

ACTION REPORT
ON RACIAL EQUITY

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Greater Milwaukee
FOUNDATION
greater together

WINTER 2022-23

POWERING CHANGE

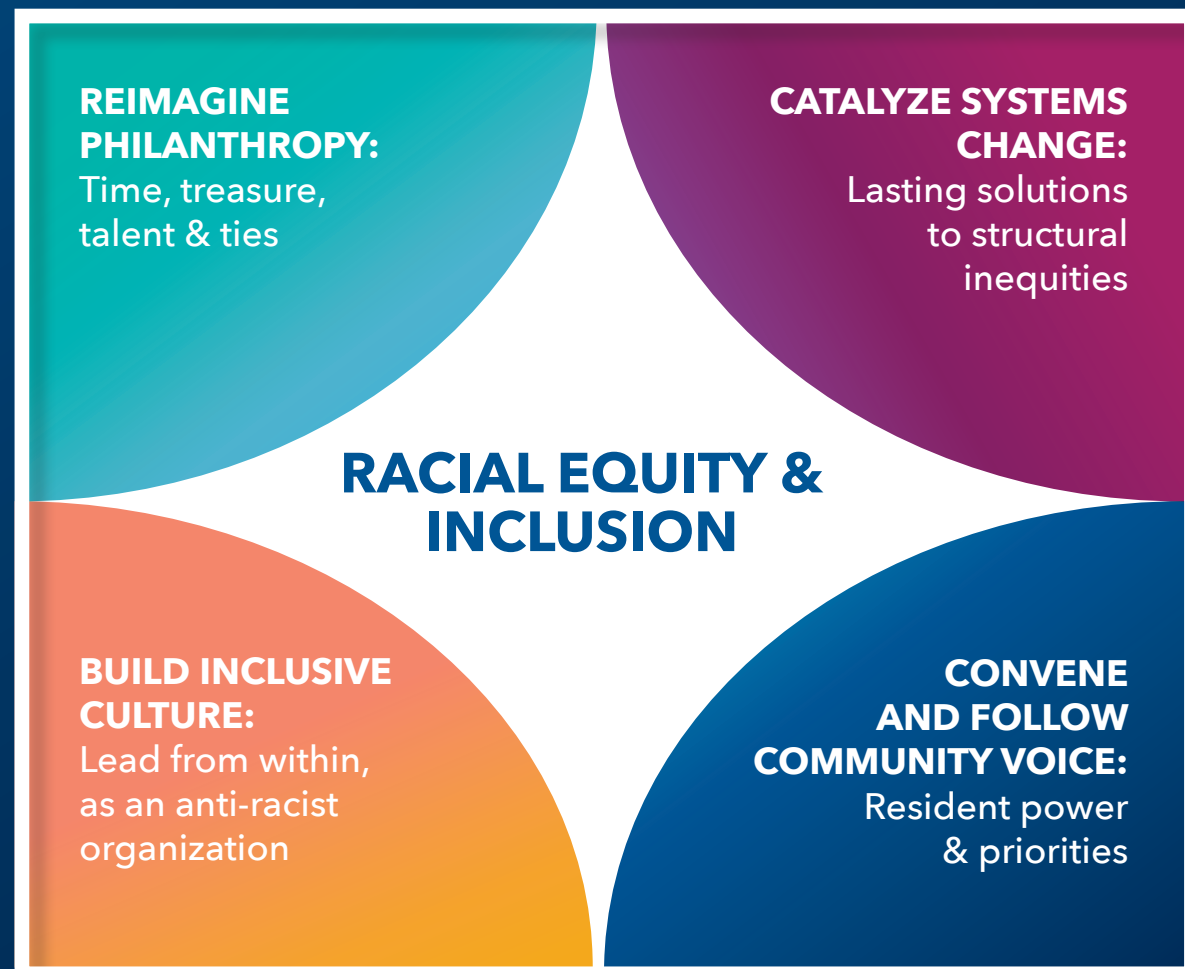
Driving positive community impact is a mixture of art and science, where passion and vision meet data and investment, grounded by the voices of those with lived experience. You will find these elements and more in this latest edition of the Greater Milwaukee Foundation's *Action Report on Racial Equity*.

As we work alongside you and our entire region to build a Milwaukee for all, the Foundation aims to share not just outcomes, but the important steps that take place along the way.

Lasting change takes enduring commitment, and we honor the journey in this ongoing work. Prominently featured in this report is the Foundation's journey in impact investing, a philanthropic tool for social and economic impact with the potential to build community in incredibly innovative ways.

We invite you to learn how our North Star of racial equity and inclusion guides this work, the impact it has on the lives and livelihoods of people in greater Milwaukee and how you can join us.

FOUR-PART STRATEGY FOR BUILDING A MILWAUKEE FOR ALL



HONORING INDIGENOUS PEOPLE AND TRADITIONAL HOMELANDS

As Wisconsin's largest community foundation, we continue to use our position and resources to amplify the voices and priorities of everyone who calls Milwaukee home today – especially those who have been systematically silenced or made invisible – so we may build a more inclusive, just and vibrant greater Milwaukee.

