

Inside Philanthropy



The State of  
American Philanthropy

Giving for  
Northern  
California

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## ABOUT THE STATE OF AMERICAN PHILANTHROPY

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# EXECUTIVE SUMMARY

Northern California is a vast and complex region that encompasses both the Bay Area (including Silicon Valley) and the much more rural North Coast and Shasta Cascade counties. It is a region of extremes – extreme wealth, extreme inequality, and extreme differences between, for example, the densely built city of San Francisco and the expansive nature of redwood forests and spectacular coastlines.

Northern California is home to some of the wealthiest people and most powerful companies in the world, and the region's philanthropy reflects that. Some of the nation's largest private foundations are based here, and local community foundations hold billions in donor-advised funds. But not all of this wealth stays in the region, with many Northern California-based donors funding nationally and internationally, and community organizations in famously wealthy Silicon Valley having to advocate and organize for funders to give locally.

The scale of philanthropy in Northern California is huge, but funding is not evenly distributed across the large region. The Bay Area receives the lion's share of Northern California philanthropic dollars, with North Coast and Shasta Cascade organizations operating at a much smaller scale in terms of dollar amounts. That said, some of the smaller community foundations in the region are nationally influential in areas like rural philanthropy and climate disaster response.

Philanthropy aims to address the region's pressing challenges, including wildfires and other impacts of climate change, economic inequality, unaffordable housing, and homelessness. Funders here also give substantially to science and, like other regions, education and health.

## Who's Giving

- Northern California's funder landscape is extraordinarily rich and diverse. Large and influential private foundations (Gordon and Betty Moore, multiple Haas and Haas Jr. funds, Packard, Hewlett), community foundations, health conversion foundations, and billionaire major donors are all active here, and giving in different ways.
- This is a region of both new and well-established philanthropy. Some of the area's funders have been leading national conversations around pushing philanthropy to be more participatory, more democratic, and more equity-minded for years. Other donors have recently amassed fortunes through their entrepreneurship and jump into philanthropy with a focus on innovation and individual impact.
- The region is home to some of the nation's wealthiest community foundations – the Silicon Valley Community Foundation and the San Francisco Foundation – as well as less-wealthy but highly influential rural community foundations like Humboldt Area Foundation.
- Some of the most famous philanthropists in the world – e.g., Mark Zuckerberg – come out of the Bay Area's tech industry. The region's many billionaire donors give through a diverse array of vehicles, from DAFs to foundations to LLCs.

- Health conversion foundations including the California Endowment also give substantially in the region.

### Who's Getting

- The lion's share of Northern California philanthropic dollars goes to Bay Area nonprofits.
- Large institutions focused on education and health receive the most funding, though there is a large and vibrant nonprofit ecosystem working on everything from housing to arts and culture.
- For years, the local nonprofit sector as well as concerned funders have urged donors to give more to local, community-based nonprofits.

### The Big Issues and Funding Trends

- Northern California nonprofits and community foundations name inequities, poverty, gaps in social services and basic needs, wildfire response, and other climate-change impacts as the issues most in need of philanthropic resources.
- In this large and complex philanthropic landscape, funders employ a wide variety of strategies and giving vehicles. Some in the field have noted increasing collaboration among funders in recent years.
- As in many regions, pandemic-response funding prompted an increase in trust-based philanthropy, a tendency that had already been gaining traction. That said, there is a continuing tendency among some donors in the region toward strategic or impact philanthropy, which can be at odds with a trust-based approach.
- The region is rich with social movement history, and (at least in some sectors) this has resulted in a philanthropic culture influenced by social movement culture. Philanthropic support from the region for movements and movement-building seem to be growing.

### Equity in the Sector

- Northern California is a place where nation-leading movements for racial, economic and other forms of social justice reside alongside the heightened inequities and injustices these movements aim to address. Those movements have influenced the region's nonprofit and philanthropic organizations, which makes for a philanthropic sector that has been discussing and addressing issues of equity since long before DEI became a mainstream national conversation.
- Many funders in the region prioritize justice and equity both in what they fund and in how they fund, and some important statewide and national initiatives have come out of the region recently and historically, like the Latino Community Foundation, the Native Cultures Fund (hosted at the Humboldt Area Foundation), the nation's oldest LGBTQ-focused community foundation (Horizons), and the Women's Foundation of California, which has been supporting movements for gender equity for four decades.
- Still, funders and nonprofit leaders in the region say philanthropy has a long way to go to become truly inclusive and equitable.

## Fundraising Now

- While initiatives have been formed in recent years to encourage major donors to direct more of their giving to local and regional work, there is not substantial recent evidence of change in the basic equation of major Northern California donors directing their resources primarily to national and international efforts.
- There is considerable variability in the conditions the region's fundraisers face depending on where they are located, the size of the organization (and its ability to invest in fundraising staff), and the issues the nonprofit focuses on. Some are breaking fundraising records, while others struggle to survive on service-provision contracts.

Northern California faces large, urgent challenges: devastating wildfires and other increasing threats from climate change, extreme economic inequality, and a lack of affordable housing that has contributed to high rates of homelessness and some evidence of population and business location shifts out of state. The scale of philanthropy here, especially in the Bay Area, is enormous. But are philanthropic resources moving fast and freely enough to effect change on these pressing issues? That's the question being asked by many nonprofit and philanthropic leaders in the region. To make a real impact on the urgent crises facing Northern California, philanthropists will need to move more resources more quickly – and trust that the communities impacted by the problems they're trying to solve know what needs to be done and how best to do it.

# Introduction

Northern California is San Francisco and Silicon Valley. It also comprises the rural areas and spectacular nature of the North Coast and Shasta Cascade region. Northern California encompasses big cities and small towns and vast and diverse landscapes. It is a region famous for its progressivism that also contains some of California's most conservative counties. And it is a region where some of the biggest challenges of our time are visible in stark relief: extreme economic inequality and devastating climate-change-related disasters.

The literal “where” of Northern California can be different depending who you talk to. Many people perceive Northern California as the Bay Area, when, in fact, the Bay Area is the southernmost part of the northern half of the state: There are about 400 miles of coastline from Silicon Valley to the Oregon border. And while Sacramento, the state capitol, is north of the Bay Area, it is considered part of an inland region called Gold Country. Further east, Yosemite and Lake Tahoe are in the High Sierras region. For the purposes of this report, we are looking at Northern California from Santa Cruz to the northern state border along the West Coast, and, to the east, the Shasta Cascade area. This encompasses 22 counties in two distinct regions (with many diverse subregions within them).

**The Bay Area** counties discussed in this brief are: Alameda, Contra Costa, Marin, Napa, San Francisco, Santa Clara, Santa Cruz, Solano, Sonoma and San Mateo.

**The North Coast and Shasta Cascade Region** counties considered in this brief are: Del Norte,

Humboldt, Lake, Mendocino, Butte, Lassen, Modoc, Plumas, Shasta, Siskiyou, Tehama and Trinity.

All of Northern California's biggest cities (San Francisco, San Jose and Oakland) are in the Bay Area. The North Coast and Shasta Cascade region is much more rural.

Northern California is the unceded territory traditionally stewarded by peoples including the Ohlone, Pomo, Yuki, Miwok, Wiyot, Hupa, Tolowa, Yurok, Mattole, Wailaki and Karuk. Especially in the far northern part of the state, many of them live on their traditional homelands today.

Northern California has, for at least a half-century, been famous as the epicenter of America's tech industry. Other important industries in the region include clean power, finance, shipping (Oakland has a major port), biomedicine, tourism and agriculture, including the wine country of Sonoma and Napa counties. By far, most of Northern California's monetary wealth—and therefore, its institutional philanthropy—is concentrated in the Bay Area.

As in every state in the nation, California's state, county and local governments “rely heavily on nonprofits to serve communities,” reports Cal Nonprofits. As an example, about a third of Medicare and Medi-Cal services in California are provided by nonprofits. This means nonprofits—and the funders that resource them—play a huge role in meeting communities' needs.

Philanthropy in Northern California encompasses a broad and diverse array of funders: some of the nation's wealthiest private foundations, large health conversion foundations, numerous smaller

family foundations, tech multibillionaires who give through DAFs and LLCs, and a strong network of community foundations, including some of the nation's biggest and some of the most committed to advancing equity.

Largely as a result of tech wealth, the scale of philanthropy in Northern California is huge. The Silicon Valley Community Foundation alone held \$12.2 billion in assets as of 2020. But the wealth is not spread evenly across the region.

Northern California Grantmakers reports that just over a third of California's grantmaking foundations are located in the Bay Area, and more than half of the state's total giving comes from Bay Area philanthropic organizations. Cal Nonprofits reports, "The San Francisco Bay Area stands out from other regions in California, with notably more services, government funding, foundation funding, assets, revenues, and nonprofit revenue per capita than other regions." The Bay Area has some of the most well-resourced philanthropic organizations and most famous ultra-capacity donors in the world. In the more rural areas of the North Coast and Shasta Cascade region, philanthropy is operating on a much smaller scale, with far fewer resources. Yet all of Northern California is facing major challenges, including high rates of poverty, lack of affordable housing, and ongoing climate-related disasters.

The staggering wealth being amassed in Silicon Valley means this is a region of both new and well-established philanthropy. Some of the area's funders have been thinking about and leading national conversations around pushing philanthropy to be more participatory, more democratic, and more equity-minded for years, informed by the region's deeply rooted social

justice movements. Other donors have recently amassed fortunes through their entrepreneurship and have jumped into philanthropy with a focus on innovation and individual impact. These are some of the sometimes conflicting strains present in Northern California's complex and robust philanthropic sector.

Dwayne S. Marsh, CEO of Northern California Grantmakers, said, "There is a rich history [in Northern California] of community organizing, deep racial justice advocacy, and deep innovation. There are jurisdictions and government authorities that have to interact, or fail to interact. ... It's a place that's collaboration-rich, initiative-rich, really just rich — surrounded by influential philanthropies and individual wealth. There's new conversation on accountability that feels pretty leading-edge amongst philanthropy."

Irene Wong, director of local grantmaking for the David and Lucile Packard Foundation, one of Northern California's biggest legacy foundations, reflected, "Regional philanthropy is ample. There are really big thinkers with national and global interests. There's a lot of innovation in the area — on both the donor side and the nonprofit side. At the same time, this is an area where there is great need ... There is tremendous potential here ... huge potential and huge opportunities around philanthropy because of California's growing needs."

# The Lay of the Land

## Who's Giving

Northern California's philanthropic sector is dynamic and extraordinarily diverse in giving vehicles and strategies. Some of the most high-profile philanthropists in the world come out of the Bay Area's tech industry, including Mark Zuckerberg and his wife, Priscilla Chan, who give through the LLC they call the Chan Zuckerberg Initiative (CZI). They are just two of the region's billionaire philanthropists, many of whom give individually through DAFs and LLCs that shield much of their "charitable" works from scrutiny.

Northern California's community foundations include some of the nation's largest – like the San Francisco Foundation and the Silicon Valley Community Foundation—as well as much smaller, but influential community funders in the region's rural areas, such as the Humboldt Area Foundation. Legacy private foundations established by families like the Packards, Hewletts and Sobratos, who have been in the region for generations, give alongside brand-new philanthropists coming out of the tech industry. Some of the nation's largest health conversion foundations, including the L.A.-based California Endowment and California Wellness Foundation, also give substantially to Northern California nonprofits.

