

SUMMER 2009

## MODEL MAKEOVER

The Pittsburgh Cultural Trust  
celebrates 25 years of  
transforming a red-light district  
into a red-hot arts hub.

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The Magazine of The Heinz Endowments

GIFTING CLASS

DEMOLITION DIAMONDS

# 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** Bright lights and crowded sidewalks have become the norm for popular events in Pittsburgh's Cultural District. One such affair, shown on the cover, was the Pittsburgh Symphony Orchestra's Sept. 9 concert, "An Enchanted Evening," featuring legendary violinist Itzhak Perlman. The performance at Heinz Hall and gala activities that followed were among the highlights of the Cultural Trust's silver anniversary this year.

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# message



Barry Lavery

By Teresa Heinz  
Chairman, The Heinz Endowments

I will never forget the night 14 years ago when Heinz Hall, rejuvenated and newly outfitted after a \$7 million make-over, was reintroduced to Pittsburgh. I told the audience that, whatever the cosmetic changes through the decades, it is remarkable how well the hall still anchors one of the most powerful economic and arts development ideas in the country—the Cultural District and its nurturing organization, the Pittsburgh Cultural Trust.

But there was some bitter with the sweet: I was representing dearly loved family members who dreamed the idea and rolled up their sleeves to realize it for the community, but who were no longer with us to celebrate its milestones of success.

I pointed out that when my father-in-law, Jack Heinz, saw past seedy downtown blocks and tired buildings with his dream of a vibrant cultural district, he was fulfilling a charge handed down from his grandfather, H. J. Heinz, the founder of the prepared foods business that produced the family fortune: To those who have been given much, there is a special responsibility to lead efforts to make the community a better place and to entrust the benefits to future generations.

This issue's cover story relates how the Heinz family principle of trusting in the community—believing that future generations would be worthy stewards of a philanthropic gift—was translated nearly literally in the creation of the Cultural Trust. As the organization marks its 25th year as a premier performing arts presenter and economic development generator for downtown, it is rightly judged to be one of the most successful projects to have been undertaken by private, regional philanthropy. The key reason, in my view, is another part of the family's generations-deep calling to improve the quality of community life. It is a primer for how to go about the work of bettering the community in which we live, and it is rooted in the family's earliest acts of private charity for the public good.

Here is how I have interpreted it in my leadership of the Endowments: If you bestow your dream on a community in completed form, you might expect some modest benefit for a little while. But if you are

willing to let the community dream it with you and bestow it on itself, you can expect returns that outlast you and continue into the future.

Jack Heinz was an expert practitioner of this strategy long before he dreamed of an arts district under the care of the Cultural Trust. He followed his father, Howard, one of the founders of the Community Chest in the United States, the precursor of the United Way, as a board member. He was the chief salesman in convincing this community to dream of a region where all basic human service needs were met and that pooling charitable donations could make that dream a reality. The region's Community Chest fundraising drives were so successful that, in 1947, President Harry Truman named him national chairman of the annual campaign.

My late husband, John Heinz, embraced the trust-in-community strategy as well in taking over stewardship of the family philanthropy immediately after his father's death. At the opening of another Cultural District anchor, the Benedum Center in 1987, he used his father's affectionate name for the small group of community leaders and expert advisors to encourage more public ownership of an expanding Cultural District: "My father and his band of dreamers have unleashed a great idea. What we need to do now as a community is have the wisdom to understand it and the courage to see it through."

Certainly, one of the reasons I decided to concentrate on leading the Endowments is that I have experienced firsthand the ability of well-planned, strategic giving to improve lives and better entire communities. But what has kept me engaged in the work is the foundation's higher-level power to "dream big."

What I have learned from those who have come before me, though, is how important it is to recruit into the creative process those who stand to benefit. If we engage them as the dream weavers, they are more apt to stay with us through the long, hard work of turning one of those big dreams into reality.

At the Endowments, we have our band of dream weavers for most community projects or programs that we initiate, and the organizations featured in the other two articles in this issue are excellent examples.

“Salvage Sells” tells the story of the creation of Construction Junction, which specializes in recycling hundreds of tons of building materials, furnishings and cast-off decorative pieces to eager customers instead of into landfills. Community ownership of the idea of donating and purchasing rather than burying has been the lynchpin of the nonprofit’s remarkable success. In “What I Did On My Summer Vacation,” scores of nonprofit organizations, school districts and local foundations have been the dream weavers who have helped turn a small internship for several high school graduates into a rare formative opportunity for

30 students each year to become philanthropists for the benefit of young people in their own communities.

After meeting with those interns at the beginning of the summer, I gave them each a copy of the best-selling book, “Three Cups of Tea,” a wonderful recounting by journalist David Oliver Relin of the heroic campaign by professional mountain climber-turned humanitarian Greg Mortenson to build schools for girls in some of the most impoverished villages in Pakistan and Afghanistan. From my reading, Mortenson’s success—90 schools completed to date—is tied to his willingness to immerse himself in the cultures of the communities he sets out to serve and to his effort to turn likely opponents into co-owners of his dream.

In listening to these young people react to the book and to their foundation work, I am convinced that our best hopes for the future depend on a community of young dreamers who, as with the generations that have come before them, are encouraged to dream big and recruit their own band of dream weavers to make them happen. *h*

## CULTURE OF TRUST:

### A family’s legacy of embracing community in the arts and civic philanthropy

“Our library, museum, parks, conservancy and orchestra have caused the world to place a truer estimate upon the spirit of our community; we cannot afford to lose the cultural influence of any one of them.” **H. J. Heinz**, 1910 (commenting on a family gift to the Pittsburgh Symphony Orchestra)

“Pittsburgh is not perfect; it has the imperfection of all human beings. But for us, it ought to be the best city on earth. ... So let us support each other in a great community effort to help our city become what we would like to see it be.” **Howard Heinz**, 1923 (at the dedication ceremony of the 16th Street Bridge, on Pittsburgh’s North Side)

“We, the women of the United States, have the sacred job of helping build a good community in which to live and grow, and through many local communities, to join in an international community of a better, cleaner and more peaceful world.”

**Vira I. Heinz**, 1944 (from her acceptance speech after being awarded an honorary degree from Beaver College)

“I am a third-generation Pittsburgher who inherited a love of this community and the charge to serve it from a grandfather and father who carried out their civic responsibilities in a serious fashion. ... I believe that encouraging the urban development momentum

and improvements in our city’s quality of life will surely carry on for generations to come.” **H. J. “Jack” Heinz II**, 1983 (from an address at the annual dinner meeting of the Allegheny Conference on Community Development)

“One can’t simply bottle Pittsburgh’s success as if it were horseradish. It’s not just the right ingredients, like public and private money and historic buildings; nor is it just a beautiful setting framed by three intersecting rivers. ... It is the people—people who place the public good over politics and private gain; people seeing through new ideas to transform our

economic base; people ... who create a climate where local, grassroots leadership and enterprise ... can be nurtured and encouraged. If there is a secret recipe for success, it is in recognizing and rewarding those who roll up their sleeves and get the job done.” **Sen. H. John Heinz IV**, 1988 (from an address at the Remaking Cities Conference at the Benedum Center)

“In my experience, places become what people dream. And in the absence of dreams, they very often become what people fear. Bold dreams, then, are the hallmark of great places. There could be no grander vision for Pittsburgh than

the wholesale rebirth of its riverfront. ... The Pittsburgh Cultural Trust’s construction of Allegheny Riverfront Park, a first step in the heart of Downtown, is at that level, and it has given us a glimpse of the possibilities that lie ahead when community forces come together to act on a single vision.” **Teresa Heinz**, 1999 (from “At River’s Edge,” an essay on riverfront development, published in the Pittsburgh Post-Gazette)



# U R B A N



IN A SPRAWLING EAST END WAREHOUSE, PITTSBURGH'S COLLECTIVE VISION OF THE NEIGHBORHOOD YARD SALE TAKES PLACE DAILY. CONTRACTORS, DO-IT-YOURSELFERS, BARGAIN HUNTERS AND THE JUST PLAIN CURIOUS ENGAGE IN THE HIGH (AND LOW) ART OF RECYCLING EVERYTHING FROM STAINED GLASS TO TOILET SEATS. A REPORT ON A BUSINESS DOING GOOD AND HOLDING ITS OWN.  
BY JEFFERY FRASER PORTRAIT PHOTOGRAPHY BY DAVID ASCHKENAS

# R E N E W A L

itty Stemas drove 80 miles through off-and-on rain this mid-June morning to shop at Construction Junction in Pittsburgh's Point Breeze neighborhood. She has nothing in particular in mind to buy and no idea what she might find in the cavernous store that has all of the charm of a building-contractor garage sale, housed in a grimy warehouse. Before the day is out, she will discover once again that what one person deems worthy of discarding can seem a treasure in the eyes of another.

