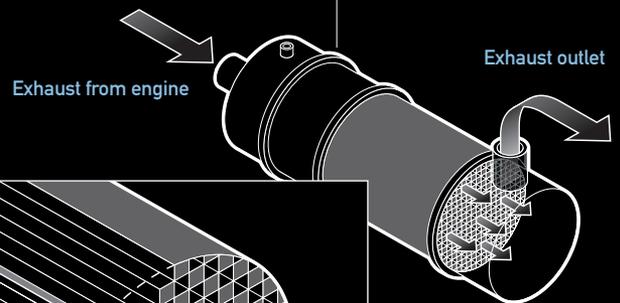


Closed Crankcase Ventilation (CCV)

Diesel Particulate Filter (DPF)



In the closed crankcase ventilation process, equipment is installed in the engine to close off exhaust that usually vents into the air and seeps into the bus cabin. The ventilation filter system reduces the amount of pollutants and reroutes the engine exhaust to the tailpipe, where a diesel particulate filter can further remove harmful contaminants.



Particulates are trapped in closed ends of filter; exhaust gases escape

Exhaust from the engine enters one end of the diesel particulate filter and is forced through a series of honeycomb channels with porous walls that capture as much as 90 percent of the solid particles.

end of the 2013–14 school year. The filters are estimated to cut diesel emissions by as much as 90 percent, while the ventilation systems will help provide cleaner air for students to breathe inside the bus cabins.

“The school board decision to require cleaner buses over the life of the next contract showed leadership and a commitment to protecting children’s health,” says Rachel Filippini, executive director of GASP— Group Against Smog and Pollution. “Although including public health requirements is not uncommon in contracts for construction projects, it is unusual in school bus contracts. Based on the Pittsburgh success, this important and innovative approach is now being considered elsewhere to better protect children’s health.”

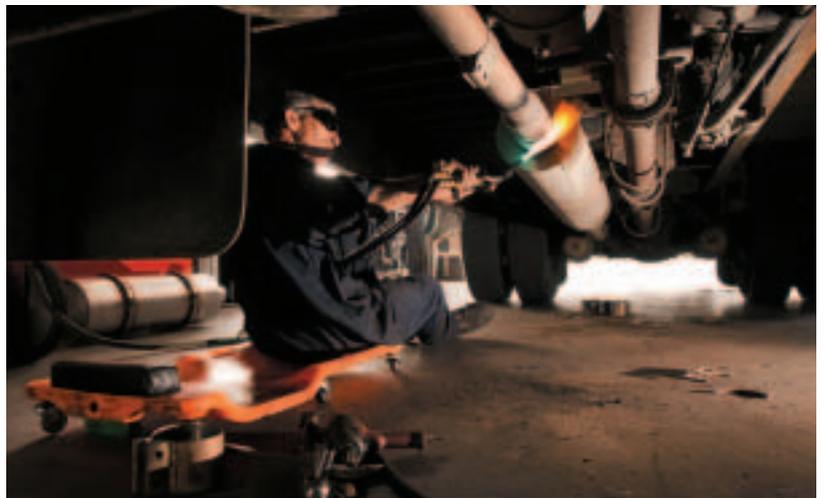
Combined with the county program and other projects in several suburban districts, the Healthy School Bus Fund has notched efforts in clearing the Pittsburgh region’s air pollution a step forward. It also has been an example of regional organizations effectively pushing for transformative changes in attitudes and actions on a local level. In this case, two Endowments grantees, GASP and Clean Water Action, have been at the forefront of demanding stricter air quality standards in southwestern Pennsylvania. They teamed up two years ago with the Boston-based Clean Air Task Force, also supported by the Endowments, to develop the retrofit campaign. Clean Air administers the bus fund, and the three groups work together to raise awareness about Pittsburgh’s air quality problems.

Bus exhaust is one of several culprits in the region’s pollution. Each year, 2,000 diesel school buses spew about 12 tons of particulate matter and 367 tons of hydrocarbons into Allegheny County’s atmosphere. While this is a small amount compared to other particulate sources such as older coal-fired power plants and industrial facilities, children are more directly exposed to the bus pollutants, and their developing lungs are more vulnerable to pollution’s harmful effects.

The Healthy School Bus Fund was started in 2007 with \$500,000 from the Endowments that was later augmented with \$100,000 from the Pennsylvania Department of Environmental Protection. It has operated through a multi-step process in which bus operators for the Pittsburgh school district can purchase diesel particulate filters, which pull fine particulate matter from bus tailpipes, and crankcase ventilation systems, which keep fumes out of bus cabins. In the absence of regional regulations— and prior to a city school board vote in May—the fund offered one of the few incentives for private companies to make their old buses run cleaner.

“This is the hard part of environmental control,” acknowledges Caren Glotfelty, program

Below, Rich Roman, a mechanic at Penn Detroit Diesel-Allison, removes the old muffler from a school bus as one of the first steps in installing a diesel particulate filter. The Cranberry Township firm north of Pittsburgh retrofits buses used by the Pittsburgh Public Schools.



director for the Endowments’ Environment Program and a 20-year veteran of clean air advocacy. “It’s so decentralized that we absolutely needed voluntary compliance to achieve our larger goals.”

A shiny new \$100,000 school bus has no need for retrofits— models sold since 2007 meet the latest Environmental Protection Agency standards. But precisely because their simple, sooty engines chug reliably on, most school buses stay in service for a dozen or more years, each emitting twice the pollution of a tractor-trailer. As states like California and Connecticut mandate cleaner buses,

devices that can be added to older vehicles have debuted nationwide. However, in Allegheny County, strapped school districts and bus contractors can't write the near-\$7,000 check required for every bus retrofit, even as evidence mounts that dirty diesel is harming the health of local children.