Through the leadership of our internal culture committee, this spring we developed an oral and written land acknowledgement, which has been added to our website as well as incorporated in external convenings. Information was sourced from the Milwaukee Public Museum, Wisconsin First Nations American Indian Studies, University of Wisconsin-Milwaukee, Marquette University and native-land.ca (a Canadian resource to learn more about indigenous territories, languages, lands and ways of life).

Visit greatermilwaukeefoundation.org/land-acknowledgement to read and listen to the statement.

BUILDING OUR INCLUSIVE CULTURE INTERNALLY

BE WELL

Our work in addressing the longstanding systemic racism in our community is intense and emotional. Staff have called for ways to care for and support each other so we can, in turn, better help the community at large in building a Milwaukee for all. Following staff priorities, we provided the following resources as part of a new "Be Well" initiative:

- On-site individual and group mental health counseling services
- An equity-based, holistic wellness offering for all employees to benefit from alternatives that may not be supported via traditional health and wellness resources
- A week of respite in late August for staff to rest and recharge
- A dedicated space in the office for staff to decompress and step away from their work as needed

CAPITAL BUILDS COMMUNITY

Access to capital is a community challenge and opportunity

Access to capital is an essential community resource. It allows local businesses to invest in their growth and job creation, for housing developments to meet resident demand while remaining affordable, for projects that serve the community — such as early childhood education centers — to meet the needs of families. The benefits of such investments are clear: long-term social gains, economic strength and wealth creation. However, communities of color do not experience equitable access to capital. Systemic racism forged barriers to capital that persist today for many in Milwaukee, from redlining that has devalued property in Black and Brown neighborhoods, to discriminatory lending practices that have prevented potential homebuyers of color from obtaining mortgages, to the subsequent lack of enough generational wealth to secure the financing needed to start a business or pursue higher education. The Greater Milwaukee Foundation is committed to creatively applying its resources and position in the community to dismantle these barriers — old and new — so all in our region can thrive.

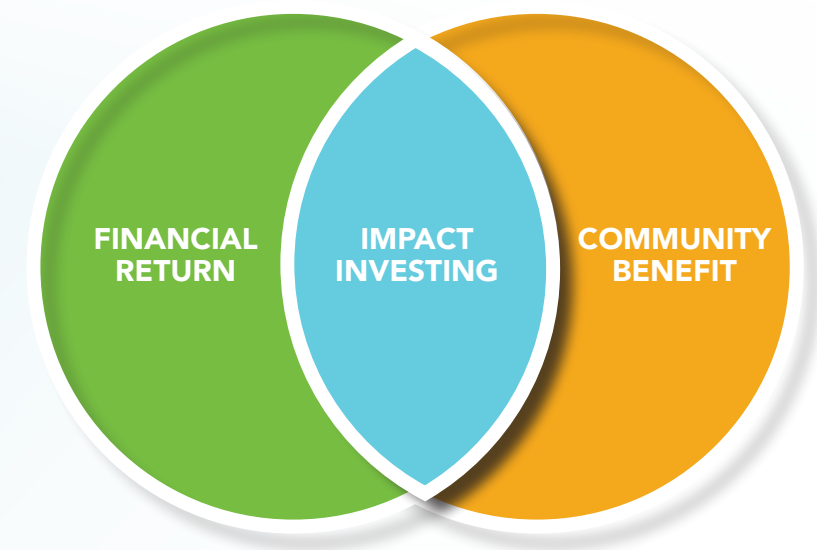
Among our most innovative tools is **impact investing.**

What is **IMPACT INVESTING?**

Impact investing is philanthropy's way of supporting businesses, developments, projects and entrepreneurs that bring tremendous social and economic value to the community beyond the scope of conventional nonprofit grantmaking.

Often structured as loans, equity investments or guarantees, impact investments provide timely support while ultimately delivering a financial return so funds can be reinvested in new projects, creating a cycle of sustainability.

Through our impact investing program, the Foundation carefully invests in places and opportunities where private and public funding have been inadequate, and racial inequities have stifled potential.



A MODEL FOR COMMUNITY BUILDING

Through impact investing, philanthropic capital reaches needs in the community that traditional philanthropy may not. By providing support to projects and opportunities that otherwise face barriers to financial, relational and generational resources, impact investing can help build a Milwaukee for all in a variety of ways.



Investments at work



Dana Guthrie, Gateway Capital founder and manager partner

FILLING A VENTURE CAPITAL VOID

In 2021, Gateway Capital, a Black- and female-led venture capital firm, received a \$1 million impact investment commitment from the Foundation to advance equitable economic opportunity for historically underestimated entrepreneurs. It is the only Milwaukee-based firm to focus on pre-revenue startups and the only Wisconsin-based fund with an emphasis on low- to moderate-income communities.

Following the Foundation's support, Gateway closed its initial round of funding at \$13.5 million.

Since then, it has made four investments in startups, representing a range of industries from fintech (financial technology) to digital health to enterprise software. Seventy-five percent of its portfolio is Milwaukee based and 75 percent is minority founders.

