MOVING THE NEEDLE ON RACIAL EQUITY

Evaluation and Learning of the Chicago Commitment



September 2022

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Executive Summary

Since its founding in 1978, the John D. and Catherine T. MacArthur Foundation has invested nearly \$1.5 billion in more than 1,600 organizations and individuals in the Chicago region. The MacArthur Foundation further formalized its commitment to its hometown through the creation of the Chicago Commitment team in January 2016. As an Enduring Commitment, the Chicago Commitment represents the Foundation's longstanding, deep, and unwavering dedication to advancing racial equity in the Chicago region.¹ Advancing racial equity is more than a challenge or goal that simply can be achieved. In order to make incremental progress to advance racial equity, and to sustain progress already made, enormous resources and time, along with authentic partnerships with grantees and funders with shared goals, are required.

Continuous self-reflection, learning, and course corrections will be required to advance racial equity. To that end, the MacArthur Foundation Office of Evaluation authored this report to summarize learnings and findings from the development and implementation of the Chicago Commitment strategy between 2016 and 2022.² Evidence will support the Chicago Commitment team in making data-informed decisions and preparing for the MacArthur Foundation Strategy Review process.³ Education Development Center (EDC), the Chicago Commitment's evaluation and learning partner, provided the report's primary source of data, collected between January 2020 and April 2022. In the report, the Office of Evaluation (1) highlights key grant craft themes; (2) describes the grants to date and grantee characteristics; (3) assesses opportunities for the Chicago Commitment strategy's racial equity goals; and (5) reflects on the Chicago Commitment strategy design and implementation.

The report is organized in the following sections:

- Chapter one describes the context in which the Chicago Commitment team developed its strategy and goal to advance racial equity.
- Chapter two summarizes the Chicago Commitment conceptual framework.
- Chapter three provides an overview of the evaluation data collection.
- Chapters four and five summarize the Chicago Commitment's strategy implementation and highlight key characteristics about its grants and grantees.
- Chapters six to eight share findings and learnings, including the extent or existence of potential
 opportunities, whether progress has been made in desired outcomes, and reflections on the Chicago
 Commitment conceptual framework and implementation.
- The last chapter focuses on next steps and questions for the Chicago Commitment team to consider.

¹ "Enduring Commitments," John D. and Catherine T. MacArthur Foundation, accessed August 1, 2022, <u>https://bit.ly/3wFOX5n</u>. ² Chicago-based organizations also have received funding from other MacArthur Foundation programs and initiatives, such as Criminal Justice, Climate Solutions, Nuclear Challenges, Journalism and Media, Technology in the Public Interest, and the Equitable Recovery Initiative. Evaluations for those efforts are available <u>here</u>. The Impact Investments team also deploys resources to Chicago organizations. Evaluation activities associated with program-related investments that are designed to support Chicago Commitment goals will begin in late 2022/early 2023. A collaboration of the MacArthur Foundation, Chicago Community Trust, and Calvert Impact Capital, Benefit Chicago makes impact investments to Chicago entities through Arc Chicago, a sole member (MacArthur) limited liability company. An evaluation of Benefit Chicago will begin in 2023. ³ The MacArthur Foundation Strategy Review are milestone moments to assess the landscape where MacArthur strategies work, gauge progress, and reflect on the design and implementation of strategies.

Highlights from each section are below:

1. What are examples of how the Chicago Commitment team sought to align its conceptual framework and grant craft processes with its principles?

Two primary principles undergird the Chicago Commitment strategy: People from historically marginalized communities possess the expertise to identify and implement solutions for the communities they serve and represent; and community-led efforts with robust community engagement offer the most innovative, viable solutions to advance racial equity. As the Chicago Commitment team sought to align its conceptual framework and its grant craft choices with its principles, three themes emerged: (1) The Chicago Commitment became more intentional toward its racial equity goal, refining its strategy to better support grantees' work to advance racial equity in arts and culture, industrial and commercial real estate development, and urgent, timely issues such as gun violence. (2) The team sought values-aligned organizations as grantees and partners through grantee selection processes and new intermediary relationships. (3) The team also shifted some power to external partners by inviting them to make recommendations for grants. For example, participatory grantmakers representing members of the Chicago community make recommendations for Culture, Equity, and the Arts (CEA) grants.

