

ANNUAL REPORT ISSUE



The Magazine of The Heinz Endowments

SAVING GRACE

Home ownership and wealth building for
a new generation in Homewood

INSIDE: DRAMA AT DIXMONT | COLLABORATIVE ARTS | NEW PITTSBURGHERS | BACK TO SCHOOL | PITTSBURGH'S FRONT YARD

inside

Founded more than four decades apart, the Howard Heinz Endowment, established in 1941, and the Vira I. Heinz Endowment, established in 1986, are the products of a deep family commitment to community and the common good that began with H. J. Heinz and continues to this day.

The Heinz 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 grantmaking programs: Arts & Culture; Children, Youth & Families; Economic Opportunity; Education; and the Environment. These five programs work together on behalf of three shared organizational goals: enabling southwestern Pennsylvania to embrace and realize a vision of itself as a premier place both to live and to work; making the region a center of quality learning and educational opportunity; and making diversity and inclusion defining elements of the region's character.

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 grantmaking 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 Braund, Nancy Grejda, Maxwell King, Maureen Marinelli, Grant Oliphant, Douglas Root. Design: Landesberg Design

About the cover Rev. Sam Ware of the New Life African Methodist Episcopal Church in Homewood is a true believer in financial literacy programs that will provide better home ownership and saving opportunities for residents. The Faith Saves program, run through his church, is one of many grantmaking efforts last year by The Heinz Endowments.

Photography Lynn Johnson



Volume 4 Number 2 Annual Report Issue

Looking back, looking forward When we sat down more than two years ago to plan a publication that would explain the work of The Heinz Endowments to a broad audience, there was immediate agreement on what we did not want.

Just as that ad campaign from years back offered 7 UP as “fresh, clear, clean: the Un-Cola,” we wanted *h* to be, well, “fresh, clear, clean: the Un-Boring Journal.”

So *h* became a full-color, smartly designed magazine that would report on the Endowments’ work and help demystify the business of philanthropy for readers outside the field. We also wanted it to hold its own as a work of journalism, with compelling stories and photography that would present our misses as well as our hits.

In this greatly expanded issue, we’ve decided to apply these founding themes for *h* to what is often the most ponderous, insular (and easily discarded) publication in philanthropy: the annual report.

In these pages, we hope you find that the dry business of reporting the numbers and explaining our work for 2003 has been made livelier and more accessible under the influence of *h*.

Welcome to the Un-Annual Report issue.

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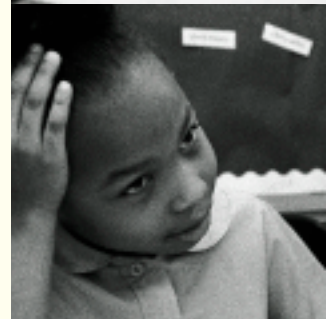
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feedback

From
Winter 2004



Louisville's Big Hit

As a twenty-year-old but still-emerging Community Foundation

of Louisville, we were looking for a way to make a difference in our community beyond grantmaking. Seth Beckerman's excellent article on the merger of Kentucky's largest city with its county explains how we were able to make that contribution by taking a convening, leadership role in the project.

The merger was an epic occurrence.

Our neutrality, the clout of our board and our reputation for collegial relationships with other funding sources helped the Community Foundation focus needed attention on making sure that the merger truly made a difference in the lives of all our citizens.

Much of the merger success is due to the talents and charismatic leadership of Mayor Jerry Abramson. An additional essential ingredient was the availability of philanthropic capital and public support to help make strategic change possible.

The consortium of six foundations that formed the Greater Louisville Project remains intact. Our partners are the James Graham Brown, Gheens, Humana, C.E.&S. and Annie E. Casey foundations. We are now in the process of implementing a third phase of the project, which will provide a mechanism for public leaders to report their progress to the community.

While the Greater Louisville Project may not be applicable to every community considering consolidation, it does show how the unique qualities of a community foundation can bring together all parties involved to look out for the public good, complete an outside assessment, develop a course of action based on best practices and measure accountability.

We welcome inquiries from those who wish to learn from our experience and improve on it with future mergers.

C. Dennis Riggs
President & CEO
The Community Foundation of Louisville

Faithful Four

After reading your article on the Extra Mile Education Foundation's support of Catholic schools in disadvantaged neighborhoods, I feel the need to amplify a point buried in the story—school choice.

I applaud the Endowments' education strategy that recognizes the critical importance of school choice for lower-income families. For far too long, urban youth have been captive to neighborhood schools that are not structured to serve their many needs. The Extra Mile schools are one answer to this problem. Fortunately for Pittsburgh, during the last few years we have witnessed the birth of other private schools geared to students from low-income families.

The next challenge, I believe, is to educate our citizenry—both to the specific choices available and how to exercise them. Pittsburgh parents of school-age children must be encouraged to explore their options and vote with their feet. As [Endowments' Education Program Director] Joe Dominic points out in the story, the question should not be confined to whether a school is faith-based or not, it should be, "What school best serves my child's educational, emotional, physical and spiritual needs?"

The good news for Pittsburghers in 2004 is that, along with the Pittsburgh Public Schools and charters, several private K–12 school choices exist. The other good news is that most of these new school choices are privately funded in order that low-income families might be able to afford them.

As an educator in Pittsburgh, I rejoice that all families can exercise the kind of educational choice that previously only the most affluent of us could afford.

I hope other foundations will follow the Endowments' lead in supporting private schools of choice. Congratulations to you for recognizing that public schooling should not be the only choice for low-income families.

Josephine B. Moore
President
The Neighborhood Academy

h recognized with national, regional awards

h magazine has won the gold award for excellence in communications in a national competition sponsored by the Council on Foundations and the Communications Network.

The top award for magazines and periodicals was presented during the Council's 55th annual conference last month in Toronto, which was attended by nearly 2,000 foundation and non-profit representatives from around the world.

Judges in this year's Wilmer Shields Rich Awards Program, named for the Council's first executive director, who championed the power of communications in extending the benefits of grantmaking in communities, reviewed 199 entries representing all aspects of communications.

The magazine also received four Golden Quills in western Pennsylvania's regional journalism awards competition, the top honors in four of the five categories in which it was a finalist.

The h writers who received awards were Tracy Certo in the Science, Health and Technology category for a story on a robotics academy and competition for students; Jim Davidson in Enterprise/Investigative for a story on the impact of the Endowments' Civic Design Initiative on Pittsburgh; Christine H. O'Toole in Cultural for her profile of Mattress Factory founder-director Barbara Luderowski; and Michelle Pilecki in Business for an in-depth feature on the effort to re-train local workers for manufacturing careers in the global economy.

The competition, sponsored by the Press Club of Western Pennsylvania, presented awards for excellence in reporting, photography and videography in print and electronic media during a dinner last month at the Pittsburgh Hilton.

"We believe our magazine is a valuable community resource for understanding the impact of philanthropy in the region," said Endowments President Maxwell King. "But these awards reaffirm that we have talented writers, photographers and editors telling compelling stories about the people we serve. We are pleased that this fine journalism is being recognized."

Editor's Note: In the Winter 2004 issue cover story "Border Crossing," a caption accompanying a map of municipal boundaries throughout Pennsylvania gave an incorrect number of counties. There are 67 counties in the state.

message

By Teresa Heinz
Chairman, Howard Heinz Endowment



3

“What gives you hope today?”

That is the question I have discussed often as I have traveled around our country during the past year. For me, it is such a quintessentially American inquiry. Most Americans are not merely hopeful people; we are a people who believe that the quality of our hopes defines us. In America, a person's dreams and aspirations are more than a measure of one's optimism. They are a measure of one's character.

That so many people want to hope is, for me, itself a source of hope. These are anxious times for our country, yet so many Americans refuse to let the troubles and uncertainties of the present corrode their faith in the promise of a better future. They still hold dear the notion that they as individuals, and America as a country, can help create that future through the power of their creativity, high ideals and sheer force of will.

A source of inspiration that I always cite in answering that question is my work with The Heinz Endowments here in Pittsburgh. Ironically, the only people who ever express

But doubt can never become an excuse for inaction. A region is a living epic spun from thousands of constantly unfolding stories, any one of which can change its destiny. In this special, annual report edition of *h* we look at just a handful of the stories that the Endowments has been involved in during the past year. Each is about a daunting and potentially defining challenge. But each is also about enormous promise.

“Sprawl Standoff” looks at how Pittsburgh's shockingly high rate of urban sprawl is hollowing out older communities and gobbling up the open spaces that help give this region its character. But here we also learn how an Endowments-funded study is galvanizing business leaders and decision makers to combat sprawl to keep it from undermining the state's economic future. And we see how one small community group is using the study to fight for smarter development in its own backyard.

“Making the Grade” reacquaints us with the difficult problems that caused the Endowments and two other Pittsburgh foundations to suspend funding to the Pittsburgh

“What gives you hope today?”

surprise over that answer are fellow Pittsburghers, and not for any reason having to do with the philanthropic activities of the Endowments, which many know and admire. It is, sadly, the idea that Pittsburgh itself could be a source of hope that takes them aback.

Pittsburgh has a proud history of renewal and overcoming adversity, but today it suffers from the self-doubt common to many older American cities and regions. Two decades after losing its industrial base, it is still struggling to rebuild its economy and to counter demographic trends that are draining away the populations of cities throughout the Midwest and Northeast as residents chase the sun and jobs in the South and West.

For our region, the big story of the past year was the City of Pittsburgh's inexorable descent into fiscal distress. The big story of this year is certain to be the region's success or failure at righting the city's finances—and Allegheny County's, as well. On that front alone, so many factors come into play—including the need for tax reform, municipal consolidation and, above all, courageous political and civic leadership—that it is easy to doubt our chances of getting it all right.

Public Schools two years ago. But there's good news here: the article reports on how greater community involvement and positive moves by a reconfigured school board are making it possible for the foundations to re-engage with the district.

“Faith Saves” considers an obstacle confronting thousands of the region's disadvantaged residents: a debilitating lack of knowledge about the basics of personal and household finance, such as how to manage a checkbook or what “interest” means. But with support from the Endowments, the local faith community is rallying around an initiative to promote greater financial literacy among low-income families.

“Sharpening the Point” looks at the downtrodden state of Pittsburgh's signature icon: Point State Park. Here again, though, there is good news to share. A foundations-funded community process has yielded a vibrant design for the park's renewal that will restore its beauty while knitting it more closely into the fabric of daily downtown life.

“The Art of Sharing” deals with the struggle by the region's premier performing arts groups to contain costs while maintaining their distinctive identities and high standards of artistic integrity. But here we see how these groups are finding new

ways to break through jealously guarded organizational walls to share costs and improve customer service.

And “No Place Like Home” reminds us of how a declining population and failure to attract new residents is increasing the tax burden on our region’s remaining residents and hampering our ability to grow businesses here. But we also learn about a new effort to help Pittsburgh meet those challenges by increasing its appeal for a new, more diverse generation of workers and their families.

Taken together, these stories point to a broader narrative. It is the account of a community where people still very much want to believe in the promise of a better future—a future they are willing to work hard to create. The people and organizations you will meet in these pages are representative of countless others in our community working to protect the region’s natural beauty, strengthen its cultural life, realize the potential of its downtown riverfront, demand excellence in its schools, open up pathways of opportunity for its low-income and minority residents, foster a more welcoming and inclusive culture, and build an economy and a workforce capable of competing in the 21st century.

H. G. Wells wrote, “History is a race between education and catastrophe.” In a sense, all of human history is a race against catastrophe. The world is constantly changing around us, and the challenge of every generation is to adapt accordingly. In nature, what distinguishes the survivors from the extinct is their capacity to change and grow.

The same is true for regions such as ours. The Chinese use two characters to denote the idea of “crisis”—one meaning “danger”; the other, “opportunity.” It has never been an absence of hard times and challenges that has made our region successful in the past; rather, it has been a willingness to find the opportunities inherent in the dangers we face.

In Pittsburgh, that enthusiasm may not be evident in today’s headlines about a region in trouble. But as the stories told here suggest, it is more than evident in this community’s thousands of volunteers and nonprofit organizations, who at the most basic level share a fundamental mission: to help us convert crisis into opportunity, limitations into potential.

Thirty years ago, almost everyone dismissed my late father-in-law’s idea for using the arts as an economic engine to drive the rebirth of a blighted downtown. Today, Pittsburgh’s Cultural District is considered one of the best in the country and is the heart of our urban core. A decade ago, no one would have imagined that Pittsburgh could become the nation’s leading city for green building. But today, that’s precisely what we are. And just a few years ago many people thought we should take whatever development we could get along our riverfronts. Today, we are well along toward creating Three Rivers Park, and high standards are being set and met for waterfront development. Pittsburgh abounds with stories like these, and they demonstrate that all we need to prove the negativists and naysayers wrong is the determination to do so.

That spirit is something I have always admired and loved about America. It is a sense of almost boundless possibility. It is the America I first began to learn about as a young girl growing up in Mozambique and first experienced as a young newlywed in Pittsburgh: a land whose ideals are embodied in the optimism, hard work, creativity, generosity and can-do enthusiasm of its people.

I cannot think of a time in our history when this region, or for that matter this country and this world, have needed that spirit more. At the Endowments, we are proud to support it. It is, for all of us, a great source of hope. *h*

Taken together, these stories point to a broader narrative. It is the account of a community where people still very much want to believe in the promise of a better future—a future they are willing to work hard to create.

message

By James M. Walton
Chairman, Vira I. Heinz Endowment



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In her will establishing the endowment that bears her name, Vira I. Heinz listed an extensive range of activities and organizations that she hoped the foundation would consider supporting. Included on the list were groups devoted to education, the arts, religion, recreational amenities, medical science and health care. Her will spoke also to the alleviation of human suffering in many different forms.

Mrs. Heinz was not suggesting that we fund all of these activities at once. She left it to the discretion of subsequent generations to decide which priorities to support and when. Keenly aware that a community's needs change over time, she wanted her foundation to have the flexibility to respond accordingly. An implicit theme was that working with established organizations while supporting new, cooperative efforts was an important way of responding to the community's evolving needs.

Her expansive list signified something more than the diverse range of interests to which this remarkably engaged woman was drawn during her lifetime. It embodied a notion of community—and, by extension, of philanthropy—that is timeless in its relevance.

That may seem surprising to those persuaded by the hard edge of our age to believe that today's challenges are so unlike any the community has ever faced that the strategies of the past no longer apply. It is an understandable conceit: There is a whiff of the apocalyptic in Pittsburgh's fiscal crisis, the region's declining population and its struggling economy. How could the genteel philanthropic vision of a woman whose life concluded just as Pittsburgh's 20th-century ascendancy was coming to a close possibly still apply amid the jarring realities of the 21st century?

The answer, I believe, can be found in the pages of this special, annual report issue. The grantmaking described here encompasses a mix of strategies and partners that defies easy categorization. The common theme is a pragmatism that is manifested not only in focused giving strategies but also in a willingness to draw on any resource the community has to offer to address its most pressing challenges.

One example is the foundation's support for faith-based organizations—what Mrs. Heinz knew in her less euphemistic day as religious charities. These groups appeared on her list because she believed that their roots in faith strengthened their ability to serve their community. A recent Forbes Funds study, funded by the Endowments, confirmed that notion, finding

that these groups are central to the social service network in Allegheny County.

The Endowments funds a variety of these organizations, including the Faith Saves initiative described in this issue. This program is working through congregations to promote greater financial literacy in low-income neighborhoods. In no case do we support such groups because they are religious. Rather, we fund them because they are particularly well suited to performing a certain community service.

A similar pragmatism guides our giving in other areas. As the articles in this issue attest, we work with business, civic and policy leaders, but we also support the efforts of community groups. "The Art of Sharing," which is about an initiative to help local cultural groups share costs while improving customer service, illustrates the premium we typically place on collaboration. On the other hand, "Making the Grade," which is about our decision to re-engage with the Pittsburgh Public Schools, underscores how a tougher approach can sometimes produce positive results.

A quick perusal of our grants reveals that we devote most of our resources to projects and programs consistent with our strategies. When appropriate, we also invest in endowment campaigns, capital projects and strengthening the organizational capacity of nonprofits, because those approaches, too, can be highly effective means of advancing our strategic goals.

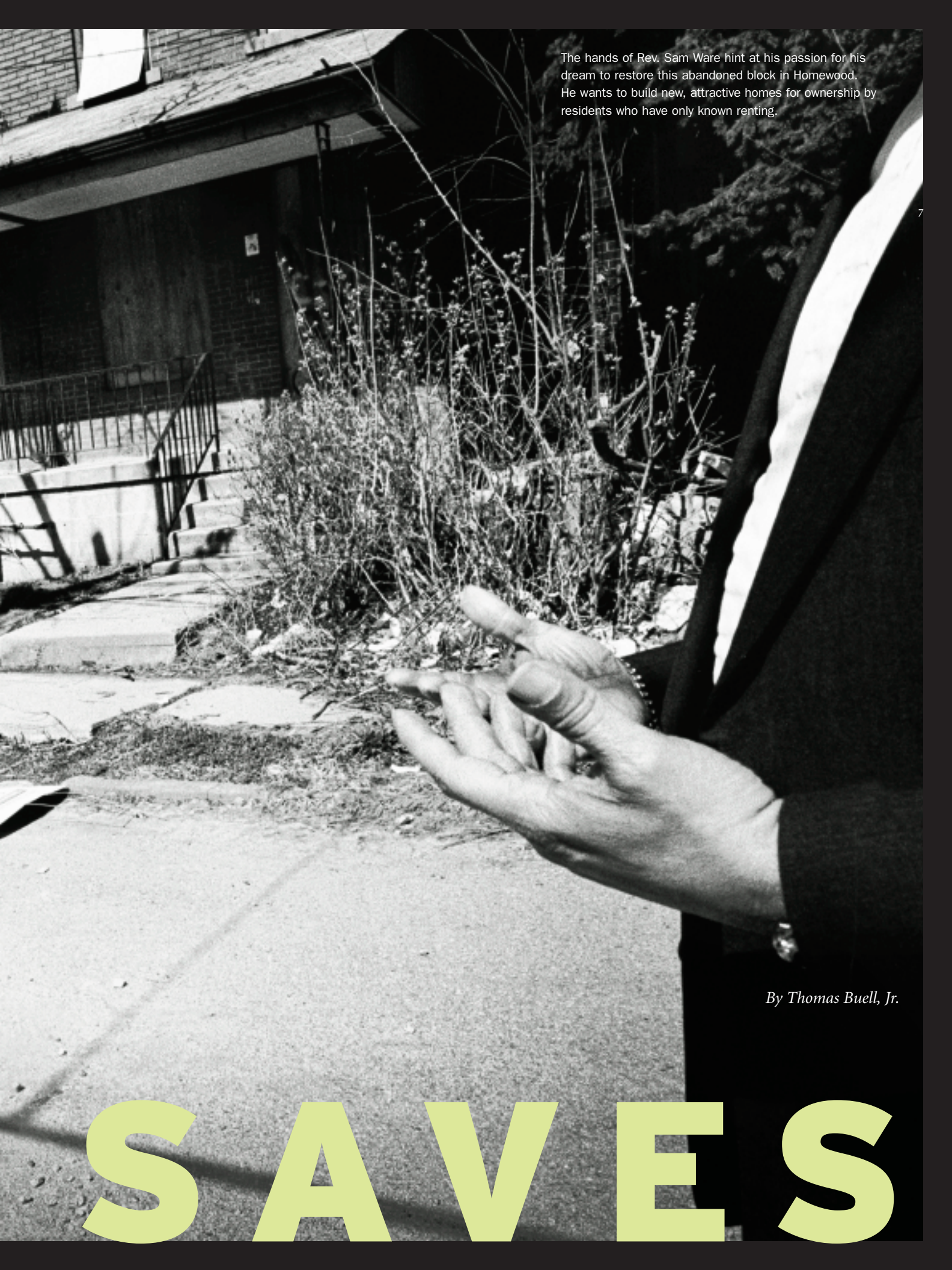
In short, we are guided by a practical emphasis on finding the best available responses to the difficulties our community is encountering. That was the essential wisdom embodied in Mrs. Heinz's will. She understood that a foundation that is focused on a single region, especially a region struggling with hard times, must be willing to draw on all the strengths, resources and ideas its community has to offer.

It is true that some of Pittsburgh's challenges, such as population shifts and global economic trends, are new and markedly different from those faced by our predecessors. Others, such as poverty and racism, are as old as human history. Regardless of whether the challenges confronting us are old or new, we will continue to respond in the timeless, inclusive fashion suggested by Mrs. Heinz: by pulling together as a whole community and making use of all the assets we have at our disposal. *h*



In Pittsburgh, as in many other cities in the country, African Americans face some of the lowest rates of home ownership and four other indicators of wealth accumulation. Now, a Pittsburgh foundation better known for funding reading literacy than financial literacy is partnering with African-American churches to preach the gospel of financial independence.

FAITH



The hands of Rev. Sam Ware hint at his passion for his dream to restore this abandoned block in Homewood. He wants to build new, attractive homes for ownership by residents who have only known renting.

By Thomas Buell, Jr.

SAVES



8

Rev. Sam Ware can walk down the block from his office in the New Life African Methodist Episcopal Church, located in Pittsburgh's Homewood section, and witness firsthand the problems facing his congregation. He can see the crumbling sidewalks, boarded-up windows, dirt yards—all of them symbols of a community in trouble.