She spends nearly an hour perusing aisles of used building materials and assorted odds and ends that have been salvaged or donated by homeowners, landlords, builders and others. They receive tax deductions for their contributions, which are offered at prices 30 to 60 percent lower than what prospective buyers like Stemas would pay at a big-box home improvement retailer. The warehouse is packed with doors, mantels, retail display cases—one with "Parker Fountain Pens" etched in its glass top—sinks, bathtubs, cabinets of various shapes and sizes, tile, windows, shutters, toilets, bruised wood desks, tools, flooring, lighting fixtures, countertops, molding, mirrors, glass block, shelving, roofing shingles of asphalt and slate, marble and finished stone, a few appliances, pressboard, plywood, paneling and more. Some of these are vintage. Some are modern. Nearly everything is used—some, gently so, while others will require some handiwork or imagination to restore them to use.

Stemas's browsing pays off when she finds, for \$40, a four-legged gray steel cylinder with a faux marble composite tabletop and a single door that opens to a small shelved compartment. "Look at this cool thing. I don't know what it is," says the artist and proprietor of the Hartzell House bed-and-breakfast in Addison, Somerset County, who discovered Construction Junction four years ago. "Some of the things I get here I incorporate into the B&B, and some of the things I just play with. I'm going to put a vessel sink on this, whatever it is, and turn it into a vanity."

She is one of the thousands of Construction Junction customers who make more than 24,000 individual purchases a year. These do-it-yourselfers, artists and small building contractors enable the environmental nonprofit to annually divert 720 tons of used, but usable, building materials from landfills and cover its operating budget with revenue generated from those sales. Last year, the most successful in Construction Junction's decade-long history, the nonprofit brought in a little more than \$1 million in sales against expenses of \$955,000, which included payroll costs for its 19 full-time employees.

This year, the recession has done nothing to threaten that trend. It may, in fact, be helping.

Sales from January through June are up 16 percent over the same period last year, and the number of purchases has risen 50 percent, suggesting that Construction Junction is headed toward another record sales year. Just as important, the nonprofit has a relatively uncontested local niche, which appears to be helping it dodge one of the greatest recession-related fears that contributions-dependent organizations face.

“There was concern that people might decide to hold onto their stuff longer, and donations would fall off,” says Mike Gable, Construction Junction executive director. “But we haven’t seen a drop in material coming into the building. Our truck is scheduled-out pretty consistently two weeks in advance. And it’s going out five days a week.”

Without that ability to sustain itself financially—a rare achievement for an environmental nonprofit—Construction Junction would not likely have survived its first decade, let alone thrived, says Caren Glotfelty, director of The Heinz Endowments’ Environmental Program. In 2000, the Endowments awarded the nonprofit a \$100,000 grant to implement a business plan for making it a financially self-sustaining enterprise, which it has consistently been since 2004. Other support for the organization over the years has come from the Pittsburgh and Laurel foundations and the foundation-funded Social Innovation Accelerator project, a recently ended program that provided strategic counseling and assistance to startup ventures.

The nonprofit’s reuse mission “is important in our overall environmental portfolio because we are so focused on energy and materials conservation and green building,” says Glotfelty, herself a Construction Junction customer who bought bathroom tile, blackboard slate and other materials from the store as part of the “green” renovation of her home.

Construction Junction’s record of meeting its mission and paying its bills through social entrepreneurial strategies has given the nonprofit the confidence to move forward with its most ambitious

project to date. The organization is renovating its 75,000-square-foot store to LEED—Leadership in Energy and Environmental Design—gold standards and creating a resource center for homeowners interested in environmentally sustainable home improvements that would, among other things, demonstrate green technologies, such as permeable pavements, bioswales and rain gardens.

Last year, the Endowments’ Environmental Program awarded the nonprofit a three-year, \$300,000 grant to cover the costs of a planning and sustainability study for that project. “The idea is to ramp up the adoption of green building and site practices throughout the community by having a place where people can learn how to do these things,” says Glotfelty. “We’ve been very successful in Pittsburgh in getting large green building projects done through the work of the Green Building Alliance. But the individual homeowner still doesn’t have enough information, guidance and examples to know what to do.”

Construction Junction started as an idea conceived by staff at three environmental organizations—Conservation Consultants Inc., the Green Building Alliance and the Pennsylvania Resources Council—to address the lack of a place in western Pennsylvania to recycle construction and demolition waste, which accounts for an estimated 20 to 30 percent of the materials that are discarded in regional landfills. Not only would it fill an important need in the region, but anecdotal evidence suggested that there was a demand among homeowners and builders for such a resource.

“We were getting phone calls from people who had usable construction materials,” says David Mazza, regional director of the Pennsylvania Resources Council, a 70-year-old grassroots environmental nonprofit that specializes in waste reduction and recycling. “Early on, it was things like brick or vinyl siding, overruns or leftovers from a project, and people would say, ‘I don’t want to send this to a landfill, so where do I recycle it?’ We didn’t have any viable options.”





**NAME**> AMANDA THORP **RESIDENCE**> PITTSBURGH **FIND**> MISCELLANEOUS DESKS AND CHAIRS **USE**> THE CARNEGIE MELLON UNIVERSITY STUDENT PLANS TO INCLUDE THE ITEMS AMONG THE FURNISHINGS IN HER NEW APARTMENT.



**NAME**> CHARLOTTE RICHARDSON-KA AND ERROL REYNOLDS  
**RESIDENCE**> WILKINSBURG AND NEW YORK CITY **FIND**> CHURCH PEW  
**USE**> THE PEW WILL ADD SEATING AND CHARACTER TO A HOUSE THAT THE TWO ARTISTS ARE CONVERTING INTO AN ART AND MUSIC STUDIO IN NORTH VERSAILLES, PA.



**NAME**> JEN VERI **RESIDENCE**> TURTLE CREEK **FIND**> LOW-COST PAINT WITH RECYCLED LATEX **USE**> VERI'S HOME OFFICE WILL GET A FRESH LOOK WITH A COAT OR TWO OF THE RECYCLED SAGE GREEN PAINT.

**NAME**> LEE NAGLE **RESIDENCE**> MOON TWP. **FIND**> WOODEN DOOR  
**USE**> THE DISCARDED DOOR WILL SEE NEW LIFE AS A CHILDREN'S STAGE ON THE SET OF A TELEVISION COMMERCIAL ABOUT FIRST NIAGARA BANK.



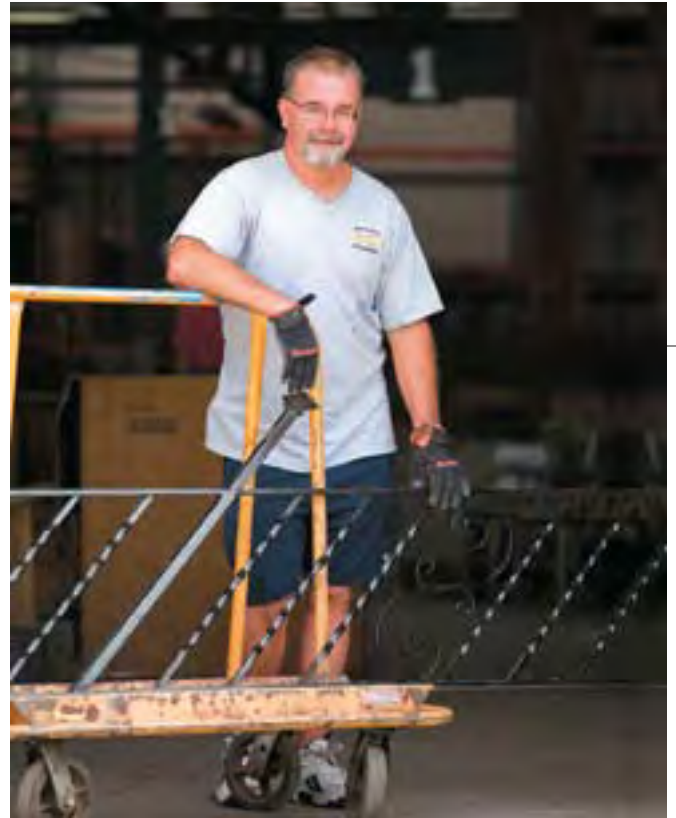
**NAME**> MARY MUNCIL **RESIDENCE**> PITTSBURGH **FIND**> WOODEN SHUTTERS **USE**> THE SHUTTERS WILL DIVIDE THE POINT PARK UNIVERSITY STUDENT'S BEDROOM FROM HER ROOMMATE'S.







**NAME**> ADRIAN ENSCOE **RESIDENCE**> PITTSBURGH **FIND**> GLASS WINDOW **USE**> ENSCOE ENVISIONS CONVERTING THE WINDOW INTO A GLASS TABLE TOP.