### UNCONTROLLED ASTHMA AND UNSAFE AIR

In one of several experiments various groups have conducted in the United States to measure student exposure to diesel fumes, the Clean Air Task Force monitored emissions from conventional and clean school buses by following vehicles on routes around the country. The results, captured on video, graphed dramatic spikes in conventional buses' diesel exhaust, as the tailpipes blasted fine particulates into the atmosphere. Cabin exposures to the fumes started at unhealthy levels and climbed steeply each time bus doors were opened. By contrast, the study found that buses with tailpipe filters and crankcase ventilators were virtually emission-free.

Diesel exhaust has been classified as a potential human carcinogen by the EPA since 2002. Humans routinely exposed to diesel fumes, such as bus drivers and truckers, show the hazards: Those exposed to high levels of diesel exhaust over many years consistently demonstrate a 20 to 50 percent increase in the risk of lung cancer or mortality.

While no research has been conducted on Pittsburgh's school buses, local activists infer that the national data indicates similarly dangerous exposure to students in southwestern Pennsylvania. The situation is exacerbated by the region's burden of having the nation's highest load of microscopic soot in its air.

In April, the American Lung Association again named Pittsburgh the country's second-worst offender for particulates, behind Los Angeles, and first in overall short-term fine particle pollution; year-round particle pollution; and ground-level ozone, which is the primary component of smog.

The findings were based on data taken over a three-year period, 2005 through 2007.

As part of what is becoming a perennial debate, critics of the association's methodology, including the Allegheny Conference on Community Development and some local media, contended that the association based its findings on readings from monitors in the communities of Liberty Borough and Clairton, which are near the U. S. Steel Clairton Coke Works, thus skewing the results. But local environmental activists countered that other parts of the region also have high particulate concentrations, so even if the monitors in the Liberty-Clairton area were not included, there still would be a region-wide problem with particle pollution. Both the Allegheny Conference and the environmental groups involved in this debate have received Endowments grants.

Organizations like GASP estimate that diesel exhaust alone causes more than 237 local deaths in the region annually, in addition to 3,399 asthma attacks each year. With Pittsburgh's extremely high levels of uncontrolled childhood asthma — emergency room visits for the condition are four times the national average — there is an obvious correlation between air quality and short-term illness.

"Children are not exposed to pollution in a vacuum," says Dr. Fernando Holguin, director of the new, Endowments-funded Pediatric Environmental Medicine Center at Children's Hospital of Pittsburgh. In some local communities with high levels of particulates, particularly poorer ones like Braddock, one out of four children has asthma, and a variety of factors may predispose these youngsters to asthma attacks, Holguin notes.

"If children are obese or malnourished, they may be more vulnerable. Some studies show that inner-city children who have more stress are more likely to develop asthma when exposed to traffic pollution," he says. "It's a tremendous public health problem."

# BY THE NUMBERS

Children can be exposed to diesel pollution both outside and inside a school bus because of exhaust from the tailpipe and the engine crankcase. Diesel exhaust has been classified as a potential human carcinogen by the U.S. Environmental Protection Agency. While no research has been conducted on school buses in the Pittsburgh region, several statistics raise concerns about the possible harmful effects of diesel exhaust on children's health.

## 60,000

On any given day of the school year, more than 60,000 school students in Allegheny County are exposed to diesel exhaust fumes from school buses.

## 367

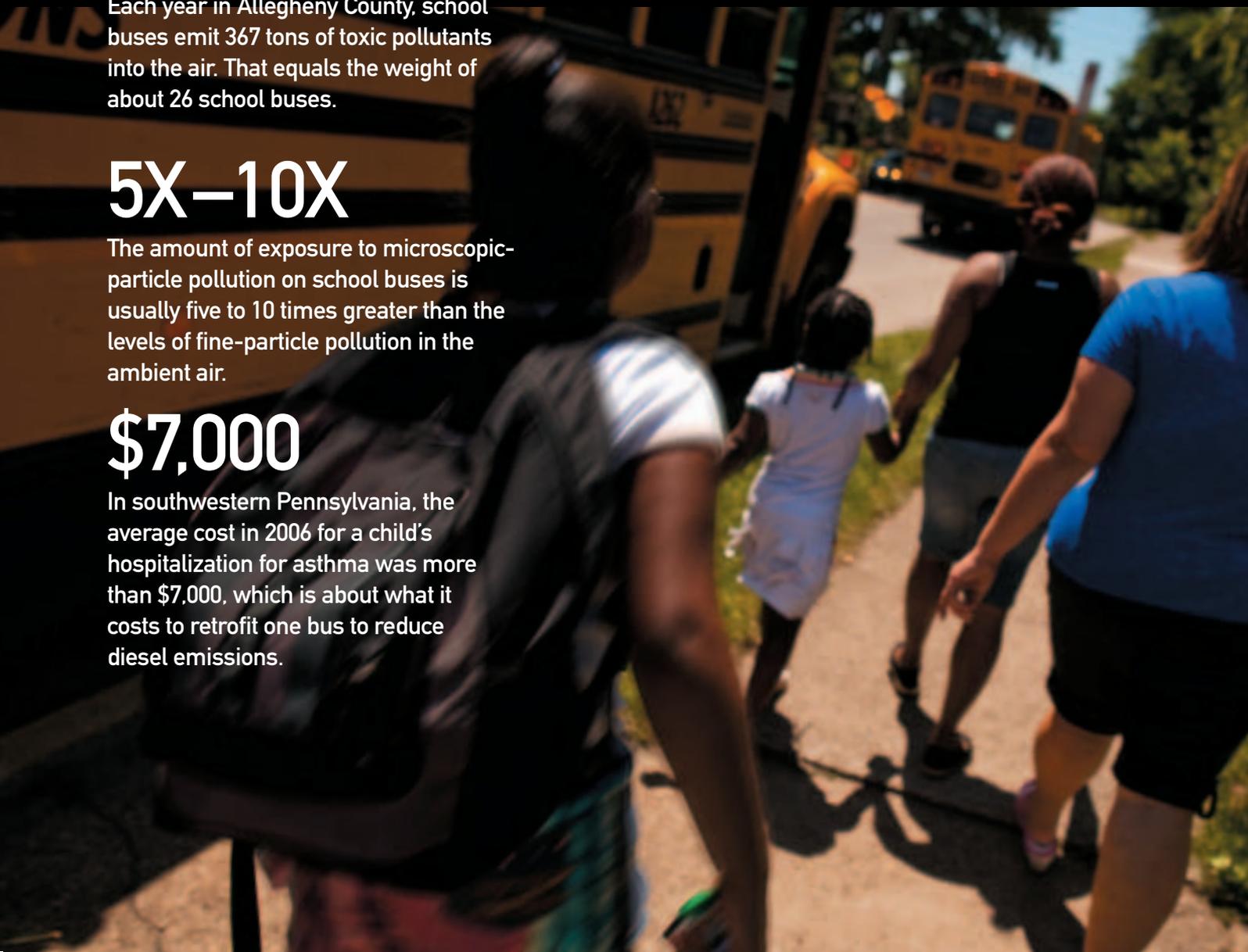
Each year in Allegheny County, school buses emit 367 tons of toxic pollutants into the air. That equals the weight of about 26 school buses.