He worries about the high unemployment rate in this piece of the city, the threats of crime and violence, the below-average incomes, the challenges of so many single-parent families and the lack of opportunities for many members of his flock.

But Rev. Ware is still an optimistic man. He can walk a little farther and see solutions. Down the street stands a row of 45 drab apartments, each one barely distinguishable from the next. He is leading an effort to tear down those condemned buildings and, in their place, build 20 free-standing, single-family houses that will be sold to qualified families.

"They'll be homes for people to be proud of, for children to look forward to coming home to," he says, beaming. "They'll change the way people in this community think about themselves. That's the kind of thing that makes a difference in people's lives."

Rev. Ware is also executive director of Building United of Southwestern Pennsylvania, a nondenominational organization representing some 1,200 churches in six counties that renovates homes for area residents. He compares his latest mission, the seeds of which were planted in meetings of area clergy five years ago, to assembling a jigsaw puzzle.

He has overseen the acquisition of the 45 apartments and numerous other properties. Building United has worked with local banks to arrange construction financing for the new homes. It has lined up Countrywide Home Loans, one of the nation's largest minority lenders, to provide \$100 million in mortgages for low- and moderate-income families in the region for the next three years. It has the backing of Fannie Mae, the largest source of financing for home loans.

"The last piece of the puzzle was to teach people how to better manage their money and allow more of them to buy the homes we were bringing on the market," Rev. Ware says.

That last piece of the puzzle fell into place earlier this year with the creation of Faith Saves, a program receiving startup funding from The Heinz Endowments to teach financial literacy through Building United's network of area churches. Although it's open to anyone, Faith Saves is aimed primarily at low-income and minority individuals who have not thought themselves capable of home ownership and building wealth—defined as a person's assets minus debts.

Pittsburgh is the first city to launch the Faith Saves program, which is modeled on the America Saves project developed by the Consumer Federation of America (CFA) to educate consumers on the importance of building wealth, not debt. If successful here, Faith Saves could be expanded to other cities, says Stephen Brobeck, the Consumer Federation's executive director.

"Home ownership is clearly the best way for lower-income households to build personal wealth," he says. "Therefore, it's critical that consumers develop savings habits that enable home ownership. CFA is joining the Faith Saves initiative in order to provide lower-income Americans with the necessary tools to join the ranks of homeowners."

Faith Saves is designed to help motivate and educate prospective homeowners on the importance of savings through a team approach within each church. Free group seminars and individual sessions will be offered to advise participants that saving even small amounts of money on a regular basis can lead to positive results.

Funding from the Endowments will support development of a marketing program to help churches draw participants to their specialized financial planning sessions, motivational workshops and a hotline. Faith Saves will select and train wealth coaches and speakers. Success will be determined by the number of participants who contribute regularly to a savings account, by scores on financial aptitude tests and by progress made toward the goal of home ownership.

"Financial literacy is the cornerstone of this entire effort to increase home ownership and build wealth because, even if someone is able to buy a home, they have to be able to maintain it and leverage it in a way that puts them in a better position for the future," says Carmen Anderson, program officer for the Endowments' Children, Youth & Families Program.

Faith Saves programs are currently in the early stages of development at seven churches in the area, including Covenant Church of Pittsburgh, located in Wilkinsburg.

Associate Pastor Iris Goshay, who has been appointed Covenant Church's site coordinator for Faith Saves, says she knows from personal experience that financial literacy programs can bring benefits to individuals and communities. She is a graduate of just such a course.

"I've always been a good saver, and my house is already paid for, but I still found it very helpful to discipline myself to set money aside for the property taxes when I started to pay those myself," she said. "So I can certainly recommend Faith Saves to anyone who wants to improve their money management skills."

Once the program is up and running, participants will attend monthly meetings to reinforce what they've learned about money management and establishing new habits.

"Home ownership is clearly the best way for lower-income households to build personal wealth."

Rev. Sam Ware New Life African Methodist Church

10

"Our church did a survey of members, and what they asked for was more financial training and credit counseling," says Goshay. "No matter how much money they earn, people still can benefit from learning good financial skills, and the church is a good place to do it because it's a place they trust and it's where they feel comfortable."

At Potter's House Ministries in Braddock, Shariene Hampton quickly signed up, and now is actively urging other members of her congregation to do the same.

"I'm really encouraging the younger people, especially, because it will really help them learn good habits of saving at a young age," says Hampton, 44, who is single but devotes much of her free time to programs that encourage young entrepreneurs and provide job opportunities for ex-offenders.

She signed up for Faith Saves, she says, after her savings were lost in repairing serious water damage to her home. Related legal wrangling with her insurance company made her realize she needed a better emergency plan.

"I needed a Plan B, and I think Faith Saves is an excellent way to do it," says Hampton. "I think it will really enhance the community in a big way."

For Fred Dukes, a pastor at Potter's House, Faith Saves will be a good way to save some money so he and his wife can buy a smaller home now that his children have left for college.

"We decided it would be a great way to... maximize our income on a daily basis. I tell the others in the congregation that, just like professional athletes who had to learn the fundamentals before they became great, they need to do the same things in their lives and with their money."

Howard Slaughter, director of Fannie Mae's Pittsburgh Partnership office, agrees that the church setting will be important in getting Faith Saves off the ground.

"Trust is the most significant factor when working in this realm because many individuals who want to save may not be willing to sit down and talk with someone they do not know," says Slaughter, who was instrumental in bringing together Building United, the Consumer Federation, Countrywide Home Loans and the Endowments.

Since Faith Saves is just getting off the ground, the hard numbers that can show success are not available. However, the Consumer Federation's America Saves and more than a dozen related programs around the country have attracted some

500 organizations, including about 100 financial institutions that have lowered or eliminated minimum balance requirements on savings accounts.

So far, more than 16,000 Americans have enrolled as Savers, which requires them to develop wealth-building goals and specific plans, including monthly dollar deposits. Consumer Federation counselors say that the typical Saver is a moderate-income young adult who is saving \$40 a month.

Depressing local statistics covering the financial status of minorities and low-income residents underscore the need for financial literacy assistance. In Pittsburgh, minority home ownership averages about 39 percent, compared with a national level of 49 percent. The home-ownership rate for all Americans is 68 percent.

In economic terms, Pittsburgh lags behind the rest of the country when measuring median household income with an average of about \$29,000, compared with the national average of \$42,000, according to the latest U.S. Census figures.

The number of people living below the poverty line in Pittsburgh was 20.4 percent, compared with the national average of 12.4 percent. In predominantly African-American neighborhoods, the numbers were far higher. In Rev. Ware's community of Homewood, which has a 98 percent minority population, 30 percent of residents live in poverty, according to census data.

Nationwide, research by the Consumer Federation shows that the wealth gap between the poor and other Americans—which has historically been much wider than the income gap—has been growing through the past decade.

In 2001, the net wealth of the typical poor household was \$6,720 compared with \$86,100 for the average American household. That is a wealth gap of 13 to one, compared to an income gap in the same year of only four to one, according to the Consumer Federation report.

The organization also found that poor Americans did not participate in the economic boom of the 1990s. Even adjusting for inflation, the net wealth of low-income households increased 7 percent, while the net wealth increase for all American households was 42 percent. Similar research by the Federal Reserve and the Consumer Federation found that the net wealth in a typical African-American household more than tripled during the same period, but still only climbed to \$19,000.



Some of the women leaders of New Life African Methodist Church in Homewood mix preparations for Palm Sunday services with discussions around the Faith Saves program. Many financial literacy students are women who are the head of their household. Preparing palms, at left, is Kellie Ware, 19, daughter of Rev. Ware.

Reacting to try to close some of the gap in these financial inequities, Fannie Mae has provided financial support to Building United, along with the Catholic and Episcopal dioceses and the Federal Home Loan Bank of Pittsburgh.

The Faith Saves initiative brings together several organizations that have committed significant resources to increasing minority home ownership in the United States.

In January, Fannie Mae pledged to help 6 million families—including 1.8 million minority families—become first-time homeowners in the next decade. Fannie Mae's new commitment to first-time home buyers is part of the next stage of the company's American Dream Commitment, a plan announced in 2000 to provide \$2 trillion in private capital for 18 million minority and underserved Americans to own or rent a home by the end of the decade.

In February of last year, Countrywide announced that it would extend its One Hundred Billion Dollar Challenge program, begun in 2001, to increase home ownership among minorities, lower-income individuals and individuals who live in underserved communities. The extended commitment will fund \$600 billion in home loans to low-income Americans through the end of the decade.

Since the early 1990s, Calabasas, Calif.-based Countrywide has offered an affordable lending program called House America, which provides more flexible underwriting guidelines, enabling more people to qualify for home loans by way of more liberal down payment, income and cash reserve requirements.

The House America program, which also allows for more flexible review of credit and employment histories, will be available to participants in the Faith Saves program.

Countrywide's major objective with these programs, says Sandra Speed, vice president of community development initiatives, is to provide community members with the knowledge they need to pursue home ownership and to "communicate the message that owning a home is an attainable goal and a primary step toward creating personal wealth."

The goal of saving for home ownership is important in that it creates a sense of hope in a community, says Bishop Joseph Garlington, founder and senior pastor of Covenant Church.

Learning better money management habits is not unlike starting an exercise program, he says. Both are more likely to succeed with support from family and friends.

Increasing financial literacy and wealth accumulation numbers among minorities is "change on a massive scale, and to be successful we will need the entire community's help," says Garlington. "When you have more people, they begin to encourage each other. My church also has many people who have resolved their financial issues, but they can act as mentors to the younger people."

For Rev. Ware, who has been receiving phone calls from interested church groups and representatives of financial institutions since Faith Saves went public with a press conference in February, the prospect of teaching members of his congregation about ways to save their money is very exciting.

"It will have a tremendous ripple effect," he says. "If we help an individual, that will help a family. And if we help a family, that will help a community. And if we help a community, that will help our city. It's a process of transformation. What's not to like about it?" *h*

SPR

A COMMUNITY GROUP CARRIES A NEW ENDOWMENTS-FUNDED



Concrete barriers, asphalt and a vacant strip of land are the tell-tale side effects of sprawl near Robinson Town Centre Mall, Robinson Township. A Brookings Institution study lays bare the costs of poor land-development policies and fragmented government to Pennsylvania's economy.

STUDY AS ITS BANNER IN A LOCAL BIG-BOX DEVELOPMENT BATTLE.

STANDOFF

By Michelle Pilecki





From one angle, just through the trees, you can spot the tops of the tallest buildings in the business core of downtown Pittsburgh, the Golden Triangle. Turn slightly to the south, and you're treated to a commanding view of the Ohio River.

"It's a beautiful piece of property, absolutely gorgeous," says Mary Louise Fowkes of the potential of the 75-acre parcel in neighboring Kilbuck Township. "It's 15 minutes from downtown Pittsburgh," she continues, "25 minutes from the airport." Her enthusiasm waxes in imagining the possibilities for, oh, a mix of businesses and houses that could attract young professionals, plus maybe an "eco-hotel" with hiking trails through the wooded hillside. So what's on the drawing board for that site?

"A Wal-Mart," Fowkes laughs ruefully. "I mean, it's sad. It's just really sad."



Mary Louise Fowkes of Communities First reviews notes before a meeting while standing at the entrance to the former Dixmont State Hospital. The 75-acre property is at the center of an anti-Wal-Mart battle pitting the community group against a local development firm and local government.

The Emsworth stay-at-home mom is one of 15 active members of Communities First, a nonprofit group comprising residents of nine towns along the north shore of the Ohio River. The group was formed two years ago to fight the building of a 204,000-square-foot Wal-Mart and a 102,000-square-foot strip mall on the site, once the campus of the former Dixmont State Hospital. Armed as much with tenacity as with optimism, the activists have added something new to their arsenal: *Back to Prosperity: A Competitive Agenda for Renewing Pennsylvania*, a report by the Brookings Institution Center on Urban and Metropolitan Policy, funded by the William Penn Foundation of Philadelphia and The Heinz Endowments.

Certainly, the regionally based foundations at opposite ends of the state did not have a cadre of suburban community activists in mind when they commissioned the Washington,

D.C.-based think tank to study development trends and what they portend for Pennsylvania's economic future. Behind the dry statistics on sprawl and abstract analyses about land-use planning are real-life struggles involving groups like Communities First and municipalities desperate for economic development.

The big-box battle under way in Kilbuck is "kind of a microcosm of what's wrong in Allegheny County," says Fowkes. The area's assets are at risk rather than appreciated—"squandered" is a word you hear a lot—in piecemeal development pursued in competition for pieces of an ever-smaller economic pie. Instead, these anti-sprawl activists say, these assets could be used to sell a plan that focuses on infrastructure-rich cities and older suburbs where most Pennsylvanians actually live, and to where those outside the state would want to relocate.

Michelle Pilecki, former executive editor of Pittsburgh Magazine, has written and edited many stories connected to land-use planning and urban development. Her last story for h magazine, reporting on Endowments programs to train workers to meet the demands of southwestern Pennsylvania's struggling manufacturing base, appeared in the Summer 2003 issue.

BY THE NUMBERS

PITTSBURGH METRO AREA (1982–1997):

POPULATION LOSS

166,000

NUMBER OF GAINED HOUSEHOLDS

24,000

NUMBER OF ACRES URBANIZED PER ADDED HOUSEHOLD

8.5

NATIONAL AVERAGE OF ACRES URBANIZED PER ADDED HOUSEHOLD (1982–1997):

1.3

Neither the problem nor the solution is about money alone: “We pour hundreds of thousands of grant dollars into building highways and sewers and subsidizing economic development,” notes Caren Glotfelty, director of the Endowments’ Environment Program. “We’re the second-busiest state in terms of funding those activities. But Brookings found that the way land-use planning is done is an impediment to economic progress. Bottom line: we are not going to attract the quality jobs we say we want to attract.”

Pennsylvania has the tools and the resources, the Brookings study team found, but they need to be better directed. The incentives the state currently provides for development are counterproductive as the economy lurches out of a manufacturing past into an uncertain future. “We’re getting more play on this issue,” says Court Gold, director of Sustainable Pittsburgh, a smart-growth advocate group funded by the Endowments since 1999. “The region’s poor economic performance... is creating a willingness to try something new, because business as usual is not working for southwestern Pennsylvania.”

Since its rollout in December, *Back to Prosperity* has been well received across the state by government officials—Gov. Ed Rendell even cited the report in rolling out his smart-growth agenda in this year’s budget address. Journalists and policy wonks also have been paying close attention. But perhaps nowhere is the reaction more animated than among many residents of the state’s outlying boroughs and townships.

“Have you seen the Brookings report?” Communities First activists ask in offering residents their own two-sheet, condensed version in approaching residents about the proposed Wal-Mart development.

“The core is being hollowed out,” says Communities First Director Joan Miles. “When I moved here, I was taken aback when I drove through Coraopolis. Practically every other store is boarded up. It’s not a pretty picture.” Miles, an environmental consultant who lives in Sewickley, recognizes that some of the store closings come from previous hard times, “but we’re exacerbating that and damaging beautiful old communities.”

Critics of long-standing land development policies say the situation could get worse. “Some people say that within five

years we’re going to see lots more municipalities all over the place going under distressed status,” says the Endowments’ Glotfelty. “There are a lot now that are just on the verge.” That pronouncement is backed by a recent *Pittsburgh Post-Gazette* analysis that found 55 of Allegheny County’s 130 municipalities had decreased property values. It also reported newly elected County Executive Dan Onorato’s observation that 30 of them are facing the same financial crisis, or worse, as the City of Pittsburgh, which is under the control of two state management boards.

“All these little communities are scrounging around for money because they need it to survive, and they’re reducing the quality of life for surrounding communities,” Fowkes says. Notes Glotfelty: “They’re making perfectly rational decisions based on the incentive structure, but they have to chase new tax dollars or new grant dollars” to maintain their tax bases and pay their bills.

“Kilbuck is in desperate need of money,” Fowkes concedes, referring to township supervisors’ motivation for embracing the Wal-Mart project. “But it’s the neighbors who will bear the brunt of the pain.”

John Atwood of ASC Development, which would develop both the Wal-Mart and the accompanying strip mall, projects that the site’s current property tax bill of \$20,000 would grow to \$535,000 after construction: \$100,000 for Allegheny County, \$300,000 for Avonworth School District and \$135,000 for Kilbuck Township. The township’s total budget this year is \$885,456, with one of the area’s highest tax rates of 8 mills. David Blackson, chairman of the township’s board of supervisors, points out that Kilbuck has very few businesses, and its 723 residents have to travel elsewhere to shop for groceries and other staples.

The property, which comprises some 25 percent of the 2.6-square-mile township, has lain idle since Dixmont closed in 1984. Ralph Stroyne, Jr., who lives on a farm adjacent to the site, bought all 407 acres in 1999 and considered various development options, “and none is as valuable as the Wal-Mart,” he says. Pittsburgh’s glut of office space nixed an office-park development, he recounts. Although the Avonworth School

Board has taken no official stance, at least one school board member dissuaded Stroyne from residential proposals because it would strain the district's already stretched resources. A Pennsylvania State University study on the cost of community services estimated in 2000 that for every dollar collected in taxes from a residential area, \$1.03–\$2.11 is needed in services, mainly for schools, while commercial and industrial uses cost under 40 cents per tax dollar. Stroyne also points out that “Wal-Mart would buy 75 acres of the only polluted property on the site,” and clean up the asbestos, PCBs and underground fuel tanks that deterred buyers for years. The remainder of the parcel, which also abuts property owned and preserved by the Western Pennsylvania Conservancy, would remain undeveloped during his lifetime, says the 60-year-old Stroyne.

Arkansas-based Wal-Mart, the world's largest retailer, has run into pockets of similar community-based opposition elsewhere. A growing number of communities are turning the store away. The most closely watched has been in Inglewood, Calif., where Wal-Mart spent more than \$1 million supporting a ballot initiative to bypass local government opposition and allow the building of a 150,000-square-foot super center. Voters in the largely Latino and African-American suburb of Los Angeles rejected the measure—and the store—by 60 to 40 percent on April 6 this year.

Kilbuck's proposed Wal-Mart super center, which would be located a scant six miles from another super center and big-box competitors in Robinson, threatens dozens of local independently owned stores and would create only 100 jobs for every 150 it wipes out, according to Communities First's research and the Web site walmartwatch.com. Wal-Mart officials did not respond to several phone inquiries for comment.

Also threatened is the traditional centralized community, which is exactly what convinced Communities First's Miles and her husband, Dr. Clifford Bob, to move from Boston to Sewickley, the market “village” for the upscale boroughs of charming homes and sky-high property values. It's also where the couple's children, 13-year-old Alex and 11-year-old Natalie, can walk to Quaker Valley schools.

Only a few miles east is the tiny borough of Glenfield—ground zero for the anti-Wal-Mart crusade. The working-class community of 236 residents doesn't have a Sewickley-posh business district, given that it is boxed in by a mammoth concrete interchange for Interstate 79 and Route 65, better known to residents along its path as “Killer 65” after a spate of fatal accidents in the late 1980s.

In fact, Fowkes credits Glenfield Mayor Steve Zingerman and his wife, Maureen, responding to the threat of more traffic congestion, for starting Communities First. Fowkes herself uses Route 65 daily for several round trips, shepherding 7-year-old Barret and 6-year-old Calder to school. The group cites Pennsylvania Department of Transportation statistics that the proposed Wal-Mart would add 1,500 vehicles to daily rush-hour traffic on the highway, and a total addition of between 7,000 and 12,000 vehicles to the road each day. ASC developer Atwood says those numbers are greatly exaggerated.

Fowkes notes that the addition of a traffic signal and a left-turn lane, leading into the proposed shopping center's sole entrance (on Route 65), will involve at least one intersection that PennDOT officials acknowledge is already at its load limit. As it is now, traffic backs up about a quarter of a mile during rush hour.

What irks affected residents the most is the state PennDOT officials' own refusal to consider the interaction of this proposed development with Mount Nebo Pointe, a new strip mall to be anchored by a Target, under construction along Camp Horne Road in Ohio Township. “They're less than four miles from each other, but [transportation officials] consider them separately,” Fowkes says. Yet the failure of any given state agency—or individual municipality or developer—to look at the big picture and how proposed developments interact with each other, with existing communities and with a coherent, cohesive strategy for economic progress, is hardly unique to the Kilbuck project.

“Pennsylvania is doing a lot of micro things right but a lot of macro things wrong,” says Bruce Katz, vice president and founding director of the Brookings Institution's Center on Urban and Metropolitan Policy, which produced *Back to Prosperity*. He points to progress across the state in neighborhood and downtown revitalization, improvements in public housing, good design and historic preservation. “But on a macro level, state policies remain stuck in a 1950s vision: more roads, more suburban development, any economic activity you can get. It doesn't match up to the way the economy has changed,” he says.

The 21st-century global economy requires a much broader approach, which is why the “Philadelphia-centric” William Penn Foundation teamed up with the Endowments. “In the past, we really looked at just our grantmaking region without looking at state policy,” says Andrew Johnson, environment and communities program officer at William Penn. “But state



Communities First members hunker down for a strategy session in the bunker-like setting of the Glenfield Borough Storage Building. The borough's mayor, Steve Zingerman, and his wife, Maureen, founded the anti-Wal-Mart-project group out of concern over dangers from added traffic.

policy is part of the problem. What's happening in Philadelphia is relevant to what's happening in Pittsburgh and other cities. We have to look to Harrisburg for the solution."

