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Lynne Avadenka (left), director of Signal-Return, shows board member Chantel Rush how to use printing equipment at the nonprofit Detroit letterpress studio. The organization is part of a nationwide Bloomberg Philanthropies program to bolster urban arts groups.

\$30 Million Bloomberg Program Helps Culture Groups Improve Cities

By Maria Di Mento
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One day in April 2015, Lynne Avadenka got an unexpected email that turned out to be more like a winning lottery ticket. Bloomberg Philanthropies invited Signal-Return, the Detroit arts nonprofit she leads, to apply for a grant.

A few months later, the first installment of a \$25,000 grant arrived. The money was a boon that helped pay rent, salaries, and other operational costs at the five-year-old organization, a

letterpress printing and arts center with a \$140,000 annual budget and five full- and part-time employees.

That email was one of more than 250 such invitations Bloomberg Philanthropies sent to small and mid-sized arts organizations last year as part of a \$30 million effort called Arts Innovation and Management. The program is aimed at strengthening cultural groups — and the communities they serve — by providing unrestricted money, comprehensive management training, and mentoring over two years.

"It felt like a gift," Ms. Avadenka says. "You get this lovely email out of the blue and then suddenly you're the recipient of all this great knowledge."

Data Requirement

Bloomberg Philanthropies piloted the program in its home base of New York from 2011 to 2013. Today it is working with nonprofits in Boston, Chicago, Dallas, Detroit, Los Angeles and San Francisco. The grant maker worked with community foundations, local arts commissions, and others to identify potential recipients in each city.

In all, 262 groups have received grants of varying sizes along with an intensive curriculum developed by the DeVos Institute of Arts Management at the University of Maryland, which leads the training and provides mentors.

While grantees can spend the money as they wish, they must undergo training and raise money to match their grant. Their boards are expected to help raise funds, and grantees are expected to maintain information about their organizations in DataArts, an online management system for culture groups.

The program has its roots in Bloomberg Philanthropies' broader focus on urban quality of life and the social and economic health of cities. A robust arts and culture scene that is accessible to people from different walks of life is an essential part of a strong metropolis, says Kate Levin, who oversees the foundation's arts-related efforts.

"There's a growing consensus that cultural organizations aren't just about the programming," Ms. Levin says. "They're valuable because in the course of delivering programming they function in ways that have enormous social benefits."

All arts and culture groups contribute to a city's identity and the education of its residents in powerful ways, she says, but the small and midsize groups among them are essential linchpins.

"They provide programming that is often a major way people access ideas they don't already possess and get access to other kinds of cultures," Ms. Levin says.

They also provide a subtle layer of "social cohesion," she adds. An arts group's striking building may be a source of pride in a neighborhood lacking in distinctive architecture, for example, or it may be open at times when streets have emptied.

The Economics of Art

A vibrant arts scene also brings economic returns. Arts and culture groups contributed \$704.2 billion to the U.S. economy in 2013, a 32.5 percent increase from 1998, according to a recent National Endowment for the Arts report. A study conducted by Americans for the Arts

found that audiences spent more than \$74 billion at local businesses when attending arts and culture events.

Recognizing those benefits, the Bloomberg program is thoroughly focused on helping arts organizations sustain themselves. All grantees attend five or six seminars a year on topics like fundraising and donor stewardship, board development, strategic planning, and marketing. The seminars are led by seasoned DeVos arts and culture leaders and grantees. A webinar and mandatory homework follows each.

Homework assignments have in some cases helped lead to additional funding. Ms. Avadenka was working on an assignment to design several new programs while she was in talks with another foundation she hoped would give her group a grant. When that grant maker's officials asked what future projects Signal-Return had in mind, she had three newly designed ideas ready.

The result? "We got a \$24,425 grant because I was prepared when I wouldn't otherwise have been."

Doing More in Dallas

Curtis King had a similar experience. He leads the Black Academy of Arts and Letters, a 39-year old Dallas organization with a \$2 million annual budget. After winning a \$150,000 Bloomberg grant, the academy is getting a closer look from a local grant maker, and the city recently extended its contract to operate out of the Dallas Convention Center's theater space for 30 years.

The grant and training have also helped fulfill some of Mr. King's operational wishes, including beefing up the academy's digital marketing. He used some of the money to hire a social-media manager; in a few months, the organization's Twitter following spiked from 700 to nearly 27,000.

Mr. King was also able to buy software to better manage the organization's growing membership and donors, and to hire a deputy. "My whole stress level is different now," he says. "I can think about planning our future instead of being on edge about the day-to-day nuts and bolts of staff issues, balance sheets, and everything else."

More crucially, Mr. King, who established the academy in 1977 with \$250, can now set the stage for its next phase. "I want to be able to leave a legacy and get someone to take the founder's vision and move it beyond the founder," he says.

Planning Ahead

Planning for the future is a recurring theme in the Bloomberg program, and grantees mention it frequently as one of the most meaningful parts of the guidance they receive.

One of the things Boston Baroque, a 44-year old period-instrument orchestra with a \$1.6 million budget, did with its \$150,000 Bloomberg grant was plan fundraising and programming efforts for its 50th anniversary. But Miguel Rodriguez, the group's executive director, pointed to a seminar led by arts-management guru and DeVos Institute Chairman Michael Kaiser as particularly game-changing.

The seminar focused on how multiyear programmatic planning feeds into the life cycle of a nonprofit and its fundraising. Mr. Rodriguez's homework — to come up with a marketing plan for at least one program over five years — was eye-opening.

"We were working on a season-by-season strategy," he says. "Now we're planning three to five years out on all aspects, from fundraising to marketing and programming."

Planning for the longer term is allowing Mr. Rodriguez to think more about collaborating with other Boston arts groups so they don't cannibalize each other.

That points to an intentional byproduct of the Bloomberg program: the forming of micro-alliances between same-city grantees. The foundation hopes neighboring groups will not just collaborate on programming but will also coordinate fundraising efforts so they are not asking for money from the same donors at the same time.

"That's the type of thinking we would like to encourage through this program," said Brett Egan, DeVos's president. "Partnership has to be the focus of many organizations today simply because there are such serious revenue constraints."

On a broader scale, Bloomberg's Ms. Levin hopes the Arts Innovation and Management program will bring greater attention to the value of small and midsized arts groups in their cities.

"Making transformative change in their communities is something they've already shown they can do," she says. "Strengthening the platform for their leaders to continue to grow and accomplish, we think, is a major investment in the future."