## 5X–10X

The amount of exposure to microscopic-particle pollution on school buses is usually five to 10 times greater than the levels of fine-particle pollution in the ambient air.

## \$7,000

In southwestern Pennsylvania, the average cost in 2006 for a child's hospitalization for asthma was more than \$7,000, which is about what it costs to retrofit one bus to reduce diesel emissions.



The Endowments' Glotfelty sees that challenge as an opportunity. "If we care about children's health, how do we translate school bus exposure to the larger unhealthy environment?" she asks. "This is a chance to get people's attention."

#### LOCAL STRATEGY

**G**ASP began targeting the connection between diesel vehicles and particulates in 2004 with a campaign against school bus idling. The campaign was "low-hanging fruit," says Filippini, focusing public attention on a problem easily addressed by passage of a county ordinance. A second anti-idling provision, covering all on-road diesel vehicles, passed a year later.

In 2006, GASP joined with Clean Water Action, an environmental ally, on the Allegheny County Partnership to Reduce Diesel Pollution. Modeled on a national effort, it seeks to reduce diesel pollution overall by 40 percent by the year 2012. Retrofitting pre-2007 vehicles is a current priority for the partnership. Filippini ticks off community briefings, how-to sessions like the May 1 meeting for Pittsburgh school bus contractors and a city-wide petition drive as recent efforts.

"We know that 75 percent of particulates in local air come from outside the state and are out of our control," says Glotfelty. "We asked, 'What could we do locally?' School buses are not a big slice of the pie, but they are adjacent to pedestrians. So we started there."

Ellen Dorsey, a former Endowments Environment program officer who is now executive director of the Washington, D.C.-based Wallace Global Fund, spearheaded the development of the foundation-supported bus fund. "We need the community to embrace the air pollution issue," she told the Pittsburgh Tribune-Review in 2007 after the Healthy Bus Fund was announced. "We need corporations and government agencies to take the health of our children and communities seriously."

More recently, Clean Water Action and GASP organized testimony before the Pittsburgh school

board this spring. One participant was Peter Bartholomew, a 14-year-old who spends an hour on Pittsburgh buses each day and says the commute often gives him a headache. Peter attends Falk Laboratory School at the University of Pittsburgh, but like many other local students enrolled in schools that are not part of the public school system, he still depends on the city district for transportation.

"I ride the bus back and forth every day from my house in Squirrel Hill to school in Oakland. I have asthma and so do a lot of my friends who live in Pittsburgh," he told board members during a March 16 public hearing. "I know that the school board cares about kids and their health and learning, and doesn't want them to miss school from being sick from asthma. I believe that the school board must require that every bus company that they hire to transport students have non-polluting buses."

Peter, who says his asthma is generally under control, has used diesel's health risks as a subject for a Falk School term project and created posters for the cause. He also has galvanized online support for the local Healthy School Bus campaign with a Facebook page that has garnered nearly 400 members to date. "We are making a difference through how many people have heard about the campaign," he says confidently.

Even more worrisome than asthma attacks, however, is the long-term damage that diesel particulates can wreak on children's developing lungs. The ultrafine pieces of unburned carbon, one-seventy-fifth the diameter of a human hair, carry toxins and metals past the body's usual defenses and deep into the lungs. Repeated exposure can cause lung cancer and also has been linked to heart disease.

"My background helped me put the pieces together," says Nancy Bernstein, a local activist with a background in environmental health. "Children are the canary in the coal mine, the most vulnerable population, but the truth is, we're all affected."

# IDLE CONCERNS

Bernstein credits a 2007 Endowments-sponsored conference on women and environmental health as a catalyst for volunteering in the bus pollution effort. She took her concerns to the Pittsburgh school board's March 16 meeting, comparing the cost of bus retrofits to pediatric emergency visits.

"Data from the Pennsylvania state health department show that three-quarters of children visiting emergency rooms for asthma end up hospitalized," she told the board. "In southwestern Pennsylvania in 2006, the average cost for a child's hospitalization for asthma was over \$7,000. That's about what it costs to retrofit one bus to reduce diesel emissions by 90 percent. . . . The cost of managing asthma attacks far outweighs the cost of retrofitting a school bus."

Public outreach and public funds moved the retrofit campaign forward. "We have made progress," says Filippini, pointing to efforts in five local school districts, including Pittsburgh's. "But [retrofitting buses] is easier for districts that own their own buses, and most districts contract out." Among those is the city school district, with more than 350 standard buses run by private contractors. The Endowments-led Healthy School Bus Fund zeroed in on the Pittsburgh district to effect change.

