

Toward Best Practices in Environmental Grantmaking

Strengthening
Community Engagement
and Capacity at the
Local Level

Executive Summary

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Prepared for the Hamilton Community Foundation
and Community Foundations of Canada

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On behalf of the Canadian Environmental Grantmakers' Network



Hamilton Community Foundation's role in environmental grantmaking has been increasing in recent years, and when we were chosen to participate in the J.W. McConnell Family Foundation's environmental initiative, we commissioned this study to help us become as strategic and effective as possible. We asked the Canadian Environmental Grantmakers' Network to focus on four areas we believe are critical: strengthening capacity, collaboration, citizen engagement (particularly with youth, neighbourhoods, and diverse groups), and grantmaker leadership. They have done a superb job of bringing together expert opinion, case studies, best practices, and thoughtful commentary.

We are very pleased that this new resource will be shared with our fellow community foundations and other grantmakers, thanks to Community Foundations of Canada, as we all work toward improving and protecting our environment.

Carolyn A. Milne

President & CEO

Hamilton Community Foundation

As this study shows, most community foundations are just beginning their work in the complex and challenging area of environmental grantmaking, but initiatives like the partnership between Community Foundations of Canada (CFC) and the J.W. McConnell Family Foundation are helping CFC and our 139 members explore that potential.

This publication represents a major addition to the community foundation toolkit as we build our understanding of how community foundations can support the environmental sector in this country. We hope that "Toward Best Practices in Environmental Grantmaking: Strengthening Community Engagement and Capacity at the Local Level" will also be useful for private foundations and other grantmakers supporting environmental action.

Monica Patten

President & CEO

Community Foundations of Canada



Community Foundations
of Canada Fondations
communautaires
du Canada

This project was initiated by the Hamilton Community Foundation and Community Foundations of Canada to identify best practices in environmental grantmaking at the local level, with the goal of increasing the effectiveness of community foundations and other grantmakers in building the capacity of the local environment sector and increasing citizen engagement in community environmental issues. The Foundation engaged the Canadian Environmental Grantmakers' Network (CEGN) to develop and coordinate the project.

The analysis and recommendations of this report are based on a review of literature, interviews with knowledgeable foundation staff and environmental leaders across Canada, and examination of nine case studies. These case studies are grouped into four key areas: capacity building in the local environment sector; collaboration and partnership at the local level; constituency building and citizen engagement; and grantmakers taking leadership.

This report is not intended to be a definitive guide, but rather to provide an overview of the current state of knowledge and practice in the field and to serve as a starting point for further discussion and debate on best practices in environmental grantmaking at the local level.

A. Overview of Community Foundations and the Environment

Community Foundations and Environmental Funding:

There are 139 community foundations currently active across Canada, but the environment is a relatively new funding area for many of them. Despite the public interest in a healthy environment, this represents a small part of community foundation grantmaking, estimated at between four to five percent of their total grant dollars in 2002. In part, this reflects the overall pattern in foundation and corporate giving, although community foundation environmental grants are smaller than the average for Canadian environmental grantmakers. However, there is considerable variability among community foundations, and growing recognition that more can be done.

The general roles and strengths of community foundations present particular opportunities for them in the environment sector to partner with other funders, to work with government agencies, to provide leadership to local ENGOs (environmental

non-government organizations), and to be a convener on community environmental issues.

The ability of community foundations to grasp these opportunities is dependent on their available human, information and financial resources and, more importantly, on the willingness of the foundations to take a leadership role on environment issues in their communities.

Character of the Environment Sector:

Environmental groups at the community level are typically younger, smaller, and more lacking in infrastructure, stable revenue streams and public funding than groups in other sectors. At least half lack charitable status, and their Boards tend to be less strategic and less sophisticated than in other sectors. Many ENGOs are born in response to a threat to the local environment, and advocacy to change government policies is an important focus for some groups, which may bring them into conflict with agencies and the business sector. However, the environment sector is far from homogenous, and some organizations have evolved to a broader focus and greater permanence.

In general, the environment sector has an image problem – ENGOs are often perceived as radical and out of the mainstream, even where that reputation is clearly not deserved. While environment groups perform an essential function in communities and devote countless volunteer hours to the public good, they remain vulnerable and in great need of support.