There are also many prominent corporate funders, such as the eBay Foundation, Salesforce, the Blue Shield of CA Foundation, and the Wells Fargo Foundation, but in terms of dollar amounts they distribute, corporate giving is overshadowed by leading private foundations, community foundations and individual mega-donors.

The leading funders of nonprofits in Northern California are a mix of private foundations, newer foundations and other giving vehicles established by tech billionaires, and community foundations.

### 20 Northern California Funders to Know<sup>1</sup>

Akonadi Foundation

Gerson Bakar Foundation

California Health Care Foundation

Chan-Zuckerberg Initiative

East Bay Community Foundation

Good Ventures

Google.org

Gordon and Betty Moore Foundation

Several Hass and Hass Jr. funds

Heising-Simons Foundation

Humboldt Area Foundation

Jewish Community Federation of San Francisco, the Peninsula, Marin and Sonoma Counties

Buffett Early Childhood Fund

Latino Community Foundation

David and Lucile Packard Foundation

Carl Victor Page Memorial Foundation

Kenneth Rainin Foundation

San Francisco Foundation

Silicon Valley Community Foundation

Sobrato Philanthropies

Brin Wojcicki Foundation

Source: Candid

The David and Lucile Packard Foundation, a legacy private foundation established in 1964 by a co-founder of Hewlett-Packard, gave \$419.2 million—more than any other single institutional grantmaker—to groups in Northern California

from 2014 to 2018, according to data from Candid. The Lucile Packard Foundation for Children’s Health is also a leading grantmaker in the region. The San Francisco-based family foundation Gerson Bakar Foundation, founded in 1984, donated \$196.5 million in that period.

These foundations with several decades of philanthropic history are now being joined on lists of most prolific givers by several private foundations established more recently by people who earned their wealth from tech—Good Ventures, founded by Facebook co-founder Dustin Moskovitz and wife Cari Tuna; the Brin Wojcicki Foundation, founded by Google co-founder Sergey Brin and his then-wife Anne Wojcicki, co-founder of 23andMe; Carl Victor Page Memorial Foundation, founded by Google co-founder Larry Page; and Gordon and Betty Moore Foundation, established by Intel co-founder Gordon E. Moore.

Any list of the largest grantmakers in the region also includes three community foundations. The San Francisco Foundation, one of the nation’s largest community foundations, made almost 4,000 grants totaling \$411.3 million to Northern California organizations in that period. The Jewish Community Federation of San Francisco, the Peninsula, Marin, and Sonoma Counties made almost 1,400 grants totaling \$173.3 million in this period. And the Oakland-based East Bay Community Foundation made more than 1,600 grants totaling \$149.4 million.

The Silicon Valley Community Foundation (the nation’s largest community foundation) made more than 34,000 grants totaling \$2.2 billion through DAFs to Northern California organizations from 2014 to 2018. The Real Estate Trust, which facilitates gifts of real estate to the

Silicon Valley Community Foundation, facilitated transfers of \$212.2 million in that period. (The Real Estate Trust does not accept applications from fundraisers.)

All of the largest institutional givers are based in the Bay Area. The substantial differences between philanthropy in the Bay Area and the rest of Northern California is discussed in more detail throughout this brief, but for now, it is illuminating to take a comparative look at the largest institutional grantmakers in the North Coast and Shasta Cascade Region — that is, in the part of Northern California outside the greater Bay Area. This quickly reveals that philanthropy outside the greater Bay Area is operating at an entirely different scale, with far fewer resources.

#### Important Funders in North Coast and Shasta Cascade Regions Giving to Northern California Nonprofits<sup>1</sup>

Area 1 Agency on Aging

The Community Foundation of Mendocino County

Frank R. Howard Foundation

Humboldt Area Foundation

Bertha Russ Lytel Foundation

McConnell Foundation

Mendocino Coast Healthcare Foundation

Rose Perenin Foundation

Siskiyou Community Services Council

Patricia D. and William B. Smullin Foundation

Source: Candid

The grantmaker distributing the most funds in the North Coast and Shasta Cascade region is the McConnell Foundation, which gave \$22.1 million in 213 grants from 2014 to 2018, according to Candid data. Giving about a third as much, the next

largest funder, the Humboldt Area Foundation, made 243 grants totaling \$7.2 million in this period. There is simply not the same kind of wealth in the North Coast and Shasta Cascade communities as in the Bay Area, and this region receives substantially less funding than its neighbors to the south. While it may give less than its Bay Area counterparts in terms of dollar amounts, the Humboldt Area Foundation is a nationally influential leader among community foundations.

## Who's Getting

Across Northern California, education is the most funded issue, followed by health, general philanthropy, and human services. The vast majority of the philanthropic resources in this large region are going to the Bay Area, with North Coast and Shasta Cascade area nonprofits significantly less resourced.

### Candid Top Funding Priorities: Northern California 2014 - 2018<sup>2</sup>

Subject	Amount Funded
Education	\$7.77B
Health	\$4.69B
Philanthropy	\$3.61B
Human Services	\$2.52B
Community and Economic Development	\$2.03B
Arts and Culture	\$1.70B

Source: Candid

A look at the top recipients of funding in the entire region of Northern California shows significant philanthropic funding to large research institutions such as the Chan Zuckerberg Biohub, the Lucile Packard Foundation for Children's Health, and the Parker Institute for Cancer Immunotherapy. It's

also notable that all of these institutions are named after their billionaire founders/major donors.

Which is to say: Some of the leading funders in this region are primarily founding or seeding their own named nonprofit institutions. This may be a reflection of the tendency among tech entrepreneurs to focus on their own big solutions to big problems (more on this below).

The San Francisco Museum of Modern Art is another top recipient of institutional funding in Northern California. All of the top recipients in terms of dollar amounts are based in the Bay Area, and several of them received large amounts of money from just one or a few donors (e.g., the Chan Zuckerberg Biohub is funded by the Chan Zuckerberg Initiative, and xQ Institute is largely funded by billionaire founder Laurene Powell Jobs).

Looking at who received the most grant dollars in the region reveals a fairly traditional philanthropic landscape: major research institutions, health and an art museum. While some of the funding for research might reflect the tech world's interest in innovation, the focus on large institutions, including several named for their major donors, indicates a fairly conventional approach to philanthropy for a region that prides itself on innovation and disruption, and perhaps also reveals the priorities of the "haves" in a region experiencing a tremendous wealth gap, where many people look to nonprofits to meet basic needs.

As a fundraiser in San Jose reflected on a survey conducted by IP, "When it comes to healthcare systems, the major donors are funding the university hospitals and research institutions; however, little is given by new wealth funders simply because their experience has limited connection to community health clinics; therefore,

it is my belief that they cannot fund what they do not know, or [that which] has not had a direct impact on their lives.”

#### Northern California Grantees to Watch<sup>1</sup>

Chan Zuckerberg Biohub

Lucile Packard Foundation for Children’s Health

Parker Institute for Cancer Immunotherapy

San Francisco Museum of Modern Art

Silicon Valley Venture Fund

Marin Community Foundation

Tides Center

Earth Justice

John Muir Physician Network

Xq Institute

Source: Candid

This has been the subject of much discussion in Northern California, as nonprofit and philanthropic leaders have pointed out how few philanthropic dollars from the region go to smaller, community-based organizations in the region – of which there are many doing important work and funded by a diversity of donors.

“The Giving Code,” a 2016 report by Open Impact with funding from the David and Lucile Packard Foundation, revealed that a woefully small share of Silicon Valley’s philanthropic resources were going to local organizations struggling to meet the needs of Silicon Valley residents on the other end of the area’s notoriously extreme income and wealth gaps. In the years since “The Giving Code” was published, targeted efforts on the part of the Silicon Valley Community Foundation and others have helped move more philanthropic dollars to community-based organizations.

At the same time, another look at the list of top recipients of grant dollars in Northern California from 2014 to 2018 shows the Tides Center and EarthJustice, two longstanding organizations that reflect the Bay Area’s rich history in social justice and environmental movements. The Tides Center, founded in San Francisco in 1976, is an intermediary that moves philanthropic resources to small and emerging progressive organizations nationally. EarthJustice has been a national leader in litigating environmental issues since 1971.

All of these threads—the Bay Area’s deeply rooted social justice movements, the strategy-and impact-focused entrepreneur donors of Silicon Valley, extreme wealth and income inequality and the distance between some funders and the communities they mean to serve, new money focused on innovation, and legacy institutions that have been giving in the region for generations—weave through the complex and multifaceted Northern California philanthropic sector. More recently, both the COVID-19 pandemic and devastating wildfires have shown ever more starkly that disparities are impacting people and communities while Silicon Valley wealth continues to grow. In 2020, philanthropists stepped up rapid-response giving to support communities and community-based organizations in response to compounding emergencies. All of this is informing where philanthropic resources are moving now and will move in years to come.

### Giving & Getting: A Deeper Dive

Looking at the region as a whole, philanthropy is substantial and growing. The amount of money going to Northern California nonprofits in the form of institutional grants has grown significantly in recent years, from about \$2 billion

in grants awarded in 2014 to \$4.8 billion in 2018. In addition to foundation grants, large sums of money are contributed by individuals through DAFs and LLCs. According to data from Candid, \$2.2 billion moved from DAFs at the Silicon Valley Community Foundation alone to Northern California nonprofits from 2014 to 2018. Another \$836 million was granted to Northern California nonprofits from DAFs at Schwab Charitable in that period. Mega-donors like Mark Zuckerberg and Laurene Powell Jobs are giving transformative amounts through LLCs. Considering that new billionaires continue to enter the Northern California philanthropic sector at a rapid pace due to the near-constant flow of liquidity events in Silicon Valley, and that the wealth of established funders has grown with the market in recent years, and it's abundantly clear that the amount of philanthropic dollars moving to Northern California nonprofits is on an upward trajectory.

Given the huge sums of money moving through Bay Area philanthropy—even beyond that of the top few grantmakers and recipients—the types of organizations receiving funding are more diverse and have more diverse funding streams. For example, Tipping Point Community, an intermediary that moves philanthropic resources to community organizations working on multiple fronts to fight poverty, was the No. 20 recipient of grant dollars in Northern California from 2014 to 2018, according to data from Candid, having received \$81 million in 580 grants in that period.

Yet even expanding the view to look at the top 50 or 100 recipients of grant dollars reveals that philanthropic resources are spread unevenly across the entire region. The San Francisco Food Bank, for instance, ranked 89th in all of Northern California for grant dollars received from 2014 to 2018,

according to Candid, receiving \$23.6 million in grants in those years. Meanwhile, the No. 1 recipient of funding in the North Coast and Shasta Cascade region in that period, the North Valley Community Foundation in Chico, received \$7.6 million. \$7.7 billion in institutional grants supported organizations working on education issues in Northern California from 2014 to 2018, but only \$41.8 million funded organizations in North Coast and Shasta Cascade counties. In the area of health, \$4.6 billion was given across all Northern California counties, only \$40.5 million went to North Coast and Shasta Cascade. To put this in perspective in terms of population, about 8 million people live in the Bay Area counties covered in this report, according to 2020 Census data. The combined population of all of the North Coast and Shasta Cascade region's counties covered in this report is about 900,000.