**NAME**> TERRY FISCHER **RESIDENCE**> BALDWIN BOROUGH **FIND**> WROUGHT IRON RAILING **USE**> GOOD SAMARITAN FISCHER IS PROVIDING THE RAILING FOR THE FRONT HOUSE STEPS OF HIS NEIGHBOR, WHO UNDERWENT KNEE SURGERY.

**NAME**> WILL AND BRITTA WALKER **RESIDENCE**> WILKINSBURG **FIND**> TWO CUSHIONED CHAIRS: ONE RED, ONE BLUE **USE**> THE BRIGHTLY COLORED CHAIRS WILL PROVIDE EXTRA SEATING IN A FORMER TWO-CAR GARAGE THAT THE WALKERS CONVERTED INTO AN OUTDOOR EATING AREA FOR ENTERTAINING GUESTS.

**NAME**> OSCAR HENDERSON **RESIDENCE**> WILKINSBURG **FIND**> MINT-CONDITION TOOLBOX **USE**> HENDERSON PLANS TO USE THE TOOLBOX TO —WHAT ELSE?— HOLD HIS TOOLS.







Construction Junction opened in a Lawrenceville warehouse in November 1999, based on models of nonprofit reuse centers in the northwest and northeast. Evidence of its long-term viability was apparent after the nonprofit's first full year of operation, when revenue from the sale of donated material and rental of unused space in its store covered half of its expenses. Two years later, the nonprofit moved to its larger Point Breeze location to accommodate its growing business and popularity—trends reflected on balance sheets that show sales revenue rising from \$184,000 in 2000 to \$1.03 million in 2008.

In addition to sales, about 1 to 2 percent of the nonprofit's revenues are earned from renting space in its Point Breeze store to nonprofit and for-profit businesses and organizations. Among them are a bicycle recycler, a commercial electronics recycler and The Pillow Project dance company, which uses an upper loft on the site for performances, exhibits and other arts events, including some that promote art created from recycled materials.

Construction Junction also broadened its community reach over the years by developing a relationship with local artists and craftsmen. The nonprofit and local artists, for example, founded SALVO—Salvage Artists Linking Venues and Opportunities—which offered public classes and workshops on creating art from discarded materials. For three years, the collaboration hosted a salvage arts festival supported by corporate sponsors and foundations, including two grants from the Endowments' Arts & Culture Program.

The reuse business is not without challenges. For all of Construction Junction's experience, pricing remains more of an art than a science.

As a general rule, brand-name materials are priced at half of what they go for at a big-box retail outlet. But complicating the pricing process are one-of-a-kind items and the fact that even the more common donations, such as the 4,000 doors it moves each year, usually vary in age, condition, size and the material they are made of.

And, from time to time, the nonprofit underestimates the value of certain donations, which can result in a huge bargain for the keen-eyed customer. That was the case a few years ago when a savvy collector purchased a set of five chairs for \$3 each. Construction Junction staff learned later that with some cleaning and TLC, the set of Ilmari Tapiovaara chairs were worth about \$9,500. "You want to kick yourself when that happens," says Gable. "But the benefit is, if someone gets a great deal, maybe they tell their friends. It's part of the ambience of the place, part of the experience." Also, even with a handle on a unique item's value, the nonprofit would still sell it for a good deal less, in keeping with its mission of offering bargains to customers.

Another challenge has been accommodating customers who are doing renovation projects that require large quantities of the same material, such as several matching doors or a couple hundred feet of matching trim. Leftovers donated by homeowners and building contractors usually arrive in batches too small for larger projects.

To deepen its inventory, the nonprofit recently began purchasing more of some popular materials, such as paint made from recycled latex, which staff members say compares favorably with some popular name brands at less than half the cost. Partnerships have helped, including one with a

Far left: The Pillow Project dance company experiments with presentations that are unconventional in style and location. The company found a home in an upper loft on the Construction Junction site for dance performances, top, and other arts gatherings, bottom.

Left: Construction Junction is starting to conduct some of its own deconstruction projects to obtain salvage materials for sale. The nonprofit's first effort was the "panelization" of a house in Pittsburgh's East Liberty neighborhood. The technique involves carefully taking apart sections of a building with the hope of preserving some of the construction materials.

local Habitat for Humanity chapter, which sold more than 300 new windows to Construction Junction at a steep discount.

The organization has established a three-man salvage crew to remove usable building materials from buildings and homes, a process that often yields larger quantities of matching tile, baseboard and other materials. The nonprofit is exploring deconstruction, a more extensive salvage operation to rescue usable materials from structures scheduled for demolition before they are razed. Unfortunately, the region's older housing stock can mean lower yields of suitable material to sell for reuse.

that were engraved with names and dates, but never used.

Construction Junction's Point Breeze store itself can be a challenging place in which to shop and work. The former commercial lighting factory isn't insulated and has a high ceiling, a concrete slab floor and single-pane windows. In the summer, it can be stifling, and in the winter, it can be frigid, with temperatures dipping into the low 40s. The nonprofit's staff is planning to insulate the building and is exploring solar, geothermal and other energy options as part of the organization's green renovation project.

## IT PROFOUNDLY AFFECTS ME TO SEE USEFUL PIECES OF ARCHITECTURE AND DESIGN THROWN AWAY AND WASTED. THIS PLACE IS ABSOLUTELY PERFECT FOR ME. I LOVE IT.

Construction Junction did its first deconstruction project last September in East Liberty with mixed results.

"We learned a lot," says Gable. "But we reused or recovered only about 25 percent of the house, which from a deconstruction standpoint is low. You usually look for recycling and reuse rates of 75–80 percent."

Most customers, however, are like Otis Lockhart, less interested in quantity than in finding something that piques creativity. Among his recent purchases was a set of wooden theater chairs. He refinished a few and turned others into tables. "The appeal to me is finding something I can take and create something that no one else has," says the Verona homeowner. "I look for whatever strikes me, something unusual."

And customers can sometimes discover some very unusual stuff. Among the strangest was a coffin—unused—that was included in a garage full of material donated by a homeowner.

"I have no idea what they were doing with it," says Gable. The coffin sold as Halloween neared, purchased by a company that builds haunted houses for fundraising. The approach of Halloween also inspired the purchase of a few donated headstones

But recession has made financing a project with an estimated price tag of \$4.5 million to \$5 million more difficult than anticipated. Many foundations, for example, have put a hold on capital improvement funding in the wake of shrinking endowments and rising human services needs. In response, Construction Junction is seeking economic stimulus funds to finance part of its green makeover, asking the Pennsylvania Infrastructure Investment Authority for a grant to improve its water and sewage infrastructure, and turning to the Pennsylvania Energy Development Administration to help pay for solar technology to supply the store's electricity.

And yet, recession, the store's occasional too-warm or too-cold climate, and limited supplies of larger quantities of matching materials have not slowed the growth of Construction Junction's customer base, more than 60 percent of which are homeowners. One measure of its popularity, a recently started e-newsletter, counts more than 9,000 subscribers.

"It profoundly affects me to see useful pieces of architecture and design thrown away and wasted," says Stemac, a Construction Junction regular. "This place is absolutely perfect for me. I love it." *h*

**Kitty Stemac**  
a Construction Junction  
regular

# building TRUST

PITTSBURGH'S CULTURAL TRUST, MANAGER OF A DOWNTOWN DISTRICT THAT HOUSES \$200 MILLION WORTH OF PHILANTHROPIC DREAMS, HAS HAD IMMEASURABLE SUCCESS AS AN ARTISTIC PRESENTER. NOW, AS IT BLOWS OUT THE CANDLES ON ITS 25TH BIRTHDAY, THERE IS A RECOUNTING OF ITS HISTORY AS AN ECONOMIC DEVELOPER AND ONE INEVITABLE QUESTION: WHAT NOW? BY CHRISTINE H. O'TOOLE PHOTOGRAPHY BY JOSHUA FRANZOS

# F

ramed by a sleek glass elevator descending from Pittsburgh's Theater Square parking tower, the scene below exudes artsy sophistication. The linden trees on Katz Plaza have leafed out, shading the audience at a late-afternoon jazz concert. A calming gurgle of water trickles down a looming Louise Bourgeois sculpture. An electronic signboard teases for the Broadway-birthered "Legally Blonde," playing at the Benedum Center, a landmark grand theater. A block past Heinz Hall, the home of the Pittsburgh Symphony Orchestra, aproned waiters sweep the sidewalks in front of storefront bistros.

H.J. "Jack" Heinz II, described as a man of "stratospheric elegance" by Tony O'Reilly, his successor in heading the legendary H.J. Heinz Co., would relish every aspect of the neighborhood now known as the Cultural District. He would love its Euro-style panache, but he also would appreciate it as the worthy product of a vision he conceived in the late 1960s and turned into reality through his philanthropic leadership at The Heinz Endowments.