Katz notes that a lot of state policy can be reformed administratively, without new legislation. Many state agencies make the process more cumbersome than it needs to be, he says, and those agencies should focus economic-development resources—like tax increment financing (TIF), which allows future tax revenue from new developments to cover infrastructure costs—to favor the established cities and first-ring suburbs. The use of such tax-abatement mechanisms for greenfield developments like Mount Nebo Pointe is a sore spot for Communities First. (No TIF is involved in the Dixmont project.)

"People don't always pay full cost for what they get and the costs they impose," adds urban planning consultant Ray



Reaves, also a member of Communities First's new advisory board. He mentions the expense not only of new roads and water and sewer lines, but also the costs of maintenance, air pollution from increased traffic and water pollution from runoff, among many issues.

The solution to so much destructive municipal competition is more cooperation, if not actual merging of governments.

"SMART GROWTH IS ABOUT CHOICES AND THE BEST USE OF RESOURCES. SHOW THEM THE REAL COSTS AND WHAT THEY'LL GET IN RETURN."

Ray Reaves Urban Planning Consultant and former Allegheny County Planning Director

State law would have to be amended to make it easier for towns that want to merge or dissolve voluntarily, Glotfelty notes, but multi-municipal planning is already possible. And foundation resources abound to make it accessible to officials of local governments. Reaves, the former director of Allegheny County's planning department, manages a workshop program sponsored by 10,000 Friends of Pennsylvania, a statewide environmental nonprofit also involved in producing the Brookings report, covering the benefits of planning. And through the Local Government Academy, also funded by the Endowments, he runs a series of multi-municipal planning workshops funded by the Richard King Mellon, Laurel and Pittsburgh foundations.

"A lot of local officials are pretty parochial, but for these people, who have a real job, to devote the kind of time they do for little or no pay and a lot of hassle—what they do is admirable," Reaves says. "I have a lot of respect for them. I just wish there were fewer of them."

The Communities First activists also wish that for big-box stores. They're alarmed at the Brookings' finding that Wal-Mart is Pennsylvania's largest private employer, and growing. "It's 'economic development.' You're 'creating jobs,'" says Fowkes. "For somebody just looking to be re-elected, they're great statistics: we 'created jobs.' But they're \$8.75 an hour; there's no benefits." Countering this, Wal-Mart executives have been quoted in other news accounts insisting that 48 percent of employees are covered by the company's health insurance.

Communities First continues to talk with a range of developers and organizations about different uses for the site. "We really feel we can't just leave after the fight," says Fowkes. "It would be the wrong thing to do."

In mid-April, hundreds of local residents streamed through the Kilbuck municipal building for more than three hours during an open house hosted by ASC Development, with officials from ASC, PennDOT, the township and a Beaver Falls firm, Widmer Engineering, which conducted the traffic studies. ASC's Atwood displays photos of the abandoned Dixmont

campus. "We're talking about dilapidated buildings. The site is being recycled and brought back," he says. As far as noise, he continues, the hilltop site is well isolated from residences. "I couldn't think of a better spot to put this project."

Communities First activists try to stick to infrastructure reasons in arguing why the location is a bad choice for big-box development. These tend to perk up ears across municipal lines. A sewerage issue is one of them—an 80,000-gallon sewage treatment plant will likely have to be built to handle the new development—but it uncovers a larger problem that is crystallized in the Brookings report—the lack of communication among small municipalities.

"I'm not against any development, per se, but nobody from Kilbuck has come to us," notes Maria West, president of nearby Emsworth's borough council. She's at the open house with questions about sewerage and traffic safety. "It was like, 'Just suck it up,' or something. Sure, they need the tax revenue, but it's not right for us. We're not asking for dollars, just for the safety of our people."

There is still time for talk. The Wal-Mart isn't going anywhere in Kilbuck just yet, though the township's planning commission granted final approval of the project in April, and the board of supervisors is expected to approve the plans in June. Atwood says he's "looking to start as soon as possible," though could not confirm whether construction would begin this year. State transportation and environmental protection officials have not yet issued the necessary permits, and no property deeds have changed hands.

That also leaves more time for Communities First activists to win more converts to the *Back to Prosperity* agenda.

"Smart growth is about choices and the best use of resources," says former county planning director Reaves. "Show them the real costs and what they'll get in return." *h*





no place like home

By Jeffery Fraser

At several points in its nearly 250-year history, Pittsburgh has risen to dominate the world stage, thanks, in large part, to the brawn and brains of immigrants. Now, in the struggle to break out of a two-decades-long economic decline, a local foundation is trying to change the region's unenviable position as one of the least ethnically and racially diverse in the country.

Joel Garcia snuggles with wife, Lourdes, across from sons, 9-year-old Luis and 14-year-old twins Jose and Enrique, on the porch of their Allentown home. Joel, a Mexican native, used the Hispanic Latino Center to help him settle in Pittsburgh.

At Carnegie Steel's Homestead works, danger was spelled "pericolo" and "veszely" and "nebezpecno" and "opasno." Even then, warnings posted in Italian, Hungarian, Slovak and Serbo-Croatian covered only a fraction of the languages spoken by the men who worked in the mills and factories that crowded western Pennsylvania's smoky river valleys at the dawn of the 20th century.

Western Pennsylvania as a region of immigrants is an enduring image. But surviving orthodox churches, ethnic clubs and insurance societies belie the demographics of today. The flood of immigrants that sustained the region's mightiest economic era slowed to a trickle decades ago.

Modern immigration patterns and populations—primarily Asian and Hispanic—have bypassed the region. When more than 13 million immigrants streamed into the United States during the 1990s, fewer than 25,000 found their way to western Pennsylvania. Now, foreign-born residents account for a paltry 2.6 percent of the region's population. Among the nation's 49 most populous metropolitan areas, only immigrants in Cincinnati, Ohio, claim a smaller share.



"We are at the bottom of a lot of lists," says Brian Kelley,

director of The Heinz Endowments' Economic Opportunity Program. "That is not where you want to be."

Particularly when the Pittsburgh metropolitan area has steadily lost population since 1970—a silent crisis that threatens everything from the prospects for economic growth to political representation in Harrisburg and Washington.

Immigrants, while not the cure-all for complex economic ills, have helped restore health to aging, former industrial regions like southwestern Pennsylvania. They have been aggressively courted for metro areas in Colorado, which spent \$7.4 million on an immigrant-support initiative, and cities such as Nashville, Tennessee, and Louisville, Kentucky.

"Study after study shows there are no healthy urban areas that have become healthy or stayed healthy without international immigration," says Kelley.

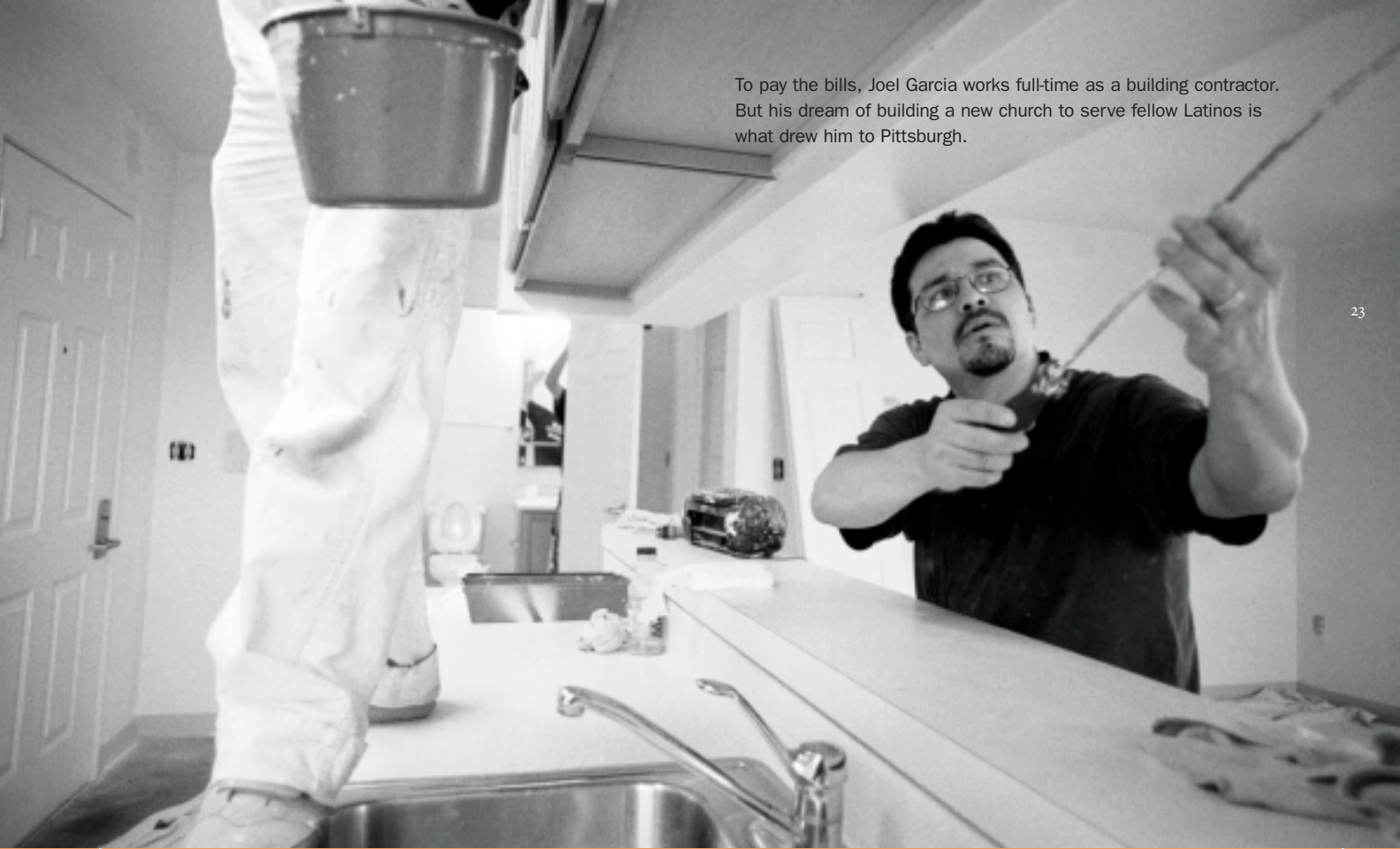
In western Pennsylvania, the wake-up call was the 2000 U.S. Census—the fourth consecutive federal population count to show regional losses. Something had to be done to address the shrinking and aging population. If American-born residents of other states were not moving in, why not make a stronger play for immigrants?

In 2002, the Endowments embarked on a strategy to help the region become a destination of choice for a new generation of legal immigrants, an important step toward promoting economic growth and nurturing a more viable workforce—two key Economic Opportunity Program goals.

"Pittsburgh is like a lot of former industrial centers in the northeast—too much old infrastructure for too few residents," says Heinz Endowments President Maxwell King. "That's why a policy of encouraging more immigration is so important to revitalizing these older urban areas. Otherwise, the alternative is to start tearing them down."

With its support of the Hispanic Latino Center, Jewish Family & Children's Service and the World Affairs Council of Pittsburgh, the Endowments is helping to build the foundation of services necessary to attract and retain immigrants, including legal, immigration, citizenship, employment and housing assistance, and efforts to educate the region about other nations, people and cultures.

Local government also began to appreciate the potential of immigration. In May 2001, the International Transition Team convened by then-Allegheny County Chief Executive Jim Roddey recommended that the region redefine itself as a major international center to gain foreign business and investment. It also noted that creating a welcoming environment for



To pay the bills, Joel Garcia works full-time as a building contractor. But his dream of building a new church to serve fellow Latinos is what drew him to Pittsburgh.

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“I took a challenge, sold everything, paid our debts and moved here with just a little to get by. And, once again, we started from the bottom up.” **Joel Garcia**

immigrants was a key to attracting and retaining the skills and labor they offered.

The stakes remain high. Unless the bleeding of working-age residents is stanching and the workforce expanded, the region is expected to run out of enough workers to satisfy even modest labor market growth. More specifically, job growth and retirements over the next 10 years will demand from the region an estimated 125,000 more workers than it has to offer, according to a 2002 study by Duquesne University's Center for Competitive Workforce Development.

Such trends can be lethal to efforts to recruit new businesses and retain homegrown startups. Few companies are eager to relocate to an airtight job market in which the only way to get employees is to steal them from someone else. And a shortage of workers prevents young firms from expanding, reducing western Pennsylvania to a successful incubator of companies that go elsewhere to realize their full potential.

Many of the region's employers are already under stress. In 2002, when everyone was feeling the sting of recession, 90 percent of the employers surveyed by Duquesne University reported that skilled production jobs were “somewhat or very

difficult” to fill, and 54 percent said the same about unskilled production jobs.

If immigrants are a solution, it is no mystery what draws them: jobs, support, family and friends, and a quality of life better than what they've known top the list.

Unskilled, low-skilled and entry-level jobs account for the most openings in the region, and many immigrants are willing to work them, even those paying under \$8 an hour, says Eugene V. Matta, executive director of the Hispanic Latino Center, Inc., which was started with a seed grant from the Endowments in 2001.

In fact, Matta says, many of the job seekers who contact the North Side nonprofit are Hispanic men and women looking for a second job as part of a process of moving gradually up the economic ladder, and not staying put on one of the lower rungs. “There are families who between the mother and father have four jobs. They like the money. They live well. They buy homes, cars. They send their kids to school. They are well dressed, well fed. They have never had that before.”

The Hispanic Latino Center's Workforce Solutions program connects immigrants looking for work to more than



“Many people in my country have the illusion that whoever comes to America becomes a millionaire right away. They don’t understand how hard it can be just to earn a dollar.” **Stan Musak**

100 employers with jobs to offer, counsels and supports them when they enter the workplace and, in partnership with Goodwill Industries and Jewish Family & Children’s Service, trains them to work in the high-demand fields of the moment—bilingual customer service, data entry, hospitality and general labor.

Other services include help with housing, referrals for legal assistance and a volunteer-driven survey project to draw a more accurate profile of the region’s Hispanic population and its scope, needs and aspirations.

Joel Garcia, a native of Mexico, turned to the Hispanic Latino Center for help finding a job when he arrived in Pittsburgh during the winter of 2002. The 36-year-old permanent legal resident uprooted his wife and three children from San Diego to establish a nondenominational Christian church to serve a small but growing Hispanic community in Pittsburgh’s southern neighborhoods.

By day, Garcia works construction. At night, he tends to his ministry. Steady work and Pittsburgh’s affordable real estate market enabled him to buy a three-story home in the city’s Allentown section last year. “My first calling is a minister,” he

says. “I took a challenge, sold everything, paid our debts and moved here with just a little to get by. And, once again, we started from the bottom up.”

Ana Paula Carvalho telephoned the Hispanic Latino Center in distress only weeks after starting her dream career. In August 2001, she was denied permission to work and forced to abandon her first class as an instructor of Portuguese at the University of Pittsburgh. Carvalho, a Brazilian, had entered the United States in 1994 as a student with her Brazilian husband. Seven years later, divorced and remarried to a West Virginia-born Regent Square resident, she learned that her immigration status was still tied to her ex-husband’s and required her to return to Brazil. She needed a lawyer but the private immigration lawyers she consulted were too pricey for the suddenly unemployed and bewildered teacher. The Hispanic Latino Center referred her to Jewish Family & Children’s Service, whose staff attorneys help immigrants for a nominal fee.

“If you don’t have a lot of money and want to talk to someone who understands the whole bureaucratic process and the things you are going through in your personal life, it’s hard,” Carvalho says. “When I couldn’t work anymore, I didn’t

Stan Musak, 33, left Slovakia in 1998 expecting a career as a mechanical engineer in Pittsburgh. But poor language skills kept him from even the most basic jobs. Today, he is a supervisor for Federal Express, a U.S. citizen and a homeowner in Castle Shannon.

know what to do. I started getting depressed. And then to deal with someone who listens and understands a little bit about your culture, it helps a lot.”

Within three months, she was back in the classroom, her immigration problems resolved by Jewish Family & Children’s Service attorneys, who also helped her apply to become a permanent legal resident. She continues to teach at the university and is expecting her first child.

Jewish Family & Children’s Service, which receives annual support from the Endowments, provides a range of immigration services, including help preparing foreign-born residents for naturalization and refugee services, such as job readiness and housing assistance and medical case management. The Squirrel Hill–based nonprofit’s Pittsburgh Regional Immigrant Assistance Center is the only U.S. Department of Justice–accredited program in the region providing expert legal and immigration aid to foreign-born newcomers of limited means who otherwise cannot afford it.

“There is nowhere else for people to turn,” says Linda Ehrenreich, associate executive director, Jewish Family & Children’s Service. “This is a critical component in making the region a more welcoming place for people and helping them petition to bring their relatives over and to go to work legally.”

The Service has long been successful in resettling refugees and immigrants in and around Pittsburgh. Of the 2,200 Russian and Bosnian refugees it helped to relocate, 95 percent are employed, 75 percent own homes and 85 percent continue to live in the region.

For an immigrant who makes it to Pittsburgh high on hopes and dreams but short on money or contacts, Endowments-funded nonprofit groups offer services that can make the difference in a person’s ability to put down roots. There are lawyers who will dispense legal advice for a nominal fee; there is information on the next available English-as-a-Second-Language class, there are prep sessions on how to shine during a job interview.

“My first Christmas here was a homesick time. It was cold in my apartment. No family. And all I had to eat was soup in a bag,” says Stan Musak, a Jewish Family & Children’s Service client.

The 33-year-old left Slovakia for Pittsburgh in 1998 looking for adventure and a job as a mechanical engineer in America. He underestimated the language barrier and could land only spotty, low-paying work. “Many people in my country have the illusion that whoever comes to America becomes a millionaire

right away. They don’t understand how hard it can be just to earn a dollar.”

Musak’s prospects improved after language classes raised his English-speaking skills. Today, he is a Federal Express supervisor and full U.S. citizen. He is the owner of a modest brick house in Castle Shannon, a southern Pittsburgh suburb where he lives with his wife, Blanka, a Czech Republic native who has applied to be a permanent U.S. resident.


“From our experience, people want to feel good about being here and want to encourage others to come here,” says Schuyler Foerster, president of the World Affairs Council of Pittsburgh. “It is not only important that the Ph.D. working at Seagate [Technologies, a Pittsburgh-based world leader in production of computer hardware and software] feels comfortable, but also that his wife feels comfortable living in a neighborhood here.”

Guillermo Campana couldn’t agree more. Raised in Chile, educated in Brazil and transferred to Pittsburgh in 1996 by PPG Industries as market development manager of its Chlor-Alkali and Derivative Chemical Group, Campana has become such an advocate of western Pennsylvania, its people and quality of life that he plans to retire here, some 5,000 miles away from his native land.

“It is most important when you are coming to another country that your wife and family like it,” says Campana, who lives in Wexford, the suburb at Allegheny County’s northern border. “Because if they are not happy, there is no way you will set roots. My wife and my daughters found very good friends. We have very good neighbors. The schools helped my daughters, who spoke Spanish, Portuguese and German, but not English. These things this country has offered my family make us very proud.”

Recently, support from the Endowments has helped the World Affairs Council, another longtime grantee, organize the region’s international communities and make them more visible. Its Web site, globalpittsburgh.org, profiles 50 international communities in the region, offers the world a glimpse of life in western Pennsylvania and stands as a portal to essential information for immigrants and employers alike.

“It is important that we become more international and welcome international residents,” says the Endowments’ Kelley. “Because if we pull up the drawbridge, all we do is shrink and go away.” *h*



Pittsburgh Ballet Theatre managers thought they wouldn't benefit from a shared-services program. Now, they're true believers. Here, choreographer Matjash Mrozewski rehearses dancers Stephen Hadala and Justine Pojanowski for a production set to the music of Bruce Springsteen and Pete Seeger.

For Pittsburgh's fiercely independent arts groups, subscriber information is the jealously guarded treasure of the cultural realm. But a new foundations-led, shared-services program has convinced groups to open up, benefiting everyone's bottom line.

THE ART OF SHARING

By Christine H. O'Toole



anet Sarbaugh runs her fingers through her long red hair and shakes her head slowly when she thinks about the marathon just completed. "It could have been a train wreck," she says bluntly.

The Endowments' Arts & Culture Program director is referring to an effort she has shepherded for six years: cajoling and coaxing the city's largest performing arts organizations into sharing cost-saving programs and marketing efforts.

Collaboration among arts groups is a concept with lots of national buzz, but it may be more often honored in the breach. Drooping attendance has led pared-to-the-bone arts groups in Charlotte, Long Beach, south Florida, Detroit and other cities to attempt alliances for joint purchasing, pooled market data and coordinated prospecting for audiences. But endeavors to coordinate fiercely independent and competing arts groups are easily derailed, and the results are often far down the track.

"Coke and Pepsi would collaborate in a minute, if the law would let them. But with arts organizations, there almost has to be a law to make them collaborate," says John Bare of the Knight Foundation, which has funded partnership pilots across the country.