#### Grantees to Watch: North Coast and Shasta Cascade <sup>1</sup>

North Valley Community Foundation

Turtle Bay Exploration Park

Shasta Region Community Foundation

Bethel Church of Redding

Clinton Foundation

Frank R. Howard Memorial Hospital

Humboldt Area Foundation

Humboldt State University Foundation

Humboldt Senior Resource Center

Feather River Land Trust

Source: Candid

The funding priorities in the North Coast and Shasta Cascade parts of the region are somewhat different, as well—education and health top the list, as they do in the Bay Area, but in this northern part of the state, those priorities are followed by

community and economic development, human services, and the environment. The top 10 recipients of institutional grantmaking in this part of the region include three community foundations, a nature park, a church, a hospital, a state university, a senior center, and a land trust.

Another interesting difference reported by philanthropic leaders we spoke to is that Bay Area-based nonprofits can have a difficult time (or may not even focus much attention on) raising funds from national organizations outside the region, whereas some North Coast and Shasta Cascade organizations have strong support from statewide or national funders.

"People look at the Bay Area and think we have all the money and resources in the world, so when you read about these massive philanthropic gifts from big-name donors happening across the country, not a lot of those dollars get directed toward our region," said Sam Cobbs, CEO of the San Francisco-based Tipping Point Community.

## The Big Issues & Beyond

When IP spoke to leaders at nonprofits and community foundations in the region, the priorities that were named most frequently were inequities, poverty, the huge gaps in social services and basic needs, as well as disaster relief, with a focus on wildfire response and the larger issue of which wildfires are a symptom: climate change. Some important multifunder initiatives are addressing these priority issues.

The Partnership for the Bay's Future, which aims to produce, preserve and protect affordable homes in the Bay Area, might be the most ambitious initiative ever undertaken by philanthropy to address housing. Many of the leading Bay Area

funders are involved in the cross-sector partnership: the San Francisco and Silicon Valley community foundations, the Chan Zuckerberg Initiative, and the William and Flora Hewlett and David and Lucile Packard foundations, among others. National funders like the Ford foundation, and corporate donors including JP Morgan Chase and Morgan Stanley, are also involved.

Addressing some of the devastating impacts of climate change, the Humboldt Area Foundation and the Wild Rivers Community Foundation recently launched the Redwood Region Climate and Community Resilience Hub with a goal of making the redwood region the first proven carbon-sequestering rural area in the U.S. by 2030.

In terms of what areas are actually getting the most philanthropic dollars, the priority issues for philanthropy in Northern California remain education and health. This is apparent in the large sums of money given to research institutions like the Chan Zuckerberg Biohub and health-related organizations like the Lucile Packard Foundation for Children's Health and the Parker Center for Cancer Immunotherapy. The region's several major universities, including Stanford, UCSF and UC Berkeley, also receive substantial donations. For the purposes of this report, we have mostly excluded institutions of higher education from the data under consideration to get a clearer view of funding for other nonprofit organizations, but it is important to know that in addition to the philanthropy discussed in this report, a lot of donations benefit the region's major universities.

Every philanthropy professional IP spoke with for this brief mentioned climate and inequity as pressing issues that philanthropy is trying to address in Northern California, and they

understand these issues as multifaceted and interrelated.

“As we live the impact of disasters, we are really thinking about, what can we do at the local level related to climate solutions? ... Disaster relief is on the recovery/back end of it – but what impact can we make on the most critical issue we’re all facing right now?” said Elizabeth Brown, former President and CEO of Community Foundation Sonoma County, an area that was wracked by the destructive Tubbs Fire in 2017.

“People don’t live single-issue lives. While housing is a major issue, it’s interrelated [with other issues]. If you’re spending significant amounts of money on rent, it impacts your food security. People are giving up food to pay rent, or working multiple jobs, which necessitates affordable childcare, for which there is a shortage ... It’s such a domino effect,” said Irene Wong, director of the local grantmaking program at the Packard Foundation.

Responding to wildfires or addressing the larger issue of the climate is also more than a single-issue philanthropic concern. “When any of us experience a disaster, if you lose your home or your job, or you just smell the smoke and see the flames and have that repeated every year, it is deep trauma individually and collectively – that is shared. What is not shared is the access to resources following a disaster. Those who had access to good jobs, to

insurance for property and health, to being able to make phone calls in their spoken language to go through bureaucracy to get what they need ... or those who are renters or in an hourly job, do not have the same access to resources ... Our mission related to long-term disaster recovery is to bring resources to those who don’t have the same level of access,” said Brown of the Community Foundation Sonoma County.

Funders also understand that neither wildfires nor economic inequity are contained within neat geographic or municipal borders, so they are increasingly engaging in regionwide collaborations to address these pressing issues from multiple angles and in cross-sector partnerships.

## Funder Trends & Strategies

Among the many trends and strategies that are particularly salient in Northern California philanthropy, a few stand out across issue areas and across the region: increasing collaboration, increasing trust-based philanthropy (along with some tensions between trust-based philanthropy and some donors’ inclinations toward strategic or impact philanthropy), supporting social movements, and a tendency for donors to use a diverse array of giving vehicles.

**Increasing collaboration and cross-sector partnerships.** While there are plenty of funders in the region who prefer to do their own thing, there is



*“There is a rich history [in Northern California] of community organizing, deep racial justice advocacy, and deep innovation. There are jurisdictions and government authorities that have to interact, or fail to interact. ... It’s a place that’s collaboration-rich, initiative-rich, really just rich—surrounded by influential philanthropies and individual wealth. There’s new conversation on accountability that feels pretty leading-edge amongst philanthropy.”*

—Dwayne S. Marsh, CEO of Northern California Grantmakers

a high degree of collaboration among many of the established funders in Northern California, including cross-sector partnerships between community foundations, private foundations, corporate funders, and government.

“There is such a rich mix of philanthropic players and a complex mix of communities. Inevitably funders are looking for answers and they turn to their allies. People are looking for solutions and they know we can do this better together,” said Dwayne S. Marsh of Northern California Grantmakers.

Judith Bell of the San Francisco Foundation reflects that a “very strong regional philanthropic infrastructure with Northern California Grantmakers has helped to build cohesion and relationships ... there’s quite a bit of collaboration.”

The Bay Area Homelessness Funders Network is one notable example of multi-funder collaboration in the region. A partnership between Northern California Grantmakers and Funders Together to End Homelessness, this initiative has a cross-sector advisory group including representatives from the Chan Zuckerberg Initiative, the Charles and Helen Schwab Foundation, Tipping Point Community, and others. Another important multi-sector collaborative effort is Partnership for the Bay’s Future (described above), a public-private partnership addressing housing issues with community input.

The Arts Loan Fund, which provides quick-turnaround loans to alleviate short-term cash-flow issues for Bay Area arts organizations, is housed at Northern California Grantmakers and jointly funded by a group of private foundations, corporations and government agencies, including

the arts/cultural affairs departments of the cities of San Francisco, Oakland and San Jose; the Kenneth Rainin Foundation; the David and Lucile Packard Foundation; and the Walter and Elise Haas Fund, among others. It was founded to help arts organizations after the Loma Prieta earthquake in 1989, and is now providing emergency loans to arts organizations affected by the COVID-19 pandemic.

“Government, community organizations, churches, philanthropy, businesses – we all need to think about how we address these issues together and take a regional approach,” said Irene Wong, director of local grantmaking at the David and Lucile Packard Foundation.

### Initiative Spotlight

## Magnify

Community

Magnify Giving was established in 2018 by local funders including the David and Lucile Packard Foundation, the Heising-Simons Foundation, Sobrato Philanthropies and others. Magnify Giving is a three-year initiative to catalyze \$100 million in additional giving to nonprofits serving Silicon Valley and to create a new norm of giving to community-based organizations. Forty funders signed on, pledging a collective increase of \$47 million to local nonprofits through 2023 (not quite the \$100 million the initiative aimed for). Sixty-eight percent of the pledgers said they would commit more than 20% of their philanthropy to local groups.

Northern California funders have been collaborating for a long time, and collaboration is only increasing in recent years with the compounding disasters of wildfires, the pandemic, growing inequities, and the threats of climate change. The Humboldt Area Foundation and the

Wild Rivers Community Foundation’s Redwood Region Climate and Community Resilience Hub was established to increase regional cooperation in developing equitable solutions to address growing climate emergencies. The initiative is a collaborative effort of the community foundations, along with the county of Humboldt, a local energy aggregator, and the Blue Lake Rancheria tribe. The Sonoma and Napa community foundations have collaborated on disaster response to wildfires that affected both their communities.



When the COVID-19 pandemic hit, the San Francisco Foundation (SFF) set up a quick-turnaround emergency COVID fund, moved to ACH payments, and established a new streamlined application for all of its programs. “It has pushed the region to give greater attention to racial equity and to trust-based philanthropy—trusting grantees and trusting community leaders to know what is best for their communities,” Judith Bell, chief impact officer of SFF said. Its donors and partners contributed nearly \$4 million to the fund and awarded grants to over 375 Bay Area community based organizations.

While it is clear that environmental issues require regional and statewide solutions, leading funders in Northern California believe social issues do, too. “Not many people [in the region] live, work and play within a given city or neighborhood. Economies are regional,” said Judith Bell, chief impact officer at the San Francisco Foundation. “Having a community foundation that can help weave together community leaders, public-sector leaders,

corporate leaders, at a regional level can get us to the scale of change we need to advance racial equity and economic inclusion. In addition, having a cohesive regional voice for change increases our power when we turn to the state. It becomes the Bay Area speaking out, not just one community or city in the region. That gets us the scale of change that’s needed.”

**Talking about trust-based philanthropy, but operating from a “strategic” model.** Trust-based philanthropy is not new to this region. Many leading funders have been shifting in that direction for years, thanks to the advocacy of the Bay Area’s social justice movements and organizations. “A lot of folks in philanthropy [in this region] came out of community organizing or policy advocacy. They enter into the historic cultures of foundations, and part of the reason you see foundations struggling, in the positive way toward more progressive approaches to grantmaking, is because they’re receiving the experience of folks that have been on the receiving end,” said CEO Dwayne S. Marsh of Northern California Grantmakers.

The COVID-19 pandemic further pushed funders in the direction of trust-based philanthropy, according to several people we spoke with. To respond quickly to the emergency, funders lifted some reporting requirements, and those that had already been cultivating trust-based philanthropic practices rapidly expanded and advanced those efforts. Private foundations that did not have the processes in place to move funds quickly or that lacked relationships with frontline organizations directly serving impacted communities turned to and collaborated with community foundations that could immediately get resources where they were most needed.

“Private foundations who were not as nimble ended up leveraging the Latino Community Foundation as a vehicle to deploy immediate support to small, grassroots organizations that were wrapping their arms around [impacted] families ... And then Kaiser entrusted us with a multimillion-dollar grant to lead a vaccination campaign working with our community partners and grassroots leaders. We moved quickly to deploy the funding to organizations in rural communities in the hardest-hit regions and to leaders working with farmworkers and immigrant families. It created some new partnerships,” said Jacqueline Martinez Garcel, CEO of the Latino Community Foundation.

And yet the democratic, equity-minded principles of trust-based philanthropy have not pervaded all Northern California philanthropy. There is another strain that is sometimes in tension with the trust-based ethos. While the Bay Area’s activist and social justice movement cultures have encouraged philanthropy in the direction of trusting communities and those most impacted by problems to find and build solutions, Silicon Valley’s entrepreneurial culture encourages more of a focus on individual innovation and immediately visible impact.