B. The “Best Practices” Case Studies

For those community foundations and other funders willing to take up the challenge of environmental grantmaking, the nine case studies summarized below suggest principles for effective local environmental grantmaking in four key areas: capacity building; fostering collaboration and partnership; constituency building and citizen engagement; and grantmakers taking leadership. The case studies were not chosen to be perfect examples of “best practice” but to present the state of current practice and to illustrate the issues, successful strategies and challenges inherent in grantmaking in each of the topic areas. Recommended best practices drawn from the case studies, literature review, and thoughtleader interviews are included within each of these areas.

Capacity Building:

In recent years, funders have paid increasing attention to the capacity building needs of nonprofit organizations in all sectors, and many of the lessons learned elsewhere apply well to the environment field. Two case studies were documented relating to capacity building:

- a) *An Ontario Trillium Foundation grant to The Couchiching Conservancy for organizational development within an environmental NGO.* This multi-year grant supports the transition of the organization from a volunteer-based group to one led by a professional Executive Director. Grantmaker requirements including the early development of a strategic plan, tracking of clear deliverables related to the goals of the Foundation, and a declining grant level over several years were used to help build capacity rather than foster dependence.
- b) *A Laidlaw Foundation grant to establish the Sustainability Network, a training organization devoted to local environment sector development.* In this case, the Foundation provided not only seed funding, but also initial office and administrative support which greatly assisted with credibility and stability of the new organization. Environmental organizations were extensively consulted to help design the capacity building programs and delivery systems. The Sustainability Network is now an independent organization with a strong base of programs and support.

Six best practices are recommended relating to capacity building:

- **Get to know your ENGOs and their strengths and needs**, so that you can match grants with activities appropriate to the organizational stage and needs of local groups;
- **Recognize that capacity building takes time and investment**, especially within the environment sector where many organizations are relatively immature; watch for organizations that are ready to make a transition to a higher level of operations;
- **Make use of existing training resources**, including information-sharing and peer learning among community organizations; formal training appears to work best within the context of the environment sector alone;
- **Offer more than money**, by taking a direct role in hosting events or programs, offering services, or offering endorsement and credibility to selected groups;
- **Evaluate and adjust programs continuously**, using feedback from program participants and advisory councils to review and adjust capacity building programs on a regular basis;
- **Help organizations learn from each other**, through information sharing and peer learning opportunities.

Collaboration and Partnership:

Collaboration among environmental organizations and with other sectors can produce significant and lasting benefits, but collaboration is not always possible or even desirable, and community foundations should be cautious about forcing it on ENGOs. A growing trend is collaboration among funders around issues of common concern. Two case studies were examined related to collaboration and partnership:

- a) *A collaborative program among six community foundations around the Gulf of Maine to address coastal water quality and fisheries decline issues.* This three-year program, initiated by the foundations themselves, was very successful in attracting new resources and in supporting community-based initiatives. A network of relationships among ENGOs and funders has lasted well beyond the life of the program.
 - b) *A Vancouver Foundation start-up grant to the Labour Environmental Alliance Society (LEAS),* which brought together labour unions and environmental organizations to work on issues of common concern. A LEAS project on cleaners, toxins and the ecosystem has reached workers in many industries to educate them about toxic materials in some cleaning products.
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Five best practices are recommended relating to collaboration and partnership:

- **Make the process interactive**, so that partners in a collaboration are involved in a meaningful way in framing its structure and priorities, have enough flexibility to learn and adjust, and help define an evaluation framework;
- **Ensure clear agreement on the logistics**, with up-front agreement on administrative arrangements, how funding decisions are handled, and dedicated staff for coordination;
- **Recognize the importance of face-to-face networking**, with funding for travel and facilities to regularly bring together partners to build relationships and commitment, foster mentoring, and iron out differences;
- **Look for issues with overlapping interests and readiness for new approaches**, and insist that potential partners in collaboration are having initial discussions before applying for funding support;
- **Make sure the right people and the right organizations are involved**: the skills and credibility of the individuals involved, and the track record and maturity of the organizational partners are vital to success.