Ticket sellers at the new Theater Square outlet can sell for a variety of performances in Pittsburgh's Cultural District. Tessitura, a new marketing software program developed for New York's Metropolitan Opera, allows for increased savings and better cross-marketing opportunities.



Pittsburgh is the exception. Here, rival organizations have swallowed their fears, merged their marketing data and coughed up 25 cents from every ticket sold to support shared services. The effort has resulted in hard cost savings, early marketing success and the prospect of turbo-charging the group's cross-selling efforts through sophisticated shared software. Supported by a \$500,000 grant from the Endowments last year, and additional funding from the Richard King Mellon, Benedum and Eden Hall foundations, the ticketing and development project offers a powerful argument for further collaboration.

The Endowments, the city's major arts funder, spent a decade funding exploratory studies before convening the first fractious discussions on a shared-services program in 1999. Overall, it has contributed more than \$1 million in grants to make it a reality.

"This community's cultural resources are among its greatest assets," says Sarbaugh. "To preserve them, we have to deliver them more efficiently and effectively than ever."



The timing of the project launch, before the end of the 1990s investment boom, helped the arts retain traction while the regional economy slipped. Four years later, arts organizations are squeezing their operating dollars with dramatic intensity. Costs are up. Season subscriptions continue a decade-long roller-coaster ride, and even single-ticket customers are a tougher sell.

Says Kate Prescott, a Pittsburgh market researcher who has seen the American trend mirrored in Europe, "People are trying to put their dollars together because they can't afford to

[market] on their own." Pittsburgh's downtown arts attendance increased only modestly from 1999 to 2002—from 900,000 to about 1 million patrons.

Scales from the downstairs rehearsal piano drift into a windowless office at Pittsburgh Opera headquarters as its general manager Mark Weinstein sips coffee. He is describing calls from colleagues curious about the city's arts marketing experiment.

"There's a hierarchy of questions," he begins. "They start asking about purchasing; it's easy to save on paper and pencils. Then they find out about our health-care costs—saving real dollars. And then database management and marketing and increased revenue. Now, it's blowing their minds! And their final question always is: How in the world did you ever figure out how to cooperate?"

"The only answer is: We were forced to—in the nicest way," says Weinstein. "We were pushed together. We had the Endowments playing their proper role in saying, 'You guys better get along.' Now, [other cities] are being pushed in the same way."

Power-sharing wasn't an issue when Heinz Hall was the city's only downtown theater. A 15-year effort to restore and rejuvenate the city's theater district, supported by the Endowments, expanded its turf in more ways than one. By the fall of 1999, when Pittsburgh Public Theater unveiled a brand-new home in the neighborhood, six major organizations were presenting more than 200 nights of live performance in four theaters each year. The combined budgets of Pittsburgh's Symphony Orchestra, Opera, Ballet Theatre, Civic Light Opera, Cultural Trust and Public Theater would make them the third-largest performing arts entity in the country behind New York's Lincoln Center and Washington's Kennedy Center.

But offering more stages has not encouraged more cooperation.

"The Endowments had tried to play a facilitator role for a decade to encourage groups to cooperate. Nothing came of it," recalls Sarbaugh. "The catalyst that brought it together was another theater coming online in Pittsburgh [the Public Theater's O'Reilly]." "The business community saw the potential for tremendous economies," remembers Carol Brown, then president of the Trust.

Initial discussions about shared services were confined to the landlords: the Pittsburgh Symphony and the Cultural Trust,

“[Research confirms that] working to market the district



along with the Public Theater, chief tenant at the O'Reilly. “Those were the heavy gorillas: if they didn’t come along, no one would come along,” explains Weinstein. The pilot committee was chaired by Jim Rohr, chair of the Cultural Trust and head of one of the region’s largest financial institutions, PNC Financial Services Group.

Carol May, an arts marketer who launched Charlotte’s Marketing Services Organization in 1994, points to the foundation laid by the Endowments and Rohr as a key strategic decision. “A lot [of arts collaboratives] don’t get off the ground because they don’t have leadership,” she notes. “Having a major funder is very, very important, but you need a vision and a mission.”

“In the early going, there was a fair amount of denial of the need to work together,” recalls Rohr. Early discussions about shared ticketing created a troubling roadblock. “We had to break down barriers that said that anyone wanted to control anyone else’s destiny. So we started on things that didn’t have an ownership issue.” Heading that list were joint purchasing savings, including a pooled health insurance program.

Another thorny issue was where a shared-services office would reside. “We’re all in this together. Everyone has one vote. But it had to be housed somewhere,” recalls the opera’s Weinstein. “If it were housed at the symphony, we’d have to trust the symphony.”

The committee eventually compromised. A three-to-five-year pilot project would have a home at the Cultural Trust office, but would report to a watchful Shared Services Oversight Committee—board members and CEOs of the six member groups, which paid annual membership dues.

Mitch Swain, hired in mid-2000 to manage the effort, was convinced that success would breed confidence. “We had to establish early wins and trusts,” he recalls. To reinforce the effort’s cooperative spirit, he invited middle managers to begin meeting monthly. The working groups allayed fears of cutbacks. Finance directors tackled office purchasing, then health-care costs, and found their first six-figure savings.

“In the first year, when other organizations were seeing double-digit health insurance premium increases, we decreased 2 percent,” says Swain. “In the second year, where the regional increase was 17 percent and the national was 23 percent, our increase was under 10 percent, and we got better-quality programs with a bigger pool.”

Gideon Toeplitz, the symphony’s director at the time, admits that many in his organization were suspicious of the

effort. “But when the numbers started coming in, at a time when we desperately needed money, the economics were convincing. Board suspicion has vanished.”

Energized, the group began to advance along the tightrope of comprehensive district marketing. Behind them lay 40 individually commissioned market research studies and surveys, addressing every issue except two central questions: What did Pittsburgh arts audiences do? What did they want? “They had been trading [mailing] lists but not knowing whether it was helping or hurting,” recalls consultant Prescott, who digested the stack of surveys.

Trepidation preceded trust once again. “We had subscribers who were generally wealthier, who were paying bigger ticket prices and who were very generous in terms of donations,” says the opera’s Weinstein. “We didn’t want to share our list.”

Individual groups had prided themselves on cozy, proprietary relationships with their customers, and believed they were intimately familiar with their customers’ predilections. “We had more research data on our audience than anyone,” says Steven Libman, recently retired after 13 years as managing director of Pittsburgh Ballet Theatre.

Prescott crafted an arts audience survey that examined those perceptions. The results showed “a great deal of overlap,” she notes. “Organizations did not have this big exclusive group of patrons.” Each organization was attracting about the same share—30 percent of the consumer’s performance purchases. “It suggested that if you increased the overall pie—by bringing more people in—they’d get equal shares of a bigger pie.”

At an April 2002 meeting, Prescott presented her results to the Oversight Committee. “When we finished, Mark Weinstein said, ‘I have the least to gain here. You know what? I don’t care! I think we should do it!’ There were general head nods all around. It felt right. It made sense. It was one of the most gratifying days in my professional career.”

Swain says the research confirmed that “all of us working to market the district would help all of us and hurt none of us. The individual brands actually would be enhanced if people understood the Cultural District as a whole.”

With that validation, marketing directors dropped 12 years of ticket records on the common table. The nearly two million transactions became the raw material for a data-mining effort,

would help all of us and hurt none of us.” **Mitch Swain** Director, Shared Services

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the Strategic Arts Marketing database. “Once we had all the records of what people actually purchased, we were able to frame the district like a catalog,” explains database creator John Elliott. His cross-sell model, continuously updated, assigns point values to a huge range of preferences, from playwright August Wilson to comedy to guest soloists. The model adds zip-code data, but doesn’t make inferences solely on where patrons live. “In every case, with hundreds of variables, we found that demographics mean nothing,” he notes. “Actions trump demographics.”

The district’s first joint holiday “catalog,” featuring a whimsical red-capped gnome, debuted in November 2002, with the tagline “in the heart of the Cultural District”—a first use for a new brand slogan.

The response exceeded all expectations: a 365 percent return on investment for a mailing that would have been judged a success at a quarter of that figure.

The depth of the data, greater than any one group could have afforded, continues to provide insights. Of patrons buying tickets to the Ballet Theatre production of *Othello*, for example, one-third had never attended a district performance before. That proportion, trumping even the popular *Nutcracker*, yielded insights into programming. “We hadn’t realized that it was possible to extract bits and pieces to find people who had a unique predisposition to attend ballet,” Libman recalls.

All six organizations began to routinely contribute data on a monthly basis and use it in telemarketing campaigns. Shared Services provides telemarketing and direct-mail data previously supplied by out-of-town contractors, reducing organizations’ costs by some \$150,000 a year. A shared e-mail newsletter supplements selling efforts by sending news on the district’s gallery openings, show discounts and restaurant offers to 20,000 subscribers each month.

The launch of smART, as the database project has been dubbed, was a second big score for Shared Services, whose partners had earlier that year thrashed out a way to keep the program going as foundation funding diminished. An initial 25-cent ticket surcharge will be increased this year so that the program becomes self-sustaining.

“If we had started with that discussion four years ago, it wouldn’t have worked—never in a million years!” says Weinstein. “But we... wanted more, and we figured out a way not to argue about how to do it.”

Carol May, the Charlotte program veteran, calls the surcharge solution “ingenious.” “I could see immediate fear if I had

proposed that in Charlotte—wow. But Pittsburgh timed it right, by first picking a couple other programs and showing success right off the bat.”

No one pretends that the future collaborations will be easy, or that maintaining artistic independence under a more homogenized system isn’t a worry. A case in point is the gingerly renewed discussion about one-stop ticket shopping. That prospect was vetoed in the group’s earliest discussions as “too fast and furious,” says Cultural Trust President Kevin McMahon.

While organizations now share ticket data after the fact, they don’t yet share a single ticket-selling function. The new ticketing software, Tessitura, developed by the Metropolitan Opera, offers the potential for increased revenues and richer cross-marketing opportunities—if the arts organizations can continue to share.

The new marketing software will allow ticket sales through a single location: box office, Web site or phone number. Gleaning customer preferences from smART with the same prescience as Amazon.com or Lands’ End could result in *Magic Flute* tickets being marketed to Mozart symphony patrons, or Broadway-tour dance tickets to buyers of *Lion King*. It could also sell tickets at remote locations, from malls to coffee shops. Saving the hefty fees now paid to outside service bureaus is a prospect that makes arts managers salivate.

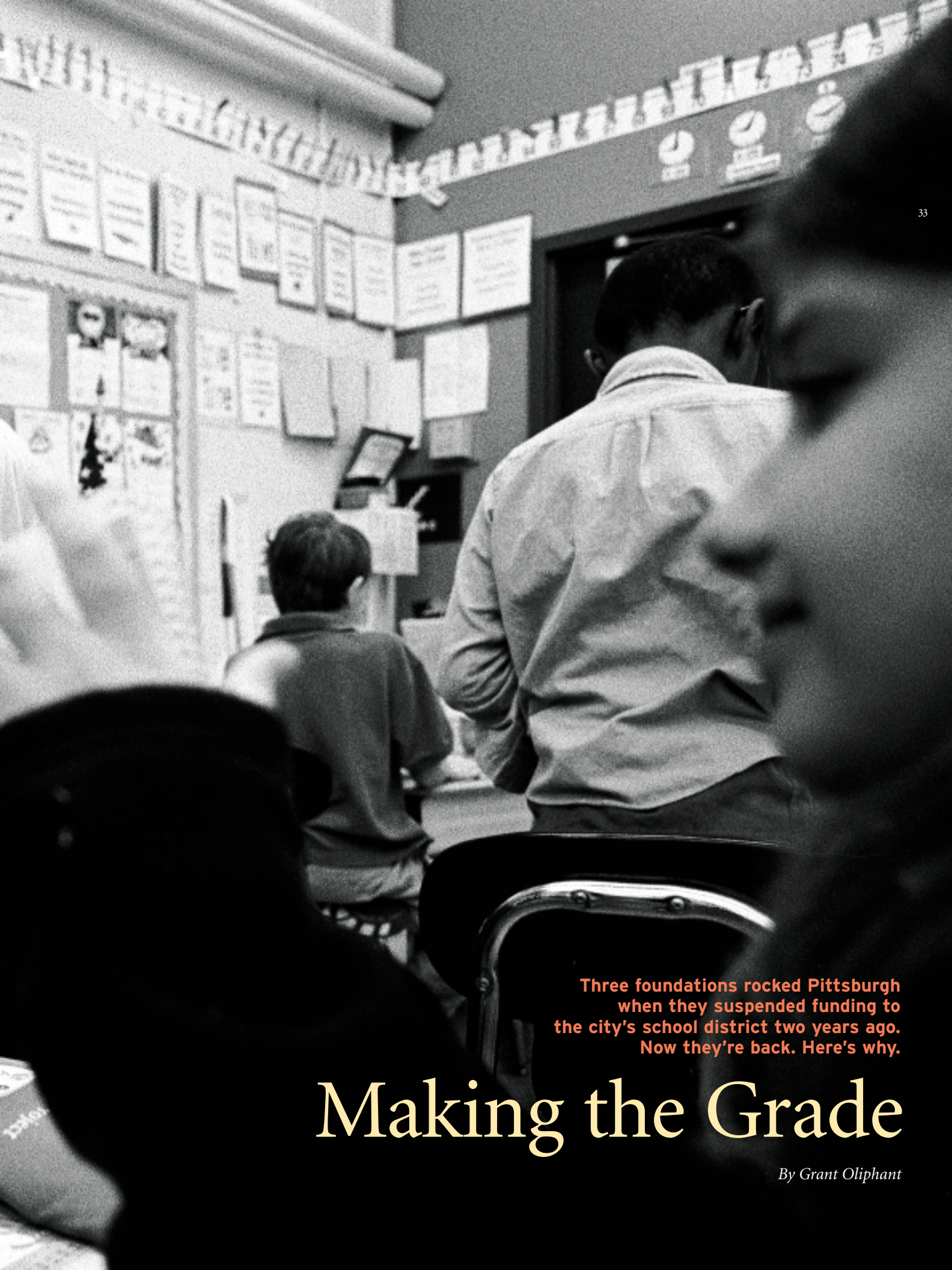
To the Cultural Trust’s McMahon, shared ticketing is the ultimate leap of faith for shared services. “I’m a great believer in scale,” he explains. “Until now, organizations haven’t really had to change their behavior. Now we will.”

The shared-services group is continuing to search for synergies. The city’s smaller arts organizations, which already share ticketing and management strategies, are expected to join their larger siblings’ software system in about two years. “The question now becomes: Can we find more wins?” asks the Endowments’ Sarbaugh. She is seeking more of an emphasis on measuring savings and audience, while the symphony’s former director, Toeplitz, sees promise in examining facilities management. Others hope that joint media purchases could leverage their ad dollars.

The opera’s Weinstein will continue to watch the hard numbers on the cost of running the shared-services program. “But we are saving a lot of money. The cross-marketing and marketing research—that’s invaluable. But then it goes to one level beyond. As we cooperate more on these levels, it sets the ground for artistic cooperation as well.” *h*



William Isler, who became school board president in January, is a respected leader who has restored foundations' confidence. During a visit to the International Studies School in Shadyside, Isler plays a word card game with second-graders Malika Fields and Kaitlyn Flanagan.



Three foundations rocked Pittsburgh
when they suspended funding to
the city's school district two years ago.
Now they're back. Here's why.

Making the Grade

By Grant Oliphant

he reporter didn't mask his annoyance as he whispered just a little too loudly into his cell phone. "There's nothing going on," he complained. "Why did you send me here? It's boring—they aren't even fighting or anything."

There is nothing unusual about a frustrated reporter grouching to his editor over a less-than-thrilling assignment. What made this conversation remarkable was that it took place in the hallway just outside a recent meeting of the Pittsburgh Board of Public Education.

That's right, the Pittsburgh school board.

It's tough not to sympathize with the reporter in this case. From a journalist's point of view, until recently the school board made great copy. Not great as in "wonderful" or "uplifting." Rather, great as in "Madness! Bedlam! Film at eleven!" Great political theater, the sort that helps local news outlets meet their minimum daily chaos-and-carnage requirement.

So our intrepid correspondent could be forgiven for his disappointment. But the school board's journey from pro-wrestling-style entertainment to humdrum give-and-take has been welcomed by almost everyone else in Pittsburgh, including the three area foundations that made national news when they suspended funding to the Pittsburgh Public Schools two years ago. In fact, the Pittsburgh Foundation, Grable Foundation and The Heinz Endowments have been so encouraged by the transformation that in February they announced plans to resume funding for select district activities.

"Relations among school board members and the administration have become more collaborative and mutually respectful," Endowments President Maxwell King said at a press conference to announce the resumption of funding. "There appears to be a greater willingness to set aside differences and to focus on the central issues of student achievement and sound financial management."

King and his two foundation colleagues—Grable Foundation Executive Director Susan Brownlee and Pittsburgh Foundation President and CEO William Trueheart—were joined at the press conference by five of the school board's nine members, including its president, William Isler; the district's

superintendent, John Thompson; and Al Fondy, head of the local teachers union.

"The foundations' decision to resume funding tells us we are on the right track," Isler declared. "This is a great day for the Pittsburgh Public Schools," echoed Thompson.

But not all was sweetness and light. School board member Dan Romaniello, who had challenged the foundation leaders to draw as much attention to their resumption of funding as they had to the suspension, hinted at lingering tensions when he told a reporter, "I'm glad they're back. I think it will help the kids, and it's very welcome. But I don't want them to think I'm going to be worried about it happening again. I'm going to do my job. I won't be held hostage."

Still, the tone and message of that press conference contrasted sharply with the one the foundations had called in July 2002, when King, Brownlee and Trueheart appeared alone before the cameras. Not mincing words, the three foundation executives had blasted the district for a "sharp decline of governance, leadership and fiscal discipline" and declared, "As investors, we can no longer be confident that any funds we put into the district will be used wisely and to the maximum benefit of students."



School Board President Isler welcomes fellow board members to a recent meeting with Superintendent John Thompson. The board and administration continue to recover from one of the most tumultuous periods in the district's history.

Given the unprecedented toughness of those words, the foundations' decision to re-engage with the district just 20 months later struck some observers as a capitulation. Some believed the three foundations should never have suspended funding to the school district in the first place, especially in so public a fashion and, for them, the resumption of funding was a vindication.

"Nothing happened except they got lots of headlines," Phil Hallen, president emeritus of Pittsburgh's Maurice Falk Medical Fund, told the *Baltimore Sun*. "They had mud on their faces, and they had to get out of it."

Other observers took the opposite view and wondered whether the three foundations were giving up their leverage over the district by resuming funding too soon. Stephanie Wilson, the Endowments' evaluation officer, jokingly reported being "stalked" by a group of education funders at a recent foundation conference in Seattle. "They thought we should have held out longer," she said.

The foundations' tough stance two years earlier had sent shock waves through the normally demure field of professional philanthropy. *New York Times* reporter Stephanie Strom called it "a stunning and rare example of philanthropy publicly flexing its muscles." Ralph Smith, senior vice president of the Annie E. Casey Foundation in Baltimore and one of the field's leading thinkers, echoed that language when he recently

described the foundations' action as the birth of a new brand of "muscular philanthropy."

"Muscular philanthropy is the intentional and unapologetic use of a foundation's money, position, prestige, and influence to propel change in the face of otherwise effective resistance," he wrote in *Education Week* days before the foundations announced that they were re-engaging with the district.

"That announcement made some people question whether our muscles had suddenly gone limp," acknowledged Joseph Dominic, director of the Endowments' Education Program. "People who understand the glacial pace of reform in urban school districts naturally question how much could really have changed in 20 months. And it's true—the district hasn't been magically transformed just because we held back support. But the question for us ultimately came down to how we could best encourage the positive changes that were taking place."

Three specific changes proved decisive for officials at the foundations. First was the shift in the board's demeanor, which was supported by tangible changes in composition and leadership. In the wake of the foundations' suspension of funding, one of the school board's most confrontational figures and also its president at the time, Darlene Harris, was unseated by Patrick Dowd, whose grass-roots campaign promised an end to the board's relentless bickering.

Harris was replaced as president by William Isler, a decision that the *Pittsburgh Post-Gazette* called a “credit” to the remaining board members. “A former educator himself and a force for moderation on the board since he was elected in 1999, Mr. Isler has not allowed members to stray into incivility,” the newspaper editorialized. “It is as if Mr. Isler, the president of Family Communications, Inc., has brought to the board some of the calming, conciliatory values of *Mister Rogers’ Neighborhood*, which his company produced.”

Isler fits into that category of nonprofit executives who are comfortable working quietly, behind the scenes. A born diplomat, he rejects the suggestion that his leadership is responsible for the change in the board’s behavior. “There are nine people on this board—it’s not just me,” he stressed in a recent interview. “We all recognized together that, if we wanted to get anything done, we needed to make some changes.”

Like his late boss and mentor, Fred Rogers, Isler has a knack for seeing the best in others. He is surprisingly, even fiercely, protective of his fellow board members, even those who opposed him during the days when the board was bitterly divided into opposing factions.

“You have a group of people who come from different neighborhoods and all different walks of life, so there are bound to be some tensions,” he said. “But everyone in this group means well. They all want to do the right thing.”