2. What grants has the Chicago Commitment team made? What are some characteristics of grantees?

The Chicago Commitment team disbursed more than \$120 million directly to 235 organizations in the Chicago region between May 2016 and February 2022. Nearly \$40 million of that has gone to community-based organizations headquartered in the West, Far West, Near South, and Far South parts of the city, where many people of color live. Most grants (\$59 million through 174 project support grants) have funded specific projects that grantees have undertaken. Those grants also have supported pooled funds. Grant funds to intermediaries make up 33 percent of total grant dollars. While X-Grants, capped at \$50,000 and deployed with greater speed, make up a small portion of grant dollars, they account for a large fraction of the number of grants (28 percent). That wide dispersal enables the team to familiarize itself with organizations new to the Chicago Commitment team or support existing grantees. While the Chicago Commitment team provides grants in the form of general operating support whenever possible, general operating support constitutes only 17 percent of grant dollars. One reason is that many organizations work on a range of issues, and the Chicago Commitment team generally directs grant funding to specific projects or programs. Notably, many regrantees receive funding in the form of general operating support through the intermediary organizations. These have included regrantees from the Prince Charitable Trusts ("Prince") and the Richard H. Driehaus Foundation ("Driehaus"), which are intermediary partners for Arts and Culture/ Culture, Equity, and the Arts, and some regrantees of Chicago Community Foundation, which is an intermediary partner for Civic Partnerships.

A 2022 survey of grantee organizations found that among the 133 survey respondents, a person of color led 56 percent of respondents and 60 percent have programs and services that focus on people of color.⁴ Many survey respondents reported serving the entire Chicago region or all of the city. Survey respondents which focused on specific areas of the city often have selected areas where many people of color live.

⁴ The 2022 survey conducted by EDC included current and past grantees which received funding directly from the Chicago Commitment team between May 2016 and January 2022. See Appendix 7 for more information.

3. Does the current landscape suggest opportunities for the Chicago Commitment team to make meaningful contributions toward advancing racial equity in the Chicago region?

Yes. The pandemic's disproportionate impact on Black and Latina/o/x populations exacerbated many existing racial inequities in areas such as employment and health, invariably stalling or hindering progress toward advancing racial equity. Many grantees and the Chicago Commitment team had to adapt and redeploy their resources to meet the immediate needs of the organizations and residents in the Chicago region. The crisis also identified supports that can make inroads toward advancing racial equity in grantmaking, such as streamlining the application process and expanding the amount of pooled funds. Similarly, the social unrest triggered by the murder of George Floyd also brought to the public forefront past and continuing harms and injustices to historically marginalized communities. the stark racial and ethnic disparities made more evident during the pandemic combined with the social unrest of 2020 ratcheted up calls for initiatives and programs focused on the advancement of racial equity across multiple sectors. The movement of Blacks and Latina/o/x from the city to the suburbs over the past few decades highlights an opportunity to support historically marginalized communities living outside the city limits. Recent polling of Chicagoans' public perceptions spotlighted issues such as housing for the Chicago Commitment team to consider.

These factors affirm that significant demand exists for resources, including those from the Chicago Commitment team, for grantees and partners working to advance racial equity in the region. Moreover, trust-based philanthropy trends and reactions to the pandemic in the philanthropic sector have led some donors to adopt new practices that benefit grantees (such as greater transparency, and more rapid deployment of funding), though it is uncertain that the innovations will continue.