Other sources for retrofit dollars include the EPA, Obama administration stimulus funds, state grants and local initiatives such as the Clean Air Fund, which is administered by the Allegheny County Health Department and still has about \$485,000 remaining for school bus retrofits. In bypassing those avenues to create a generous rebate program, the Healthy School Bus Fund found eager takers.

"This public-private partnership is unique in the national diesel campaign," says Brooke Suter, national campaign director of the Clean Air Task Force. "The Endowments grant streamlined and simplified the way funding is distributed. It allowed us to test some ideas, like applying a rebate concept."

School buses on the road cause only part of Pittsburgh's air pollution. Some local programs take aim at other particulate offenders.

In October, the state of Pennsylvania followed Allegheny County's lead in passing anti-idling legislation, designed to prevent vehicles of more than 10,000 pounds from idling more than five minutes in a 60-minute period.

The Allegheny County Partnership to Reduce Diesel Pollution campaigned for the local ordinance, which passed in 2005. The group set an overall goal of reducing emissions by 40 percent by 2012 and 70 percent by 2020.

"It is going to take a combination of strategies, including advocating for aggressive on- and off-road diesel fleet turnover, retrofitting diesel engines, better emission standards, and anti-idling programs to make a real difference in our region," says Rachel Filippini of GASP, one of the partnership's leaders.

Efforts to improve local air quality have reduced particulates. An EPA study released in January showed annual fine particulate measurements dropping from near 30 micrograms per cubic meter between 1979 and 1983 to slightly more than half that number from 1997 through 2001. However, that means the county still exceeds the federal annual standard of 15 micrograms per cubic meter, and marine traffic and construction vehicles, significant sources of air pollution, are not covered by the county regulations because of various delays or obstacles in getting legislation passed. Moreover, anti-idling legislation is difficult to enforce. Warnings must precede actual citations, and only one fine has been assessed to date, according to Jim Thompson, director of the Allegheny County Clean Air Program.

One simple solution — posting "No Idling" signs in school parking lots and other truck sites — has actually been hampered by the passage of the state law, which differs from the local regulation on the size and display of signs. Representatives from both sides are now meeting to resolve the discrepancies. Meanwhile, some school districts have posted their own reminders, and feisty parents have knocked on bus doors to remind drivers about the new rules.

The county effort also has concentrated on government-owned vehicles in the City of Pittsburgh and in municipalities in areas with the highest local levels of particulate emissions. With \$127,000 in federal funds, Pittsburgh is retrofitting 13 waste haulers to reduce diesel exposure for neighborhood residents and sanitation workers. And in Liberty, Clairton and three adjacent boroughs, where childhood asthma rates reach 25 percent, three dozen municipal vehicles are getting similar makeovers.





Vendors and applicants for other retrofit programs complained that they spent too much time writing proposals to compete for funds, knowing that only one entity in the group could get retrofit money. The Healthy School Bus Fund process was designed to be more straightforward, Suter recalls. The best technology was identified; contractors were then invited to reserve a rebate amount for the total number of buses they planned to upgrade. Equipment vendors agreed to contain costs. When the work's done, the contractors submit documentation, and the payment goes straight to the vendor, usually within 30 days.

With a commitment to funding the full cost of a top-quality retrofit — one that reduces 90 percent of emissions — the Healthy School Bus Fund pays nearly \$7,000 for every bus conversion. That's more generous than Allegheny County's Clean Air program, which requires a 25 percent match from all but the poorest local districts. Faced with an out-of-pocket expense for a voluntary improvement, most districts and contractors have ignored the two-year-old program. To date, only four of the county's 42 suburban districts have updated their fleets. Two used county funds while the other two relied on federal or corporate sources

to defray expenses. One city contractor, MIL Transit's Linder, is planning to apply for the county program because Pittsburgh is one of the districts exempted from the 25 percent match.

"What's really amazing is that with retrofits, we can virtually eliminate this problem," says Suter.

But the task of educating contractors, connecting them to equipment vendors and making sure retrofitted fleets run smoothly is more circuitous. Also, with the cost of the equipment and installation climbing — possibly reaching as much as \$11,000 this year — carriers might have to dip into their own funds or turn to state, federal or corporate sources that are often more competitive, as the amount of uncommitted dollars in the Healthy School Bus Fund and the county program dwindle.

#### TREE-HUGGERS AND MOTORHEADS UNITE

**T**ed Vasser, pupil transportation chief of the Pittsburgh school district, is a no-nonsense veteran of negotiations with its bus contractors. When the district commenced talks on a five-year contract this spring, Vasser built in opportunities to promote the Healthy School Bus Fund. After sponsoring two informational sessions on the



## TAKING ACTION

Dr. Fernando Holguin, opposite page, clinical director of the Children's Hospital of Pittsburgh's Pediatric Environmental Medicine Program, explains the impact of air pollution on the respiratory system during a presentation at the Imagine Environmental Charter School at Frick Park. Holguin is a nationally renowned asthma researcher whose hospital position is funded by the Endowments. Fourteen-year-old Peter Bartholomew, above left, attends the Falk School in Pittsburgh and galvanized support through his Facebook page for the local Healthy School Bus campaign. As part of his efforts, he used a chalkboard design to create a poster promoting bus retrofits. At a May 27 meeting, Pittsburgh school board members, below left, approved five-year contracts with 19 bus carriers, who are now required to have diesel particulate filters installed on 85 percent of their vehicles by the end of the 2013–14 school year.



retrofit program, he laid down the law for the May 1 meeting: "This one's mandatory. It's part of the actual contract negotiation — if you are interested in being a contractor, you must attend." Vasser had developed another contract sweetener: The new contract allows fleets to run retrofitted buses up to 12 years old, offering a two-year grace period over the normal 10-year limit.

As the meeting began, GASP's Filippini and Clean Water Action's Kathy Lawson reviewed the health risks and the rebate program, and vendors looked over products that could help companies meet the program requirements.