The startups include:

- **Geno.Me**
- **Tip a ScRxipt**
- **The Houstr**
- **The Way Out**

“Venture capital has been the fuel behind many of today’s largest and most impactful companies. Many of them are not only large employers driving economic growth, but also have resulted in generational wealth for founding members and investors. When venture capital becomes accessible to those who otherwise haven’t had access, it acts as an equalizer — providing everyone with an opportunity to attain generational wealth.”

Dana Guthrie
Gateway Capital founder and managing partner

“With implicit bias and the stigma attached to incarceration, one of our priorities is to change the narrative, alter public perceptions and build awareness of the importance of hiring justice-impacted individuals. With the current investment from Gateway Capital, we will be able to accelerate our impact and empower hundreds of marginalized individuals who will now have coordinated access to our updated employment platform, safety net services and peer support networks.”

Eli Rivera
Co-founder and CEO, The Way Out, a justice tech software startup

“Gateway’s focus to invest in ‘underestimated Milwaukee’ resonated with me. I knew Milwaukee had everything that I needed, even if that meant we needed to create opportunity from the resources that already existed here. I took advantage of multiple resources in our local tech ecosystem to prepare. The Gateway investment put me in the game and has given me the critical early-stage capital to take my best swing!”

Chad Johnson
Founder and CEO, Tip a ScRxipt, a health care payment assistance platform

CULTIVATING BUSINESS GROWTH

Milwaukee-based JCP Construction received a \$1.54 million impact investment loan from the Foundation earlier this year to support growth and job creation. This investment demonstrates how the Foundation catalyzes change when the traditional financial system is not meeting the community’s full needs. The infusion of capital helped position the already successful family-owned, Black-owned company for a range of new projects and opportunities.

- Booked more than \$35 million in upcoming work
- Awarded remodel of 19 Advocate Aurora clinics in Milwaukee County
- Awarded two Associated Bank remodels
- Partnering with CG Schmidt on ThriveOn King historic redevelopment
- Partnering with Findorff on Center for Black Excellence and Culture development in Madison
- Partnering with VJS Construction on Washington Park Urban Ecology Center project
- Partnering with Miron Construction on FPC Live/ Milwaukee Bucks live entertainment facility in Milwaukee’s Deer District

JCP was also able to expand its professional office and field team with several new hires.

BUILDING ON COMMUNITY VISION

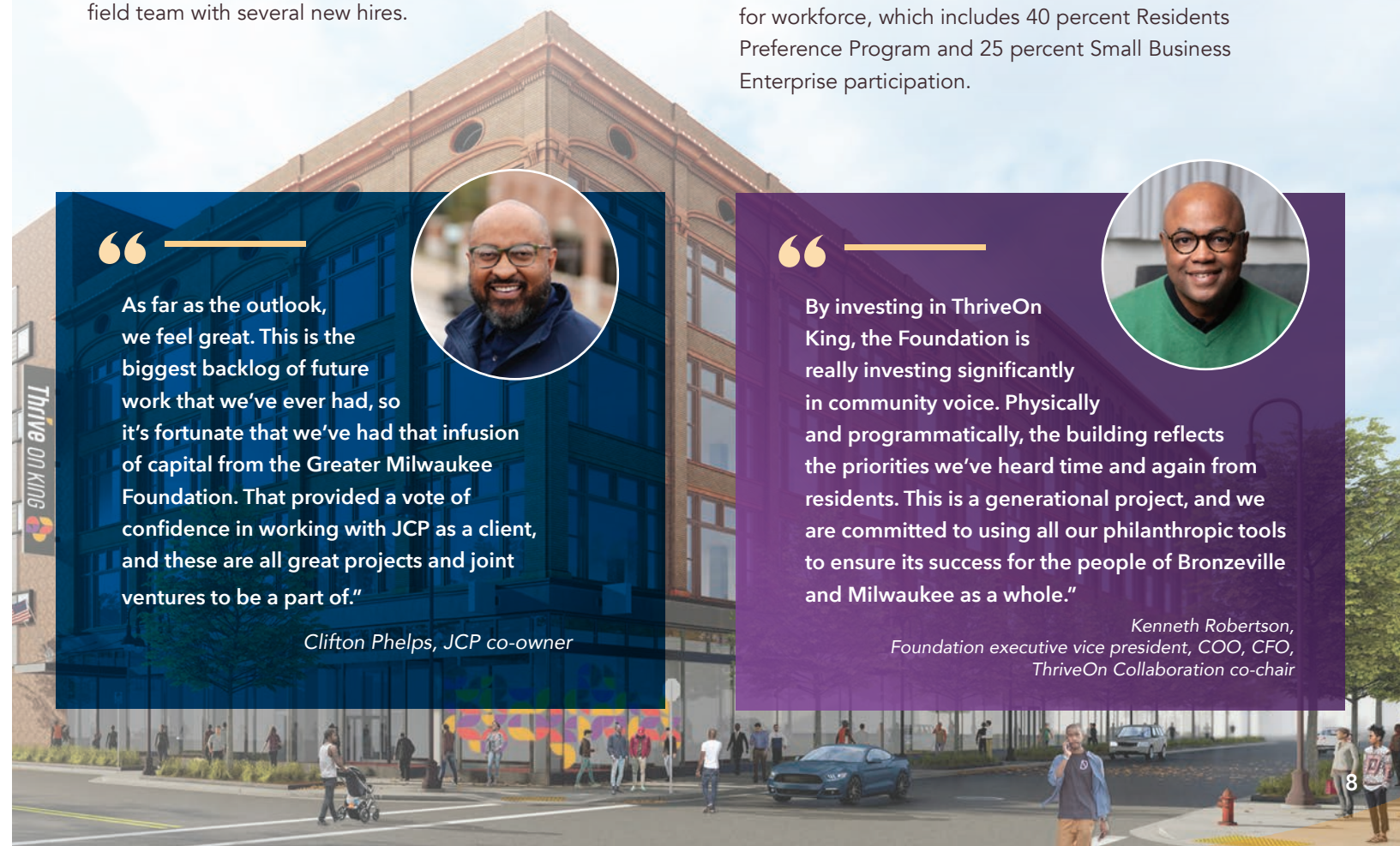
The Foundation’s largest impact investment to date has been its mission-driven commitment of \$10 million supporting the development of ThriveOn King. Once an iconic department store long since shuttered, the historic King Drive building is being revived through the ThriveOn Collaboration led by the Foundation, the Medical College of Wisconsin and developers Royal Capital. Construction is underway, and when complete, the building will be a catalytic, neighborhood anchor – housing the Foundation’s headquarters, MCW’s community engagement programs and a range of community spaces, tenant partners and residential housing units.