 Does progress to date demonstrate meaningful contributions? Does the implementation to date reflect a high-quality, effective program with the possibility for achieving meaningful results?
 Evidence indicates that the Chicago Commitment has contributed to short-term outcomes in its

- Conceptual Framework:
- *People:* Chicago Commitment funding has contributed to the ability of leaders from historically marginalized communities to develop new skills, make new connections, and/or advance professionally. Support has contributed to grantee organizations' ability to maintain capacity or resiliency and leverage more resources from other funders.
- Places: Although information about the Chicago Commitment's contributions to measurable change in places is limited, examples of positive change are evident in small-scale real estate developments. In addition, grantees' technical support and data analysis aided community-based organizations in completing comprehensive plans to guide future development. Moreover, the city of Chicago experienced a decrease in gun violence between 2016 and 2019 (see Appendix 10). Once the pandemic began, however, gun violence rates again reached 2016 levels or higher. While a slight dip in shootings occurred between January and August 2022, compared to the same period in 2021, funders and grantees alike have called for more holistic approaches that can reduce violence significantly and establish lasting community safety.
- Partnerships: Many grantees value racial equity and implement or prioritize diversity, equity, and inclusion (DEI) goals. EDC observed that in interviews, leaders from White-led institutions often focus on the learning journey, while leaders of color from institutions led and staffed by people of color think about DEI differently or feel that, by nature of the organizations' identity or mission, they inherently prioritize advancing racial equity. Evidence is mixed regarding progress in the Chicago

Commitment strategy of fostering new or strengthened networks for advancing racial equity. Some grantees express reluctance to join formal networks.

These short-term goals are particularly important. Progress advancing racial equity is incremental and takes time. Moreover, much of the strategy has undergone refinement, and implementation has begun only recently. Lastly, much like other organizations, Chicago Commitment grantees have been challenged by COVID-19 and spent much of the last three years adjusting, adapting, and surviving as organizations, as well as supporting their staff members and communities. As such, the Office of Evaluation and the Chicago Commitment team anticipate for the time being that minimal progress will be made toward intermediate or longer-term goals. Data indicates that more work is needed to ensure that grant funding can support diverse leaders holistically, for the long run. Effort also is necessary to support grantees' capacity to create lasting positive change in neighborhoods and to support authentic partnerships that lead to innovation in advancing racial equity.

5. Are the current design and implementation of the strategy (and accompanying assumptions) adequate to make intended meaningful contributions?

Evidence suggests that the Chicago Commitment strategy would do more to contribute to advancing racial equity by refining its current design and implementation. Grantee interviews and feedback from community leaders suggest that the Chicago Commitment team consider support for organizations focused on comprehensive racial equity or systems-level racial equity work. Strategic refinements would foster innovation among grantees and funders, increase grantee organizational capacity, and demonstrate a more authentic partnership with historically marginalized communities. Expectations of change should be contextualized to account for the generations of harm that need to be mitigated, undone, and healed. Given the longevity, scale, and scope of historic and ongoing harms that have led to racial and ethnic disparities, progress toward outcomes in the Conceptual Framework will be incremental.

As the Chicago Commitment team reflects on these considerations, they are faced with tough decisions and tradeoffs. Continued feedback from community leaders and partners, including grantees, will help the team prioritize, especially in the context of finite resources such as grant dollars and staff time. An enormous amount of work is needed to move the needle on advancing equity, and today, racial equity seems like a shared priority among civic leaders. That environment presents an opportunity for the Chicago Commitment to use its position as a civic leader, convener, and influencer to bring together leaders from all spaces and backgrounds to partner, share learnings and resources, solve problems, and innovate. Grantees are at the forefront, leading the vital work that the Chicago Commitment team is dedicated to support by utilizing new and existing resources and tools.

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About the Report

Authorship: The MacArthur Foundation Office of Evaluation authored this report, relying on data collected and synthesized by Education Development Center (EDC), as well as other data. EDC and the Chicago Commitment team have provided feedback to the findings and reflections in the report.