Constituency Building and Citizen Engagement:

Citizen engagement, both in environmental organizations and in broader causes, is a crucial element in long-term environmental change, but the success of ENGOs in involving citizens is very uneven. Most environmental organizations are supported by a largely white, older adult population, and initiatives to engage diverse cultural communities and young people are mostly at an early stage. Three case studies documented citizen engagement projects with different target groups:

- a) *A North American Fund for Environmental Cooperation (NAFEC) grant to Water Action Chelsea / Action-eau Chelsea to support volunteer citizen monitoring of water quality and quantity within a small Quebec community.* A strong framework to store and analyze data from the program through the municipality and a university, together with the leadership of a well-respected community ENGO, helped attract citizen participants in this project.
- b) *An EcoAction (Environment Canada) grant to the Toronto and Region Conservation Authority to assist in engaging multi-cultural organizations in environmental conservation projects.* This project developed a framework of short, medium, and long-term objectives, respected and involved cultural community leaders, provided opportunities for hands-on involvement in environmental projects, and responded to specific cultural needs.
- c) *A Youth in Philanthropy granting program by the Community Foundation of Portage and District, supported by the Thomas Sill Foundation, to facilitate youth involvement in researching and selecting grants to local organizations.* While this program has been very successful overall, it has not produced the expected results in the environmental area. This case study illustrates the opportunities and challenges inherent in the Youth Advisory Council model as a vehicle for increased youth engagement in the community.

Seven best practices are recommended relating to citizen engagement:

- **Environmental projects with citizen volunteers must be meaningful**: the quality of the activity engaged in must be rewarding to participants, and result in meaningful results; the involvement of a strong credible ENGO and a strong plan are vital;
- **Engagement programs must respond to community needs and concerns**, because people must care about an environmental issue before they are likely to become engaged;
- **Work with cultural groups and leaders willing to integrate environmental programs**; current organizations and institutions such as ESL programs provide starting points for involvement;
- **Encourage ENGOs seeking to increase diversity to first look within**: organizational changes to become more sensitive to other cultural norms, to include diversity in staff and Board composition, and to become more inclusive are important steps in reaching out to diverse communities;

- **Address barriers to greater environmental involvement in Youth in Philanthropy programs**, including creative ways to make grants to environmental organizations lacking charitable status, and consideration of capacity building and awareness activities related to youth and the environment;
- **Recognize that youth view environmental concerns in a different context**, often as part of broader social justice or quality of life concerns; engaging youth may require projects with an integrated outlook, an emphasis on activism, and opportunities for youth to be in control;
- **Be willing to experiment with different approaches to engage youth**, with innovative projects relating to community collaboration, leadership training, partnerships with schools, and effective adult-youth partnerships.

Grantmakers Taking Leadership:

Many foundations are becoming more strategic in their grantmaking, seeking to direct grants in a more focused way to achieve greater public benefit. Some are becoming more directly engaged in identifying environmental issues, priorities and potential solutions in their communities.

At the same time, many foundations have maintained their traditional discomfort with funding advocacy activities by ENGOs. This reluctance is largely self-imposed, rather than dictated by the limits defined in charitable law. Public consultation is a legally-mandated and important element of many aspects of community and natural resource planning, and it is often difficult for the community to engage effectively on complex issues. Since many environmental issues are intimately linked with public policy, the extent to which community foundations support engagement in advocating policy change is especially important for this sector.

Two case studies are included to address issues relating to foundation leadership:

- a) *An Alberta Ecotrust Foundation initiative to lead a Calgary Dialogue on Urban Ecosystem Health* using a facilitated process in a workshop with community group representatives to identify and discuss urban environmental issues and potential solutions. This process has been successful in stimulating environmental project proposals, developing a network and listserv among city organizations, and generating public appreciation for the Foundation. Several other community dialogues are planned, based on this model.
- b) *A George Cedric Metcalf Charitable Foundation grant to the Sierra Club of Canada for community engagement in Newfoundland forestry*, which is oriented to providing information and mapping on ecological areas with imminent threat, networking and training with conservation groups and concerned citizens, and community-based visions and action plans to respond to upcoming consultations on forest licenses. This project provides the building blocks to allow effective engagement to influence future resource management policies in the province.

Five best practices are recommended relating to foundations taking leadership:

- **Use the convenor role to identify community needs and opportunities**, such as hosting community discussions about environmental issues and concerns, and encouraging networking and future projects to address those concerns;
- **Define your comfort level with advocacy projects**, and make that boundary known to applicants; be aware of changing government regulations in this area, and recognize that a foundation's comfort level may also change with experience;
- **Show leadership in supporting civic engagement**, particularly by becoming more courageous in grantmaking in the environmental sector;
- **Support projects that encourage constructive dialogue on issues by bringing people together**, providing relevant and accurate technical information, and focusing on workable solutions; but funders should be careful not to try to pre-define outcomes for a process of dialogue;
- **Look for an understanding of issues and process by applicant organizations**; proposals should demonstrate a solid understanding and realistic assessment of opportunities for influencing public policy, and of the steps along the way.

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