Northern California Grantmakers’ Dwayne S. Marsh says, “Innovation, particularly in technology ... often yields unimaginably high wealth. [For some], their innovation has led them to success that they’d like to apply to the field. ... [Technology-driven entrepreneurial wealth] has brought a net effect to push new approaches to solve old problems, which is healthy. Then the question becomes: Can the impacted communities that we know have the experience to drive solutions be the drivers, have ownership, and shape the solutions? That’s a hard relationship to build among peers. It’s

especially complex to build when people have vast disparities in means and power. That’s one of the fundamental challenges we have as a sector right now.”

## Inside Philanthropy

August 2020 Survey

*“As we see a larger and larger wealth disparity in this country, philanthropic giving is not growing in the same way. While many wealthy people are philanthropists, they are (in my opinion) less likely to give at the same percentage of their income that a middle class or lower donor does. While the gifts they do make are large, when seen as a ratio rather than a dollar amount, there is a difference.”*

—Fundraiser, San Jose, California

**Supporting social movements.** With its long, rich history as a hub of social movements, including the Black Panthers, LGTBQ+ liberation, disability justice, and more, the Bay Area is a place where philanthropies have long been in conversation with movements. The East Bay Community Foundation names partnering with social movements as part of its mission. The Haas, Jr. Fund makes grants to support the immigrant rights movement and invests in movement leaders. (In January 2022, they began winding down their two-decade-long support of the movement for LGBTQ equality.) The San Francisco-based Horizons Foundation (the world’s first community foundation of, by and for LGBTQ people) explicitly names “grassroots solutions” as a funding priority. And the Women’s Foundation of California, also based in San Francisco, has been supporting movements for gender equity for four decades. These are just a few examples of the many funders in Northern California who support movements and grassroots groups as a key part of their programs. And it looks like they will be joined by more, also with increasingly two-way communication between movement funders and

movement leaders. “A pivot toward collaboration between movement leaders and movement funders started before the pandemic, showcasing the importance of funders trusting the wisdom and experience of movement leaders,” said Judith Bell of the San Francisco Foundation.

**Using multiple giving vehicles beyond grants and private foundations.** One result of the mix of old and new wealth in Northern California is a diversity of funder types and giving vehicles.

Nicole Taylor, president and CEO of SVCF, reports that “Donors are willing to use multiple vehicles to accomplish their philanthropic goals, and they do so regularly. In addition, donors here incorporate more complex assets in their charitable giving, like cryptocurrencies; closely held, restricted and pre-IPO stock; LLC and LP interests; residential and commercial real estate.” Indeed, some of these less traditional giving vehicles are among the most impactful in terms of the amount of resources moving in the region. Mark Zuckerberg and Priscilla Chan, for example, do their considerable giving through an LLC. And The Real Estate Trust, an entity that exists to facilitate donations of real estate to the Silicon Valley Community Foundation, was one of the top institutional funders in the region from 2014 to 2018, according to data from Candid, moving \$212 million in just five grants during that period.

In an August 2020 IP survey of fundraisers and funders, one fundraiser based in Vallejo commented, “I see shifting; some older donors are changing emphasis or winding down; named legacy projects are of gaining interest; projects with cooperative, broader-reaching impacts/integrative impacts seem to be gaining most traction.”

## Perspectives on Equity

Northern California is a place where extraordinarily vocal, nation-leading movements for racial, economic and social justice reside alongside, and are often provoked and informed by, the very inequities and injustices they address. Those movements have influenced the region’s nonprofit and philanthropic organizations, which makes for a philanthropic sector that has been discussing and addressing issues of equity since long before diversity, equity and inclusion became a mainstream national conversation. Still, the path to social justice is as long and winding in the region, as it is in much of U.S. society, and social justice advocates say Northern California’s philanthropic sector, despite its leadership in equity conversations, still has a lot of work to do.

“The Bay Area has been majority people of color for decades. That changes the nature of philanthropy here,” said Bell. Part of her role as chief impact officer at the San Francisco Foundation is to “help the foundation define how we can advance racial and economic equity in the Bay Area.” Bell expanded: “It’s not that demographics is destiny; being a diverse region does not automatically deliver racial equity, but we’ve had a long time period to be in this discussion about the need for equity and where the region stands, as well as what it needs to do. That makes us quite a bit different from other regions. Over time, we have built greater comfort with policy and systems change, and that is reflected in comfort levels [in philanthropy] around [supporting] movement-building and organizing.”

Nicole Taylor, CEO of the Silicon Valley Community Foundation, said, “Advising our donors on the importance of racial justice and equity is a critical element of SVCF’s strategic priority to reduce systemic disparities in our

region.” As an example, Taylor said, “After George Floyd’s murder, our donors immediately reached out to us to seek guidance on where and how to give in support of racial justice causes. We created a giving guide highlighting local Black-led organizations, and within just a few weeks, our donors had given more than \$5 million to organizations featured in that guide.”

Northern California has long been home to numerous social justice and equity-minded community foundations, including the longest-standing LGBTQ+ community foundation in the U.S., the Horizons Foundation. Established in 1980, Horizons was the first U.S. foundation to make a grant to an AIDS service provider, in 1982. The Women’s Foundation of California, based in San Francisco, has a 40-year history of supporting movements for gender equity.

The Humboldt Area Foundation has hosted the Native Cultures Fund, a Native-led grantmaker founded by California Indian leaders, since 2002. Humboldt Area Foundation is a leader among rural foundations with its deeply rooted equity initiatives. Native Cultures Fund is a partnership between Native Nations, the Humboldt Area Foundation, the William and Flora Hewlett Foundation, and other donors, and it exemplifies a longstanding prioritization of equity, trust-based philanthropy and philanthropic collaboration.

The Latino Community Foundation, based in San Francisco, reports it has created the largest network of Latino philanthropists in the country. LCF has invested more than \$17 million in grassroots Latino-led nonprofits across California. Now an independent community foundation, LCF started in 1989 as an affinity group of United Way of the Bay Area, and for several years, was institutionally connected to the San Francisco Foundation.

In addition to these and many other longtime philanthropic efforts to advance equity and social justice in Northern California, a host of newer initiatives reflects the region’s concern with equity—and the fact that the sector is far from achieving it. The Castellano Family Foundation, in partnership with the Silicon Valley Community Foundation, released a report that showed Latinx-led nonprofits in Silicon Valley remain under-resourced and underrepresented by Silicon Valley philanthropy. In response, CFF and SVCF launched the LatinXCEL Fund to support Latinx leaders and organizations. The \$10 million initiative has also been supported by the Chavez Family Foundation, the Packard Foundation, and Google.org.

The California Black Freedom Fund was recently established to support Black power-building and movement-based organizations to eradicate systemic and institutional racism. More than two-dozen funders from across California—including

## Initiative Spotlight



The California Black Freedom Fund is a five-year, \$100 million initiative to support Black power-building and movement organizations in their work to eradicate systemic and institutional racism. The initiative’s partners include several leading funders from Northern California such as the Akonadi Foundation, Chan Zuckerberg Initiative, Evelyn and Walter Haas Jr. Fund, Google.org, the San Francisco Foundation, Sobrato Philanthropies and many others. The fund has awarded almost \$9 million in grants to support Black-led groups across California.

prominent Northern California-based philanthropies such as the Akonadi Foundation, Blue Shield of California Foundation, the Chan Zuckerberg Initiative, the Evelyn and Walter Haas Jr. Fund, the San Francisco Foundation, the Silicon Valley Community Foundation, Sobrato Philanthropies, and Tipping Point Community – support the five-year, \$100 million initiative.

The Sonoma County Foundation, Humboldt Area Foundation, and other funders in areas affected by wildfires are actively bringing an equity lens to their disaster-relief funding. The Latino Community Foundation’s Wildfire Relief Fund moves resources to Latino-led organizations that are directly supporting families displaced by wildfires, recognizing that Latinos make up 71% of the workforce at vineyards and other agricultural businesses, which have been hit hard by the fires in Northern California.

“We are deeply focused on the nexus of climate change and inequity in this region,” said Bryna Lipper, CEO of the Humboldt Area Foundation. Lipper explained that funding solutions to climate issues in the Humboldt area means looking at energy and the security of tribal nations and rural

areas that lack access to consistent renewable energies. Funders across the region are coming together around this, “mobilizing a force that really is thinking about the nexus of climate vulnerability and racial equity,” Lipper said. The Humboldt Area Foundation launched the Equity Alliance of the North Coast to address racial inequity across Humboldt-area organizations.

With all the work that is happening, the Northern California funders we spoke with reflected that more is required. Judith Bell of the San Francisco Foundation said, “There is awareness [in the region] about the importance of movements and organizing. There’s some degree of comfort in funding that work. But we are still in great need for many more resources to fund movement building, racial equity work... I’m sure if you did an up-to-date analysis on the percentage of dollars going to BIPOC-led orgs, there would still be a big gap. There is still a lot of change needed in philanthropy. But you do see some foundations looking at this issue, and there is mounting pressure for change.”

Dwayne S. Marsh of Northern California Grantmakers reflected that philanthropy has been trying to address issues of economic inequality, inadequate healthcare systems, and racism for a long time, and the pandemic has simply heightened the conversation. “In this moment, the prospect of building an equitable recovery has opened a doorway to thinking about these issues with renewed fervor. We cannot return to what was. We live in a nation with broken systems that have never worked for a substantial portion of the population, and the philanthropic community is starting to grapple with that. The more we have accountability and community agency in grantmaking, the better off we’ll be. The question is, are we prepared to cede power in order to make change?”

### Foundation Spotlight

the David & Lucile Packard  
FOUNDATION

Based in Los Altos, California, Packard makes grants globally to support farmers and scientists, fight climate change, advance reproductive health, and more. Alongside its global issues-based programs, it has a portfolio dedicated to supporting local communities in San Mateo, Santa Clara, Santa Cruz, San Benito and Monterey Counties. Packard has made grants totaling \$2.5 billion in local communities over 55 years.

# A Closer Look at Northern California's Distinct Regions

Northern California encompasses a large and multifarious area. For the purposes of this report, we have looked at grantmaking data for Northern California as a whole, and also for two large areas within Northern California: the Bay Area and the North Coast and Shasta Cascade region. Within each of these two parts of the broader region, there are numerous counties, municipalities and communities.

## The Bay Area

The counties generally considered to comprise the Bay Area are: Alameda, Contra Costa, Marin, Napa, San Francisco, Santa Clara, Santa Cruz, Solano, Sonoma and San Mateo

The large region referred to as “the San Francisco Bay Area” or “the Bay Area” includes several major cities – San Francisco, Oakland and San Jose – and spans from the beachy-woodsy college town of Santa Cruz through tech epicenter Silicon Valley to long-time progressive, but increasingly unaffordable cities like San Francisco and Oakland, to Sonoma and Napa wine country and its rural surrounds. The Bay Area includes landscapes and communities that are extremely different, and in many cases, very connected.

One of the defining characteristics of the Bay Area today is extreme wealth and income inequality. Top income earners in the Bay Area earned 12.2 times as much as the lowest income earners in 2018, according to the Public Policy Institute of California. This represented the widest income gap in the state. And wealth is even more unevenly distributed than income. Nine of California's 10

richest residents live in the Bay Area. The area is home to tech billionaires, wine-country luxury tourism, high rates of poverty and homelessness, and low-income and middle-class people who are being rapidly priced out and displaced by skyrocketing housing costs.