Scope: Evaluation activities and the report focused on the design and implementation of the Chicago Commitment strategy between 2016 and 2022. The MacArthur Foundation also invests in Chicago-based organizations through other efforts:

- Big Bets such as Criminal Justice, Climate Solutions, and Nuclear Challenges; the Journalism and Media Enduring Commitment; and Technology in the Public Interest Field Support have provided grants to Chicago organizations that can further their strategies' goals. In total, these programs have deployed \$65 million to Chicago-based organizations. Evaluations for the strategies are found <u>here</u>.
- The Equitable Recovery Initiative, the MacArthur Foundation's response to racial injustice and COVID-19, provided \$125 million in social bonds to organizations, including \$24 million to organizations in Chicago. The initiative prioritized grants to Black, Indigenous, and People of Color (BIPOC)-led organizations. A preliminary report of learnings is available.⁵
- The MacArthur Foundation Impact Investments team provided program-related investments to Chicago organizations.⁶ Evaluation activities for impact investments designed to advance Chicago Commitment outcomes for Vital Communities and Arts and Culture/Culture, Equity, and the Arts will begin in late 2022/early 2023.
- In addition, the MacArthur Foundation collaborates with Chicago Community Trust and Calvert Impact Capital on Benefit Chicago, an initiative which seeks to deploy \$100 million in impact investments to Chicago-based organizations through Arc Chicago, a sole member limited liability company (of which MacArthur is sole member and has contributed \$50 million). An evaluation of Benefit Chicago is planned for 2023.

Intent: Grantmaking and strategic decisions are primarily conducted at the module level. As such, EDC conducted evaluation activities primarily at the module level to support the Chicago Commitment team's identified learning needs. For this report, the Office of Evaluation summarizes themes across modules, to support learning across all modules and the strategy.

Terms: Several key terms in the report are noted below to help orient the reader. The terms and definitions are described in the context of the current Chicago Commitment conceptual framework and its focus on advancing racial equity at this time.⁷

⁵ MacArthur Foundation, *Aiming to Disrupt: Reflections and Learnings on Our Goal to Reimagine Philanthropy through the Equitable Recovery Initiative,* December 2021, https://bit.ly/3TAJ974.

⁶ The investments, while complementary to Chicago Commitment goals, were not made with Chicago Commitment strategy in mind. Most investments were made prior to 2016; one investment was made after 2016.

⁷ The Chicago Commitment conceptual framework language, as well as other components of how the team conceives racial equity, may evolve. See more about the MacArthur Foundation's efforts for inclusive communication here: <u>https://rb.gy/0dqru</u>

- Black, Indigenous, or People of Color (BIPOC): People who identify as part of one of these categories.
- **Communities**: Broadly used to refer to groups of people connected by common interests, identities, or other opportunities for participation. It also can refer to a geographic place (e.g., a specific neighborhood, or a specific part of the region, such as the South Side or North Side).
- Direct grantees: Organizations the Chicago Commitment funds directly.
- **Diverse leaders**: Refers to CEOs, Executive Directors, or leadership decision-making bodies that identify as Black, African American, Native American, Latina/o/x, Asian, Middle Eastern, or other communities of color. The phrase also includes people in leadership positions who identify as low-income, are lesbian, gay, bisexual, transgender, queer, questioning, or intersex, are disabled, or are senior citizens.
- **Diversity, Equity, and Inclusion (DEI)**: Diversity encompasses the characteristics that make people distinct from one another. Equity is the fair treatment, access, opportunity, and advancement of all people. It also identifies and eliminates barriers that have prevented some individuals' full participation. Inclusion is the act of creating authentic environments in which all individuals feel welcomed, respected, valued, and a sense of belonging.
- **External advisors**: Individuals representing different fields and areas of experience who advise the Chicago Commitment team on strategy design and implementation.⁸
- **Historically marginalized communities**: Groups of people who are Black, African American, Latina/o/x, Native American, Asian, Middle Eastern, and other communities of color. Other communities can include women and individuals who have low incomes, are lesbian, gay, bisexual, transgender, queer, questioning, or intersex, are disabled, or are senior citizens. These communities often have been targets of racism and unjust discriminatory policies and practices, such as redlining or discriminatory lending.
- Intermediary: Funders or nonprofits that identify regrantees and administer and manage Chicago Commitment grant funding. Intermediary organizations help to deploy more grant funding more quickly than the Chicago team would be able to do on its own.
- **Module:** Reflects the place and/or spaces, communities, organizations, etc. that the strategy's approach or pathways are focused on and aiming to influence. The Chicago Commitment module areas are Vital Communities, Civic Partnerships, and Culture, Equity, and the Arts.
- **Participatory grantmaking:** A process in which a panel reviews and rates applications for Culture, Equity, and the Arts then makes grant recommendations to the Chicago Commitment team and the MacArthur Foundation. The Board has final approval of all grants. Other models, methods, and implementation practices of participatory grantmaking exist.
- Racial equity: The phrase and goals related to "racial equity" evolve with feedback and learning. The Chicago Commitment's overarching objective in this area is to foster the increased ability of people, organizations, communities, and networks -- particularly in and from historically marginalized communities affected by unjust policies and practices -- to obtain, use, and benefit from opportunities and resources, and feel stronger sense of voice, belonging, and influence. More specifically, the Chicago Commitment also seeks to promote greater visibility for these communities and a platform from which their voices will be heard. In addition, the Chicago Commitment works toward the communities experiencing a greater sense of belonging from seeing their narratives reflected in their own and other communities and sectors. Carrying greater influence over decisions affecting their communities is another key component. Ultimately, a more racially equitable and inclusive Chicago will lead to a stronger, more vital, resilient, dynamic region for all residents.
- **Regrantees:** Organizations that receive Chicago Commitment funding through intermediary organizations.