Confirmed tenants: Malaika Early Learning Center, Versiti Blood Center of Wisconsin

Other community-informed features: Gathering spaces, maker space, food and beverage options, art, parking structure

ECONOMIC INCLUSION

The project aligns with the Foundation’s priority of advancing equitable economic opportunity, including through its intentionality in hiring and investing in Black and Brown local talent. ThriveOn King is committed to achieving the City of Milwaukee requirements for workforce, which includes 40 percent Residents Preference Program and 25 percent Small Business Enterprise participation.



“As far as the outlook, we feel great. This is the biggest backlog of future work that we’ve ever had, so it’s fortunate that we’ve had that infusion of capital from the Greater Milwaukee Foundation. That provided a vote of confidence in working with JCP as a client, and these are all great projects and joint ventures to be a part of.”

Clifton Phelps, JCP co-owner

“By investing in ThriveOn King, the Foundation is really investing significantly in community voice. Physically and programmatically, the building reflects the priorities we’ve heard time and again from residents. This is a generational project, and we are committed to using all our philanthropic tools to ensure its success for the people of Bronzeville and Milwaukee as a whole.”

Kenneth Robertson, Foundation executive vice president, COO, CFO, ThriveOn Collaboration co-chair



ThriveOn Small Business Loans

succeed with donor support

Dwight Jackson, owner of Pepperpot

To date, the Foundation's ThriveOn Small Business Loans round of funding has deployed \$780,000 through the impact investing program, providing 17 local businesses with low-interest loans ranging from \$25,000-\$50,000 to support reopening, rehiring and overall business operations. Foundation donors have directly contributed \$625,000 supporting economic opportunity through the program.



ThriveOn Small Business Loans deployed **\$780,000** in low-interest loans to **17 local businesses**

“Small businesses are the lifeline in most cities, particularly in communities of color. Small business growth is how you change communities and keep them thriving.”

Margaret Henningsen
Legacy Foundation Fund adviser
ThriveOn Small Business Loan donor

“When we started, I thought I had enough put away, from my funds, but I never anticipated it was going to take this much. We had to buy a desk, we had to buy tables, we had to buy different pots. In fact, the ThriveOn loan was where we got our silverware and our plates and all that stuff... It made a difference. Just being able to go to sleep at night knowing you don't have to worry about one thing, as a business owner, that is a relief.”

Dwight Jackson
Pepperpot owner and founder
ThriveOn Small Business Loan recipient

IN HIS WORDS:

Hear Dwight Jackson talk about his journey to opening his restaurant, Pepperpot, 2215 N. Dr. Martin Luther King Jr. Drive. Scan the QR code or visit greatermilwaukeefoundation.org/impact-investing for the audio interview.



SCAN ME

HOW DOLLARS ARE DEPLOYED

Total impact investing dollars deployed, or approved with deployment pending, since 2017*

\$17,715,500

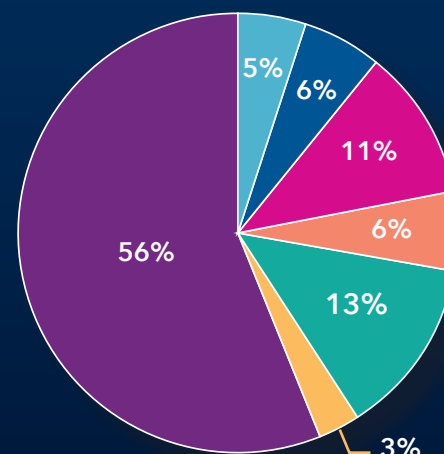
*The Foundation deployed \$1 million from its own funds between 2017-19 in an impact investing pilot program.