Bay Area philanthropy is well resourced, but also confronts huge resource gaps and pronounced inequities.

**San Francisco** itself is a small, hilly city with limited housing stock that gets frighteningly more expensive every day. While the larger Bay Area has a population over 7.75 million, the city of San Francisco's population is under 900,000. It has a history as a home to artists, hippies, social-justice activists, and a thriving LGBTQ+ community, but also a social and political establishment that asserts its own priorities. In more recent years, longtime residents—and, some say, the dynamic cultures and communities they created—are being displaced by gentrification and the influx of tech money and tech culture. Philanthropy here reflects all of this, with community foundations like the San Francisco Foundation and Horizons Foundation guided by deeply held social-justice values operating alongside, and sometimes partnering with, legacy private foundations and major donors who hail from tech.

Oakland, in the **East Bay** area, has a rich social-justice history, too. It's where the Black Panthers were founded. Today, while rising housing costs and economic inequities threaten communities here, a strong social-justice perspective grounds the

area’s philanthropy, as community organizers can be found on the staffs of both nonprofits and many philanthropic organizations. The Oakland-based East Bay Community Foundation explicitly commits to “advancing a just East Bay,” partnering with “donors, social movements and the community to eliminate structural barriers, advance racial equity, and transform political, social and economic outcomes for all who call the East Bay home.” Berkeley, just to Oakland’s north, is also a world-famous part of the East Bay and home to sizable education, health and cultural institutions, along with considerable wealth, despite its granola-fed reputation.

**Silicon Valley** is the collection of communities south of San Francisco that includes San Jose, Mountain View, Palo Alto, Cupertino, Sunnyvale, Menlo Park and other areas that have become world-wide household names by their association with the headquarters of globally impactful companies (Google, Facebook and Apple among them) and a huge amount of new wealth – with more being created all the time. Some of the wealthiest philanthropic organizations in the country are based here: the Silicon Valley Community Foundation, the William and Flora Hewlett Foundation, the David and Lucile Packard Foundation, and the Gordon and Betty Moore Foundation, as well as mega-donors like Mark Zuckerberg. Yet the wealth gap in Silicon Valley—and its effect on moderate- and low-income communities—is tremendous and growing.

“A conservative estimate of the total wealth in all Silicon Valley households combined was \$645 billion in 2020,” reported Joint Venture in the 2021 Silicon Valley Index. The top 16% of Silicon Valley households hold an estimated 81% of that wealth. Silicon Valley’s share of millionaire households

## Issue Spotlight: COVID-19 Response

The COVID-19 pandemic exposed the existing disparities in society. Recognizing the scale and the urgency of the situation, some prominent Northern California funders changed their usual ways of operating. This meant turning project grants into general operating support, easing reporting requirements, and in some cases, waiving reporting altogether. The need for rapid and flexible pandemic response also prompted some Northern California philanthropies to strengthen and expand partnerships. Private foundations that did not have relationships with front-line community organizations turned to those who did to collaborate on quickly getting resources where they were needed most.

doubled from 2015 to 2020, according to the index, while about 18% of households in Silicon Valley had zero or negative net assets. As the situation was described in “The Giving Code: Silicon Valley Nonprofits and Philanthropy,” a 2016 report by Open Impact, “Across Silicon Valley, it seems as if everyone is moving either in the direction of wealth or in the direction of poverty, with very few left in between.” Because housing costs had risen so much, 29.5% of residents relied on some form of public or private assistance to make ends meet, the report stated. (This was years before the pandemic, when vastly more people turned to assistance programs to fill gaps. In a comparable period, the national rate of reliance on public assistance was around 19%, so this nearly 30% rate in the region is notable.)

“The Giving Code,” a report funded by the David and Lucile Packard Foundation, laid out how Silicon Valley’s extreme economic inequality affects households as well as the nonprofits attempting to address the gaps as they face an

increase in the number of people seeking services like free healthcare and food banks at the same time as the organizations themselves are facing rent increases that threaten to push them out of the area.

The number of private foundations in Silicon Valley doubled from 2000 to 2015, but most of Silicon Valley’s charitable giving was going to hospitals, medical centers, large research institutions, or out of the area altogether. “The Giving Code” reported that smaller, community-based nonprofits serving those in need within Silicon Valley were underfunded and “disconnected from one of the largest potential funding sources active within the region: the new tech companies and entrepreneurs that are directing great portions of their wealth into philanthropy.”

The publication of “The Giving Code” galvanized many local philanthropies to commit to more funding for local, community-based organizations. In 2017, the Chan Zuckerberg Initiative launched the CZI Community Fund to support local organizations “helping to create a more socially, economically, and racially just Bay Area.” In 2020, the Silicon Valley Community Foundation’s donors gave \$185 million to support nonprofits in San Mateo and Santa Clara counties.

Nicole Taylor, CEO of the Silicon Valley Community Foundation, also notes that the picture is more nuanced than it at first appears: “Many people outside our area mistakenly assume that Silicon Valley philanthropy is driven only by the ultra-wealthy or the tech giants. Those donors get a lot of attention because of who they are, but focusing on a select few ignores the generosity of the vast majority of donors.” Nearly 2,000 donor families and individuals and more than 75 companies hold DAFs at Silicon Valley Community

Foundation. More than a third of these funds have balances of \$25,000 or less.

While the wealth gap and economic inequities in Silicon Valley continue to grow, the local philanthropic sector has increasingly paid greater attention to this issue, with several funder initiatives focused on increasing grants to community-based organizations addressing inequities and supporting the people impacted by them.

The communities north of San Francisco are sometimes referred to as the **North Bay**, but probably are more familiar to most Americans as wine country. North Bay includes Marin, Napa, Solano and Sonoma counties.

## Inside Philanthropy

August 2020 Survey

*“COVID-19 has forced our foundations and donors in the California’s Northern California Greater Bay Area to engage more actively to address the disparities disproportionately affecting our communities of color and the underrepresented communities that face economic disparities.”*

—Development Director, San Jose, California

Just across the Golden Gate Bridge from San Francisco lies Marin County, known for its natural beauty, including giant redwoods and the Point Reyes National Seashore. With its spectacular landscapes and proximity to the city, it’s no surprise Marin is home (or a second home) to many wealthy people who want to be near the city but live closer to nature. Marin is the 12th-richest county in the country, according to Forbes. (Bay Area counties Santa Clara and San Mateo are in the top five.) The Marin Community Foundation hosts about 500 donor-advised funds and oversees more than \$3.6 billion in philanthropic assets.

Further north, the landscape starts to change, literally and philanthropically. “Even though we are considered on the edge of the Bay Area, things here are really different,” said Elizabeth Brown, former president and CEO of Community Foundation Sonoma County. This part of the region comprises wine country, smaller towns, and rural areas. “Unlike San Francisco and Silicon Valley, there aren’t the number of significant private or corporate philanthropies in terms of those that have staffs of size. That said, there is a lot of generosity here,” said Brown.

Sonoma and Napa counties are world famous for their wine and tourist industries, which makes for a somewhat complicated philanthropic landscape. “A lot of the wealthy people who spend time here do so in second homes or as tourists, so their core philanthropic commitments are often elsewhere. At the same time, people who have second homes or visit the region have fond attachments, which inspires them to give, especially in times of crisis, like disaster relief after wildfires,” said Brown.

The Sonoma and Napa area—its land, its people and its industries—has been seriously affected by wildfires in recent years and is highly vulnerable to continued impacts of climate change. The 2017 Tubbs fire, at the time, the most destructive fire in California history, burned through Napa, Sonoma and Lake Counties.

“There was an outpouring of philanthropy from other parts of the Bay Area and also from around the country and the world,” said Brown. “At the time, we assumed it was the once-in-a-generation disaster this community would see [and] we [decided to] develop a long-term, multiyear disaster recovery plan. What we didn’t anticipate was that every year since, we’d have another disaster.” In 2018, there were floods. 2019 and 2020 saw more fires, and then COVID. Philanthropic thinking “shifted from crisis-moment disaster philanthropy to a long-term approach to responding to ongoing disasters, with a focus on the intersection of disasters and equity,” Brown said. What started as a disaster recovery fund is now the Sonoma County Resilience Fund.

The community foundations of Sonoma and Napa counties have a collaborative relationship. They have worked together on wildfire recovery and a funding partnership related to housing.

## North Coast and Shasta Cascade Region

The North Coast and Shasta Cascade region is much more rural. They include the counties of Del Norte, Humboldt, Lake, Mendocino, Butte, Lassen, Modoc, Plumas, Shasta, Siskiyou, Tehama and Trinity.

### Grantee Spotlight



The East Bay Community Foundation (EBCF) is one of the country’s oldest community foundations. Established in 1928, EBCF’s investment and program strategies largely focus on arts and culture; promoting racial and social justice; racial equity; community organizing; and inclusive economies. EBCF corporate partners include Kaiser Permanente, JP Morgan Chase, and Blue Shield of California. Philanthropic partners include the Akonadi Foundation, James Irvine Foundation, Sobrato Philanthropies and many others.

The largest city in the North Coast, Eureka, has a population of fewer than 30,000. Redding, the largest city in the Shasta Cascade region, is home to about 90,000 people. This northern part of the state is known for its gorgeous natural landscapes – from the coasts to the mountains, spanning redwood forests and observable volcanoes. It is also home to rural communities, some of California’s most politically conservative communities, and numerous California Indigenous communities living on tribal lands.

“So many rural areas are deeply underserved by philanthropy,” said Lipper of the Humboldt Area Foundation, which is based in the North Coast area.

Partnerships with statewide and national agencies are especially important in this region, which lacks the kind of wealth that is so prevalent in the Bay Area. The Humboldt Area Foundation, for example, has partnered with statewide funder California Endowment on the Building Healthy Communities initiative.

The leading institutional grantmaker in the North Coast and Shasta Cascade areas in terms of dollars distributed is the Redding-based McConnell Foundation, which supports organizations in Modoc, Shasta, Siskiyou, Tehama, and Trinity counties, as well as funding internationally in Nepal and Laos. The McConnell Foundation gave \$22.1 million in 213 grants to Northern California organizations in the years 2014 to 2018, according to Candid data. The second-largest funder in the region was Humboldt Area Foundation, which gave \$7.2 million in that period. Other top funders in this part of Northern California are the Frank R. Howard Foundation, which focuses on healthcare in Mendocino County; the Patricia D. and William B. Smullin Foundation, whose mission is “to help

educate the people of Northern California and Southern Oregon through gifts to higher education, health education, and the Episcopal Church”; and the Community Foundation of Mendocino County.

## Funder Spotlight

### SONOMA COUNTY RESILIENCE FUND

Since launching in 2017 to support the Sonoma community’s long-term disaster response and recovery, the Sonoma County Resilience Fund has awarded more than \$15 million to area nonprofits “working on the frontlines of disaster recovery.” The fund awarded \$2.4 million in COVID-19 emergency grants to multiple organizations across the region. It also awarded a total of \$5.7 million in grants to organizations helping individuals with various immediate and emergency services related to disaster recovery assistance and support.