Last October, the board met to discuss its differences and resolved to bridge them. So far at least, that agreement has held. Some votes still come down to a 5–4 split, but the board seems to be moving away from the lockstep, minority-versus-majority standoffs that characterized its votes in the past.

The second development that convinced the foundations to re-engage with the district was the release of a special commission’s report recommending changes in the district’s governance, finances and academics. Pittsburgh Mayor Tom Murphy had formed the Mayor’s Commission on Public Education in reaction to the foundations’ funding withdrawal. The panel’s 37 members, chosen to be broadly representative of the community, deliberated for over a year before offering a far-reaching slate of recommendations ranging from closing schools and reducing taxes to setting higher goals for student performance.

The commission suffered from an epic case of bad timing. The most controversial proposal offered in its report was to replace the existing, elected school board with an appointed one. The unanimous recommendation was consistent with the commission’s research, but it was released just as the city’s

GOOD MARKS

Three factors persuaded Pittsburgh’s foundations to resume funding to the Pittsburgh Public Schools:

1

A functioning school board. With several new members and a new chairman, the board has moved away from engaging in ugly public disputes and micromanaging the district’s day-to-day work. The focus now is on more substantive policy issues such as closing underused schools and improving academics.

2

Ideas for improvement. After the foundations suspended funding in 2002, Pittsburgh’s Mayor pulled together representatives from all across the city to recommend improvements in the district’s governance, finances and academics. Those recommendations are a roadmap for the community to follow.

3

An independent voice. Previously, Pittsburgh had no independent group allowing the broader community to influence the school board’s decisions and monitor its performance. That changed this year with the formation of A+ Schools.

finances were tumbling into insolvency, taking the Mayor’s popularity with them.

Also problematic was the harsh tone of the report’s executive summary. Although the overall report was balanced in its assessment of the district’s strengths and weaknesses, the summary and resulting news coverage focused strictly on the shortcomings.

Not everyone saw that as a problem. “Yeah, it would’ve been great if the authors of the report could’ve bundled everything together in a public relations–friendly package, but you know what? When your kid graduates and still can’t read or do math, or worse, when your kid drops out and you, as a parent, see looming in front of your child a life at the poverty line or below, it’s really not about nuance and spin, is it?” wrote parent Judy Wertheimer in the *Post-Gazette*.

But the summary’s tone—which inspired union leader Fondy to declare the entire report “dead on arrival”—clearly drew attention away from the report’s recommendations. “The commission was a diverse group of citizens who didn’t see it as their job to be political,” observed the Endowments’ King, who was a member of the commission’s finance committee. “In retrospect, though, the summary probably should have been more balanced. Its negativity caused even some people who agreed with the criticisms to tune out.”

Because Heinz, Grable and the Pittsburgh Foundation had not only inspired the commission’s formation but also funded its work, the hard feelings over its report were also directed at the three foundations. When the school board and foundations began talking about a rapprochement, “that anger was one of the first issues we had to deal with,” acknowledged Isler.

In February, the three foundation heads met for several hours with school board members to figure out if they could set aside their personal feelings and find common cause. “I really give them credit for that,” Isler said. “They sat and listened and didn’t get offended. They just kept bringing the discussion back

to what we all wanted to happen in the schools. The fact that conversation was so long and so passionate was phenomenal.”

Despite the residual anger over the commission’s report, the foundations stand by its recommendations. “A lot of good thinking and community involvement went into those proposals,” said the Grable Foundation’s Brownlee. “They’re a blueprint for improvement, and they’ve engaged the community in a way that school-reform activities here never have before. We can’t act on them all at once, but certainly we can move on some and hold others for later.”

She cites the proposal for an appointed school board. “That’s not practical now,” she said. “But the commission also recommended being more clear about the policy-setting role the school board should play as opposed to the day-to-day decision-making responsibilities of the superintendent. There’s no reason not to move on that recommendation.”

“That’s critical,” agreed Endowments Education Senior Program Officer Gerry Balbier. “In 2001, the district was moving forward with a pretty good plan for improving reading and math, but rancor on the board undercut it. Today, the district remains committed to a solid improvement plan and has added pre-school education, but the only way to ensure that continues is for the board to be extremely clear on its role.”

For its part, the school board has already begun to act on some of the commission’s recommendations. It has adopted a modest cut in the school tax and adopted a plan to close several schools.

“That was gutsy,” said the Pittsburgh Foundation’s Trueheart, noting that the implementation of a school-closing plan in 2000 was precisely the issue that caused bitter rifts on the board in the first place. “The board has been very thoughtful about its approach to this plan, and very open. And the fact that this board has exhibited such exceptional cooperation when faced with a potentially divisive issue demonstrates their willingness to act collaboratively for the good of the whole city.”

One commission proposal about which the school board is clearly ambivalent involves the creation of an independent citizens group to advocate for school reform. That isn’t surprising, since no group likes to think its work needs to be checked up on by another. But for the foundations, that proposal was non-negotiable, and early this year they funded the launch of a group called A+ Schools.

“Every major urban district has an organization like this,” said Brownlee, who co-chairs the group. “It gives the community an independent voice to keep up the pressure for reform, and it

gives the school board and the superintendent help in engaging the broader community on tough issues. That intermediary and advocacy role is what A+ Schools offers.”

For the foundations, the launch of A+ Schools was the third major development arguing for a renewal of funding to the district. “At that point, one could not argue that nothing had changed in the district since our withdrawal,” said Trueheart. “Many things had changed. There was a functioning board with new leadership, a list of proposals that it was beginning to implement, a community that was much more involved and an independent citizens’ alliance helping to mind the store. It was important for us to acknowledge that progress.”

How much of that progress has been helped along by the foundations is unclear. The *Post-Gazette* described the foundations’ contribution this way: “It is difficult to parse the exact reasons for this improvement because it has several strands, but the July 2002 decision . . . to withdraw their funding did serve to concentrate minds on the board’s dysfunction. At the very least, the foundations’ action provided a helpful context for the grass-roots effort that led to the . . . breaking of the old majority on the board and bringing the hope of better times.”

For their part, officials at the three foundations are careful not to claim credit. “Ultimately, the board deserves the praise for its own progress, and so does the community,” said King. “Besides, it’s really the wrong question. The important issue is that now the district is on a much more promising path.”

That answer may not wash with observers who think the foundations should never have suspended funding in the first place, and others who wish they had persisted longer in showing their “muscle.” But officials at the three foundations are undeterred.

King points to a column Howard Heinz Endowment Chairman Teresa Heinz wrote two years ago to explain the foundations’ funding withdrawal. “Caring does not automatically translate into giving money,” she wrote. “Sometimes, as in this case, it translates into demanding better of an institution’s leaders than they are demanding of themselves.”

“I think we did that, and demonstrated that sometimes it can be helpful for philanthropy to be more forceful,” said King. “But sometimes being strong means reaching out. We took a tough stand and our grantee responded. We’re just happy this district finally seems to be turning its attention to what really matters, which isn’t the foundations or the school board or even the administration, but the students.” *h*

Point State Park Maintenance Foreman John Samosky stops to greet young park enthusiasts from Beltzhoover. Samosky worries for the fate of one of the city's signature landmarks if a foundations-funded master restoration plan isn't enacted.

38

by Douglas Root

SHARPENING THE

POINT

PITTSBURGH'S PREMIER URBAN PARK, BEARING THE BRUNT OF TOO MANY FEET FOR TOO MANY YEARS, WAS IN DIRE NEED OF A GRASS-ROOTS-TO-FOUNTAIN-TOP RENOVATION. HERE'S HOW, IN AN ERA OF GOVERNMENT AND CORPORATE RETRENCHMENT, A FOUNDATION AGENDA ON CIVIC DESIGN HAS LAID THE GROUNDWORK FOR A SPECTACULAR COMEBACK.

A

s the sun was setting on a cold and blustery March 22, 1946, the boys from the City of Pittsburgh Fire Bureau's No. 1 station, downtown, were having a rough time of it. The fire was raging in the middle of the warehouse and rail yard district at the Point, the name for the triangular chunk of land in the lower business district that marks where two rivers snaking around the city merge to form the Ohio. ❖ One firefighter told a reporter that the heat from the inferno being fed by the Wabash Terminal buildings, a rambling network of ancient, wood-framed warehouses and oil-soaked tracks, had melted train signal gates bordering the area. By 6 p.m., the flames had grown beyond the control of the small army of city firefighters. Fire Chief William Davis ordered his men back and put an emergency call in to Mayor David Lawrence, who happened to be in an evening meeting in his office with several aides and a state senator.



The men grabbed their overcoats and rushed to the scene, but found that the best vantage point was from the roof of the Pittsburgh Press Building. For the next few hours, the mayor and his entourage watched as the buildings crumpled into heaps of charred timber, glass and metal. But instead of furrowed brows and shaking heads over the inferno, Lawrence, Sen. Joe Barr, a key ally in Harrisburg for the mayor's agenda, and other city officials, all had broad smiles. There was hand-shaking and back-slapping congratulations all around. Then the group settled back to enjoy the rest of the fire and marvel at how spectacular the view to the rivers was with the buildings gone.

Once the officials knew that there were no deaths or injuries, "we couldn't help but enjoy our good fortune," said Lawrence's chief of staff and lead strategist Jack Robin. "What the hell? We knew the fire was helping us build that park," he told writer Michael P. Weber for his biography of Lawrence. City leaders who supported a state plan for a park at the Point realized that the property-acquisition-and-demolition process expected to take years had been, thanks to the flames, collapsed into a few months.

From the ashes of the Wabash Terminal and several other buildings rose the phoenix: an urban park that would provide one of the most picturesque city-waterway views in the world. The park at the Point would stand as an icon for Renaissance I, Lawrence's plan for a comprehensive cleanup of "Smoky City" — Pittsburgh's street name derived from decades of air

and water pollution caused by belching steel mills and tens of thousands of coal-heated homes and businesses.

As Lawrence partnered with Pittsburgh business leaders to clean up the water and air, a park at the Point would give city dwellers an immediate sense of how much the quality of urban life could improve. The master plan created by architect Charles Stotz and landscape designer Ralph Griswold would serve the quieting, contemplative purposes of historic memorial—recognizing the site's prominence in the French and Indian War—and of restful retreat, a green patch of solitude in the city's hectic downtown triangle.

In the 55 years since its groundbreaking, the park has gone wildly beyond its original missions. With a spectacular 150-foot-high fountain added for the park's dedication in 1974, it has evolved into a visual signature of the city, the mandatory photo op for "Monday Night Football" cameras trying to fill in game downtime. It is ground zero for the official Fourth of July fireworks extravaganza; the end-point for the Great Race, an annual crush of about 10,000 runners into the park since 1977; the staging ground for dozens of charity walk-a-thons, a two-week summer arts festival and a weekend boating regatta. City and state caretakers come up with the stunning estimate of 2 million event-goers and individual strollers treading over a scant 36 acres every year.

Worn and weary, more often restless than restful, Point State Park has for years been in dire need of much more than

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Originally envisioned as a passive retreat from working-day downtown life, Point State Park was never designed for the mega-city events that descend on it at various times of the year. The result has been several decades of wear and tear. There are also concerns that lack of amenities leave it vacant for long stretches between events. A foundations-funded master plan, adding attractions like those described on the opposite page allow visitors to:



THE PLAN

a cosmetic makeover. The erratic patterns of human contact are threatening its health and calling its purpose into question. Planners say that in stepping forward to develop a new master plan, they have settled the issue of core identity and are making it relevant for another 50 years.

In an era when cash-strapped government officials are struggling just to supply basic services, and where corporate leaders have cut back in leading complex civic projects, it is Pittsburgh's foundation community that has been looked to as the force for effecting this significant change in the park—every bit as dramatic as the flames that helped create it.

“In this instance, the park is so special, so connected with a first impression of Pittsburgh to the world, that it demands getting support beyond just a few key constituencies. The foundations have to be the leaders,” says Lisa Schroeder, executive director of the Pittsburgh Riverlife Task Force, the convening group of 54 civic leaders focused on best uses of the city's riverfronts. From that authority and through support from the Allegheny Conference on Community Development, a 65-member committee was formed and worked for three years to create a new master plan for the park. “It seems like a lot of groups and a lot of process—40 public meetings—went into this plan,” says Planning Committee Chairman James Broadhurst, CEO of Eat'n Park Hospitality Group. “But one of the guiding points we kept holding over committee members is that what we do in our planning will affect Pittsburgh for decades to come. It seems everyone now is referring to this park as the city's front lawn.”

A \$35 million first phase of the new park plan, released in January, calls for intensive rejuvenation of the site—restoration of the great lawn and landscaping—but also significant additions such as a new, 4,200-square-foot visitors center and café, a redesigned fountain with a pooling basin for children and a doubling of green space for large public events and for more

individual recreational uses. While foundations have provided \$700,000 for a high-quality master plan and historic interpretation materials, implementation depends on whether the \$35 million in public improvement funding included in the governor's budget proposal survives the deliberation process now under way in the state Legislature.

Whether there is a groundbreaking this year or not, the development of a plan embraced by the stakeholders is considered a significant step forward by funders. “What we face now in the park is a small group of regular users and then these huge crowd surges for public events,” says Mary Navarro, senior program officer in the Endowments' Arts & Culture section. She also coordinates the foundation's civic design initiative, which takes on projects that enhance the quality of life in public spaces in built and natural environments. “The over-arching question in guiding the planning has been ‘What kind of a park is this going to be?’” says Navarro. “Do we want a park of ‘can'ts,’ where you can't ride your bike and you can't skateboard and the people who live in my downtown condo can't take their small dogs for walks?”

Now, with the new master plan approved, she says, the “use” question that has been simmering for years is settled. “We want a park that is more animated in those long stretches of time when people aren't swarming in for events. We want to preserve the contemplative aspects but also create a direct connection with downtown residents, who treat the space as their neighborhood park,” says Navarro. Many of the programs she directs in civic design are aimed at increasing the numbers of downtown residents.

While the first phase is scheduled to be completed by 2008, in time for the 250th anniversary celebration of Pittsburgh's founding, the foundations' influence on the plan ensures that future phases will continue and will be centered on best uses.

A Touch the water in a restored fountain with a wading pool for children. On new water steps, dip into the waters of the famous confluence of the three rivers.

B Get on a boat from two new water taxi landings. Located on both sides of the Point, they are designed to accommodate boaters, paddlers and water transport alike.

C Dine alfresco at a bustling café with wireless access at a new “green” Visitors’ Center and trailhead.

D Pedal to the point from Washington, D.C., on a new riverside trail that links Pittsburgh to our nation’s capital, positioning the Point fountain as a national trailhead for the Great Allegheny Passage trail system.

E Take a stroll from the Convention Center or a hike from the colorful Strip District along a revitalized promenade at the edge of the Allegheny River.

F Learn and live history through a dynamic outdoor program and an expanded exhibit at the Fort Pitt Museum that brings to life the French and Indian War and other key events enacted on this historic site.

G Enjoy the show, whatever your taste, at a redesigned “cityside” park outfitted to handle everything from chamber music ensembles to blockbuster concerts.

“Pittsburgh is fortunate to have foundations involved to this degree in a public amenity like a park,” says Tim Marshall, landscape architect and public space management consultant who, as president of ETM Associates, LLC, worked with fellow landscape architect Marion Pressley of Cambridge, Mass., to design the plan. Funding from the Endowments and from the Richard King Mellon, Pittsburgh and Alcoa foundations, combined with money from the state Department of Conservation and Natural Resources, was essential to ensure a quality master plan, says Marshall, who worked for 14 years as deputy administrator for New York’s Central Park and served as vice president of the Central Park Conservancy.

Foundations are one of the few institutions, says Schroeder, who recognize the need for a dependable public funding stream in long-range planning for the park. “They’re asking, ‘How can this park be shaped to meet what the city will be 20 years from now?’”

Part of that longer-range thinking comes out of the Endowments’ civic design grantmaking. While it’s only several years old and one of the few initiatives of its kind in the country, its influence in southwestern Pennsylvania already is being recognized. The foundation’s civic design team, which consists of a mix of dedicated staff and key grantees like the Riverlife Task Force, has shepherded such recent high-profile public projects as the design competition for the David L. Lawrence Convention Center; the plan to turn a surface parking lot into a green-lawn-and-public-square entrance to Schenley Park; and the redesign of a view-killing safety railing on one of the city’s most important bridges.

One hallmark of civic design influence on the Point Park project has been the re-animation effort in phase one, shaping the space into two venues: a “city side” for large, public events like concerts and road races, and a “water side” for more individualized activity. The two sections even have a man-made demarcation line already in place in bridge ramps that bisect the park. This core structure of the master plan ends a long-standing turf battle between those in favor of the park as welcoming users for all sorts of recreational activities and those who want to maintain limits, in keeping with the founders’ original vision of a contemplative oasis from urban chaos. Some of the limitations have even made their way into park regulations like bicycle-riding restrictions.

“In any project like this, you want to stay as true as possible to the original design intent, but you also want to recognize that cities are constantly changing according to the needs of the

people who live and work in them,” says Laura Fisher, a senior vice president of the Allegheny Conference.

It’s that kind of adaptive planning philosophy in re-shaping an important public space for the long term that also has attracted a foundation like Richard King Mellon, which is a national leader in land conservation.

While more often involved with acquiring large tracts of private land in order to preserve them for future generations, the foundation recognizes the historic value of Point State Park. “Restoring the beauty of the park and reminding people of its geographic significance from the time of the French and Indian War to present day is of great interest to our trustees,” says Seward Prosser Mellon, president of the foundation.

But at the heart of this green ground, far away from the computer-generated schematic drawings, the highbrow conversations with architects and urban planners around “crowd flow” and “viewsheds,” City of Pittsburgh maintenance crew foreman John Samosky knows only what he has seen in 15 years of tending to the park, trying to nurture it as best he can, even as he and his team are often preoccupied with putting band-aids on bumps and bruises inflicted by overuse.

“The shame of it is, this is one of the youngest parks in the city—and it looks like the oldest,” Samosky says during a recent tour.

And taking guidance from environmental protectionists and landscaping consultants, Samosky has been the willing good soldier for any scheme that will put more preservation into his tired park. He remembers back to the spring of 1999 when he and his crew were out in the high-traffic areas laying down new sod as they normally would do—but then adding a topping of crumbled rubber, the remains of some 3,700 tires recycled by the Western Pennsylvania Nature Conservancy into a tool for environmental protection. The crumb rubber has been proven to absorb the shock and weight from running shoes and vehicle tires, protecting the grass crowns.

The Riverlife Task Force’s Schroeder, who is working with state and federal officials to secure funding for implementation, believes environmental protection efforts are important, but a sound master plan is “the most effective, long-term protector,” she says.

The plan also will serve to put a fresh sheen on original landscape designer Griswold’s inspirational touchstone—“the calm eye in the center of the city.” Now, a new generation is looking to re-connect a calming park to the life of the city. *h*

The year in

review

In October 1923, four years after the death of Heinz Foods Co. founder H. J. Heinz, his oldest son, Howard, was beginning to make his own mark as president of one of the country's most successful companies. While his management style might be considered paternalistic today, he was popular with his employees and admired by the public for a deeply religious commitment to bettering his community. In fact, that caring sensibility is his legacy, living on 80 years later in the work of the Heinz family and The Heinz Endowments.

With a business leader's mind and a philanthropist's heart, Howard was a sought-after speaker.

So it was that at an Oct. 23 dinner, Howard was asked to give an address to the Northside Businessmen's Association, marking the completion of a new 16th Street Bridge, built at the then-pricey sum of \$1.2 million.

Howard would have been well received if he had offered the usual civic-progress platitudes, congratulating his audience for its leadership in getting the bridge completed. But in his 16-page speech, the bridge became the backdrop to a larger theme.

Titled *Citizenship—Its Opportunities and Duties*, the speech was directed at the larger community. In it, he exhorted Pittsburghers to consider the whole of their city rather than focus solely on their individual neighborhoods: *"Whatever is of benefit directly to any part of our city will be an indirect benefit to the city at large, and we all should be interested in a better Pittsburgh."*

As we at the Endowments report on our work of last year, it is extraordinary how this founder's aspirations travel through eight decades to land so firmly on point in a new time and for a new generation. The speech also serves up a list of Heinz family values that, when viewed through the prism of our grantmaking in southwestern Pennsylvania, assures me that we are on the right track.

"What we need is an aroused public ambition to make our city, with its incomparable natural amenities, the equal of any city on the continent, in those things that make for the

comfort, the safety, the convenience and the health—in a word, the general welfare—of our own people."

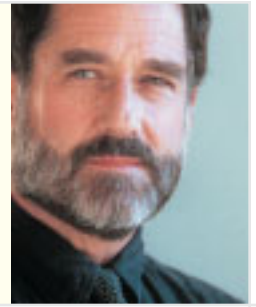
There may not have been a specific name for it in the 1920s, but Howard was calling for a community mindset that would make Pittsburgh a national model city with the highest quality-of-life standards. He also cited the importance of creating well-designed spaces and infrastructure in achieving this goal: street widening and beautification, small urban parks, architecturally significant bridges, even a subway system.