# KATZ PLAZA

A drab outdoor parking lot was reborn in 1999 as Agnes R. Katz Plaza in Pittsburgh's downtown Cultural District. Katz was the matriarch of the family that had majority ownership in Papercraft Corp. The plaza was renamed following a generous gift for the project from her children, Marshall Katz, a Pittsburgh Cultural Trust board member, and Andrea Katz McCutcheon. The 23,000-square-foot public space is a popular venue for concerts such as the JazzLive summer series that attracts listeners—and a few dancers—on Tuesday evenings. Adding to the plaza's appeal are 32 linden trees; a 25-foot bronze fountain, designed by sculptor Louise Bourgeois; and three large granite benches resembling human eyes, also designed by Bourgeois.





After sitting vacant for five years in the 1960s, the Loew's Penn Theater, once known as Pittsburgh's ornate "Temple of the Cinema," was slated for demolition to make way for a parking lot. Then Henry J. "Jack" Heinz II and Charles Denby, president of the Pittsburgh Symphony Society, saw the potential to transform the rundown movie palace into a stunning cultural center. Today Heinz Hall for the Performing Arts is the cornerstone of the city's Cultural District, as well as home to the Pittsburgh Symphony Orchestra, where the opening events for this season were the aptly titled "Enchanted Evening" gala and concert, featuring renowned violinist Itzhak Perlman.



Four decades later, Jack Heinz likely would be dismayed that downtown Pittsburgh has yet to regain its top-five ranking among cities with Fortune 500 company headquarters. But he would be pleased to know that the region's population decline appears to be slowing, and he would be elated to learn that the city's downtown is flush with new residents and buzzing with activity. There are more restaurant, recreation and entertainment offerings, more residency choices, more construction cranes than at any point in the past 40 years.

Much of it can be traced to the Cultural District, the product of patient investment and remarkable cooperation among business leaders, arts organization managers, politicians and funders. Even as the holder of the vision, Mr. Heinz would likely be shocked to discover that the downtown arts scene now attracts two million patrons a year to performances and events at 14 cultural facilities.

"It is the single most important strategic investment in our region, and it has fostered everything else," says Jim Rohr, president and CEO of PNC Financial Services and just-retired chair, after an eight-year term, of the Cultural Trust, the institution charged with managing and growing the district.

In implementing that vision on the ground, the Trust has had enviable success in building beautiful performance venues, parks and streetscapes. It has navigated complex real estate deals, chased away X-rated video stores and nuisance bars, introduced business efficiencies to struggling arts organizations and landed world-class artistic performances that bypass similarly sized cities.

But there have been growing pains, too. Some of the Trust's most ambitious projects have been subject to the same woes that befall institutions with remarkably dissimilar agendas—real estate development and performing arts management. Union relations often have been tense; subsidies

that have fueled many of the district's moving parts are still needed; and the \$460 million RiverParc project, one of the most ambitious development plans in the Trust's history, had to be suspended over questions about the ultimate cost of the project, including the recession's effect on credit availability.

Despite those problems, the Trust stands as a shining beacon—internationally admired—for how a nonprofit performing arts platform can drive economic development and neighborhood revitalization. "More than any other performing arts center, the Pittsburgh Trust encompasses this idea that the arts be engaged in changing the city," says Mark Nerenhausen, president and CEO of the AT&T Performing Arts Center in Dallas.

With several chapters completed and others yet to be written about the future of downtown, the Trust stands at a juncture and plots its next course. Does it contribute best by staying true to the same mission as the one bestowed at its birth 25 years ago, or must it take on a new mantle for more demanding times?

In 1984, the notion of a Cultural District was an audacious one with bad timing: to reclaim the seediest district in a town decimated by the collapse of the steel industry. The resurrection of the 14-block red-light district along the Allegheny River would eventually require more than \$200 million in foundation support, including more than \$100 million from the Endowments, for new theaters, façade restoration and streetscapes. There would be parks and art projects, programming and operating support—even residential development.

As the shrewd chief executive of an international company, Mr. Heinz knew that an entity that could control real estate as well as arts presentations had the potential to sustain itself over the long term. It would be easier to attract new audiences and make Pittsburgh more attractive to private investment.





Clyde Hare

Pittsburgh's Cultural District was created by the "band of dreamers" gathered by Jack Heinz to bring his vision to life. Shown here during a 1979 planning meeting in Mr. Heinz's New York City apartment are some members of the group that included, from left, Sen. H. John Heinz, left foreground; Jack Heinz's wife, Drue; Jack Heinz, standing left center; and real estate magnate William Rea, right foreground.

campus with a vast symphony hall and apartments was going to be built in the lower Hill District next to the just-completed Civic Arena with its retractable dome roof. Despite an \$8 million pledge from the Howard Heinz Endowment, the project couldn't attract additional public and private investors. Mr. Heinz held on to his dream, though, even into retirement from the H.J. Heinz Co. in 1967. He found a new staging ground to market as the symphony's new home: a derelict movie palace at the corner of Sixth and Penn.

The \$7 million the Endowments contributed during the four-year restoration afforded a Midas touch. Each opulent detail was personally selected by Mr. Heinz, who proudly escorted his wife, Drue, to the 1971 opening. A significant supporter of the arts on her own, she led the design of the hall's plaza area. In its first four years of operation, Heinz Hall audiences doubled from 322,888 in 1971 to 624,260 in 1975.

Like most achievements that are widely celebrated, the hall had to endure the inevitable contrarian criticisms. Arts organizations clamored for more dates on the single stage. Patrons loved the innards but hated its dangerous outside surroundings—"a peacock on a pile of ashes," was author Mary Brignano's tart description in a 92-page history she wrote for the Trust.

"It was clearly a locus for drug dealing and prostitution," recalls Carol Brown, the Trust's first president. As the 1980s began, Mr. Heinz and a group of trusted real estate experts quietly bought up porn-shop-loaded properties near the hall to expand the cultural reach. An exhaustive study conducted by London-based planners Llewelyn-Davies Associates validated the land purchasing as a sound economic development strategy.

The study team noted that the Penn-Liberty block had good bones. A handsome crop of 19th-century loft buildings could qualify for historic preservation status. One 1928 theater, the Stanley, offered a great venue for a second major stage just a block from Heinz Hall. Derelict buildings could be replaced with parks and public art.

"Instead of standing on three legs—ticket sales, traditional philanthropy and a draw from an endowment—the Trust had a fourth in the real estate component," says Kevin McMahon, Trust president since 2001.

The Trust also provided arts groups with more downtown stages—and competition. The new entity would present out-of-town productions that would take up stage time that was once the exclusive turf of the seven major in-town arts organizations.

"The Trust plays the dual roles of programmer and landlord," says Janet Sarbaugh, senior director of the Endowments' Arts & Culture Program. The result, appropriate for an arts community, might be called creative tension. But for a quarter-century, that tension has stimulated Pittsburghers to embrace Mr. Heinz's vision with brio.

This doesn't mean that the idea of a Cultural District was always accepted, especially in its current form. Grand civic plans often vanish with a change in political tides. Fifty years ago, Pittsburgh's performing arts idea du jour was the "Pittsburgh Acropolis." The contemporary Lincoln Center-style

The plan and the projects it identified called for the creation of a nonprofit organization that could build public and private support for a district that was the antithesis of the Pittsburgh Acropolis: a walkable riverfront neighborhood with elegant entertainment, proudly preserved architecture and housing.

But even as Mr. Heinz and his group of planners were developing the concept of a Cultural Trust, they also were nurturing the next phase of district development. They wanted to win one of the last Urban Development Action Grants given to major economic development projects. With \$17 million at stake, the planners had to act fast and acquire the Stanley in order to meet the federal requirements and the deadline. In the summer of 1983, Jack Heinz reached out to Paul Jenkins, the longtime head of the Benedum Foundation.

“Not that Jack needed the dollars, but he was looking for some partners,” recalls Jenkins. “He foresaw the fact that ultimately the Cultural District was going to have to be a joint effort, and he asked us to make a naming grant.”

The two men shook hands. Five days later, the Benedum Foundation stepped up with \$5 million, five times the size of any grant in its history. Then-mayor Richard Caliguiri and the Allegheny County Commissioners threw political heft behind Mr. Heinz’s plans for a \$150 million project that would leverage the federal grant—actually a form of a soft loan—with private philanthropy and for-profit investment. The plan called for reviving the Stanley Theater, then erecting two office towers between it and Heinz Hall. The towers would recapture part of the public-private investment in the form of annual lease payments by the developer for the next 25 years. The market, at the time, allowed for only one tower to be built, but that funding stream, along with the federal grant secured by Sen. John Heinz, provided operating support for a Cultural Trust that would continue to expand the district.

In a few elegant strokes, the plan had wedded the arts to economic development.