# A Closer Look at Funder Types

## Private Foundations

Private foundations in Northern California include both legacy foundations and new ones. Almost all of the region’s wealthiest foundations are in the Bay Area, with several of the largest private foundations in the United States based in Silicon Valley: the William and Flora Hewlett Foundation, the David and Lucile Packard Foundation, and the Gordon and Betty Moore Foundation. A few small but impactful family foundations are based in the North Coast and Shasta Cascade region. Northern California Grantmakers’ Dwayne S. Marsh estimates that about 28 to 30% of the regional network’s members are staffed family foundations that engage in substantial grantmaking. There are also several prominent health conversion foundations in Northern California.

The David and Lucile Packard Foundation makes grants globally to support farmers and scientists, fight climate change, advance reproductive health, and more. Alongside its global giving, the foundation has a portfolio dedicated to supporting local communities in San Mateo, Santa Clara, Santa Cruz, San Benito, and Monterey counties (i.e., in several Bay Area counties as well as in Central California). From 2014 to 2018, it gave more money (just over \$419 million) than any other institutional grantmaker to Northern California-based organizations, according to data from Candid. The local grantmaking program supports “creative, environmental and civic organizations that connect people with art, nature and their communities, organizations like food banks and housing providers that provide families with resources they need to be strong and economically

resilient; and organizations that provide equitable access to high-impact and culturally relevant afterschool programming to help youth find their purpose, passion and pathway to a thriving future.” The foundation reports that they have invested \$2.5 billion in local communities over 55 years.

The William and Flora Hewlett Foundation, based in Menlo Park, made more than \$465 million in grants in 2020, but not all of this went to Northern California organizations. Alongside a program on gender equity, national funding to strengthen democracy in the U.S., and other portfolios, the legacy Bay Area foundation dedicates a portion of its funds to the Northern California region, supporting performing arts in the Bay Area, conservation of the North American West, and local communities. From 2014 to 2018, Hewlett made 383 grants totaling about \$92 million to Northern California-based organizations, according to data from Candid.

The Gordon and Betty Moore Foundation, based in Palo Alto, gave \$194.5 million in grants to Northern California-based organizations from 2014 to 2018, according to Candid. The foundation focuses on science, environmental conservation, patient care improvements, and the Bay Area. The Bay Area program focuses on environmental and wildlife conservation and science and technology museums, and has cumulatively made \$319.6 million in grants to the region.

Several notable private foundations in the Bay Area are in the process of spending down their endowments—or have recently concluded doing so. The S.D. Bechtel Jr. Foundation, a leading funder for decades of initiatives related to science and the environment, especially water management, decided in 2009 to invest all of its assets into

pursuing solutions to California’s critical challenges sooner than later. In December 2020, the foundation concluded a 12-year spend-down of more than \$1 billion. The Stupski Foundation, established by a former president and COO of Charles Schwab, is in the process of spending down now, “because change can’t wait,” the foundation’s website says. The foundation, which focuses on early brain development, food security, youth, and serious illness care, is moving resources to organizations in San Francisco and Alameda counties, as well as the state of Hawai’i.

**Funder Spotlight**



THE CALIFORNIA  
**Wellness**  
FOUNDATION

The California Wellness Foundation’s overall focus is on the health and wellness of California residents. Every year, it awards over \$35 million to those ends. In its latest round of funding, it prioritized movement-building in communities of color, working class, and low-income communities. Grants were also awarded to nonprofits working with groups that were disproportionately impacted by COVID-19.

There are many other substantial and impactful private foundations giving in Northern California. Sobrato Philanthropies (of the Sobrato family, which has lived in Silicon Valley for four generations and made a fortune in real estate and other ventures) has donated more than \$550 million to support low-income residents in Silicon Valley. The Sobrato Organization is one of the largest developers and owners of commercial real estate in Silicon Valley.

There are several foundations associated with the Haas family stemming from the Levi Strauss and

Co. fortune. Those include the Evelyn and Walter Haas Jr. Fund, a prominent San Francisco funder that was the first foundation to endorse marriage equality (it started winding down its LGBTQ equality program in 2022 after two decades of being a leading funder in that space); the Ginnie and Peter Haas Jr. Fund, which supports health, immigration, human services, and youth in the Bay Area; the Mimi and Peter Haas Fund, which focuses on early childhood programs, especially for low-income children in San Francisco; and the Walter and Elise Haas Fund, established in 1952 to support arts, education, economic security, and Jewish life in the Bay Area.

California is also home to some of the nation’s largest health conversion foundations (endowed when nonprofit healthcare companies turned for-profit). The California Endowment, California Wellness Foundation, and California Health Care Foundation all focus on health funding statewide, with plenty of grants directed throughout Northern California. The Los Angeles-based California Endowment makes grants statewide, with social justice and health equity in mind. The California Wellness Foundation, also based in Los Angeles, makes grants throughout the state with a focus on advancing wellness through increasing access to healthcare, quality education, good jobs, healthy environments, and safe neighborhoods. The California Health Care Foundation, based in Oakland, focuses on improving the healthcare system for people across California, especially low-income and other underserved communities.

Some other Bay Area private foundations to know are the Los Altos-based Heising Simons Foundation, which prioritizes climate and clean energy, education, human rights and science; the Kenneth Rainin Foundation, an important funder

of arts organizations in the Bay Area and early childhood programs in Oakland; and the John Pritzker Family Fund and the Lisa Stone Pritzker Foundation, based in San Francisco.

## Corporate Funders

A number of high-profile corporate funders also play significant roles in Northern California philanthropy, especially in the Bay Area.

According to the *San Francisco Business Times*, the top corporate philanthropies in the Bay Area in terms of cash contributions made in 2020 to local organizations included Google, which gave \$61.93 million to Bay Area groups, the Sobrato Organization (\$56.34 million), Cisco Systems Inc. (\$46.24 million), Salesforce (\$32.78 million), and Wells Fargo (\$28.10 million).

Salesforce, which is headquartered in San Francisco, developed a model for corporate philanthropy that has been adopted by companies around the world. Called “Pledge 1 Percent,” the model asks companies to pledge to give 1% of company equity, 1% of employee time, 1% of products, and 1% of profit to charity. As of 2019, 8,500 companies from more than 100 countries were members, *Forbes* reported. Salesforce itself has made substantial contributions to schools in San Francisco and Oakland, making \$100 million in grants to Bay Area schools since 2012. During the pandemic, Salesforce funded COVID-related initiatives in multiple school districts.

Northern California Grantmakers hosts an annual Corporate Philanthropy Institute that brings together some of the region’s biggest corporate funders, including the Levi Strauss Foundation, the Wells Fargo Foundation, the eBay Foundation, and

Kaiser Permanente. The lead sponsor of the 2021 convening was Gilead, a Foster City-based pharmaceutical company that is one of the leading funders of LGBTQ+ causes in the United States.

### Corporate Funder Spotlight

## LEVI STRAUSS FOUNDATION

In 1982 the Levi Strauss Foundation gave the first corporate donation toward the fight against HIV/AIDS. The foundation’s giving has since expanded to include advancing social justice, apparel worker rights and well-being, and equality. In 2010, it launched its Pioneers in Justice Initiative, which awards grants to “empower next-generation Black, Indigenous and People of Color (BIPOC) social justice leaders to drive nonprofit organizational growth and mobilize communities.”

Some of the world’s largest companies are headquartered in the Bay Area, and while their corporate giving tends to be national or international in scope, some of them have programs that give locally in the many communities around the world where they operate, including Northern California communities. Google.org has committed \$50 million in grants to Bay Area nonprofits focused on homelessness and displacement. Chevron, based in San Ramon (east of San Francisco), prioritizes STEM education and health in its corporate giving, with a focus on well-being in the communities where it operates. Apple, headquartered in Cupertino (Silicon Valley), supports local organizations in communities where Apple employees live and work through its Strengthen Local Communities grant program.

Other important corporate philanthropies in Northern California include the Blue Shield of

California Foundation, the Rodan and Fields Prescription for Change Foundation, and the Target Foundation, among many more.

While most of the top corporate funders in terms of dollar amounts distributed are based in and focused on San Francisco, Oakland, and Silicon Valley, there are several corporate funders important in other parts of the region.

In Sonoma and Napa, the wine industry gives back. The Sonoma County Vintners Foundation and Napa Valley Vintners both hold wine auctions to raise funds for local nonprofits. Sonoma County Vintners Foundation partners with Community Foundation Sonoma County to make grants to community-based organizations focusing on arts and culture, education, health and human services, and the environment. In the North Coast and Shasta Cascade region, utilities company PG&E supports several local community foundations.

## Community Foundations

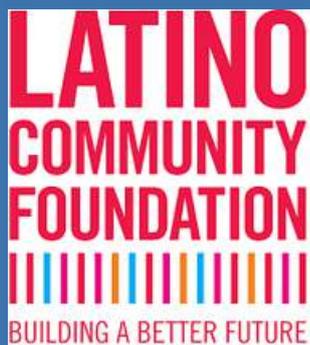
Community foundations play an important role in Northern California philanthropy. “There’s a really rich network of community foundations in California... not just a lot of them, they’re very strong, and frequently very strategic. And there are a number in this state that have enough flexible endowment that they can build strategy,” said Marsh of Northern California Grantmakers.

To a greater extent than most other community foundations nationwide, several in Northern California manage massive amounts of assets through DAFs. But community foundations also make their own programmatic grants, and some in the region (like the San Francisco Foundation) have large endowments that enable them to be substantial grantmakers in their own right, alongside their DAF work. Northern California community foundations are also increasingly collaborating and bringing together stakeholders across sectors to address region-wide issues from housing to climate. Beyond simply managing DAFs and making grants and investments, Northern California community foundations educate DAF holders about funding opportunities and issues in the region, helping to guide individual philanthropy to meet community needs.

Northern California has two of the largest community foundations in the country, the San Francisco Foundation and the Silicon Valley Community Foundation, which each hold billions in assets, as well as small community foundations in rural areas that are creating impactful initiatives around equity, partnerships with Indigenous communities, and more.

The Silicon Valley Community Foundation is one of the wealthiest foundations in the world, with \$12.2 billion in assets as of 2020. The San Francisco

### Community Foundation Spotlight



The Latino Community Foundation and is one of several Northern California disaster relief funders focusing beyond the moment of crisis response. CEO Jacqueline Martinez Garcel said, “We think about this in three phases: money needed immediately after a crisis. Then infrastructure support...investing in grassroots organizations that exist in our communities. How do we help them become anchor institutions in their communities? The third phase is political power, doing work around redistricting ... going beyond.”

Foundation is also substantial in terms of wealth—with assets totaling \$1.5 billion—and it is an important player in regional philanthropy as a result of its longevity (it was established in 1948) and decades of experience building relationships across the philanthropic sector.

The Humboldt Area Foundation, while smaller in terms of assets (\$139 million), is a national leader for its community engagement programs as well as the partnerships the foundation has developed with local tribes.

Community foundations have been key leaders in disaster response, able to move resources swiftly to where they are most needed in a given community. In response to the pandemic, staff at the Humboldt Area Foundation called more than 500 community member partners to learn what they were seeing and what help they needed. The Humboldt Area Foundation and Wild Rivers Foundation partnered on a COVID-19 Regional Response Fund that distributed \$2.8 million between March 2020 and March 2021. The foundation's established relationships with community organizations were essential in moving those funds quickly.