At the Endowments, this ideal re-manifested itself several years ago in a new initiative—civic design—which promotes quality design and function for public spaces in the built and natural environment. Under the leadership of Teresa Heinz, civic design is an updated version of Howard's vision. "You are designers not just of our buildings and our streets and our parks; you are designers of our future," she told architects and urban planners after receiving an award for her efforts three years ago from the American Institute of Architects in Pittsburgh.

While one recent civic design project—helping develop a master plan for renovating Point State Park—is detailed in this issue, the successful completion of an earlier project was marked in the opening of the new David L. Lawrence Convention Center. Endowments funding had helped this project achieve world-class design status and notoriety as the largest green building in the country. Last year's funding allowed completion of the 10th Street passageway and waterfall, one of the most popular architectural features in the city.

Indeed, the civic design initiative has emerged as a touchstone for many projects that connect to some of the Endowments' other program areas, especially the Environment. That partnership was evident last year in \$200,000 total grantmaking to ensure quality design for the new Schenley Plaza and lay the groundwork for \$885,000 in additional Endowments grants for the project this year. The plaza will turn a dreary surface parking lot into one of the green "breathing spaces" that Howard envisioned—this one as a public square and grand

By Maxwell King
President, The Heinz Endowments



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entrance to Schenley Park. On another front, the Endowments sponsored a community planning exercise to promote civic design principles in the expansion of Sarah Heinz House, one of the city's oldest youth development centers.

Last year's environmental grantmaking, totaling \$10.7 million, was one of the most comprehensive regional environmental protection efforts by any foundation in the country. Anchoring the agenda was a partnership with Philadelphia's William Penn Foundation in which the Endowments contributed two grants: \$36,000 to the Brookings Institution for a year-long study that detailed how rampant sprawl and fragmented government have weakened the state's economy, and \$100,000 to 10,000 Friends of Pennsylvania to implement recommendations. The in-depth story on how the report on that study is affecting public policy appears in this issue.

Other environment funding last year included a University of Pittsburgh program to train civil engineers in green-building techniques; a local-government academy to educate newly elected public officials on land-use issues; continuing support for the Green Building Alliance, which has succeeded in making Pittsburgh first among cities in green building; and the Allegheny Trail Alliance, to assist in the completion of the Great Allegheny Passage, a 150-mile trail system linking Pittsburgh to Cumberland, Md.

Last year, the Endowments' Arts & Culture Program made grants to some of Pittsburgh's largest arts institutions, such as \$4 million to advance the "Dinosaurs In Their World" exhibit at the Carnegie Institute's Museum of Natural History and \$750,000 to the financially troubled but critically heralded Pittsburgh Symphony Orchestra to implement a financial reorganization plan. But there were grants to some of the region's smallest arts programs as well, including a three-year, \$1 million grant to the Small Arts Initiative, which awards project grants to groups with annual budgets below \$250,000, and a \$120,000 grant to the Mid Atlantic Arts Foundation, which provides community-centered residencies for some 20 artists across a nine-state region each year.

"A city, county or any other governmental division is only a cooperative society or corporation, in which all citizens are shareholders. If it suffers from lack of interest of its shareholders, it will retrograde. If a city fails to reach its highest development, the responsibility for that failure rests, ultimately, upon its citizens."

One of the most important services provided by the Endowments' Economic Opportunity Program last year involved grantmaking to help find long-term solutions to one of the most serious financial crises faced by Pittsburgh city government in its modern history. As a state-appointed financial oversight board debated with elected officials over

"Whatever is of benefit directly to any part of our city will be an indirect benefit to the city at large, and we all should be interested in a better Pittsburgh." **Howard Heinz**

"There are many opportunities in Pittsburgh for the exercise of a constructive imagination that will rebound in both usefulness and beauty. ... There are two tests for what we choose to pursue for a civic or artistic project: First, what does it provide for the people? Second, what does it cost the people?"

In a period when the largest nonprofits in the country have struggled against significant donor cutbacks, arts groups have been hit particularly hard. Much of the work of the Arts & Culture Program last year was to help local arts groups weather the tough financial times. The Endowments' commitment to nurturing a broad range of arts groups is rooted in the notion that a vibrant cultural center brings tremendous value to the region—as much in the realm of economic development as artistic enrichment.

cost-cutting measures in the face of a \$50 million deficit, the Endowments supported the first serious effort to look into city-county consolidation.

A \$300,000 grant to the Pennsylvania Economy League helped to support extensive work to understand the benefits and detriments of a City of Pittsburgh government merging with Allegheny County. Working with city and county officials, Economy League staff supported a targeted effort on joint purchasing and also studied other consolidated metro areas to learn how Pittsburgh can benefit from their efforts. Given county officials' recent forecast of a \$30 million structural deficit in the pending budget, the Endowments' role in exploring consolidation is critically important.

“There are many opportunities in Pittsburgh for the exercise of a constructive imagination that will rebound in both usefulness and beauty. ... There are two tests for what we choose to pursue for a civic or artistic project: First, what does it provide for the people? Second, what does it cost the people?” **Howard Heinz**

But the Economic Opportunity Program's assistance to governments in crisis did not supplant the responsibility to provide more long-term investment in programs aimed at turning around the region's stalled economy. A total of \$1.2 million in grants last year went to the Pittsburgh Life Sciences Greenhouse, a regional incubator for businesses emerging from biomedical research development at local universities. The Endowments also funded and helped guide the national search for a new greenhouse CEO. With these grants, the Endowments' total investment in the greenhouse now stands at \$9 million.

“There is a debt that we owe to the boys and girls who call Pittsburgh ‘home,’ and who are growing up to be the men and women who will take your place and mine, and carry on the life and work of this community. May it never be said that this generation was not faithful to them, and that it evaded or refused to pay them the debt it owed to them. ...”

Last year, the Endowments' deepened its commitment to working across program areas to better prepare some of the region's neediest children for learning in the early years. Leading that agenda was a \$500,000 grant to the Allegheny County Intermediate Unit for implementation of the Power4Kids Project, which will identify the most effective remedial reading programs for treating specific proficiency problems affecting elementary students. Another cross-program effort was covered by a \$250,000 appropriation for two initiatives: the first was to support a statewide advocacy group, Pennsylvania Partnerships for Children, in an ambitious plan to improve training for early-education-and-care staff, and the second funded a series of programs to measure the performance of schools and communities in the region around early learning.

While most of Children, Youth & Families staff work for the year centered on promoting early learning improvement with more than \$1.4 million going to such programs, there also was a new effort begun to address financial literacy issues in the region's African-American communities. Among the grantees receiving some of the \$400,000 in funding to promote home ownership and savings plans is Faith Saves, which is featured in a story in this issue.

In education grantmaking, the Endowments followed up on its decision two years ago to suspend funding from the Pittsburgh Public School System by working to support enactment of

recommendations from the Mayor's Commission on Public Education. For example, a \$275,000 grant provided startup funding for A+ Schools, an independent citizen advocacy group that will monitor public schools' performance. A story in this issue offers an in-depth report on our decision to resume a funding relationship with the schools.

The Endowments' Education agenda last year continued to work to provide more school choices and learning opportunities for disadvantaged students. Grants totaling \$1.2 million are helping the Negro Educational Emergency Drive (NEED) create an endowment and expand its scholarship fund. For more than 30 years, NEED has offered last-dollar scholarship support to African-American students who qualify for college-level studies but can't pull together enough financial assistance to remain in school. In a continuing effort to offer successful elementary and high school alternatives in the public sector, the Endowments provided \$600,000 to support two efforts to create a better climate for charter school creation. One will enable Propel Schools to develop nine charter schools enrolling a total of 3,600 students during the next five years; the second will use the Community Loan Fund of Southwestern Pennsylvania to leverage more charter school support from other sources.

When Howard began his speech that fall night eight decades ago, he referred to a quotation he noticed while walking past a downtown church. On the large sign that normally would feature the title for that Sunday's sermon, there was, instead, what he described as the ultimate in tragic epitaphs: *“He believed in progress but he did not make any.”*

Howard made it clear that this was his label for the worst kind of failure. He also made it clear that it could be slapped onto entire cities and regions as well as individuals. And I am certain that, had he imagined the extent to which his charitable endowment would grow in size and influence, this foundation would have been under the same warning.

By measures of breadth and impact, I am certain that the Endowments' work in southwestern Pennsylvania last year would meet our founder's standards for progress. It is between the lines of his speech where I see the more daunting challenges—those that can't be assessed in yearly reports: “Help the non-believers believe,” he is telling us, “and give them the resources to make their own good progress.” **h**

financial summary

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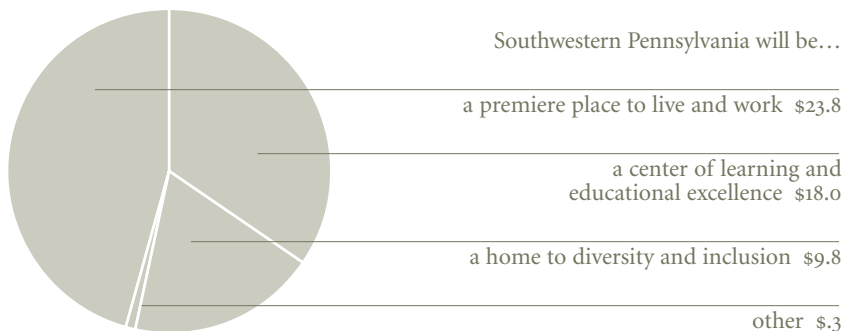
This is a combined financial summary for the Howard Heinz Endowment and the Vira I. Heinz Endowment. A complete audited 2003 financial statement for each endowment is available on our web site (www.heinz.org) in the "Library" section.

By Program Area

Total Combined Approved Grants for 2003 (in millions) = \$51.9



By Organizational Goal



Total Combined Approved Grants (in millions)

Historical Perspective



Total Combined Net Assets (in billions)



The audited numbers reflected in these charts are net cancelled and refunded grants.

2003 grants

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ARTS & CULTURE

African American Cultural Center of Greater Pittsburgh

To fund a two-day think tank designed to expand the programmatic vision of the African American Cultural Center

Howard Heinz Endowment

\$26,750

Afro-American Music Institute Inc.

For building improvements

Vira I. Heinz Endowment

\$30,000

Aliquippa Alliance for Unity & Development

To support after-school and summer arts programming with Aliquippa Middle School from spring 2003 through spring 2004

Vira I. Heinz Endowment

\$40,000

American Wind Symphony Orchestra

To support the 2003 Beaver Valley International Arts Festival

Vira I. Heinz Endowment

\$7,500

Artists and Cities, Inc.

For support of the project entitled "Powerful Days: The Photography of Charles Moore"

Vira I. Heinz Endowment

\$10,000

Artists and Cities, Inc.

For capital improvements to the Ice House

Vira I. Heinz Endowment

\$50,000

Artists Image Resource, Inc.

To support the implementation of the strategic plan from fall 2003 through 2006, including support for key staff positions

Howard Heinz Endowment

\$50,000

The Bloomfield–Garfield Corporation

To support the Penn Avenue Arts Initiative's Youth Arts Program through December 2003

Vira I. Heinz Endowment

\$30,000

The Bloomfield–Garfield Corporation

To support the Penn Avenue Arts Initiative's Youth Arts Program through December 2005

Vira I. Heinz Endowment

\$100,000

Boys & Girls Clubs of Western Pennsylvania

To support a consultant to work with the Boys & Girls Club to integrate the literacy and arts programs, develop assessment tools, and document the second year of arts-literacy programming at the Lawrenceville site

Vira I. Heinz Endowment

\$5,000

Brew House Association

For the cost of an independent appraisal of the Brew House building

Vira I. Heinz Endowment

\$6,550

Carnegie Institute

For general operating support

Vira I. Heinz Endowment

\$2,000

Carnegie Institute

For general operating support

Howard Heinz Endowment

\$8,000

Carnegie Institute

For additional funding to support the conservation, digitization and cataloging of the Charles "Teenie" Harris photographic archive

Vira I. Heinz Endowment

\$30,000

Carnegie Institute

For an endowment gift to the Ingrid S. Rea Fund of the Carnegie Museum

Howard Heinz Endowment

\$4,000

Carnegie Institute

For an endowment gift to the Ingrid S. Rea Fund of the Carnegie Museum

Vira I. Heinz Endowment

\$2,000

Carnegie Institute

For the construction of the Dinosaurs in their World complex

Vira I. Heinz Endowment

\$4,000,000

Carnegie Institute

For general operating support

Vira I. Heinz Endowment

\$10,000

Carnegie Institute

For the Carnegie International

Vira I. Heinz Endowment

\$10,000

Carnegie Mellon University

For 2004–05 fellowships at the STUDIO for Creative Inquiry

Howard Heinz Endowment

\$40,000

Carnegie Mellon University

To fund a pilot ethnographic study to be conducted by the Center for the Arts in Society

Howard Heinz Endowment

\$25,000

Chatham Baroque Inc.

To support guest violinists for the 2003–04 season

Howard Heinz Endowment

\$7,475

Committee to Protect Journalists

To support fundraising efforts and the organization's Spotlight programs
Vira I. Heinz Endowment
 \$20,000

The Community House Learning Center

For Conversations for Common Wealth
Howard Heinz Endowment
 \$50,000

County of Somerset

For a temporary staff position for the Flight 93 memorial
Howard Heinz Endowment
 \$50,000

Grantmakers in the Arts

For two-year operating support (2003–04)
Vira I. Heinz Endowment
 \$50,000

Grantmakers of Western Pennsylvania

For support of the Nonprofit Summit 2003
Vira I. Heinz Endowment
 \$535

Greater Pittsburgh**Convention & Visitors Bureau**

To support cultural tourism activities in 2004 and 2005
Vira I. Heinz Endowment
 \$500,000

Guitar Society of Fine Art

To support weekly after-school music programs at East Liberty Presbyterian Church and Frick International Middle School in 2004
Vira I. Heinz Endowment
 \$10,000

Historical Society of Western Pennsylvania

For general operating support
Vira I. Heinz Endowment
 \$2,000

Historical Society of Western Pennsylvania

To support the planning and design of the Senator H. John Heinz exhibit
Howard Heinz Endowment
 \$20,000

Historical Society of Western Pennsylvania

For the Senator H. John Heinz exhibit
Vira I. Heinz Endowment
 \$250,000

Manchester Citizens Corporation

For support to address vacant properties and abandoned buildings in Manchester and establish a replicable program for other neighborhoods
Howard Heinz Endowment
 \$31,000

Mattress Factory

For general operating support
Howard Heinz Endowment
 \$5,000

Mendelssohn Choir of Pittsburgh, Inc.

For the Berlioz Concert and strategic planning
Howard Heinz Endowment
 \$42,000

Mid Atlantic Arts Foundation

To support the Artist Residency Program
Vira I. Heinz Endowment
 \$120,000

Mon Valley Education Consortium

For funding to continue working on a documentary film project about the people who are significant parts of the City of McKeesport
Vira I. Heinz Endowment
 \$9,000

Northside Leadership Conference

To support continued planning for the Hazlett Theater
Howard Heinz Endowment
 \$50,000

Pennsylvania State University

To provide partial support of two research assistants for the Hemingway Letter Project
Howard Heinz Endowment
 \$20,000

Pittsburgh Center for the Arts

To support the school and community programs in 2004
Howard Heinz Endowment
 \$100,000

Pittsburgh Center for the Arts

To assist in designing a three-year financial projection
Vira I. Heinz Endowment
 \$8,000

Pittsburgh Children's Museum

For capital and operating support for the Hazlett Theater
Vira I. Heinz Endowment
 \$500,000

Pittsburgh Cultural Trust

For 2004 operating support
Howard Heinz Endowment
 \$950,000

Pittsburgh Cultural Trust

For the purchase of a new ticketing system for the Cultural District
Howard Heinz Endowment
 \$500,000

Pittsburgh Cultural Trust

For the District Development Fund for 2003 and 2004
Howard Heinz Endowment
 \$1,000,000

Pittsburgh Cultural Trust

For First Night 2004
Howard Heinz Endowment
 \$20,000

Pittsburgh Cultural Trust

For the 2004 International Festival
Vira I. Heinz Endowment
 \$250,000

Pittsburgh Cultural Trust

To assist in the transition process of merging First Night into the Pittsburgh Cultural Trust
Howard Heinz Endowment
 \$25,000

Pittsburgh Cultural Trust

To purchase the Associated Artists of Pittsburgh building
Howard Heinz Endowment
 \$300,000

Pittsburgh Cultural Trust

For general operating support
Vira I. Heinz Endowment
 \$2,000

Pittsburgh Cultural Trust

For general operating support
Vira I. Heinz Endowment
 \$10,000

Pittsburgh Dance Alloy

For a visioning process
Vira I. Heinz Endowment
 \$14,000

Pittsburgh Film-Makers, Inc.

To support the Steeltown Entertainment Summit
Howard Heinz Endowment
 \$10,000

Pittsburgh Film-Makers, Inc.

To support film programming at the Harris Theater in the Cultural District in 2004 and 2005

Vira I. Heinz Endowment

\$140,000

The Pittsburgh Foundation

For the Multi-Cultural Arts Initiative for 2004

Howard Heinz Endowment

\$500,000

The Pittsburgh Foundation

For Phase II of the Cultural Scan

Howard Heinz Endowment

\$50,000

Pittsburgh Glass Center, Inc.

For three-year operating support

Vira I. Heinz Endowment

\$180,000

Pittsburgh Irish and**Classical Theatre Inc.**

To provide partial support of the part-time sales and production manager positions from 2003 through 2005

Howard Heinz Endowment

\$50,000

Pittsburgh Opera Inc.

For the 2004 National Performing Arts Convention

Howard Heinz Endowment

\$250,000

Pittsburgh Opera Inc.

For planning for a 2004 arts conference

Howard Heinz Endowment

\$42,250

Pittsburgh Opera Theater, Inc.

To support 2003–04 *Summer and Smoke* and *Just Above my Head*

Vira I. Heinz Endowment

\$30,000

Pittsburgh Public Theater Corporation

For general operating support

Vira I. Heinz Endowment

\$2,000

Pittsburgh Symphony Society

For general operating support

Howard Heinz Endowment

\$14,000

Pittsburgh Symphony Society

To support the search for a new managing director

Howard Heinz Endowment

\$50,000

Pittsburgh Symphony Society

For additional operating support for 2003–04 and 2004–05

Howard Heinz Endowment

\$750,000

Pittsburgh Youth Symphony**Orchestra Association Inc.**

For operating support for 2003 through 2005

Vira I. Heinz Endowment

\$60,000

ProArts

For strategic planning assistance

Vira I. Heinz Endowment

\$3,000

ProArts

For three-year operating support

Vira I. Heinz Endowment

\$600,000

Riverlife Task Force

To support creation of a landscape design for a park and trail connection for the Mon Wharf

Vira I. Heinz Endowment

\$50,000

Robert Morris University

For the Center for Nonprofit Management to produce financial analyses and provide technical assistance to select cultural organizations in 2004

Howard Heinz Endowment

\$20,000

Silver Eye Center for Photography

To support key exhibitions and professional development activities in 2003–04 and 2004–05

Howard Heinz Endowment

\$50,000

Society for Arts in Crafts

For expenses associated with the Craft Organization Directors Association Conference

Vira I. Heinz Endowment

\$2,500

Society for Arts in Crafts

To support the capacity building initiative

Vira I. Heinz Endowment

\$120,000

Sports & Exhibition Authority of Pittsburgh and Allegheny County

For the North Shore Riverfront Park

Howard Heinz Endowment

\$250,000

Sports & Exhibition Authority of Pittsburgh and Allegheny County

For the Tenth Street passageway and water feature at the Convention Center

Howard Heinz Endowment

\$500,000

Squonk Opera

To help defray the cost of the performance at the Edinburgh Fringe Festival

Vira I. Heinz Endowment

\$5,000

Susquehanna Art Museum

For “A Legacy of Excellence” project

Vira I. Heinz Endowment

\$10,000

Tides Center—Western Pennsylvania

For the “Find the Rivers” project

Howard Heinz Endowment

\$50,000

University of Pittsburgh

For support of the Heinz Chapel Choir’s 2003 concert tour to China, the 2002–03 Heinz Chapel Music Series and the Bach and Baroque Series 2003 concert

Vira I. Heinz Endowment

\$44,000

University of Pittsburgh

For support of the Music Department Series in Heinz Chapel

Vira I. Heinz Endowment

\$12,000

Virginia Center for Creative Arts

To support southwestern Pennsylvania visiting artists between June 2004 and May 2005

Vira I. Heinz Endowment

\$25,000

WQED Pittsburgh

For general operating support

Vira I. Heinz Endowment

\$2,000

WQED Pittsburgh

For *On Q* for 2004

Howard Heinz Endowment

\$300,000

Arts & Culture
Creative Heights

Manchester Craftsmen's Guild

To support a residency with artist
Delanie Jenkins
Vira I. Heinz Endowment
\$36,000

Mattress Factory

To support a residency with artist
Jeremy Boyle
Vira I. Heinz Endowment
\$24,500

Arts & Culture
Small Arts Initiative

Artists Image Resource, Inc.

For the 2004 Resident Artist program
Howard Heinz Endowment
\$12,000

Autumn House Press

For the 2004 Autumn House Master
Poets Series and readings by local poets
Howard Heinz Endowment
\$5,000

Bach Choir of Pittsburgh

To support the performance of
St. Matthew Passion in April 2004
Howard Heinz Endowment
\$9,000

**The Balmoral School of
Highland Piping, Inc.**

To create, rehearse and perform music
for bagpipe, pipe organ and voice
Howard Heinz Endowment
\$6,000

Bodiography Contemporary Ballet Co.