With funding and mission for a new Cultural Trust in place, the search began for a capable founding leader. Jack Heinz had admired Carol Brown for her deft management of cultural and arts programs for Allegheny County and recruited her to the search committee. In the end, she applied, and he hired her. The decision was validated quickly by her strong management of the \$43 million conversion of the Stanley into the Benedum Center. “I honestly believed that the more people we engaged on every project, the stronger the theaters and the Trust would be as a whole,” remembers Brown. “We opened the Benedum on time, without a deficit, and Mr. Heinz enjoyed hearing about who was contributing.”

Jack Heinz had again given the world-class restoration of the 2,800-seat theater his enthusiastic scrutiny. But when it opened on Sept. 25, 1987, his seat was empty. He had died eight months before, at his home in Florida. The new Endowments president, Sen. John Heinz, represented his father at the packed performance center with his wife, Teresa, at his side.

“My father and his band of dreamers have unleashed a great idea,” he told the emotional audience. “What we need to do is have the wisdom to understand it and the courage to see it through.”

Brown took that as a personal guide for her leadership of the district’s next phase: “It had to be as good in public art and architecture as in performance,” she remembers. The Trust would not have been able to expand the vision without support from other elements of Pittsburgh’s foundation community, including the Richard King Mellon, Pittsburgh and Buhl foundations.

“The restoration of the façades, the street-scapes, these were part of a holistic plan. It’s part of what gives it its great character today,” says Brown. “It’s not a great big glass building with four theaters of various sizes, which is what a lot of cities build. There’s texture and street life in the district.”

The Trust also restored two smaller theaters. The 1,200-seat Byham and the 200-seat Harris, a porn-palace-turned-art-cinema, brought more patrons downtown. By 1999, the Trust lured Pittsburgh Public Theater to a new Penn Avenue home in the Michael Graves–designed O’Reilly. The new performing space opened with the world premiere of August Wilson’s “King Hedley II” in December 1999.

The development of the Penn Avenue site included two important amenities: parking and a park. The latter gave Brown the opportunity to bring three world-famous practitioners—Graves, the architect; Dan Kiley, the landscape architect; and Louise Bourgeois, the sculptor to collaborate for the first time on a corner lot that would become Katz Plaza.

Parking had been a long-sought amenity in the district, and the Theater Square Garage that was built has tapped into a demand that projects annual revenues to the Trust to run at the \$1 million mark. But instead of building a utilitarian garage, designers extended the architectural elements of the O’Reilly into the structure and outfitted it for multiple uses. The vast ground-floor space was the stage for two sold-out visits by London’s Globe Theater Company before being adapted as a late-night cabaret and bar. There also was room for an elegant restaurant, Café Zao, partly supported by the Trust to encourage more exciting dining choices. Within five years of that restaurant’s opening, a half-dozen other upscale eateries mushroomed along Penn Avenue.

The Trust continued to acquire local properties along the riverfront, primarily with grants from the Richard King Mellon Foundation. Two Marriott hotels were launched; the new Pittsburgh High School for the Creative and Performing Arts opened in 2003; and the district’s historic designation allowed tax credits for residential building projects.

With Trust presentations and more performances by smaller arts groups, the district was

now programming more than 200 nights a year. And after 17 years, Brown was ready to move on.

“Carol was truly a wonderful leader, a unique person for the time,” recalls Rohr. “She had a difficult challenge—working with real estate developers, politicians, foundations, fundraisers and corporate people as well as arts groups. Each had a different agenda. She was able to bring people together and totally remake the worst area in town.”

When Kevin McMahon moved from executive vice president of Washington’s Kennedy Center for the Performing Arts to succeed Brown, he acknowledged that “most of the heavy lifting had been done—the big theaters had been built.” But he faced challenges beyond brick and mortar. There was pressure to wean the organization from the deep philanthropic support that had sustained its first phase.

As McMahon took over, local groups shared a national concern. Season subscriptions, the lifeblood of their organizations, were declining. Office costs for information technology and health care were growing.

With six groups presenting in the district, the fact that there were separate ticketing booths and separate health care programs for relatively small staffs didn’t make a lot of sense to board members with a business bent, like Rohr, and foundation officers, like Sarbaugh. The Endowments led an effort to form a Shared Services committee that was charged with showing fiercely independent groups how they could combine sales data, marketing efforts and other backroom functions and still maintain separate identities.

Rohr remembers it as a “frustratingly slow” start. “They didn’t want to lose their independence. But the service level to the customer was critically important.” As Web-based marketing and ticketing becomes the norm, the Trust is expanding its online functions to offer seamless one-stop shopping. “There’s one underlying shared-operations system,” explains Rona Nesbit, the





Vaudeville stars such as Ethel Barrymore and Helen Hayes graced the Gayety Theater's stage after it opened on Halloween in 1904. The building became a full-time movie theater and was renamed The Fulton in the 1930s. The Pittsburgh Cultural Trust purchased it in 1990 and began what would be a four-phase renovation and eventual conversion of the building into a multipurpose arts venue. It was dubbed Byham Theater, in recognition of a generous naming gift from the Byham family. Today, the theater hosts speakers, dance and theatrical performances, and concerts in a space more intimate than the city's larger halls.

# BYHAM THEATER







The Art Cinema was Pittsburgh's first art film house until competition from other movie theaters led to its screen showing only pornographic movies for nearly three decades. In 1995, it returned to its roots and began showing art films as the renovated and rechristened Harris Theater, named for John P. Harris, a Pennsylvania state senator and co-founder of the early motion-picture theater known as the "nickelodeon." The Harris also hosts live performances and exhibits, and is a popular stop on the Cultural Trust's summer Gallery Crawl.

# HARRIS THEATER

Trust's senior vice president for finance and administration. "No one else in the world has this model on this scale."

Now, with nearly two decades of data, the Trust has a sophisticated handle on customer preferences, including what lures first-time buyers downtown.

"The area that grows is the large-scale productions," says McMahon. Of the 325,000 who purchased tickets to the Rockettes and "The Lion King," 50 percent were first-time buyers in the district and 40 percent returned for other shows. In the last five years, blockbusters have been the catalysts in selling \$1.3 million worth of tickets to resident company productions. "It does work," says McMahon. "One of our biggest success stories is that we have achieved substantial growth in a market that's stable."

The Trust also has been effective in crisis mode, saving smaller but distinguished presenters such as the Pittsburgh Dance Council, the Three Rivers Arts Festival and the International Children's Festival. "We are quite unusual in having programming that does not pay for itself," McMahon notes. "A lot of my colleagues elsewhere think we're out of our minds—a dance series? Doesn't that lose money?"

The balance between Trust-presented events and resident company productions is constantly recalibrated. To protect the ballet's popular holiday "Nutcracker," the Trust negotiated November dates for the company's 50-night, \$8 million run. "It wouldn't be honest to say there wasn't concern," says Pittsburgh Ballet Theatre director Harris Ferris. "But we're all cognizant of the bigger picture. There's no room to be provincial."

Smaller arts groups have gained a toehold in the district. Pittsburgh Musical Theater has performed subsidized work at the Byham since 1992, luring audiences with \$10 tickets.

"Close to 50 percent of our audience comes to our matinees at student rates, a demographic that's mainly young working class," says director Ken Gargaro. "We make them feel part of the city's

culture. And when the Trust is booking 'Wicked' or 'Lion King,' I love to be downtown. When they sell out, our numbers go up."

This masterful orchestration of both economic activity and quality performing arts presentations at all corners of the district followed Sen. Heinz's "be wise and courageous" dictate. But the dual mission easily could have stalled after his tragic death in an airplane crash in 1991 if Teresa Heinz had not stepped in immediately to lead the Endowments with the Trust as one of her highest priorities.

"Mrs. Heinz lived much of the history of the Cultural District project. It became part of her DNA," says the Endowments' Sarbaugh. "In continuing to grow the district, she has remained true to the original vision but also put a unique stamp on it."

As the foundation leader charged with ensuring the district's vitality for future generations, Mrs. Heinz sees the Cultural District as the prime example to counter critics of sustained philanthropic investment in the arts. "This milestone anniversary should effectively bury the shallow notion that arts activities are frills or decorative luxuries," she said in a Pittsburgh Post-Gazette interview. "They are powerful enough to transform seedy and unsafe spaces into vibrant and welcoming spaces. They do this in an economic sense for places as much as they do it in an inspirational sense for people."

In response to such strong support and its own success, the Trust has expanded its reach—and added staff to accommodate it. That has led some to question whether the organization has become top-heavy with management. The University of Pittsburgh's John Camillus, who helped the Trust refine its strategic plan in 2006–07, says it's difficult to compare its activities to other cities. "Given the range of activities... it's really a multi-business organization, which most arts groups are not," he says. What is comparable, says Trust CEO McMahon, are the staffing numbers between the Trust and



similarly sized presenting arts centers. The Trust is in the middle of the pack.

On July 10, 2006, the Trust called a news conference at a tented empty lot at the corner of Eighth Street and Fort Duquesne Boulevard. The bright sun spotlighted a riverfront that had been transformed over the past decade.