In addition to geographically focused community foundations, Northern California has numerous issue- and identity-based community foundations, several of which are influential leaders in advancing equity in philanthropy.

The San Francisco-based Horizons Foundation, which was the world's first LGBTQ+ community foundation, paved the way in funding for AIDS services in the early 1980s. Horizons is an accessible and committed supporter of small, grassroots organizations. Recent Bay Area grants include the San Francisco LGBT Center and Larkin Street

Youth Services, which works to end youth homelessness.

The Latino Community Foundation is working statewide to build a movement of philanthropic leaders, invest in Latino-led nonprofits, and increase political participation of Latinos in California. LCF made a deliberate choice not to host DAFs because “we don't want to create more spaces for people to sit on assets versus liberating that capital to support communities of color,” said CEO Jacqueline Martinez Garcel.

Northern California is also home to the Women's Foundation of California, a branch of the Korean American Community Foundation, and many other community foundations dedicated to specific populations.

“Community foundations sit in a unique space because as public charities, we're able to support c3 and c4 organizations. And community foundations take on a lot of different roles. Of course, we're grantmakers, but we're also conveners, capacity builders, investors, matchmakers, policy advocates, and much more. That helps us knit together the region and the work,” said Judith Bell, chief impact officer at the San Francisco Foundation.

Community foundations are key participants in—and often leaders of—cross-sector collaborative initiatives to address important issues across the region. The San Francisco Foundation represented the philanthropic sector in the Committee to House the Bay Area (CASA), a cross-sector initiative convened by the Metropolitan Transportation Commission and the Association of Bay Area Governments. The San Francisco Foundation is also a key partner in Partnership for the Bay's Future, a public-private initiative bringing together some of

the region's top funders to support community-informed solutions for affordable housing. The Silicon Valley Community Foundation is among the initiative's funders. The San Francisco Foundation and the SVCF are also both funding partners of the California Black Freedom Fund, a five-year, \$100 million fund supporting organizations working to eradicate systemic and institutional racism. The community foundations join private foundations and corporate funders from across the state in the initiative, which is the first state-based fund of its kind.

As discussed above, community foundations throughout the region are also partnering across institutional and county lines on disaster relief and resilience initiatives, especially in the face of the ongoing, regionwide and statewide impacts of climate change.

## Inside Philanthropy

August 2020 Survey

*"I really believe the lack of understanding of intersectionality by philanthropy is critically hurting nonprofit work. Philanthropists often want neat little portfolios with easy to explain/champion issues (food banks, foster youth, climate change), but aren't looking to fund the different pieces that lead to the need for these, or understanding the various factors at play."*

—Fundraiser, Santa Cruz, California

## Major Donors

Northern California—especially the Bay Area—is home to some of the world's most famous mega-donors. It's difficult to track exactly how much of their giving goes to organizations in Northern California since much of it goes through vehicles like DAFs and LLCs, but there is no question that individual mega-donors make an impact on Northern California philanthropy—again,

especially in the Bay Area. The scale of their giving is huge and increasing. In "The Giving Code," Open Impact reported that from 2008 to 2013, total Silicon Valley-based individual giving rose from \$1.9 billion to \$4.8 billion—a 150% increase.

Individual major donors in this region include world-famous mega-donors, as well as thousands and thousands of new young philanthropists who have made fortunes in tech and are just beginning to find their way in philanthropy. To name a few:

Mark Zuckerberg and Priscilla Chan are among the most high-profile and active philanthropists in the world. They give through the Chan Zuckerberg Initiative, an LLC, which has a community portfolio focused on the Bay Area in addition to national programs funding science, education, and criminal justice and immigration reform organizations. The Chan Zuckerberg Biohub received more grant dollars than any other organization in Northern California from 2014 to 2018, according to Candid. In 2016, Chan and Zuckerberg committed \$600 million over 10 years to fund the Biohub, an independent, nonprofit research center that brings together scientists from UC San Francisco, Stanford University and UC Berkeley who are "working to cure, prevent or manage all disease by the end of the century." Signatories of the Giving Pledge, Chan and Zuckerberg have also made large contributions to Bay Area schools (as well as schools in other areas), San Francisco General Hospital, and many others.

Another multibillionaire Facebook co-founder, Dustin Moskovitz, gives with his wife, Cari Tuna, through Good Ventures, which was the third-largest institutional funder of Northern California organizations from 2014 to 2018, according to data from Candid. Sean Parker, who also made a fortune via Facebook, made a \$250 million grant to

establish the Parker Institute for Cancer Immunotherapy in San Francisco. Facebook COO Sheryl Sandberg, another Giving Pledge signatory, gives to support women and girls internationally, and more locally, gave \$1 million to establish an emergency fund to feed Silicon Valley families in need during the pandemic.

Google co-founder Sergey Brin and his wife, Nicole Shanahan, give through the Sergey Brin Family Foundation, which has provided significant support to Tipping Point Community, an organization working to eliminate poverty in the Bay Area. They also give to local Boys and Girls Clubs, shelters and soup kitchens, as well as giving nationally and internationally for Parkinson's research, Jewish causes, and other issues.

Twitter and Square founder Jack Dorsey pledged \$1 billion of his shares in Square, more than 25% of his net worth, toward COVID-19 relief. Much of this has gone to organizations providing essential services like food banks, homeless shelters and schools. While giving broadly in support of social justice and humanitarian causes, Dorsey has made significant grants to the Bay Area, such as \$10 million to ensure every student in Oakland public schools had access to a computer and internet during the COVID-19 pandemic.

Laurene Powell Jobs gives through Emerson Collective, a Palo Alto-based LLC that does impact investing, advocacy, and philanthropy.

It's hard to know exactly how much money flows to Northern California nonprofits from individual major donors, especially because so much of their philanthropy moves through donor-advised funds and LLCs, which allow for anonymous giving. A 2021 paper by the Stanford PACS Center on

Philanthropy and Civil Society reported that among 55 high-capacity Bay Area donors they interviewed, DAFs were the most common giving vehicle. Major liquidity events are one of the key reasons people open DAFs—to get a charitable deduction now, and figure out where to make donations later—and the Bay Area is a place where many people experience substantial liquidity events. Donors surveyed reflected that having an already-funded DAF enabled them to continue to give philanthropically during market downturns or crises like the pandemic. A separate study by the Stanford PACS Center, albeit based on a small sample size of 25 donors, reported that high-net-worth millennial donors in the Bay Area strongly prefer DAFs to other giving vehicles, with a handful of “ultra-capacity” donors (capable of giving more than \$10 million annually) preferring to set up LLCs.

### Major Donor Spotlight: Jack Dorsey

## #startsmall

After announcing a \$1 billion pledge to his LLC #startsmall in April 2020, Twitter and Square founder Jack Dorsey began moving money quickly. Large grantees include Vital Strategies (\$38 million), Clara Lionel Foundation (\$28.4 million), and CORE: Community Organized Relief Effort (\$30 million). According to the #startsmall tracker, the fund has a total value created of \$2.53 billion, has disbursed \$466 million and has \$2.06 billion remaining.

The sheer amount of money held in donor-advised funds at the Silicon Valley Community Foundation—about \$10 billion in DAFs as of spring 2020, Inside Philanthropy previously reported—gives a sense of the huge potential for the impact of major donors in Northern California. SCVF donors moved \$1.95 billion to nonprofits in 2020, \$524 million of which went to organizations in the Bay Area. The

San Francisco Foundation held \$536 million in DAF assets as of 2020. In 2020, DAF grants from SFF totaled \$185 million, 59% of which went to Bay Area organizations.

## Associations & Intermediaries

There are a number of organizations throughout Northern California that provide opportunities for learning and collaboration, as well as technical and administrative support, to grantmakers and nonprofits.

Northern California Grantmakers brings together foundations, nonprofits, government and businesses. Programs include an annual Corporate Philanthropy Institute, the Arts Loan Fund (funded by NCG member organizations), and the California Criminal Justice Funders Group. Northern California Grantmakers educates and informs funders through initiatives like the Racial Equity Action Institute and the Real Cost Project, which helped to identify barriers to changing funding practices to better support communities. Along

with SoCal Grantmakers and San Diego Grantmakers, Northern California Grantmakers is a partner in Philanthropy California, which brings together public, private, community and corporate funders across the state who are working on some of the most pressing issues, including wildfires, housing and homelessness. While NCG is a facilitator for important funder conversations and learning, and manages some pooled funds, it does not directly make grants.

The California Association of Nonprofits, based in San Francisco, is a statewide group that advocates for nonprofits, including helping philanthropies understand nonprofits' perspectives and the impacts of philanthropic actions.

The League of California Community Foundations fosters collaboration among community foundations across the state. Several community foundation leaders we spoke with mentioned the league's meaningful impact, especially as wildfires and other pressing issues that cross community boundaries prompt increased collaboration among the state's community funders.

Silicon Valley Social Venture Fund (SV2) helps Silicon Valley philanthropists learn how to move resources to address inequality and support local community organizations. In addition to its learning workshops, SV2 enables learning through practice, as members pool contributions and then decide together where to make collective grants and impact investments. The First Principles Forum, another Silicon Valley-focused organization, is an annual gathering that supports founders, early employees, and tech investors with access to resources from recent IPOs or company acquisitions in learning about philanthropy.

### Intermediary Spotlight

**TIDES**

A Force for Social Good



Tides takes a collaborative approach to accelerate the “pace of social change, working with innovative partners to solve society’s toughest problems.” Its grantmaking focuses on economic development, equality, human rights, healthy individuals and communities, education, and a sustainable environment. Grantmaking partners include the Color of Democracy Fund, Jubilation Foundation and the Trans Justice Funding Project. Social Venture partners include 100in10, AIDS-Free World, and Boost! West Oakland.

The Tides Foundation is an important intermediary helping to move philanthropic resources to social justice movements nationwide and beyond. It was founded in San Francisco and still maintains an office there. Among its many offerings, Tides serves as a fiscal sponsor of numerous small and emerging social justice organizations, and hosts DAFs as well as pooled funds such as the Women’s Environmental Leadership Fund and the Healthy Democracy Fund.

Tipping Point Community, one of the major recipients of grant dollars in Northern California, also functions in many regards as an intermediary, although it might not describe itself that way.

Tipping Point works across sectors and makes grants to nonprofits. It aims to eliminate poverty in the Bay Area by vetting and providing unrestricted funding to organizations fighting poverty on multiple fronts across the community. Tipping Point brings together public, private and corporate funders with nonprofit organizations “to bring solutions to the scale needed to address the problem through both services and policy.”

There are many other philanthropic associations and intermediaries based in Northern California that do some funding in the region, but are national and international in their missions and goals, such as the Women Donors Network.

### Program Spotlight

NCG

Arts  
Loan  
Fund

Managed by Northern California Grantmakers, the Arts Loan Fund (ALF) has disbursed over \$19 million in low-interest loans to small and mid-sized arts organizations over the past 30 years. The program is available to arts nonprofits located in the 11 Bay Area counties and working across multiple disciplines including dance, film, literary arts, opera, and more. Organizers of arts events such as festivals and parades are also eligible for the ALF program.

# Fundraising Now

To raise money, charitable organizations in Northern California grapple with certain realities unique to their part of the country. For example, research has found that affluent donors whose money comes from the region's technology companies—among the biggest wealth drivers in the country—often shun local nonprofits in favor of national and global causes more than donors from other places.