"The devices are similar, but not identical," says Suter of the Clean Air Task Force. "No single company makes all the pieces of the final device. It's a long assembly line, with mark-up all along the way."

And once fleets roll out the retrofits, owners still have to grapple with the costs of maintenance and fuel efficiency. Filters need to be cleaned regularly and must reach a high engine heat to burn soot properly. As an incentive, the Healthy School Bus Fund throws a filter cleaner into the deal for companies retrofitting 50 or more vehicles. Retrofitted engines burn slightly more fuel than their former models. Fuel costs are a growing

expense for all fleets because of more costly ultra low-sulfur diesel, mandated by the EPA in 2007. For a company that purchases millions of gallons of fuel a year, a few pennies per gallon adds up.

A particularly thorny issue for the contractors at the meeting was reliability. If not properly maintained and fueled, a retrofitted engine can lock, leaving students stranded. Some bus models made between 2004 and 2006 were particularly balky, leading some to blame retrofitting for the breakdowns. The first question during the discussion was: Does it really work?

From the back of the room, Roenigk assured his fellow Pittsburgh contractors that his 50 retrofitted buses are problem-free. Emission expert Tom Balon, who certifies retrofits for the Healthy School Bus program, confirmed Roenigk's experience. "The filter does not cause the problem," he says. "Half of the transit buses in the United States have had filters for a decade, and plenty of people have no problem."

Despite the complexities of the process, Roenigk believes it offers the most practical solution for reducing school bus pollution. "Purchasing all new buses is not the answer," he argues. "And every idea, including natural gas buses, has been explored. There are limitations everywhere. So it's amazing that this many local people have made this effort."

Linder, whose MIL Transit is preparing for more than three dozen retrofits, believes that there's no escaping a fix for dirty diesel. "In the future, the carbon footprint of buses will be penalized," he says. "And if moms think retrofitting is healthier, this is all good. Let's use the money. Let's not contribute to the problem." *h*



Successful companies are made, not born. And the Institute for Entrepreneurial Excellence, with Ann Dugan at the helm, has helped a cross section of entrepreneurs make their business-ownership dreams become realities.

By Jeffery Fraser Photography by Terry Clark

# GETTING DOWN TO BUSINESS

ou're thinking about getting into the pizza business. Your homemade pies—novel creations all—draw raves from everyone who samples them. You loathe working long hours, nights, weekends and with young people. But no one can hold a candle to your pies, least of all the tired local competition. • If you're wise enough to have a candid conversation with Ann Dugan about your idea, you shouldn't be surprised if the advice you receive is this:

## Don't do it.

Dugan is acutely familiar with the principles of entrepreneurship, what it takes to create a successful company and the value of innovation. She's spent the past 10 years as the founder, executive director and assistant dean of the University of Pittsburgh Institute for Entrepreneurial Excellence. She built that organization from a single, small business center to a broad, multi-program institute with an impressive depth of expertise, teaching, research, outreach and network of contacts. This array of resources has been necessary to nurture western Pennsylvania entrepreneurs from bio-medical researchers to farmers so they might better survive, thrive and create new industries, jobs and wealth. In developing the institute, Dugan has drawn on her own energy, insight and real-world experience that include an early career in banking and success as a commercial entrepreneur, first with a pizza franchise and later with a distributorship for hazardous material packaging.

And if she's learned anything during that journey, it's that a bright idea alone—whether born in a university research lab or in someone's kitchen—doesn't guarantee success in the unforgiving world of business.

"Sometimes the idea is interesting," she says, "but the person isn't right for it. If you don't like to work at night or on weekends or with young people, well, those are the critical dynamics of being in the fast food business."

Last year, 56 businesses were started in western Pennsylvania with help from institute staff, its education programs, consulting services and wide network of financial, legal, government and other sources of support critical to the prospects of entrepreneurs and their businesses. If past performance is a reliable measure, these startups stand a better chance of surviving than their counterparts in other parts of the country.

The latest research reported by the federal Small Business Administration suggests that 44 percent of businesses nationwide with fewer than 500 employees survive their first four years. For new small businesses that receive assistance from the Institute for Entrepreneurial Excellence, the survival rate is closer to 80 percent.

Part of the reason is the institute's practice of giving those who are thinking about becoming entrepreneurs a complete picture of what it takes to succeed



“A lot of people fall in love with the idea of being an entrepreneur. Then they come to our program and find out that it’s really hard work, there’s risk involved and that it won’t be a sure-fire success.”

**Ann Dugan** founder, executive director and assistant dean, University of Pittsburgh Institute for Entrepreneurial Excellence



and a frank assessment of their chances. Last year, some 400 men and women with ideas of becoming business owners attended “first step” seminars offered by the institute’s Small Business Development Center to introduce them to the essentials and realities of starting a business. The number of institute clients who actually started businesses last year suggests that most who attend the introductory seminar end up reconsidering their startup plans.

“A lot of people fall in love with the idea of being an entrepreneur. Then they come to our program and find out it’s really hard work, there’s risk involved and that it won’t be a sure-fire success,” says Dugan. “Those things tend to discourage people.”

For those who follow through with their ambitions, like Bellevue businesswoman Anne Fleming, having the institute’s connections, educational programs and consultants at their disposal can be “like having another business partner.”

Fleming quit her day job and launched a Web site, Women-Drivers.com, which was inspired by the disconcerting realization that, although in her marketing career she had managed accounts worth millions of dollars and negotiated deals for her employers, she couldn’t find the confidence to walk

into a dealership showroom and negotiate the purchase of a car. After a year or more of study and planning, the Web site she created went live last year, offering women layers of information to empower them to become better consumers of automobiles and automotive services. She sells dealers access to data mined from the reviews and ratings women post on the Web site, detailing their car-buying experiences and behaviors.

Back in 2007, she ran the concept past Robert Stein, manager of information technology at the institute. “He’s like, ‘Kind of interesting, but needs some work.’” With his support, she began building the concept into a business.