Committed to deploying **\$30 million** in current phase of program

IMPACT INVESTMENTS BY AREA SUPPORTED

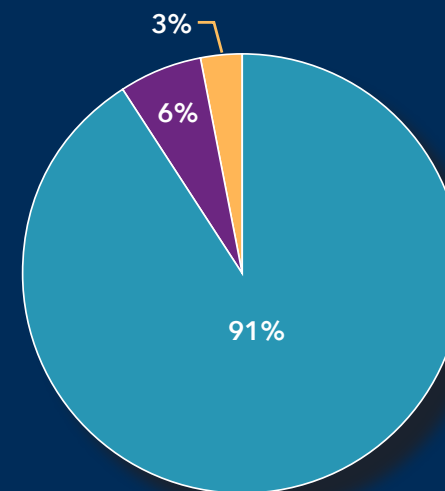
Community Development	\$883,000
Economic Inclusion*	\$1,000,000
Education	\$2,000,000
Housing Development	\$1,000,000
Small Business	\$2,320,000
Small Business Related**	\$512,500
ThriveOn Collaboration	\$10,000,000

* e.g., venture capital
** e.g., business incubator, community development financial institute



IMPACT INVESTMENTS BY TYPE

Loans	91%
Equity investments	6%
Loan guarantees	3%





Just getting started

HOME REHABILITATION AND OWNERSHIP

The Foundation is investing in a new housing strategy to increase homeownership for Black and Brown families to spur generational wealth building. The program provides access to capital for eligible alumni of the Associates in Commercial Real Estate program, which recruits and prepares people of color for careers in the field. ACRE alumni participating in the city of Milwaukee's Home MKE housing rehab program will use the funding to renovate foreclosed

homes. Homebuyers of color will then be connected to the ready-to-purchase home opportunities the program creates.

A \$500,000 Foundation impact investment loan approved this fall will be matched by the Northwest Side CDC, which will administer the loan program for ACRE developers. This \$1 million investment is expected to renovate 10-12 homes, with an emphasis on Bronzeville neighborhoods, as part of Home MKE's

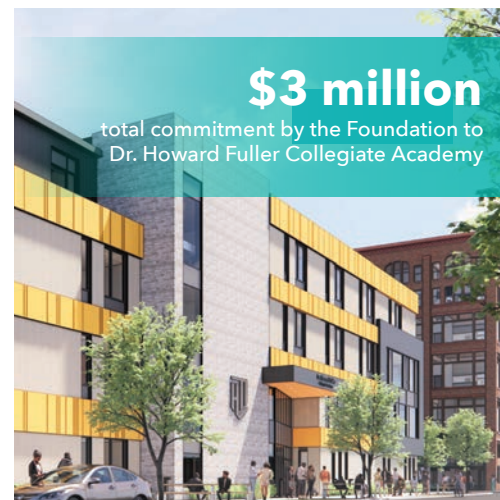
\$1 million combined investment is expected to renovate 10-12 homes

150-home goal. By investing in this program, the Foundation and our donors are helping change systems uplifting Black and Brown-owned businesses, revitalizing disinvested neighborhoods and combating the homeownership disparity gap.

ADVANCING EDUCATIONAL EQUITY

This summer, the Foundation made a \$2 million impact investment structured as a bridge loan supporting the construction of a new, relocated facility for Dr. Howard Fuller Collegiate Academy to accommodate the public charter high school's growing student body and need for greater educational amenities. With a low, fixed interest rate, the loan is providing immediate capital for construction costs, offering flexibility for repayment as philanthropic pledges are realized through the school's capital campaign, which is supporting the project at Vel R. Phillips and Garfield avenues in Milwaukee.

This is part of a \$3 million total commitment by the Foundation to HFCA that includes capital support and student scholarships for a lasting impact on educational equity and neighborhood vibrancy. The tuition-free school is open to all students in the city. Its students are predominantly African American, and the school has achieved a 100 percent college acceptance rate for over 10 years.



A Greater Together Campaign priority

The Foundation's \$700 million Greater Together Campaign invites everyone in the community to help build a Milwaukee for all.

Impact investing is among the priorities in this comprehensive philanthropic campaign. Donor co-investment has made our robust impact investing portfolio possible and is critical for continued expansion of the program.

THE IMPACT OF GIVING

Kathy and Tom Schrader are longtime donors of the Greater Milwaukee Foundation. Kathy, who previously worked at the Foundation as a senior gift adviser, made her first gift to the Women's Fund Endowment in 1991. The couple established a donor advised fund in 2001 and have been highly engaged in grantmaking to support the Milwaukee community for over two decades.