A block away, the city's first downtown residential tower in 30 years had opened its doors, with the Trust as an investor. The 18-story Encore on Seventh apartments overlooked the city's North Shore, where that evening the city would do itself proud as host of baseball's All-Star Game at the new PNC Park. The largest "green" convention center in the world anchored the downtown riverfront, and a massive trompe l'oeil mural by Richard Haas paid homage to the city's steelmaking past, incorporating the windows of the Byham.

The news conference unveiled the long-anticipated project that would be the largest in the city's history. The \$460 million RiverParc was to include 700 housing units, retail and public spaces on waterfront properties the Trust had assembled. The LEED-certified project would cement Pittsburgh's reputation as having hopped the green train out of the Rust Belt. "There's no reason why downtown Pittsburgh shouldn't be the biggest neighborhood in Allegheny County," Chief Executive Dan Onorato confidently told the crowd.

Three years later, optimism persists, but the signature project has stalled. Trust officials blame the credit constriction that began last summer and led to the worst financial crisis since the Great Depression. The developer, Washington, D.C.-based Concord Eastridge, claims otherwise in a breach-of-contract lawsuit.

Using that setback and a milestone birthday to take stock, McMahon is unflinching in his belief that the Trust's future is still tied to real estate development for growth, but it will be closely coordinated with robust fundraising to bring fresh energy and new supporters to the existing district.

"It's still going to be a great place to put housing, but what we know now is that without substantial public subsidy for infrastructure, parking and low-rate financing, it's not gonna happen," says McMahon. "We're not abandoning the belief that real estate can be used to help support the district, but it can't pay all the bills. Even Carnegie Hall, which built condos that would theoretically pay the bills for the rest of its life—they still go out for fundraising. Over time, the patient money the Trust has invested will be returned."

Fundraising will continue to be a priority, says McMahon. As the Trust weans itself from local foundations' operating support, he will target individual donations.

"I would hope that, in 10 or 15 years, we'll be coming much closer to completing the overall vision for the district, which is even more rounded, more comprehensive than just arts and culture," he says. "That will take continued investment by our community. We want to make sure that all arts groups are sustainable."

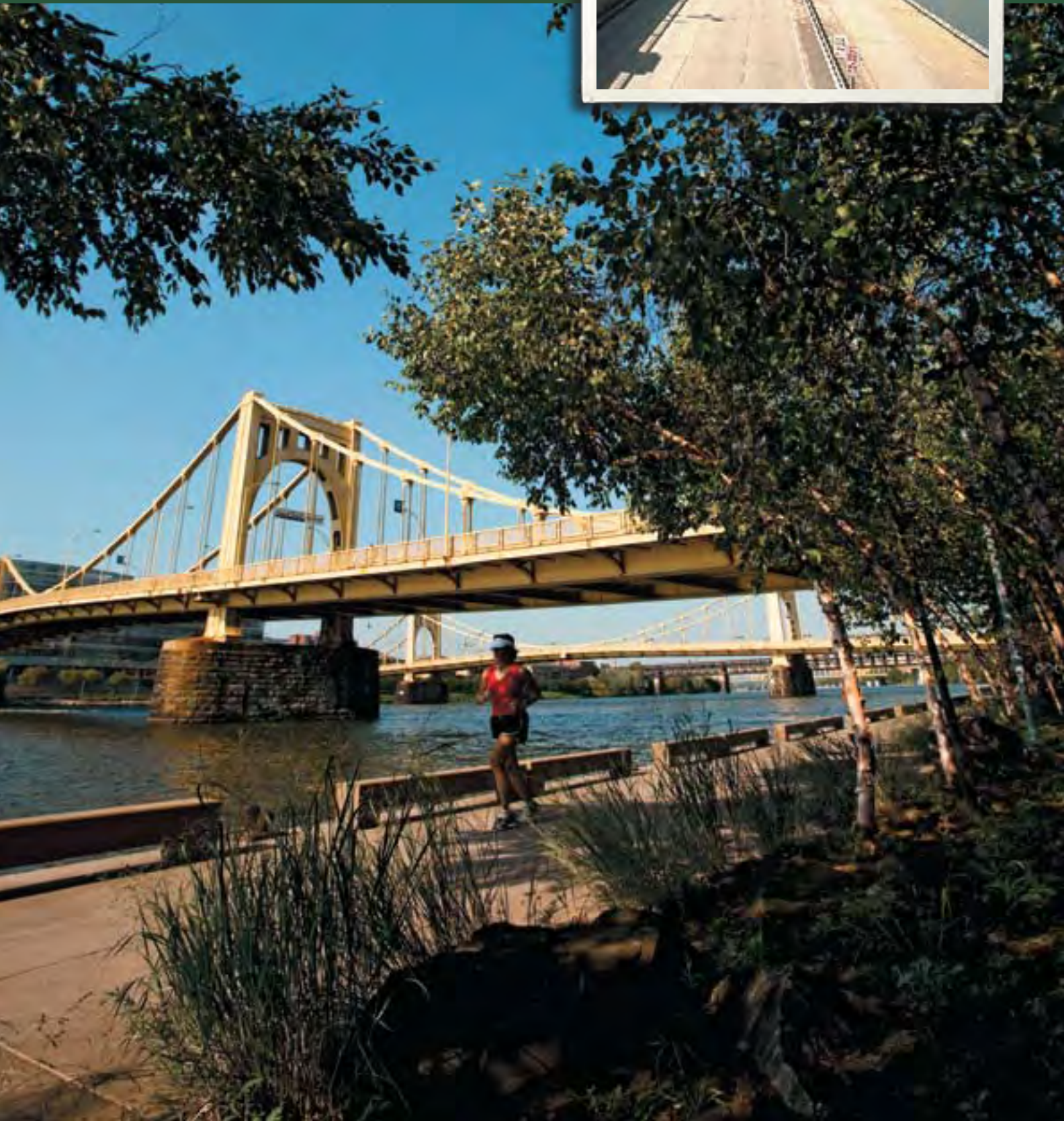
Current Trust board chairman Dr. Kenneth Melani, president and CEO of Highmark Inc., shares that viewpoint. "Ten years from now," he says, "the Trust will be well into finalizing its vision for the Cultural District—as the hub for arts and entertainment, as a vibrant residential neighborhood and as a thriving commercial center."

As international media converged on Pittsburgh's downtown for the G-20 economic summit in September, it seemed as if the city had spent a quarter-century preparing for its moment in the spotlight. "It's a great example of a reinvented town," McMahon says. "What would the city be like without the Cultural District?"

Realizing that some might interpret such a rhetorical question as a concluding point on the grand scheme of Jack Heinz and his "band of dreamers," McMahon quickly adds: "But we're not finished yet." *h*

# ALLEGHENY RIVERFRONT PARK

In 1911, Olmsted Brothers, a landscape-design firm run by the son and nephew of Frederick Law Olmsted, co-creator of New York City's Central Park, suggested the placement of a public park along Pittsburgh's Allegheny River bank. The idea lay dormant until the 1990s when the Cultural Trust floated a plan that called for a riverfront park that would border the northern boundary of the city's Cultural District. Artist Ann Hamilton and landscape architect Michael Van Valkenburgh were commissioned to transform a concrete strip into Allegheny Riverfront Park, which today boasts flood plain trees, decorative groundcover, Virginia Creeper vines and large indigenous boulders, along with a pedestrian walkway.







# HOW WE SPENT OUR **SUMMER VACATION**





Pittsburgh nonprofits served as diverse and interactive classrooms for Heinz Endowments interns this summer while they learned about philanthropy and its impact on local communities. The students' work-related trips, shown clockwise beginning top left, included visits to The Children's Museum of Pittsburgh; the "Saturday Light Brigade" radio program; Sarah Heinz House, a Boys & Girls Club; a youth farming project in Braddock, Pa.; an urban garden in Pittsburgh's East Liberty neighborhood; the University of Pittsburgh's McGowan Institute for Regenerative Medicine; and a Marilyn G. Rabb Foundation peace rally in downtown Pittsburgh's Market Square.

## **HEINZ ENDOWMENTS INTERNS SPEND TWO MONTHS FIGURING OUT HOW TO GIVE AWAY MONEY, A TASK THAT CAN BE REWARDING YET CHALLENGING FOR ADULTS, LET ALONE TEENAGERS. THIS YEAR, THE STUDENTS WERE FILM DIRECTORS AND BROADCASTERS AS WELL AS GRANT MAKERS— A HEFTY LOAD FOR THE SUMMER BUT A BROADER WINDOW INTO THE COMMUNITY. BY JAMAR THRASHER PHOTOGRAPHY BY MARTHA RIAL**

In her 17 years, Kaila Elliott's world has been touched by philanthropy in life-affirming ways.

She's among the dozens of Pittsburgh-area girls who've been encouraged to shape their futures for the better through Gwen's Girls, a foundations-supported program designed to steer participants on the path to becoming productive and self-sufficient adults.