For the creation of a new contemporary
ballet performed in October 2003
Howard Heinz Endowment
\$8,000

Bricolage

In support of the production of
Max Frisch's *Firebugs*, presented in
September 2003
Howard Heinz Endowment
\$9,500

**Bulgarian-Macedonian National
Educational and Cultural Center, Inc.**

For a series of workshops through August
2004 to further the artistic development of
the performing ensemble *Otets Paissi*
Howard Heinz Endowment
\$9,000

Fiberarts Guild of Pittsburgh

To support the exhibition "Fiberart
International 2004," to take place from
April to August 2004
Howard Heinz Endowment
\$10,000

Glorious Rebirth Performing Troupe

For the production of *Music from the
Black Experience* in May 2004
Howard Heinz Endowment
\$3,000

Guitar Society of Fine Art

To support two productions in the
2003–04 concert series
Howard Heinz Endowment
\$8,500

Japan–America Society of Pennsylvania

In support of the Pittsburgh premiere
of *No-to: memory fades* by Attack Theatre
and Nibroll in September 2003
Howard Heinz Endowment
\$12,000

Junction Dance Theatre

For support of the 2003–04 Renegade
Performance Series
Howard Heinz Endowment
\$8,500

Kingsley Association

For the African Grove Performance
Ensemble's October 2003 production of
Good Morning Revolution, Sankofa
Howard Heinz Endowment
\$11,800

Laboratory Company Dance, Inc.

For a workshop with guest artist Lisa Race
and a performance in March 2004
Howard Heinz Endowment
\$11,000

Mon Valley Media

To support the post-production phase
of the digital video documentary, *Elders:
An African-American Oral History*
Howard Heinz Endowment
\$15,000

Nego Gato, Inc.

For the Capoeira Encounter in
April 2004, in partnership with the
Center for Latin American Studies
at the University of Pittsburgh
Howard Heinz Endowment
\$12,000

New Horizon Theater, Inc.

For support of the production
Blue in May 2004
Howard Heinz Endowment
\$10,000

The Pittsburgh Camerata

For the spring 2004 concert
Faire is the Heaven
Howard Heinz Endowment
\$6,000

**Pittsburgh Chapter American
Guild of Organists**

To support the 25th Anniversary
Gala Concert held at Heinz Chapel
on May 2, 2004
Howard Heinz Endowment
\$3,000

Pittsburgh Concert Chorale

To support the classical concert,
Johann Sebastian Bach's *St. John
Passion* in March 2004
Howard Heinz Endowment
\$4,500

**Pittsburgh International
Children's Theater**

For the performance of Fuzzy Boundary
Productions' *Colorfast* in May 2004
Howard Heinz Endowment
\$15,000

Pittsburgh New Works Festival, Inc.

To support increased stipends for
participants in the September 2003 festival
Howard Heinz Endowment
\$4,100

Quantum Theatre

For the February 2004 production
of *Kafka's Chimp*
Howard Heinz Endowment
\$12,000

Renaissance & Baroque Society

To support a collaborative production of
the operas *Dido & Aeneas* and *Venus &
Adonis* presented in October 2003
Howard Heinz Endowment
\$5,000

Renaissance City Choirs

To support a professional development
workshop and the commission of a choral
work for RCC's 20th anniversary season
Howard Heinz Endowment
\$10,700

Srishti Dances of India

For the presentation of *Lavanya: Graceful Expressions of the East* in September 2004
Howard Heinz Endowment
 \$12,000

The Trilateral Commission

For a production by Saints & Poets Theater of *The Late Henry Moss* in October 2003
Howard Heinz Endowment
 \$5,000

UMOJA African Arts Company

To support the performance of *Safari: John & Sarah* in April 2004
Howard Heinz Endowment
 \$6,000

United Jewish Federation

For the Pittsburgh Jewish Israeli Film Festival, which took place over three weekends in March 2004
Howard Heinz Endowment
 \$8,500

United Jewish Federation

To support the Pittsburgh Jewish Music Festival in spring 2004
Howard Heinz Endowment
 \$6,000

University of Pittsburgh

In support of a Music on the Edge Chamber Orchestra concert in November 2003 featuring guest pianist Ursula Oppens
Howard Heinz Endowment
 \$9,000

University of Pittsburgh

For support of Kuntu Repertory Theatre to commission a new work about the experience of the Buffalo Soldier, premiered in January 2004
Howard Heinz Endowment
 \$12,000

The Unseam'd Shakespeare Company

For funding for the 2004 productions of William Shakespeare's *Henry V* and Alan Browne's *Beirut*
Howard Heinz Endowment
 \$10,000

Xpressions Contemporary Dance Company

To support the production of *Mamatoto* in March 2004
Howard Heinz Endowment
 \$11,000

CHILDREN, YOUTH & FAMILIES**Allegheny County Department of Human Services**

To support the development of community learning centers in the Clairton and Sto-Rox school districts
Howard Heinz Endowment
 \$200,000

Allegheny Youth Development

For a second round of support for a youth leadership and mentoring program targeted to African-American males
Howard Heinz Endowment
 \$60,000

Beginning with Books

For two-year core support and program expansion to include advocacy
Vira I. Heinz Endowment
 \$200,000

Boys & Girls Clubs of Western Pennsylvania

To support an entrepreneur training and development program for disadvantaged youth
Howard Heinz Endowment
 \$150,000

Building United of Southwestern Pennsylvania

To support a financial literacy public education campaign for families in partnership with the faith community
Howard Heinz Endowment
 \$200,000

Carlow College

To help underwrite the Expanding Your Horizons Conference 2003, held on March 1, 2003
Howard Heinz Endowment
 \$11,080

Children's Hospital of Pittsburgh Foundation

To continue research on statewide early care and education sites
Howard Heinz Endowment
 \$650,000

Civil Society Institute, Inc.

To support the BUILD initiative in Pennsylvania
Vira I. Heinz Endowment
 \$150,000

Community Human Services Corporation

For general operating support
Howard Heinz Endowment
 \$5,000

Concerned Citizens Community Creation Center

To support a parent education program targeted to single mothers
Howard Heinz Endowment
 \$80,000

East Liberty Family Health Care Center

To pilot the Birth Circle, a comprehensive model of care for pregnant women in the East End of Pittsburgh
Howard Heinz Endowment
 \$160,000

Families and Work Institute, Inc.

To develop a national distribution network on early learning
Howard Heinz Endowment
 \$50,000

Families and Work Institute, Inc.

To support the second phase of development of the Early Learning Modules
Vira I. Heinz Endowment
 \$300,000

Family Communications, Inc.

To develop a third phase of a communications campaign for the Girls in Math and Science Initiative
Vira I. Heinz Endowment
 \$500,000

Family Communications, Inc.

In honor of Fred McFeely Rogers
Howard Heinz Endowment
 \$10,000

Family Resources

To expand support services for immigrant and refugee families
Vira I. Heinz Endowment
 \$100,000

Focus on Renewal

A challenge grant to create the Children's Quality Initiative Fund
Howard Heinz Endowment
 \$300,000

Grantmakers for**Children, Youth & Families**

To produce and disseminate a special memorial publication honoring Fred Rogers
Vira I. Heinz Endowment
 \$13,000

Hill House Association

To help defray the cost of hiring a consultant to assist the search committee in hiring a new executive director
Howard Heinz Endowment
 \$10,000

Hill House Association

To support a parents club aimed at engaging families in seven Hill District churches
Vira I. Heinz Endowment
 \$100,000

Hill House Association

For a second round of support for the after-school literacy program in partnership with area schools
Vira I. Heinz Endowment
 \$75,000

Hill House Association

To support a father-son mentoring and literacy program
Howard Heinz Endowment
 \$50,000

The Islamic Community Center of Greater Pittsburgh

To match a federal grant targeted to preventing substance abuse among Muslim youth
Howard Heinz Endowment
 \$75,000

Junior Achievement of Southwest Pennsylvania, Inc.

To support a collaboration between Reizenstein Middle School and Mt. Ararat Church to instruct students on economics
Vira I. Heinz Endowment
 \$50,000

Keystone Research Center

To support an analysis of the educational qualifications of early care and education workers in Pennsylvania
Howard Heinz Endowment
 \$11,500

National Council of Jewish Women

To support the Children's Playroom in Criminal Court
Howard Heinz Endowment
 \$75,000

Pennsylvania Environmental Council

For the Youth Outdoor Adventure Program
Howard Heinz Endowment
 \$6,000

Pennsylvania Partnerships for Children

Core support for 2004, 2005, 2006
Howard Heinz Endowment
 \$425,000

Pennsylvania State University

To support a youth financial literacy program
Howard Heinz Endowment
 \$80,000

The Pittsburgh Foundation

To continue support of the Human Services Integration Fund for the Restructuring of the Allegheny County Department of Human Services
Howard Heinz Endowment
 \$75,000

The Pittsburgh Foundation

For a second round of support to the public housing after-school literacy initiative
Howard Heinz Endowment
 \$200,000

POISE Foundation

To support youth entrepreneur training and development in partnership with the African-American Chamber of Commerce
Howard Heinz Endowment
 \$150,000

Primary Care Health Services, Inc.

To support the Maleness to Manhood mentoring and leadership development program
Vira I. Heinz Endowment
 \$100,000

Program to Aid Citizen Enterprise (PACE)

To strengthen and expand academic tutoring and post-secondary preparation for city high school students
Vira I. Heinz Endowment
 \$150,000

RAND Corporation

To implement the recommendations of the RAND report, "Improving Maternal and Child Health Care in Allegheny" County
Howard Heinz Endowment
 \$500,000

RAND Corporation

To review and analyze universal pre-kindergarten efforts across the United States
Vira I. Heinz Endowment
 \$100,000

Sarah Heinz House Association

For 2004 annual support and involvement of William McDonough & Partners
Howard Heinz Endowment
 \$1,290,000

Shady Lane School

To support arts programming for children from birth through age five in the region
Vira I. Heinz Endowment
 \$100,000

Three Rivers Rowing Association

To support the association's diversity initiative with an emphasis on girls' participation
Howard Heinz Endowment
 \$100,000

Three Rivers Workforce Investment Board

To support a planning grant for infusing financial literacy education into job readiness/job retention programs for low-income adults
Vira I. Heinz Endowment
 \$75,000

Tides Center—Western Pennsylvania

For a third round of funding to replicate the Youth Standards Project
Howard Heinz Endowment
 \$150,000

United Way of Allegheny County

For the direct benefit of the Extra Mile Education Foundation
Vira I. Heinz Endowment
 \$3,000

United Way of Allegheny County

For the direct benefit of the
Community Fund
Vira I. Heinz Endowment
\$7,000

United Way of Allegheny County

For the direct benefit of various
homeless shelters
Vira I. Heinz Endowment
\$10,000

United Way of Allegheny County

For the direct benefit of the
Extra Mile Education Foundation
Howard Heinz Endowment
\$25,000

United Way of Allegheny County

To support the 2004 campaign
Howard Heinz Endowment
\$900,000

United Way of Southwestern Pennsylvania

For general operating support
Howard Heinz Endowment
\$8,000

University of Pittsburgh

To support the 10th Annual Family
Support Conference that took place on
June 9–10, 2003
Howard Heinz Endowment
\$2,000

University of Pittsburgh

To continue technical assistance to
34 family support centers throughout
Allegheny County
Howard Heinz Endowment
\$300,000

University of Pittsburgh

For the School of Social Work's Center
For Race and Social Problems for data
analysis in the area of education
Vira I. Heinz Endowment
\$145,000

Urban League of Pittsburgh, Inc.

To support the opening rally, the youth
summit and registration scholarships
for the 2004 National Urban League
Conference in Pittsburgh
Howard Heinz Endowment
\$50,000

Urban League of Pittsburgh, Inc.

For a third round of support for
the African-American Leadership
Development Program
Howard Heinz Endowment
\$100,000

The William J. Copeland Fund

To support leadership development
and capacity building in the health
and human services and community
development fields
Vira I. Heinz Endowment
\$300,000

WQED Pittsburgh

To support a two-hour PBS broadcast
program in honor of Fred Rogers
Howard Heinz Endowment
\$30,000

YouthWorks

For support to provide year-round youth
employment and training programming
for the City of Pittsburgh and Allegheny
County region
Howard Heinz Endowment
\$350,000

YWCA of Westmoreland County

For a three-year grant for the continuation
and expansion of the Technology for
Girls Program
Howard Heinz Endowment
\$120,000

ECONOMIC OPPORTUNITY**The African American Chamber Foundation
of Western Pennsylvania**

To support a minority business
mentoring program
Howard Heinz Endowment
\$50,000

**Allegheny Conference on
Community Development**

To help support a regional site
infrastructure initiative
Howard Heinz Endowment
\$200,000

**Allegheny Conference on
Community Development**

Operating support for Oakland
Investment Committee-related activities
Vira I. Heinz Endowment
\$125,000

**Allegheny Conference on
Community Development**

For the Agenda Development Fund
and operating support
Howard Heinz Endowment
\$225,000

Black Contractors Association

To support the Youth
Construction Initiative
Howard Heinz Endowment
\$75,000

Carnegie Mellon University

To support a Sustainable
Computing Consortium and regional
cybersecurity initiative
Howard Heinz Endowment
\$300,000

Carnegie Mellon University

To support the Innovations
Exchange Center
Howard Heinz Endowment
\$250,000

Carnegie Mellon University

To help increase federal linkages and
resources for regional and Carnegie
Mellon initiatives
Vira I. Heinz Endowment
\$250,000

Carnegie Mellon University

To support a company-level analysis
of economic growth in southwestern
Pennsylvania
Vira I. Heinz Endowment
\$20,000

Catalyst Connection

For a regional career literacy
development initiative
Vira I. Heinz Endowment
\$150,000

Catalyst Connection

To help access federal small business
innovation research funding for
emerging small businesses
Vira I. Heinz Endowment
\$200,000

Community College of Allegheny County Educational Foundation

To help support a CCAC President national recruiting process
Howard Heinz Endowment
 \$25,000

Coro Center for Civic Leadership

To support a public affairs leadership training program
Howard Heinz Endowment
 \$500,000

Duquesne University

To create an African-American Career Literacy Initiative
Howard Heinz Endowment
 \$225,000

Duquesne University

For the Community Manufacturing Initiative, a low-income community jobs initiative
Howard Heinz Endowment
 \$300,000

Duquesne University

To support low-income community and regional labor market research
Vira I. Heinz Endowment
 \$250,000

El Centro Hispano/Latino: The Hispanic Latino Center, Inc.

To support a workforce-related Hispanic community initiative
Howard Heinz Endowment
 \$250,000

Family Services of Western Pennsylvania

To support the Ways to Work Initiative
Howard Heinz Endowment
 \$25,000

Housing Opportunities, Inc.

To support an African-American home ownership initiative
Vira I. Heinz Endowment
 \$1,000,000

Jewish Family & Children's Service of Pittsburgh

To support the Pittsburgh Regional Immigrant Assistance Center
Howard Heinz Endowment
 \$200,000

Mon Valley Education Consortium

To support a Mon Valley "Future is Mine" workforce and career initiative
Howard Heinz Endowment
 \$100,000

MPC Corporation

To support the creation of a regional benchmarking consortium
Vira I. Heinz Endowment
 \$50,000

Neighborhood Funders Group

To support the September 2003 Neighborhood Funders Conference in Pittsburgh
Howard Heinz Endowment
 \$15,000

New Century Careers

To support a regional manufacturing workforce intermediary
Howard Heinz Endowment
 \$400,000

Oakland Planning and Development Corporation, Inc.

To support an Oakland/Hill District health-care workforce initiative
Howard Heinz Endowment
 \$150,000

Oakland Planning and Development Corporation, Inc.

To support an Oakland neighborhood revitalization initiative
Vira I. Heinz Endowment
 \$150,000

Pennsylvania Economy League

To support Workforce Connections, a regional workforce intermediary
Howard Heinz Endowment
 \$350,000

Pennsylvania Economy League, Inc.

To work on the fiscal health issues of Southwestern Pennsylvania's local governments
Howard Heinz Endowment
 \$300,000

Pennsylvania Economy League

For a joint foundation-sponsored evaluation of the Pittsburgh Life Sciences Greenhouse
Howard Heinz Endowment
 \$150,000

Pittsburgh Gateways Corporation

To help provide startup assistance to emerging manufacturing firms
Howard Heinz Endowment
 \$250,000

Pittsburgh Life Sciences Greenhouse

For operating support for entrepreneurial and incubator programs
Howard Heinz Endowment
 \$600,000

Pittsburgh Life Sciences Greenhouse

For operating support for entrepreneurial and incubator programs
Vira I. Heinz Endowment
 \$400,000

Pittsburgh Partnership for Neighborhood Development

For operating support
Howard Heinz Endowment
 \$300,000

Pittsburgh Tissue Engineering Initiative, Inc.

To support the 2003 Engineering Tissue Growth Conference in Pittsburgh
Howard Heinz Endowment
 \$20,000

PowerLink, Inc.

To support job creation by women-owned businesses
Vira I. Heinz Endowment
 \$75,000

RAND Corporation

For planning and research on improving public-sector systems
Vira I. Heinz Endowment
 \$50,000

RAND Corporation

To support public-sector consolidation research
Vira I. Heinz Endowment
 \$150,000

The Robotics Foundry

To increase small manufacturing firms' access to robotics technology
Vira I. Heinz Endowment
 \$150,000

Soldiers & Sailors Memorial Hall and Museum Trust, Inc.

For the Soldiers & Sailors Memorial Day Salute
Howard Heinz Endowment
 \$2,000

Three Rivers Workforce Investment Board

To support a regional college internship development initiative
Howard Heinz Endowment
 \$200,000

Tides Center—Western Pennsylvania

For the implementation of Keys2Work testing in high schools
Vira I. Heinz Endowment
 \$250,000

University of Pittsburgh

To support the Drew Mathieson Entrepreneurship Fund
Howard Heinz Endowment
 \$150,000

University of Pittsburgh

For small business new product development at the School of Engineering Center for Product Innovation
Vira I. Heinz Endowment
 \$200,000

University of Pittsburgh

For entrepreneurial training support at the Katz Graduate School of Business
Howard Heinz Endowment
 \$150,000

University of Pittsburgh

To support a regional human capital public education program at the Institute of Politics
Howard Heinz Endowment
 \$75,000

World Affairs Council of Pittsburgh

To support an international communities networking and communication initiative
Vira I. Heinz Endowment
 \$150,000

EDUCATION

3 Rivers Connect

For technology for learning (K–12) program and operating support
Vira I. Heinz Endowment
 \$325,000

Allegheny Intermediate Unit

For the Pittsburgh pilot of Power4Kids, a national reading research project
Howard Heinz Endowment
 \$500,000

Allegheny Intermediate Unit

For a Reading Achievement Center
Vira I. Heinz Endowment
 \$320,000

APEX Consortium Inc.

To support the development of teacher leadership teams to improve school performance
Howard Heinz Endowment
 \$50,000

ASSET, Inc.

To implement environmental education curricula in elementary schools
Howard Heinz Endowment
 \$100,000

ASSET, Inc.

To support the elementary science education initiative
Vira I. Heinz Endowment
 \$100,000

Carnegie Institute

For the Cognitive Math Tutor project
Howard Heinz Endowment
 \$90,000

Carnegie Library of Pittsburgh

For reading programs and the capital campaign
Vira I. Heinz Endowment
 \$3,500,000

Carnegie Mellon University

To support computer science education for students with special needs
Howard Heinz Endowment
 \$75,000

Carnegie Mellon University

For the RoboCamp science education program at the Robotics Consortium
Howard Heinz Endowment
 \$100,000

Carnegie Mellon University

For the Sustainable Computing Consortium
Howard Heinz Endowment
 \$50,000

Carnegie Mellon University

For the summer robotics course, Fundamentals of Mobile Robotics Development
Howard Heinz Endowment
 \$15,000

Carnegie Mellon University

For general operating support
Vira I. Heinz Endowment
 \$2,000

Carnegie Mellon University

For general operating support
Howard Heinz Endowment
 \$5,000

Central Northside

Reading is Fundamental
 For a city-based early reading program
Howard Heinz Endowment
 \$150,000

Chatham College

For Pittsburgh Teachers' Institute
Vira I. Heinz Endowment
 \$30,000

Community College of Allegheny County Educational Foundation

For program support for the Middle College High School
Howard Heinz Endowment
 \$50,000

Community College of Allegheny County Educational Foundation

For development of Middle College High Schools on two campuses
Howard Heinz Endowment
 \$100,000

Community Loan Fund of Southwestern Pennsylvania

For technical support of endowments' education intermediary project
Howard Heinz Endowment
 \$30,000

**Community Loan Fund of
Southwestern Pennsylvania**

For support of Propel Schools, Inc.,
and the working capital fund to develop
and strengthen charter schools
Vira I. Heinz Endowment
\$600,000

**Community Loan Fund of
Southwestern Pennsylvania**

For City Charter High School expansion
Vira I. Heinz Endowment
\$225,000

Duquesne University

For a training initiative to improve
teachers' technology skills
Vira I. Heinz Endowment
\$75,000

East Liberty Development, Inc.