The institute helped her secure her first round of funding. Its technology experts made sure she built her Web site on a platform that enables her to capture data and perform the analytics that generate revenue. When she needed a statistical portrait of her core audience—women aged 25 through 54—the institute had it to her in a matter of days. When she took the critical step of hiring a Web development company, Stein attended every interview and guided her through the selection process. “I know I’m not their only client, and I know I’m not their biggest client,” says Fleming.

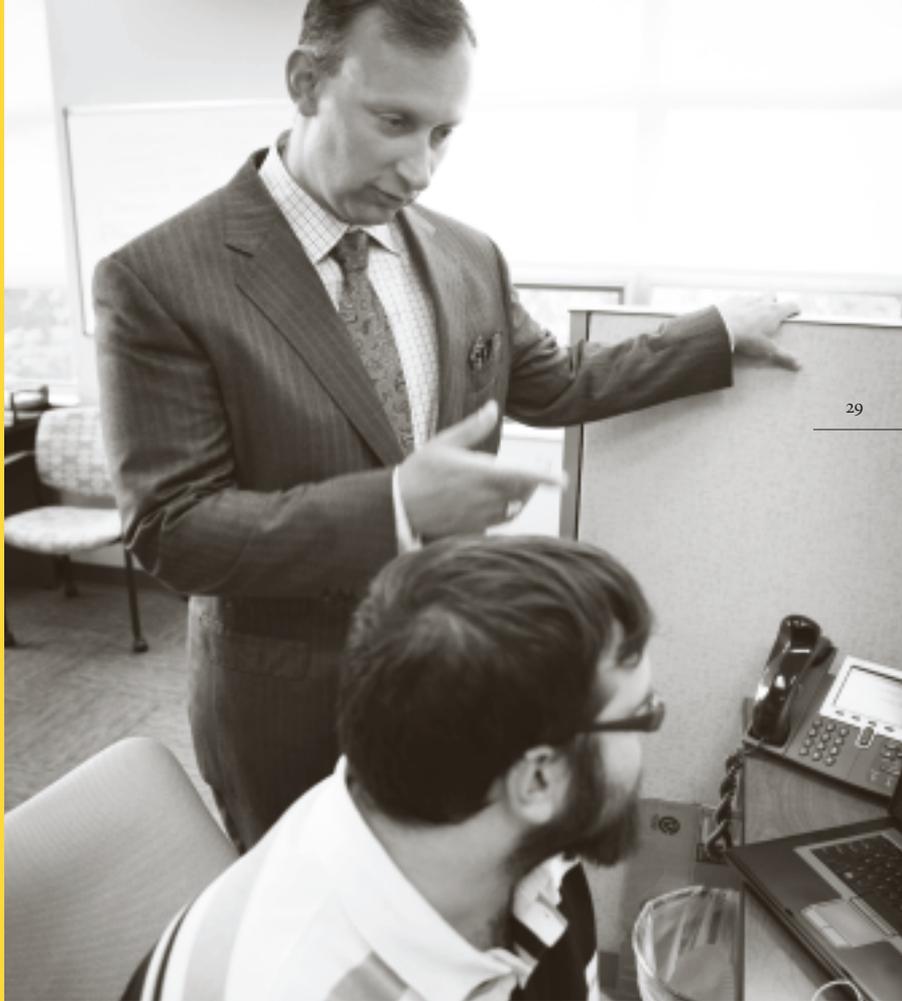
# STORIES OF OUR SUCCESS

## WOMEN-DRIVERS.COM

With guidance and technical support from the Institute of Entrepreneurial Excellence, Anne Fleming, shown on the opposite page sitting to the right, started the Web site Women-Drivers.com to help women become better consumers of automobiles and automotive services. She also sells information collected from women's reviews and ratings to car dealers like Elda Sullivan, opposite page left, owner of Sullivan Chevrolet in the Pittsburgh suburb of Etna.

## CELTIC HEALTHCARE

Using what he learned in the institute's executive education program, Arnie Burchianti, standing right, improved the acquisition strategy for his home health care services firm, Celtic Healthcare. Shown here talking with his company's Web developer, Jason Senecal, Burchianti says his firm has doubled in size in the 18 months since he completed the institute program.



“But they are always there. And not just at startup. It's been 21 months.”

Established at the university in 1999, the Institute for Entrepreneurial Excellence has grown to reflect Dugan's conviction that a viable, growing regional economy requires an approach to economic development that reaches beyond Fortune 500 companies. The organization she built around the university's existing Small Business Development Center includes programs tailored to emerging entrepreneurs; small, mid-sized and family-owned businesses; and local farmers. It also moves innovations from university and outside research laboratories into the marketplace.

Such a focus is supported by U.S. Department of Commerce data that shows businesses with fewer than 500 employees paid nearly 45 percent of the U.S. private payroll, and created more than half of non-farm private gross domestic product and 60 to 70 percent of net new jobs since the mid-1990s.

“She appreciates that, to support small businesses and the economy, there is no one-size-fits-all,” says Christina Gabriel, director of The Heinz Endowments' Innovation Economy Program. “Her organization has a broad understanding of what makes the economy tick. It doesn't just target

startup companies from universities. It looks at companies that may not be superstars or the next Microsoft, but that promise good jobs for people in the region and strong potential for growing, exporting and creating wealth.”

The institute operates with funds raised from sources such as state and federal programs, client fees, the University of Pittsburgh and foundations, including the Endowments, which over the past two years has awarded it grants totaling \$350,000. The organization, says Gabriel, is well aligned with the Innovation Economy Program objectives of spurring innovation and economic growth in the region; expanding economic opportunities to a more diverse population; and creating a viable, attractive economic climate. The foundation's interest is in stimulating the regional economy by focusing on its assets, which include research, technology, engineering talent and ample medical expertise. Such a focus is seen as critical to growing a robust, underlying economic environment that will become self-sustaining over time, generating wealth and sales revenue, creating new jobs and attracting high-quality talent to the region.