She graduated this year from The Ellis School, an all-girls academy that she attended as a FAME—Fund for the Advancement of Minorities through Education—scholar. The program, which depends on philanthropic funding, helps minority students attend local private schools.

And she lives in East Liberty, a neighborhood once known for gang violence and botched urban renewal that is now getting a facelift with new businesses and housing, urban bike trails and tree-planting programs, hip entertainment venues and vividly colored public murals, all thanks to philanthropic as well as government and corporate support.

This summer, it was Elliott's turn to give. She and more than two dozen other teenagers recently wrapped up nine weeks in a Heinz Endowments-funded internship program that taught them about awarding grants and transforming their communities. After hours of poring over applications and debating the pros and cons of potential grantees, they also discovered that making wise decisions about giving away money isn't as easy as some may think.

"It's interesting to now see the other side of the nonprofit sector, to go from ... seeing the people who are requesting grants to being in the position to give a grant," Elliott says, reflecting the experience and her own personal history. "It's a once-in-a-lifetime thing to be in this environment."

During the past two decades, youth philanthropy has been used across the United States to involve students in their communities and to broaden their awareness of issues that affect them and others. Those working in the field estimate that there are several hundred youth philanthropy programs in this country, varying in size and focus but usually involving civic engagement and some form of funding or fundraising. Organizers of the different projects agree that the investments pay double dividends by helping to cultivate the next generation of leaders while also providing practical assistance to local

The Endowments interns' visits to nonprofits in the Pittsburgh region included a tour of Powdermill Nature Reserve in Westmoreland County. Shown here are students Will Morrill and Kaila Elliott during a stop at the conference center, where they learned about the reserve's environmental features and projects, such as its studies of migratory birds.

nonprofits and the clients they serve. For the Endowments, that's reason enough to maintain and even expand its program—possibly one of the largest grant-making youth philanthropy initiatives in the country—despite the nation's current economic woes.

“Engaging youth in our grant-making activities is a valuable process,” says Marge Petruska, senior director of the Children, Youth & Families Program, which oversees the youth philanthropy initiative. “We believe we are uniquely positioned to involve teens in work that fosters a better understanding,

them and created a demand for more,” says Rinehart, who also foresees an increasing number of programs despite the country's economic crisis.

In addition to youth programs and projects, there's been a push in the last 10 years to infuse teaching about philanthropy into elementary and high school curricula, says Kathy Agard, executive director of the Dorothy A. Johnson Center for Philanthropy & Leadership at Grand Valley State University, near Grand Rapids, Mich.

The Endowments' program evolved from a dream of the late U.S. Sen. John Heinz. His desire

## “It's interesting to now see the other side of the nonprofit sector, to go from...

by youth and foundation staff alike, of the problems facing their communities. So much so that, at a time when many hard decisions have been made about cutting back the Endowments' grant making, our internship program has received funding and full support from our board.”

When the idea to encourage youth involvement in philanthropy began taking shape nationally in the late 1980s, it grew out of an increasing interest in promoting youth empowerment projects. Students at that time were the offspring of baby boomers, a generation marked by its activism and later its personal wealth, creating a large pool of new philanthropists. These parents, teachers and community leaders started youth philanthropy programs to pass on their values, causes and commitment to community activism to the next generation, says Mickie Rinehart, director of field operations for The LEAGUE, a national service-learning program based in Newark, N.J., that uses sports references—coaches, players, teams—to generate student participation. Today's youth have put their own stamp on the work by integrating technology, as demonstrated by the dozens of youth-produced videos about philanthropy posted on YouTube.

“The reason these programs have strengthened and grown is because the kids—and the community as a whole—have seen the value of them, embraced

was to instill values of charity in his own children. He encouraged his three sons to spend the summer after they completed high school working for the Endowments to learn how philanthropic funds enriched the community.

“I wanted my children to be a part of something good,” foundation Chairman Teresa Heinz tells this year's crop of interns during one meeting, explaining how she shared her late husband's vision. “Today, children are at such a loss for a sense of place.”

It was her idea to extend the experience beyond the Heinz family, and in 1994 the Endowments' youth philanthropy program was born. She asserts that youth philanthropy has been crucial in preparing students to appreciate Pittsburgh's resources and to leverage what they know and who they know to improve their communities. “You can be the leaders of Pittsburgh tomorrow,” she tells the interns. “That's what I expect of you.”

To further illustrate the future impact they could have, Teresa Heinz gave the students copies of “Three Cups of Tea” by Greg Mortenson and David Oliver Relin. The book chronicles Mortenson's work in establishing schools in remote sections of Afghanistan and Pakistan, with the title referring to a Middle Eastern idea that a host accepts a guest into the family after sharing a third cup of tea.



Martha Rial

seeing the people who are requesting grants to being in the position to give a grant.”

That commitment to making a difference is incorporated in the internship’s emphasis on the three T’s of philanthropy—giving of one’s time, treasure and talent to help others. Those values are stressed with every class of interns, explains Wayne Jones, a CY&F program officer and the internship supervisor since 2003. For many of the students, this also is their first experience at working a full shift in a professional environment. Jones’ job is to connect with teenagers and help them understand the importance of professional attire and decorum as well as the workings of philanthropy and its significance to society.

Always a paid internship, the Endowments program started small with only two to three students who were based at the foundation’s offices and worked primarily on research projects about community issues. Then in 2005, under Jones’ guidance, the program began to expand, and the focus changed to give students the opportunity to make grant-making recommendations, a move designed to make the internship more rewarding. While many grant-making youth philanthropy programs across the country work with amounts under \$100,000, the Endowments initiative started at that level and has reached \$175,000 to \$200,000 in recent years.

This summer’s program included 23 interns who graduated in the spring from high school and seven senior interns who served as assistant supervisors and were either college or graduate students. The total of 30 was the most for the internship program so far. The interns were divided into seven teams and placed at the Endowments; The Pittsburgh Foundation; United Way of Allegheny County; the Sarah Heinz House, a Boys & Girls Club; or Sustainable Pittsburgh, an organization that advises businesses and governments on sustainable environmental, economic and social equity programs.

The teams recommended awarding a total of \$175,000 in grants to groups that serve youth and sponsor environmental projects. Also, as part of the continuing innovation of the internship program, the students created videos and radio broadcasts on different aspects of their theme. Helping with these media projects were Pittsburgh Filmmakers; the “Saturday Light Brigade” radio show created by SLB Radio Productions; and “The Allegheny Front,” an environmental radio program produced at WYEP-FM. The grants, intern stipends, and administration and production costs brought the total expense of this year’s program to nearly \$300,000.

**Kaila Elliott** intern





The environment was this year's focus for all of the interns' projects, so the field trip to the Powdermill Nature Reserve was a fitting as well as a scenic experience. Powdermill was established in 1956 as a Carnegie Museum of Natural History field station for long-term studies of natural populations.









To help Endowments interns understand how philanthropy can help create an environmentally safer world, staff from the foundation's Environment Program gave the students a short history lesson on Pittsburgh's air quality. Included was a PowerPoint presentation containing an old photograph of the city blanketed in grime and soot, detrimental by-products of the once-bustling steel industry.

"Exposing young adults to these issues is a worthwhile education tool," says Phil Johnson, senior Environment program officer. "It will give them a broader understanding of the world in which they live." He adds that many students take on the habits of their parents, and this year's internship focus is an opportunity for them to make their own decisions about how to respond to the environment.

Elliott and her three teammates devised a project called the Youth Eco-Art Initiative to support art programs that educate youth about environmental stewardship. They focused on East Liberty for their video documentary after touring the energetic business district and seeing examples of public art such as a water fountain sculpted by acclaimed Pittsburgh artist Virgil Cantini and a grand mural on the side of Yen's Gourmet Chinese restaurant.

Team members walked up and down neighborhood blocks, filming the artwork and interviewing people who live or work in the community. In quiet offices and on busy streets with cars whizzing by, they talked to individuals about whether philanthropic dollars should support projects that focus

on public art or provide needed human services in a community that still has a sizable low-income population. Opinions were mixed, but the students' documentary concluded that public art had not only aesthetic value but also unified residents and attracted development that benefited the community.

For the group's radio project, the students traveled to the city's North Side and recorded reactions to the 13-foot, brightly colored heron sculpture that greets visitors entering the Children's Museum of Pittsburgh. They interviewed artist Tim Kaulen about the challenges he faced while creating the piece from recycled plastic signs. They also discussed how the sculpture demonstrated that art can be inspiring and a catalyst for change.