For the Wireless Neighborhood Project
Howard Heinz Endowment
\$225,000

EDSYS, Inc.

To improve City Charter High School's
data-management capabilities
Howard Heinz Endowment
\$150,000

Education Policy and Leadership Center

For support of policy initiatives to
improve school performance
Howard Heinz Endowment
\$50,000

The Foundation Center

For 2003–04 program and operating
support
Vira I. Heinz Endowment
\$10,000

Grantmakers for Education

For support of the Grantmakers for
Education meeting in Pittsburgh,
February 26–27, 2003
Howard Heinz Endowment
\$20,000

Greater Pittsburgh Literacy Council

For the Family Learning Program
Vira I. Heinz Endowment
\$50,000

**Homeless Children & Family
Emergency Fund**

To support the Computer Learning
Centers Program in area shelters serving
the children of homeless families
Howard Heinz Endowment
\$50,000

Manchester Craftsmen's Guild

For the Drew Mathieson Center
Howard Heinz Endowment
\$30,000

Manchester Craftsmen's Guild

For operating support
Howard Heinz Endowment
\$5,000

Manchester Craftsmen's Guild

For operating support
Howard Heinz Endowment
\$200,000

Mon Valley Education Consortium

For operating support
Howard Heinz Endowment
\$150,000

Mon Valley Education Consortium

To support the operation of
Mon Valley Education Consortium
Vira I. Heinz Endowment
\$200,000

**National Foundation for Teaching
Entrepreneurship to Disadvantaged and
Handicapped Youths, Inc.**

To support a distinctive entrepreneurship
education program for inner-city youth
Vira I. Heinz Endowment
\$100,000

Negro Educational Emergency Drive (NEED)

For the endowment campaign
challenge grant
Vira I. Heinz Endowment
\$1,000,000

Negro Educational Emergency Drive (NEED)

For scholarships
Vira I. Heinz Endowment
\$20,000

Negro Educational Emergency Drive (NEED)

For the scholarship program
Howard Heinz Endowment
\$200,000

The Neighborhood Academy

For program support
Howard Heinz Endowment
\$100,000

**Pennsylvania Chamber of Business
and Industry Educational Foundation**

For costs related to the 21st Century
Tax Policy Project
Vira I. Heinz Endowment
\$25,000

Pennsylvania Partnerships for Children

For development of policy advocacy
to improve the preparation of
elementary teachers
Vira I. Heinz Endowment
\$50,000

The Pittsburgh Chess Club

For program support for the 2003–04
school year
Howard Heinz Endowment
\$15,000

The Pittsburgh Foundation

For development of Pittsburgh Citizens
Alliance to improve Public Education
Howard Heinz Endowment
\$275,000

The Pittsburgh Foundation

For support of the planning and
development of a Reserve Teacher Corps
Vira I. Heinz Endowment
\$50,000

Pittsburgh Life Sciences Greenhouse

For a regional life-science economic
development initiative
Howard Heinz Endowment
\$250,000

The Pittsburgh Project

For support of green design costs
and new construction
Howard Heinz Endowment
\$75,000

Pittsburgh Voyager

To support river-based education
programs
Vira I. Heinz Endowment
\$270,000

RAND Corporation

For assessment of school districts' data-management capabilities
Vira I. Heinz Endowment
 \$100,000

Saint Vincent College

For the Fred M. Rogers Center
Vira I. Heinz Endowment
 \$1,000,000

Schenley Heights Community Development Program

For a faith-based learning cooperative
Vira I. Heinz Endowment
 \$200,000

University of Pittsburgh

For the Faith Tech Project, a church-based technology learning initiative
Vira I. Heinz Endowment
 \$100,000

University of Pittsburgh

For the Western Pennsylvania Writing Project, a training initiative to improve literacy achievement using writing in the early grades
Howard Heinz Endowment
 \$100,000

University of Pittsburgh

For support of the Institute of Politics, a continuing education forum on public policy issues
Howard Heinz Endowment
 \$25,000

University of Pittsburgh

For support of the Heinz Memorial Chapel
Howard Heinz Endowment
 \$135,000

Education**Travel Study Awards****Arcadia University**

For the Vira I. Heinz Travel Study Award
Vira I. Heinz Endowment
 \$5,000

Bethany College

For the Vira I. Heinz Travel Study Award
Vira I. Heinz Endowment
 \$5,000

Carnegie Mellon University

For the Vira I. Heinz Travel Study Award
Vira I. Heinz Endowment
 \$5,000

Chatham College

For the Vira I. Heinz Travel Study Award
Vira I. Heinz Endowment
 \$5,000

Duquesne University

For the Vira I. Heinz Travel Study Award
Vira I. Heinz Endowment
 \$5,000

Temple University

For the Vira I. Heinz Travel Study Award
Vira I. Heinz Endowment
 \$5,000

Thiel College

For the Vira I. Heinz Travel Study Award
Vira I. Heinz Endowment
 \$5,000

University of Pittsburgh

For the Vira I. Heinz Travel Study Award
Vira I. Heinz Endowment
 \$5,000

University of Pittsburgh

For program coordination of Travel/ Study scholarships
Vira I. Heinz Endowment
 \$40,000

University of Pittsburgh at Greensburg

For the Vira I. Heinz Travel Study Award
Vira I. Heinz Endowment
 \$5,000

Washington & Jefferson College

For the Vira I. Heinz Travel Study Award
Vira I. Heinz Endowment
 \$5,000

Waynesburg College

For the Vira I. Heinz Travel Study Award
Vira I. Heinz Endowment
 \$5,000

Wilberforce University

For the Vira I. Heinz Travel Study Award
Vira I. Heinz Endowment
 \$5,000

ENVIRONMENT**10,000 Friends of Pennsylvania**

To support work on revitalizing older communities in southwestern Pennsylvania and Southwestern Pennsylvania Land Use Education program
Howard Heinz Endowment
 \$100,000

10,000 Friends of Pennsylvania

For an executive search for a new president
Howard Heinz Endowment
 \$14,500

3 Rivers Wet Weather Inc.

For the fifth and final year of support for the Three Rivers/Second Nature Project
Howard Heinz Endowment
 \$200,000

3 Rivers Wet Weather Inc.

For Phase I funding to develop and implement a multi-municipal stormwater management system in the Turtle Creek watershed
Howard Heinz Endowment
 \$50,000

3 Rivers Wet Weather Inc.

For the 3 Rivers Wet Weather Demonstration Program
Howard Heinz Endowment
 \$100,000

3 Rivers Wet Weather Inc.

For field analysis and to develop a methodology and water-quality testing protocol for tributary streams to Pittsburgh's three rivers
Howard Heinz Endowment
 \$50,000

Air and Waste Management Association

For the final year of the Pittsburgh/ Central European Linkages Program
Howard Heinz Endowment
 \$185,000

Allegheny College

For operating support for the Center for Economic and Environmental Development
Howard Heinz Endowment
 \$90,000

**Allegheny Conference on
Community Development**

For continued support for the Allegheny Conference Land Use Committee and related projects

Howard Heinz Endowment

\$100,000

**Allegheny Conference on
Community Development**

To support the working capital fund for initiatives related to the Oakland Investment Committee

Howard Heinz Endowment

\$50,000

**Allegheny Conference on
Community Development**

For the Oakland Initiative including ecological and land-use planning and transportation

Howard Heinz Endowment

\$150,000

Allegheny Land Trust

For capacity building

Howard Heinz Endowment

\$50,000

American Farmland Trust

For operating support

Howard Heinz Endowment

\$5,000

The Athena Institute International

For support of the Pittsburgh Life Cycle Assessment Education Project for building materials

Vira I. Heinz Endowment

\$100,000

Brookings Institution

For outreach activities related to the Pennsylvania Smart Growth report

Vira I. Heinz Endowment

\$36,000

The Canopy Institute

For support to expand chemical services into the pulp and paper industry in western Pennsylvania

Howard Heinz Endowment

\$100,000

Carnegie Institute

To support an installation and interpretation project at the 2003 Three Rivers Arts Festival based on Stephanie Flom's "Mayflies"

Howard Heinz Endowment

\$8,000

Carnegie Institute

For research in support of biodiversity conservation of western Pennsylvania flora

Howard Heinz Endowment

\$50,000

Carnegie Mellon University

For the Western Pennsylvania Landscape Character Protection project

Howard Heinz Endowment

\$47,000

Carnegie Mellon University

For expenses related to the lecture by William McDonough at Carnegie Mellon University on February 3, 2003

Howard Heinz Endowment

\$3,000

Carnegie Mellon University

For preliminary assessment of environmental health issues in southwestern Pennsylvania

Howard Heinz Endowment

\$20,000

Carnegie Mellon University

For 2003 funding for continued technical and professional assistance for the advancement of environmental building projects in Pittsburgh

Howard Heinz Endowment

\$50,000

Carnegie Mellon University

For outreach support for book project:

When Smoke Ran Like Water by

Devra Lee Davis

Howard Heinz Endowment

\$10,000

Carnegie Mellon University

For assistance in planning Symposium 2003, a continuum of efforts to bring international recognition and new vitality to the Pittsburgh region

Howard Heinz Endowment

\$10,000

Chesapeake Bay Foundation

For support for participation in the Conestoga River nutrient trading program project

Vira I. Heinz Endowment

\$50,000

Citizens for Pennsylvania's Future

To provide professional media training and support for western Pennsylvania public interest organizations

Howard Heinz Endowment

\$150,000

Clean Air Task Force

For support of the project to restore air quality in southwestern Pennsylvania

Howard Heinz Endowment

\$150,000

Clean Water Fund

To support the Tap Into Watersheds project

Howard Heinz Endowment

\$50,000

Clean Water Fund

For support of the Good Neighbor Project

Howard Heinz Endowment

\$50,000

Community Environmental

Legal Defense Fund

For support of the Grassroots Litigation Support Program

Vira I. Heinz Endowment

\$25,000

Community Foundation of

Greater Johnstown

For support of the Pennsylvania Green Business Initiative

Vira I. Heinz Endowment

\$200,000

Community Foundation of

Greater Johnstown

For support of the Western Pennsylvania Watershed Program

Howard Heinz Endowment

\$350,000

Conservation Consultants, Inc.

For the Green Neighborhood Services and capacity building

Howard Heinz Endowment

\$300,000

Earth Force, Inc.

For 2003 operating support for Earth Force programs in southwestern Pennsylvania
Howard Heinz Endowment
 \$50,000

Earth Force, Inc.

For 2004 operating support for Lake Erie–Allegheny Earth Force expansion
Vira I. Heinz Endowment
 \$100,000

EcoLogic Development Fund

To continue development of green product connections between Pittsburgh businesses and Latin American producers
Vira I. Heinz Endowment
 \$25,000

EcoLogic Development Fund

For general operating support
Vira I. Heinz Endowment
 \$10,000

Enterprising Environmental Solutions, Inc.

For support of ongoing projects: Conestoga Nutrient Trading Pilot and Interfaith Power & Light
Vira I. Heinz Endowment
 \$190,000

Environmental Defense, Incorporated

For support of the Conestoga Watershed project
Howard Heinz Endowment
 \$200,000

Environmental Law Institute

For western Pennsylvania land-use policy analysis project
Howard Heinz Endowment
 \$75,000

The Foundation for California University of Pennsylvania

For continued support of the Watershed Conservation in Pennsylvania: Phase II project
Howard Heinz Endowment
 \$100,000

Green Building Alliance

To support the continued implementation of programs and services
Howard Heinz Endowment
 \$250,000

H. John Heinz III Center for Science, Economics and the Environment

For general operating support
Vira I. Heinz Endowment
 \$10,000

H. John Heinz III Center for Science, Economics and the Environment

For general operating support
Vira I. Heinz Endowment
 \$20,000

H. John Heinz III Center for Science, Economics and the Environment

To assist the Heinz Center in rebuilding program activities during its transition to new management
Vira I. Heinz Endowment
 \$2,000,000

Healthy Home Resources

For funding for preventing environmental hazards facing families today
Howard Heinz Endowment
 \$300,000

Historical Society of Western Pennsylvania

To support national media outreach regarding Pittsburgh's role in the Lewis & Clark expedition
Howard Heinz Endowment
 \$40,000

Historical Society of Western Pennsylvania

For a communications plan related to the 2003 Pittsburgh bicentennial commemoration of the Lewis & Clark expedition
Howard Heinz Endowment
 \$15,000

Hollow Oak Land Trust

For operating support and strategic planning
Howard Heinz Endowment
 \$25,000

Local Government Academy

For 2003 operating support
Howard Heinz Endowment
 \$50,000

Local Government Academy

For continued support for the Multi-Municipal Planning Grant program
Howard Heinz Endowment
 \$150,000

Mount Washington Community Development Corporation

For support of the Western Pennsylvania Conservancy project to plan for long-term development of the Emerald Link project and hillside protection on Mount Washington
Vira I. Heinz Endowment
 \$5,000

Natural Resources Defense Council

To address environmental hazards in Greene County, Pennsylvania
Vira I. Heinz Endowment
 \$50,000

The Natural Step

To assist Swedish schools and students, aged 14 to 19, with educational activities on sustainable environmental development
Vira I. Heinz Endowment
 \$20,000

Pennsylvania Economy League, Inc.

For continued support of *Issues PA* to promote ideas to improve the competitiveness and quality of life in Pennsylvania
Howard Heinz Endowment
 \$100,000

Pennsylvania Environmental Council

For funding of the Allegheny and Monongahela Rivers Strategy
Vira I. Heinz Endowment
 \$175,000

Pennsylvania Environmental Council

To support community land-use planning initiatives
Vira I. Heinz Endowment
 \$50,000

Pennsylvania Resources Council, Inc.

For funding for the Waste Minimization & Capacity Building project
Vira I. Heinz Endowment
 \$125,000

Pennsylvania Resources Council, Inc.

To organize and implement a region-wide hazardous household waste collection program
Howard Heinz Endowment
 \$30,000

**Pittsburgh Community
Broadcasting Corporation**

For support of the *Allegheny Front*
radio program
Howard Heinz Endowment
\$100,000

Pittsburgh Film-Makers, Inc.

For videotaping the Sarah Heinz House
E-3 Mapping Charrette
Howard Heinz Endowment
\$5,900

Pittsburgh Parks Conservancy

For detailed design of Schenley Plaza
as a green public space
Howard Heinz Endowment
\$100,000

Pittsburgh Parks Conservancy

For program development and
general operating support
Howard Heinz Endowment
\$100,000

Pittsburgh Parks Conservancy

For Schenley Plaza park design
Howard Heinz Endowment
\$100,000

Rainforest Alliance

For funding to increase market access
for small landowners in Pennsylvania
Howard Heinz Endowment
\$50,000

Regional Trail Corporation

For support to complete the Great
Allegheny Passage Trail, a project
of the Allegheny Trail Alliance
Vira I. Heinz Endowment
\$250,000

Rocky Mountain Institute

For general operating support
Vira I. Heinz Endowment
\$10,000

Sand County Foundation

For support of the Kinzua Quality
Deer Cooperative project
Vira I. Heinz Endowment
\$50,000

Sarah Heinz House Association

To support William McDonough &
Partners in holding an E-3 community
mapping charrette for Sarah Heinz
House's new facility
Howard Heinz Endowment
\$128,000

Southwestern Pennsylvania Corporation

For support of the Smart Agriculture
initiative in Butler County
Howard Heinz Endowment
\$25,000

Southwestern Pennsylvania Corporation

For additional funding for the Commission
to move forward with the Southwestern
Pennsylvania Unified Geographic
Information System
Howard Heinz Endowment
\$200,000

Southwestern Pennsylvania Corporation

To provide partial support for the
National Association of Regional
Councils 2003 Conference
Howard Heinz Endowment
\$20,000

Three Rivers Rowing Association

To initiate the Tireless Crew Project for
riverbank cleanup and public awareness
building for environmental stewardship
Howard Heinz Endowment
\$13,000

Three Rivers Rowing Association

For additional support for the Millvale
Boathouse expansion campaign
Howard Heinz Endowment
\$37,500

Tides Center—Western Pennsylvania

For continuing funding of the
Natural Infrastructure Plan for
Southwestern Pennsylvania
Howard Heinz Endowment
\$400,000

Tides Center—Western Pennsylvania

For support of the UltraViolet Loop
Howard Heinz Endowment
\$50,000

Tides Center—Western Pennsylvania

For Sustainable Pittsburgh operating
support for 2004
Howard Heinz Endowment
\$300,000

Tides Center—Western Pennsylvania

For the development of the Pennsylvania
Biodiversity Conservation Plan
Howard Heinz Endowment
\$50,000

Tri-State Citizens Mining Network, Inc.

For 2003 operating support
Howard Heinz Endowment
\$16,000

The UPG Foundation

For operating support for the
Smart Growth Partnership of
Westmoreland County
Howard Heinz Endowment
\$50,000

University of Pittsburgh

To establish the Engineering Institute
on Sustainability program
Howard Heinz Endowment
\$200,000

Western Pennsylvania Conservancy

To support completion of County
Natural Heritage Inventories for the
southwest Pennsylvania planning
region counties
Howard Heinz Endowment
\$50,000

Western Pennsylvania Conservancy

For support of the Green
Neighborhood Initiative
Vira I. Heinz Endowment
\$100,000

Western Pennsylvania Conservancy

For hillside planning and long-term
development of the Emerald Link
Trail and Hillside Project on
Mount Washington
Howard Heinz Endowment
\$45,000

The Wilderness Society

To promote certified wood products
in Pennsylvania
Vira I. Heinz Endowment
\$50,000

The Wildlife Advocacy Project

For support of the Manatee Campaign
Vira I. Heinz Endowment
\$20,000

Wildlife Habitat Council

For support of the Three Rivers
Habitat Partnership
Vira I. Heinz Endowment
\$40,000

Founded more than four decades apart, the Howard Heinz Endowment and the Vira I. Heinz Endowment were both the products of a family commitment to community that began with H. J. Heinz and that continues to this day.



Howard Heinz (1877–1941)

Howard Heinz was born near Sharpsburg, a suburb of Pittsburgh, on August 27, 1877, the son of Henry John and Sarah Young Heinz. After graduation from Shady Side Academy, and then Yale University in 1900, he entered active service with the H. J. Heinz Company, where he successfully became advertising manager, sales manager, vice president and president.

He was a director and/or trustee of the Pennsylvania Railroad, Mellon Bank, N.A., National Industrial Conference Board, Pittsburgh Regional Planning Association, Pittsburgh Chamber of Commerce, University of Pittsburgh, Carnegie Institute, Shady Side Academy, Western Pennsylvania Hospital and the Pittsburgh Symphony Society. He was a ruling elder of Shadyside Presbyterian Church.

Long before creating the endowment that would lead to large-scale philanthropy, Mr. Heinz was actively engaged in personal charitable and civic improvement efforts. As president of one of the world's most recognized businesses, he was one of the founders of the Community Fund, one of the early efforts to create organized community-based philanthropy in the United States. He served as a director or fundraising chairman for dozens of national organizations and campaigns, including service as a trustee for the Carnegie Endowment for International Peace.

Despite frequently being tapped by governors and presidents to lead various projects, Mr. Heinz made time for city and regional concerns. All his professional life, he served on the boards of key community institutions. Mr. Heinz was a leader in the creation of Heinz Chapel on the University of Pittsburgh campus as a memorial to his parents. The church serves as a spiritual resource for university students but also is considered one of the country's architectural gems. He took a special interest in programs that would better the lives of young people. As a young college graduate, he established Covode House, a clubhouse for boys, near the Heinz plant. He also served as an active director of Sarah Heinz House, a larger development club for boys and girls on the North Side that continues to thrive.

Mr. Heinz died on February 9, 1941. He bequeathed his residual estate to the Howard Heinz Endowment for philanthropic purposes.

Vira I. Heinz (1888–1983)

In a city known for its active and concerned civic leaders, Vira I. Heinz was among the foremost. Born Vira M. Ingham in what is now the Brighton Heights district of Pittsburgh, in 1932 she married Clifford S. Heinz, son of Henry J. Heinz, founder of the food processing company. Clifford Heinz died in 1935.

Over the next five decades, Mrs. Heinz actively engaged in the philanthropic and civic work for which she is now remembered. She did so much for so many that it would be impossible to list the full range of her activities. To mention a few of the more prominent, she was vice president of the World Council of Christian Education and an active supporter of its work in Africa. She was a founder of the Civic Light Opera, president and principal benefactor of the Pittsburgh Youth Symphony, and a member of the boards of the Pittsburgh Chamber Music Society, the Pittsburgh Opera and the Pittsburgh Symphony Society.

Mrs. Heinz received the Chancellor's Medal from the University of Pittsburgh and honorary degrees from eleven colleges and universities. She was a trustee of Chatham College and the first woman trustee of Carnegie Mellon University. She served as a member of the board of Children's Hospital of Pittsburgh and was an honorary fellow of the American College of Hospital Administrators. As a member of the Board of Directors of the H. J. Heinz Company, she was the first woman board member of a multinational corporation headquartered in Pittsburgh. In the spirit of generosity that characterized her life, Vira I. Heinz provided in her will for the establishment of a charitable foundation.

THE HEINZ ENDOWMENTS

Howard Heinz Endowment
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