The institute contributes to that endeavor by strengthening the region's entrepreneurs and



# BUSINESS CLASS

Business owners enrolled in the Institute of Entrepreneurial Excellence's 12-month fellows program learn about critical issues that heads of growing companies often face. These Pittsburgh-area entrepreneurs are participating in a discussion that's part of their "Marketing, Marketing, Marketing" class. Shown are Jeff Tapolci, left, of ABG Capital, a venture capital firm; on the opposite page shown left to right, Odell Minniefield Jr., of Jadell Minniefield Construction Services; Suzanne Teele, of Aceda LLC, a management consulting firm; and Laurie Rogg, of Office Furniture Outlet.

developing the ecology of companies that have the potential to grow quickly because they have strong leaders at the helm. The institute has several distinctive features that help in that regard.

For example, its PantherlabWorks, created to help move technologies from the lab to the marketplace, distinguishes itself from many other technology-transfer programs by providing startups with comprehensive and more detailed business assistance. Its services range from assessing markets and the skills of employees to giving advice on drafting a business plan and structuring a company.

And the institute does not limit its reach to only a narrow slice of the technology sector. It supports the development of technologies in the agriculture industry, for instance, such as the recent efforts of its Agricultural Entrepreneurship Program to help a Greene County firm develop local and international markets for commercial switch grass fuel pellets. "Because they can be broad as well as deep in their approach, they can see opportunities others may not see," says Gabriel.

Dugan, who earned a master's degree in business administration from Pitt in 1985, began to build the institute after being asked by a former professor of hers to examine the Small Business Development Center housed in the university's business school, with an eye toward making it more efficient and effective.

She arrived with her background in banking and experience as an entrepreneur who operated

a successful pizza franchise and a company that distributed hazardous material packaging. The two businesses were not as incongruous as they seem, and her transition to hazardous material packaging illustrates her entrepreneurial instincts. While in the pizza business, she was introduced to a team of packaging designers in St. Louis who were working to improve the standard pizza box. After the 1996 crash of ValuJet Flight 592 in Florida, caused by oxygen canisters igniting in the cargo hold, it became clear that demand would soar for innovative packaging to more safely transport hazardous materials. And Dugan knew that the St. Louis team had already developed the technologies and testing facility to produce such containers.

When she looked at the Small Business Development Center, Dugan says, "I realized we weren't being strategic in the sense that there were people we were giving service to who had no credit, no collateral, no ability or passion or drive to start or grow a business." She began to transform the center—and, in the process, create the broader institute—by hiring people who, like herself, had experience with starting a business and understood what it takes to succeed.

"They have to be entrepreneurs," she says. "They have to be malcontents. They have to say, 'Here is what we have. How can we make it better?' I believe that in today's world, whether you're a janitor in an organization or on the fast-track toward becoming a vice president, you have to be entrepreneurial in what you do."



When Dugan saw, for example, that western Pennsylvania has few third-generation, family-owned businesses, the institute developed the Family Enterprise Center to provide services specific to these companies, including help with negotiating family relationships and transferring the business from one generation to another. The Agricultural Entrepreneurship Program was started after institute staff, while working to help local farmers plan for passing the family farm onto the next generation, realized the region was starved of support to help farmers sustain and grow their business in areas ranging from access to capital and new marketing ideas to exploring novel greenhouse technologies that extend the growing season.

Another institute strength is the broad network it has developed of providers of professional services, elected officials, and other sources of support for new and growing companies. The institute's staff also has a deep understanding of the communities that make up the local business environment. Their realization that an entrepreneur needs a long-term strategy, a tactical approach, and an understanding of constituencies and their individual needs has been key to the institute's effectiveness.

Last year, the onset of the recession led institute staff to aggressively expand the organization's network of angel investors, venture capitalists and other financing sources to offset the tightening of the credit market. As a result, the institute managed to help its client businesses raise \$44.2 million, the largest amount in its history.

Whether the institute can be as successful in the immediate future remains to be seen. Investor confidence is likely to remain low. But on a positive note, Dugan says, the economic crisis will probably kindle opportunities for entrepreneurs who have novel ideas for addressing the challenges and changes that emerge in the downturn's wake.

Arnie Burchianti sees such opportunities on the horizon. Over the past 15 years, Burchianti, a native of Connellsville, has gone from

moonlighting as a home care physical therapist to being the founder and CEO of Celtic Healthcare, a Mars, Pa.-based home care company with 600 employees and upwards of \$30 million in annual revenue. The prospects of health care reform, the strain of recession already being felt across his industry and increasing pressure to keep costs down and quality up, he says, favor his company. He attributes its growth to the efficiencies of its integrated approach to service delivery and a sophisticated use of technology, including software tailored to how Celtic operates that the company created with its own developers.

Just as important, the firm is well-positioned to acquire poorly or marginally performing hospital-based home care agencies, having worked the bugs out of its acquisition strategy with help from the Institute for Entrepreneurial Excellence. Its first acquisition, buying the home care division of Carlisle Regional Medical Center in 2006, "exposed all of our problems," Burchianti says, including problems transferring its corporate culture and technology-based way of doing business. The following year, he completed the institute's executive education program. "What it gives you is a formalized methodology to take your vision and strategy and come up with tactics, actions and accountability. It slows you down to think about what you need to do."

His company has doubled in size in the 18 months since he completed the institute program. Subsequent acquisitions have been more orderly and efficient, less painful and costly, and they have expanded the company's reach to markets in Ohio and Maryland. Burchianti enrolled his chief operating officer in the institute program last year to help plan for the next stage of expansion.