Back at the Endowments offices, the Youth Eco-Art group spent hours reviewing applications, some as thick as novels and others that were flimsy and looked hurriedly assembled. Team members debated proposals based on an evaluation rubric they created. Some applicants were dropped because they didn't focus on art or involve youth



The interns' day-long tour of Powdermill exposed them to a range of programs and exhibits at the nature reserve. The rustic setting, opposite page left, included log cabin offices and even a researcher's dog, who enjoyed attention from students like senior intern Erin Drischler, standing next to intern Jill Andrews. Interns Medina Bay, sitting top right, and Brian Brown learned about reserve staff's use of geographic information systems in nature preservation efforts. An insect display, center left, captures the attention of the students, including Ben Rubino, right foreground, and Felecia Brown, center. The group takes time out for lunch, bottom right, allowing Endowments Children, Youth & Families Program Officer Wayne Jones, seated left, to chat with intern Kara Drabick, right, and others.

in an environmental project. Others were disregarded because their proposals were sloppy or appeared unprofessional.

Group members also weighed whether it would be best to support existing programs or to help new projects get started. Emily Tant, a graduate of Mt. Lebanon High School, explains that one reason to not fund organizations with established environmental youth programs is that it's "like a preaching-to-the-choir kind of thing." Brian Brown, who finished City Charter High School, describes a prominent arts organization that applied for a grant even though it already had a strong environmental focus and offered classes for youth. "It seemed like they were doing just fine," he says.

Although the group's media projects focused on art in East Liberty and the North Side, the team did not limit their grant candidates to organizations in those communities. Youth Eco-Art ultimately recommended awarding \$17,280 to the University of Pittsburgh's Shakespeare-in-the-Schools program to produce a series of plays at libraries across the city about the late environmentalist Rachel Carson, a native of western Pennsylvania. The team also chose to give \$7,720 to the Andy Warhol Museum, located on the North Side, to develop an environmental initiative for a nearby elementary school that would be its first after-school program and would allow students to make suggestions for improving a neighborhood park.

The interns' experiences illustrated how students participating in philanthropy can learn a range of valuable skills that will benefit them on the job and in life, says Kevin Kearns, a professor of public and nonprofit management in Pitt's Graduate School of Public and International Affairs and former president of the Forbes Funds.

"A program like this is giving young people an idea of just how difficult it is to give money away and to make decisions intelligently, strategically and in a way that has an impact on the community," says Kearns. "It gives them a sense of what stewardship is all about, and I think that's a value that many young people don't understand."

At the same time, the students are learning to handle their grant-making responsibilities with professionalism and humility, despite any ingratulatory efforts of those seeking funds, he adds. These skills are transferrable to any career, along with others that must be employed in philanthropy, such as using diplomacy, balancing competing interests and making persuasive arguments when explaining decisions.

"I wasn't sure if I would be qualified to handle all of these responsibilities as an 18-year-old," acknowledges Brian Gaudio, a graduate of Upper St. Clair High School and a member of a team that recommended funding programs to involve youth in restoring parks and combating invasive plant species. He says he was inspired by Teresa Heinz's example. "I didn't realize how much one person can do. She's done a lot. Her optimism about the idea of philanthropy was really cool, so it made me want to continue."

And while Elliott aspires to become a civil and environmental engineer and an astronaut, she foresees continued connections between philanthropy and her life experiences. She says she might want to start programs to help attract more girls to science and math or to mobilize a new "green" initiative. Both ideas would build upon what she learned this summer about trying to change her environment for the better and would follow the example of her late grandmother, Gwen Elliott, Pittsburgh's first black female police commander and founder of the Gwen's Girls program.

"A lot of times adults do things to and for young people, rather than in partnership with young people and trusting them," says Agard of the Dorothy A. Johnson Center for Philanthropy & Leadership. "Too many times young people don't experience authentic responsibility—but when they do, they rise to the occasion." *h*

*For more information about the Endowments' youth philanthropy program or to see and hear this year's video and radio documentaries, go to [www.heinz.org](http://www.heinz.org).*

# here & there

## It's easy being green...

Women in the Pittsburgh region are learning how to have environmentally safe pregnancies through a free "It Is Easy Being Green" class launched this summer at Magee-Womens Hospital. Judy Focareta, below, is coordinator of environmental initiatives at Magee and the course instructor. The class is one of the hospital's environmental initiatives—which include facilities renovations, research, outreach and advocacy, and patient and community education—supported by a \$500,000 Endowments grant. This program, which drew 57 students to its first two classes this summer, is designed to provide parents with research-based information about the safety of products ranging from soap to cribs.



## READERSHIP SURVEY

It's here—your opportunity to tell us how you really feel about *h* magazine. We're asking our regular readers to take a brief survey that will help us better tell the stories behind the Endowments' grant making and report on our region's foundation community. You'll find the poll at [www.heinz.org](http://www.heinz.org). We appreciate your willingness to—yes, briefly—respond.



## Endowments' Grantees Take Center Stage As Pittsburgh Hosts G-20

Medical, foundation and political leaders join Sarah Brown, wife of British Prime Minister Gordon Brown, and her host, Heinz Endowments Board Chair Teresa Heinz, at a Magee-Womens Research Institute reception as part of the Sept. 24–25 Pittsburgh Summit. Meeting before the event, which explored possible collaboration between the institute and the Jennifer Brown Research Laboratory, a University of Edinburgh-based nonprofit, are Jeffrey Romoff, president and CEO of the University of Pittsburgh Medical Center; Ed Rendell, Pennsylvania's governor; Mrs. Brown and her aunt, Doreen Boyce, former president of Pittsburgh's Buhl Foundation; Fernando Holguin, clinical director of the Children's Hospital Pediatric Environmental Medicine Center; Mrs. Heinz; and David Boutcher, a partner in the London office of Pittsburgh law firm Reed Smith, and a trustee of the PiggyBankKids charity of which Mrs. Brown serves as president. The research laboratory is named for the Browns' daughter, who died of complications from premature birth.

In addition to Magee, other grantee sites prominent in the summit were the gold LEED-certified David Lawrence Convention Center, Phipps Conservatory and Botanical Gardens, the Pittsburgh Public School District's Creative and Performing Arts High School, and the Andy Warhol Museum. World leaders representing 85 percent of the world's economy convened the summit to deal with a range of critical economic issues.

**DIVERSITY INITIATIVE NAMES DIRECTOR** The Western Pennsylvania Diversity Initiative has named board member Dina Clark, below, as its first executive director. The program was established last year with the help of a \$300,000 Heinz Endowments grant and the collaboration of more than 30 for-profit and nonprofit organizations. Its mission is to



promote economic growth in the Pittsburgh region by helping employers attract, hire and retain employees with different backgrounds and perspectives. A native of Pittsburgh's Squirrel Hill neighborhood, Clark has previously been regional education project director for the Anti-Defamation League, serving Ohio, western Pennsylvania, Kentucky and West Virginia.



## BLACK MALE LEADERSHIP

Courtesy of the BMLC, Robert Morris University

Fifty-three African American male high school students from across the Pittsburgh region participated in this summer's weeklong Black Male Leadership Development Institute at Robert Morris University. The youth shown at right were among those who learned and demonstrated the importance of personal accountability, responsibility and leadership. This marked the third year that the Urban League of Greater Pittsburgh has offered the free program and the second year that the university has hosted



it on campus. With the help of \$25,000 from the Endowments this year, the two organizations were able to deepen the students' experience by expanding it from a weekend to five days. The foundation's support, provided through

its Education Program, represented one of several efforts the Endowments' African American Men and Boys Task Force has been pursuing to help improve the lives of black males in the Pittsburgh region.

## Grand Opening

Pittsburgh's first Latino Family Center celebrated its grand opening in Squirrel Hill this summer. The Allegheny Intermediate Unit operates the center with support from the Allegheny County Department of Human Services and the Endowments. While the AIU runs dozens of similar centers that provide support services, this is the only one targeting the region's small but growing Hispanic population. Among the services offered are English literacy programs for adults and children, and advice about health care resources and school preparation.

**Bomani Howze Appointed** Endowments Innovation Economy Program Officer Bomani Howze has been appointed to the Pennsylvania Minority Business Development Authority. He was nominated by Gov. Ed Rendell and confirmed by the state Senate this summer. The authority provides low-interest loan financing to businesses owned and operated by under-represented ethnic groups.

Photo by Melissa Farlow for The Heinz Endowments' "Downtown Now Photography Project"



## CONSTRUCTION CANVAS

Leslie Ansley, back row center, is one of three adult artists working with local Pittsburgh youth on the Construction as Canvas project, which is designed to demonstrate that art can brighten even the grittiest—literally—environment. Students from community youth programs have been divided into three teams to paint mural panels, like the ones the children are holding above, which will be placed on fences surrounding the construction site of the new Penguins hockey arena in the city's Hill District neighborhood. The Pittsburgh Office of Public Art worked with the Sports & Exhibition Authority of Pittsburgh and Allegheny County in coordinating the project, which received \$50,000 from the Endowments. The murals, which are scheduled to be completed this month, will be up for only a year while the fences surround the construction area.

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## Salvage sells. PAGE 4

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