“The Giving Code” found that only 7% of donations from Silicon Valley private foundations go to charities in the region. (See [IP's coverage of a three-year effort](#) to counter this trend.) One analysis by the Philanthropy Roundtable identified other fundraising challenges: technology donors' obsession with data and reports, as well as their reluctance to provide charitable support for social problems that require hands-on human intervention, and aren't as amenable to “brisk quantification”—issues like addiction, domestic abuse, persistent poverty, mental illness and others.

Combine the giving patterns of the region's donor class with stark inequality, punishing natural disasters, and an unceasing pandemic, and Northern California's fundraisers have had a challenging few years. Still, echoing fundraisers across the country, development professionals in the area described to IP a wide range of outcomes, with some seeing record high numbers and others barely able to keep the lights on. For example, despite tech donors' reputations, most of the Northern California fundraisers IP interviewed said they had not noticed a difference in giving among affluent donors from the industry. One or two, however, did call out the well-documented tensions. “Technology donors give less to their home

community,” one San Francisco fundraiser observed. “In the Bay Area and technology, donors are more open to international and education than to their home community.”

The Silicon Valley Community Foundation has taken technology donors' sparse giving to local charities seriously. Under Nicole Taylor, president and CEO, the foundation began a [concerted effort](#) in 2019 to educate donors, many of whom created donor-advised funds with technology wealth, about regional causes, and to persuade more of them to give to local nonprofits. By October 2021, the foundation had distributed \$464 million to Bay Area charities—a 13% increase compared to the same period in 2020.

Another issue affecting fundraising in Northern California is the region's growing number of serious natural disasters, from earthquakes to its persistent, worsening wildfires, an annual occurrence. By 2020, when the pandemic upended the nation, the North Valley Community Foundation in Chico, nearly 200 miles from Silicon Valley, had raised \$70 million in contributions after the Camp Fire devastated the region in 2018. The money earmarked for wildfire relief far outstripped the more than \$3 million that the foundation subsequently raised for pandemic needs. The wildfire money was used to buy personal protective equipment for medical workers, testing equipment, breathing apparatus to protect ambulance workers and other needs.

Nonprofit organizations in Northern California, just like charities in other parts of the country, have experienced sharply varying fundraising outcomes in the pandemic, now entering a third exhausting year. Some Northern California groups have done exceptionally well over the last two years, in some

cases, raising more money than ever before. Before the pandemic exploded globally, San Francisco's CommonSpirit Health Foundation, which oversees 83 local foundations that raise money for nonprofit hospitals, reported contributions totaling \$217 million in fiscal 2019. By the time its 2021 fiscal year closed on June 30, CommonSpirit had raised a record \$285 million.

What's more, fiscal year 2022 will likely set a new fundraising record for the third year in a row, according to Fred Najjar, CommonSpirit's executive vice president and chief philanthropy officer. He attributes the fundraising increases to, among other things, forming a "pandemic task force" of representatives from the local hospital foundations in early 2020. To support medical staff and other caregivers, the task force came up with toolkits that provided sample communications, virtual programming and case-for-support information for the entire CommonSpirit fundraising network, raising \$25 million in its first six months. He says corporate grantmakers have also stepped up, giving additional funds for pandemic-related needs such as pop-up vaccine clinics in low-income communities.

### Inside Philanthropy August 2020 Survey

*"Funders have a real opportunity to make transformational gifts to nonprofits or coalitions that will give them the flexibility and resources needed to make strides in solving problems instead of treating the symptoms."*

—Fundraiser, San Jose, California

The Nepal Youth Foundation, based in San Francisco, also hit higher fundraising numbers over the last two years, raising \$2.5 million in its most recent fiscal year, which ended June 30. That's up from \$2.2 million in fiscal 2020. The gains were

achieved thanks to longtime supporters increasing their donations, both individuals and foundations, with the latter offering general operating support and waiving time-consuming reporting requirements on how grants were used.

Another win for Nepal Youth Foundation: transforming its in-person June special event to an online affair in 2020. It has repeated the virtual event with improvements, including adding an online auction, even after it resumed the live event this year. "We have been able to pivot to online and raise more money," says Eric Talbert, the charity's executive director and lead fundraiser, echoing what other nonprofits nationwide have been saying about pandemic-era fundraising events. "It is costing less money and taking the same or a little more time," Talbert says. "Online gatherings are here to stay." The events are expected to serve as a valuable addition, even after live fundraising efforts resume.

That's also the approach taken by Reading Partners, a 23-year-old charity headquartered in Oakland that works to improve reading skills among children in kindergarten through fourth grade. Reading Partners' most recent online fundraising event brought in \$300,000, exceeding its \$260,000 goal. Individuals, corporations and foundations have all increased their contributions to Reading Partners in the last year or so, says Karen Gardner, chief development officer. That enabled the group to raise \$27.5 million last year after a dip in 2020. The charity's 2021 fundraising returns were \$1.3 million more than what Reading Partners raised before the pandemic.

But other Northern California charities are struggling. For example, the Mind Body Awareness Project in Oakland, which works to transform

underserved communities and train those who serve them with mindfulness-based mental health tools, has had a tough time raising any money since the pandemic began. The charity, which has a paid staff of three assisted by volunteers, also earns revenues by charging some clients such as mental health facilities, police departments and schools for mindfulness and stress-resistance training. But even that stream of earned income has been substantially reduced with widespread COVID restrictions. In juvenile detention centers, for example, visitors have been barred during the pandemic, making it harder for the Mind Body Awareness Project to provide in-person training — even as incarcerated juvenile clients endure more stress with no visitors allowed and less ability to move about freely in lockdown.

The Mind Body Awareness Project developed online training to replace its in-person sessions, but its ability to do the work has been reduced and disrupted. Some clients, for example, have whipsawed between in-person and online training as the pandemic waned and then resurged — a less-than-optimum experience for training recipients. “There has never been more of a need for supporting marginalized populations with mental health tools,” says Micah Anderson, the charity’s clinical director. “There’s increasing money out there because mental health has never been more of a buzzword.” But, he adds, “The disconnect for us is that we often don’t have the funding to even go find the money. Our funding is drying up, and it’s a stone in our shoe.”

The Mind Body Awareness Project, Anderson says, is now relying on a small number of contracts because it can no longer afford a full-time grant proposal writer. Hi charity is not alone in its fundraising struggles, Anderson notes. “Many

nonprofit organizations are in a tailspin,” he says. “A lot of nonprofits are in the process of going under or are strapped for resources.”

## Fundraiser Spotlight



The North Valley Community Foundation (NVCF) raised \$70 million in response to the 2018 Camp Fire that devastated Butte County. The fire was the deadliest and most destructive wildfire in California’s history. Since then, NVCF has distributed over \$3 million in grants in response to the Bear/North Complex and Dixie Fires. NVCF has received wide support from a number of Northern California based organizations including the San Francisco Foundation, the Golden Valley Bank Community Foundation, and the East Bay Community Foundation.

# An Analysis of Opportunities & Challenges

Northern California faces daunting challenges, including extreme economic inequality, affordable housing shortages, devastating wildfires and the ongoing threats of climate change. It also holds vast philanthropic resources – not only monetary wealth, but also strong organizations with a history of collaboration and a self-concept of being forward-thinking and visionary. The question on the minds of many in the Northern California philanthropic and nonprofit sectors: Is philanthropy ready to step up and significantly reexamine its priorities to make a meaningful impact on the urgent crises facing the region?

What’s needed, many philanthropic leaders told Inside Philanthropy, is trust-based philanthropy that puts funds and decision-making power in the hands of the people most impacted by the problems they’re trying to solve; equity; and moving more resources, more quickly.

“The scale of challenges and the confluence of things is so unprecedented it makes charting a path difficult,” said Marsh of Northern California Grantmakers. “The foundations that have the ability to take on anything are seeing the burning of everything. We must strengthen our internal practices to make sure we have meaningful external effect. We have to gird ourselves as institutions to take on structural racism. Think about the issues philanthropy tries to take on: I challenge you to think of one where race is not a factor. The challenges are driving the opportunities. If we’re going to confront fundamental challenges, we have to work in new ways ... the traits we need are a collaborative spirit, a drive for impact, innovation and recognition of community [solutions]. These are strengths we have in this region.”

Garcel of the Latino Community Foundation spoke of the vast wealth that exists in California and the opportunity for philanthropy to leverage the “once-in-a-lifetime” investment of federal resources intended to address the deep inequities in communities of color. “It is critical for philanthropy to equip local organizations to help them inform, distribute and use funds from the infrastructure package and the American Rescue Plan,” said Garcel.

Foundations’ assets have grown while communities have struggled during the pandemic. “It’s time for us to break out of the 5% minimum payout,” Martinez Garcel said. “We’re finally seeing an infusion of resources that can have a transformative impact on leveling the playing field for communities of color. Foundations have a window to move quickly and boldly. We must do our part to collectively eliminate the structural barriers to equity and wealth creation for our communities. Are foundations willing to move with the urgency this moment requires? Are we investing in the local infrastructure so that nonprofits led by POC are at the front of the line [for] the federal and state resources that are being made available? This is the turning point for us to rebuild a new normal that centers healing and restoration for the people most impacted by this pandemic. We trust that more foundations in Northern California will live up to this call to action.”

A fundraising professional who participated in a survey conducted by IP in August 2020 reflected that “COVID-19 has forced foundations and donors in [the] Greater Bay Area to engage more actively to address the disparities disproportionately affecting

our communities of color and the underrepresented communities that face economic disparities.”

They moved toward more trust-based philanthropy, easing reporting requirements or waiving reporting altogether. Private foundations collaborated with community foundations to move funds swiftly where they were needed most. The wildfires, too, prompted the creation of cross-sector and region-wide philanthropic collaboration, and proved the value of community foundations’ longtime work of building relationships with organizations serving the community.

The money; the history, spirit, and infrastructure of collaboration; the increasing practice of trust-based philanthropy; the cultures of innovation, risk-taking, and concern for equity – all of these things, to greater and lesser degrees, are present in Northern California’s philanthropic sector. The question is, are they present enough? Will they be built upon and utilized more frequently for philanthropy to act at the scale and in the ways needed to address the large and pressing problems of this moment? As Northern California Grantmakers’ Marsh puts it: “Are we prepared to cede power in order to make change?”



*“The Packard Foundation has been active in the Bay Area for over 55 years. It’s the home of the foundation, and where our founders grew their business and community. They had this deep fundamental belief in giving back in the areas where you live ... but at the same time, the foundation is global in its perspective and has international and national footprints. It’s a great model of how you can have a localized, place-based effort and also work nationally and internationally.”*

– Irene Wong, director of Local Grantmaking, David and Lucile Packard Foundation

# Resources for Giving for Northern California

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<sup>1</sup>Based on available grantmaker data from Candid. Excludes federal funding and funding by higher education institutions, with the exception of the Humboldt State University Foundation.

<sup>2</sup>Based on available grant recipient data from Candid. Excludes government organizations.

## Feedback?

The State of American Philanthropy is an ongoing project. Each SAP brief will be updated periodically to integrate new information, additional data and evolving perspectives. This brief was originally posted to Inside Philanthropy in April 2022. It has not yet been updated. If you have comments or information you'd like to share with us, please email us at [managingeditor@insidephilanthropy.com](mailto:managingeditor@insidephilanthropy.com).