In 2022, the couple donated a major gift through a qualified charitable distribution to the Foundation's Impact Investing Fund, motivated by a strong interest in supporting business development, especially in communities of color.

Opportunity to join

A gift to the Greater Together Campaign's Impact Investing Fund creates economic opportunity by supporting small businesses, early childhood education providers, developers of affordable housing and more – and delivers positive social and financial returns.

Learn more at greatermilwaukeefoundation.org/campaign



“ I strongly believe in the importance of economic opportunity to advance social equity. Access to financial resources is critical for forming and growing businesses, which then create employment opportunities.”

*Tom Schrader
Impact Investing Fund donor*

PEOPLE MAKING IT HAPPEN

Dedicated staff and volunteers bring expertise, passion and insight to the impact investment process. Investments flow through the Impact Investment Committee of respected community leaders with investment expertise, who report to the Foundation’s Board and vet all deals with a technical subcommittee.

INTERNAL TEAM

Yelena Chester
 Kathryn Dunn
 Leah Fiasca
 Laura Glawe
 Kermiath McClendon
 Andrea C. Ogden
 Kenneth Robertson

IMPACT INVESTMENT COMMITTEE

Gregory M. Wesley, Chair
 Mary Ellen Stanek, Vice chair
 Wendy Reed Bosworth
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 Susan Hatch
 Paul J. Jones
 Patty Mueller
 Kevin Newell
 Greg Oberland
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 Derek L. Tyus
 Jacqueline Ward

IMPACT INVESTING TECHNICAL SUBCOMMITTEE

Doyle Butkiewicz
 Jon Gaines
 Blaine Gibson
 Alex Kramer
 Bill Krugler
 John Reinke
 Gregory M. Wesley

CELEBRATING AND ENGAGING DIVERSE DONOR COMMUNITIES

Achieving a Milwaukee for all wouldn’t be possible without our partners in philanthropy. Some have chosen to share their gifts by starting or growing a fund, others have coinvested in campaign priorities, and still others have chosen to leave a legacy. Some have done all three. But donating financial gifts is only one aspect of being a philanthropist. The Foundation recognizes time, talent and ties as additional forms of giving, thus reimagining our definition of philanthropy and expanding our scope to bring more people to the table to share their voice, vision and power. Communities — especially communities of color, mutual aid societies and faith-based organizations — have been practicing these traditional forms of philanthropy for generations.

EFFECTIVE APPROACHES TO ENGAGEMENT

- **Community Adviser and Ambassador Network**
 Invites racially and ethnically diverse leaders and professionals to establish relationships with the Foundation as it deepens its understanding of community needs.
- **Intentional storytelling**
 Celebrates communities of color, in alignment with Black Philanthropy Month and National Hispanic Heritage Month. The effort seeks to both honor the generous spirit of Black and Latino philanthropists and invite more people to see themselves as philanthropists.

Featured philanthropists include:



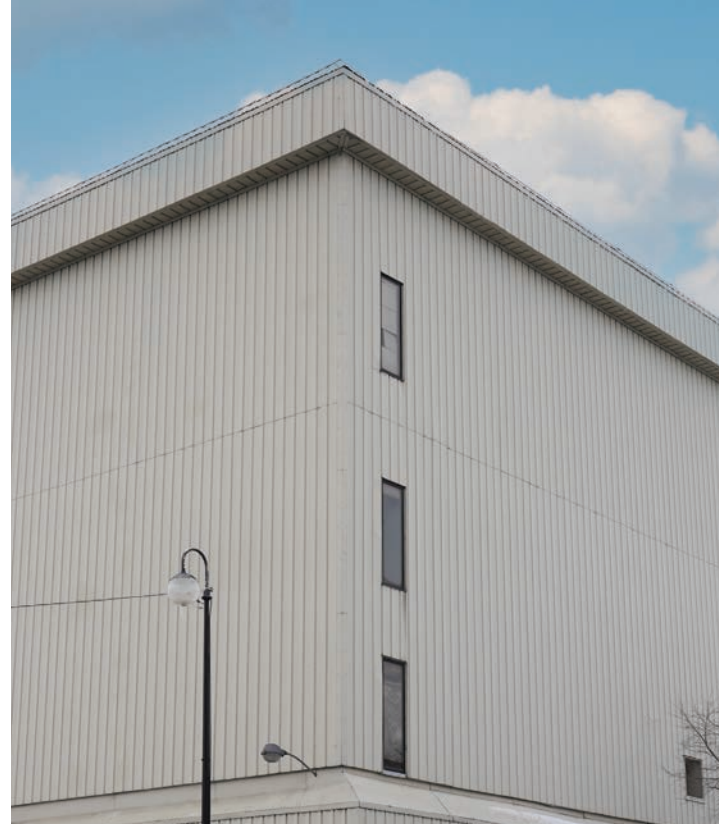
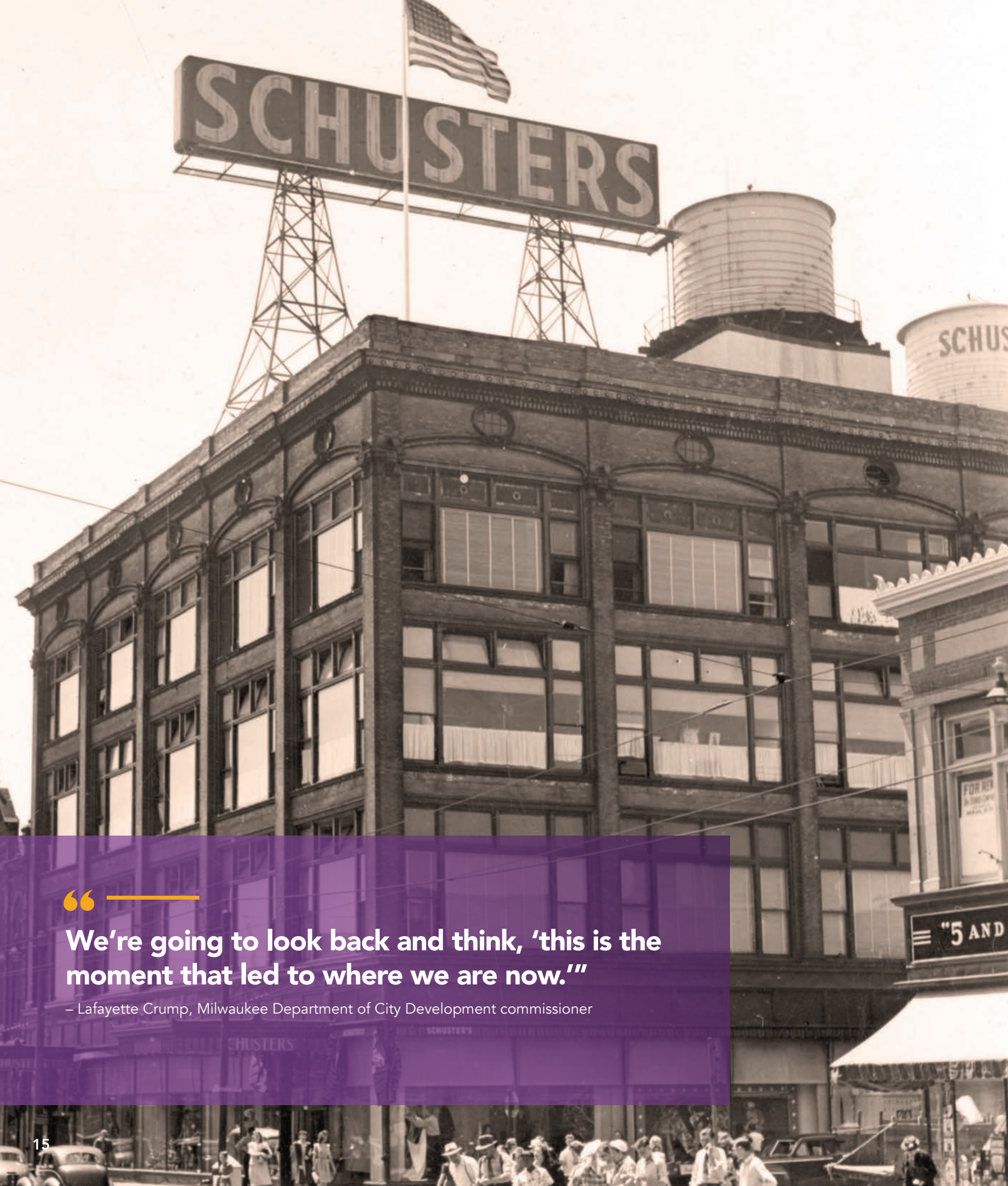
JACKIE HERD-BARBER, the former Foundation Board chair, is recognized for sharing her talent.

REBECA LÓPEZ, Community Impact Committee member, is recognized for sharing her time, at the invitation of Foundation Board member Judge Pedro Colón.

GERTRUDE PAYTON, who established the Payton-Price Family Fund, is recognized for sharing her ties. Gertrude passed away in February 2022, leaving a tremendous legacy.

Couples **RALPH AND MARGARET HOLLMON** and **MEG AND RICARDO DIAZ**, who each established funds, are recognized for sharing their treasure.

Future celebrations will include: focus on Asian American Pacific Islander philanthropists, youth philanthropists and more.



“ We’re going to look back and think, ‘this is the moment that led to where we are now.’ ”

– Lafayette Crump, Milwaukee Department of City Development commissioner

HISTORY IN THE (RE)MAKING

1907

Edward Schuster & Company Department Store opened its branch on King Drive (then North Third Street) in 1907. In 1961 it merged with Gimbel Brothers. Gimbels-Schuster's Department Store was a Milwaukee mainstay until 1969, when suburban flight and the growing popularity of shopping centers led to its decline.

1984

In 1984, metal sheeting wrapped the building while C.H. Coakley & Co. used the space as a warehouse and operations center. For more than 30 years, the masonry has been protected by the metal covering. Neighbors and the community eagerly awaited seeing the remarkable façade revealed once again and the ornate details and history that remained inside.