With the company's successes so far, Burchianti says it makes sense to turn again to the institute to maintain the momentum. "The school of hard knocks is not where you want to be." *h*

# here & there



Joshua Franzos

## CELEBRATING CHILDREN'S

Beginning a tour of the new Children's Hospital of Pittsburgh, Heinz Endowments Chairman Teresa Heinz, fellow board members and staff are treated to the modern design, bold colors and whimsical mobile art feature in the shape of candy that define the main lobby. The design elements are repeated throughout the \$625 million campus — just one facet among many in an architectural and work-practices plan to make the hospital setting more attractive to young patients and more conducive to high-quality health care for staff. Hospital CEO and Children's Hospital Foundation President Roger Oxendale, left in foreground, supervised the building project and the move out of the smaller hospital in Oakland.

Endowments grants to the hospital include a two-year, \$5 million contribution in 2007 to support the creation of the Pediatric Environmental Medicine Center. The center promotes the use of an interdisciplinary, community-based approach to understanding environmental factors that lead to major health problems in children.

## AWARDS

The Green Building Alliance, an Endowments grantee, is one of 15 Pennsylvania organizations or businesses selected this year to receive the Governor's Award for Environmental Excellence. The alliance was recognized in April for launching and leading the Pittsburgh Climate Initiative, a collaboration of organizations, institutions, businesses and individuals responsible for guiding completion of the Pittsburgh Climate Action Plan. The plan's goal is to reduce the city's greenhouse gas emissions by 20 percent by 2023.

In May, the alliance welcomed Holly Childs as its new executive director. She had been director of economic development for Cincinnati's city government. Childs is the Green Building Alliance's second executive

director, replacing Rebecca Flora, who left earlier this year to take a senior vice president position with the U.S. Green Building Council in Washington, D.C.

The Pennsylvania Association of Broadcasters has named Endowments-funded "The Allegheny Front" this year's Outstanding Public Affairs Program in the organization's Excellence in Broadcasting Competition. The 18-year-old environmental radio program airs on WYEP-FM, an independent public station also supported by the Endowments. Through lively and timely stories, interviews, news and commentaries, "The Allegheny Front" explores environmental issues affecting southwestern Pennsylvania.





### LEADERSHIP AWARDS

Endowments board member and former Pittsburgh Steeler Franco Harris, far right, and Buhl Foundation President Fred Thieman, second from left, a former United States attorney who stepped down from the Endowments board in 2007, were among those recently honored with Community College of Allegheny County's Legends in Leadership awards. Both were recognized for their leadership in promoting educational opportunities.

Also receiving awards during the May 7 celebration at the Heinz Field Club East Lounge were from left: Candi Castleberry-Singleton of the UPMC Diversity and Inclusion Initiative; David Morehouse, president of the Pittsburgh Penguins hockey team; Mary Beth Johnson, a CCAC court reporting professor; Karen Farmer White, vice president of education for WQED-TV; and Sharon McGinnis Young, co-owner of McGinnis Sisters Specialty Food Store and a CCAC graduate.

## AUGUST WILSON OPEN HOUSE

Despite its light promotion, a May 30 open house showing off the August Wilson Center for African American Culture for the first time brought more than 6,000 people to the downtown Pittsburgh site. The "soft" opening introduced the community to the \$35.9 million multidisciplinary facility, which is scheduled to open officially Sept. 19. Attractions included speakers, outdoor entertainment and vendors, and tours of the 65,000-square-foot building, which contains a 486-seat theater, exhibition galleries, an education center, a café, a gift shop, and multipurpose spaces for community programs and events. The Endowments was an early supporter of the building project, awarding a total of nearly \$7.5 million.



Annie O'Neill

# CITY LIVE!

Valentino Castellani, below left, former mayor of Turin, Italy, and Allen Kukovich, below right, a former Pennsylvania state senator, share a commitment to reinvigorate urban areas. Both men drew on their experience and expertise during the May 20 cityLIVE! panel discussion, "Your Region. Your Vision," at the New Hazlett Theater on Pittsburgh's North Side. Castellani recalled his strategies for reinventing Turin, one of which included successfully lobbying for his city to host the 2006 Winter Olympics. Kukovich, the new executive director of the Regional Visioning Project, talked about the work of that organization, which has been charged with guiding the process of developing a broad-based vision for southwestern Pennsylvania. The Endowments, a supporter of the cityLIVE! discussion series, is one of several foundations funding the visioning project.



## Well-written

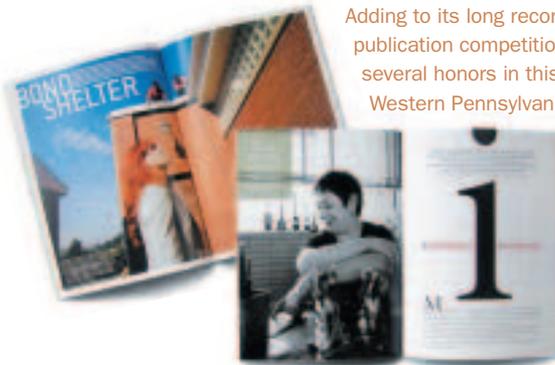
Adding to its long record of awards received in publication competitions, *h* magazine took several honors in this year's Press Club of Western Pennsylvania's Golden Quill event and the Robert L. Vann Awards program, both mainstream journalism competitions.

Writers Jeffery Fraser, a regular contributor to the magazine, and Monica Haynes, a first-time

*h* writer and former Pittsburgh Post-Gazette reporter, each received top awards in the Golden Quills' magazine writing category.

Fraser's "Bond Shelter," reported on efforts to help minority- and women-owned firms obtain the bonding needed to bid on construction projects. The story also took the top honor in the same division of the Pittsburgh Black Media Federation's Vann contest, which recognizes outstanding coverage of western Pennsylvania's African American community.

Haynes won for "Individual Investment," which reported on the challenges individual artists face trying to find program funding. Endowments Communications Department intern Andrew Peters had a third-place honor in the Vann contest for "Community Building," a story on The Pittsburgh Project's community-revitalization and youth-development work on the city's North Side.



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## Minding your own business. PAGE 24



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