2022

On June 7, 2022, redevelopment and construction commenced on the community-named ThriveOn King. The joint venture of Royal Capital, the Medical College of Wisconsin and the Greater Milwaukee Foundation aims to recenter community. The shared vision goes beyond the brick-and-mortar investment at 2153 N. King Drive. True, the Foundation is excited for its new home to be ready on the fourth floor, while even deeper impact will reach across the near-downtown neighborhoods of Halyard Park, Harambee and Brewers Hill, supporting them to become more equitable, healthy and thriving for all.



LISTENING, LEARNING, ACTING: A community approach to violence prevention

As part of our more than \$1 million investment in community-driven solutions to heal from and help prevent violence in Milwaukee, we supported people and places that build relationships, increase belonging, prevent harm and restore hope for a Milwaukee for all.

In the spring, we hosted a respite retreat for approximately 35 community activists and organizers who are working on the front lines and involved in violence prevention and interruption. We worked in concert with the Office of Violence Prevention to support groups that provided outreach, canvassing and activities that supported violence prevention and community building over Memorial Day weekend. We also provided a \$300,000 investment toward its intensive summer outreach strategies. We also committed \$100,000 to help families with funeral expenses for victims of violence.

A grant from the Foundation's violence prevention program supported MKE Urban Stables, the first facility in the nation to combine mounted patrol, equine-assisted therapy and learning and community engagement programs.



Through a special rapid response grant program this summer, led in part by Board member Jacqueline Ward and supported by the MKE Responds Fund, we funded the work of grassroots groups and other organizations addressing the root causes of violence and its devastating effects. Proposals were evaluated based on community empowerment, lived experience leadership, asset-based project design, equity and inclusion, and proposed impact on the community. This community-driven program featured:

19 grant advisory committee members
(13 Foundation staff; 6 community members)

40 applications received; 34 funded

\$600,250 distributed

Grants ranged from \$3,000 to \$25,000

Investing in youth-identified violence prevention programming is another key way the Foundation is advancing change. We relied upon the expertise of youth ambassadors from the Milwaukee Succeeds Youth Forward MKE coalition, which works to identify and meet the needs of Black male youth. These ambassadors helped us invest \$100,000 in four programs that are increasing access to mental health supports and creating more equitable and inclusive school environments.

The Foundation will continue to build its work in violence prevention by supporting partners engaged in work on the ground, engaging public partners and coordinating larger investments.

ORGANIZATIONS SUPPORTED THROUGH THESE EFFORTS:

- Alma Center
- America Heals
- Breaking Barriers Mentoring
- B.R.O.S. 1st Initiative
- City on a Hill
- CORE El Centro
- Dominican Center
- DreamUpMKE
- End Domestic Abuse Wisconsin
- EXPOSED the Podcast Foundation Corporation
- Foundations for Freedom
- Friedens Community Ministries
- Gates Family Youth Center
- Generation of Excellence Trendsetters
- Gerald L. Ignace Indian Health Center
- Good Entertainment
- Good Samaritan Westside Community Church
- Grace Fellowship Church of Milwaukee
- Heal the Hood
- International Association for Human Values/SKY Schools MKE
- Locked in the Game Lifestyle
- Mahogany CARES Foundation
- Mental Health America of Wisconsin
- MENTOR Greater Milwaukee
- Metcalfe Park Community Bridges
- MKE Urban Stables
- Milwaukee Christian Center
- Milwaukee Film
- Missionary Currie for Women and Children
- Nehemiah Project
- PEAK Initiative
- Program the Parks MKE
- Running Rebels
- Silver Spring Neighborhood Center
- United Methodist Children's Services of Wisconsin
- United Way of Greater Milwaukee & Waukesha County
- VIA CDC
- Victims of Milwaukee Violence Burial Fund
- Walnut Way Conservation Corp
- WestCare

“

It is so important to have a sense of what those of us out in the community think about some of the proposals because we are the ones affected by this. The exciting thing about this grant opportunity is that when you get all these people around the table, you get a bigger picture of what the grant is all about rather than your narrow view. The conversation just blossoms – it is so organic.”

– Steve O’Connell, Sherman Park resident and member of the violence prevention grant advisory committee



CORE El Centro’s Holistic Exercise program is one of its many services designed to provide mental health tools to individuals and families recovering from violence and seeking to prevent the cycle of violence in their communities.

GreaterMilwaukeeFoundation.org

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 instagram.com/GrMkeFdn

A MILWAUKEE FOR ALL

Thank you to hundreds involved in
racial equity learning and action

Two A Milwaukee for All convenings powered ideas and
commitments to:

- Change narratives to better frame community issues and aspirations of people
- Trust community with decision-making power
- Heal hurt caused by colonization
- Take chances and approach community philanthropy differently

Visit greatermilwaukeefoundation.org/amfa2022 to view the most recent convening with Tonya Allen and local Milwaukee leaders.



Tonya Allen
President of McKnight Foundation



Edgar Villanueva
Activist and author of
"Decolonizing Wealth"