⁸ Magner, Tara, "Listening to and Seeking Guidance from Local Advisors," John D. and Catherine T. MacArthur Foundation, November 30, 2021, <u>https://bit.ly/3Aw0hSL</u>.

• **Trust-based philanthropy:** A framework to address the inherent power imbalances between foundations and nonprofits. It seeks to advance equity, share power and center relationships with grantee partners and communities, and build mutually accountable relationships.⁹

I. Context

Since its founding in 1978, the MacArthur Foundation has invested nearly \$1.5 billion in more than 1,600 organizations and individuals in the Chicago region. The MacArthur Foundation further formalized its commitment to its hometown through the creation of the Chicago Commitment Enduring Commitment in January 2016.

As one of the largest private philanthropies in the region, the MacArthur Foundation, via the Chicago Commitment, was encouraged to name, and be more intentional, in identifying racial equity as the underlying goal of its work. Feedback from community leaders, coupled with internal and external watershed moments, led the Chicago Commitment team in 2020 to augment its focus on racial equity and make it more explicit. This section describes the iterative process for developing the Chicago Commitment strategy and goal.

- Between 2016 and 2018, Chicago Commitment team members spoke with community-based organizations, funders, public officials, and other leaders to ask about their priorities, needs, and challenges. While a variety of needs and issue areas emerged, racial inequity and injustice were dominant, persistent, and reoccurring themes. Research has shown that the city of Chicago, and the Chicago region, is one of the most inequitable and segregated areas in the United States.¹⁰ Racial gaps exist across many indicators of wellbeing, including employment and housing, among others.¹¹ For community wellbeing to be advanced, the Chicago Commitment strategy must acknowledge and actively address racial equity. It also must provide more support to community-based organizations leading racial work, and those that are leaders of racial equity work, and are most knowledgeable about the needs of the neighborhoods and populations they serve and represent. In addition, the Chicago Commitment team was encouraged to promote and help advance leaders who reflect the city's diversity but who are underrepresented in leadership positions in the private, nonprofit, and philanthropic sectors.¹² In 2016, community-based activists protested philanthropic institutions, including the MacArthur Foundation. The calls for more investments toward historically marginalized communities reinforced what the Chicago Commitment team heard during its listening sessions with community leaders.
- Between 2018 and 2020, the Chicago Commitment team worked to further develop and articulate the Chicago Commitment Conceptual Framework. Internal and external conversations led to the recognition that enormous resources and time are required to mitigate, undo, and heal from the harm that racism has wrought across generations. Positive change to advance racial equity would be incremental. During these conversations, MacArthur Foundation leaders created the Just Imperative, a framework that lays out the rationale, mandate, and charge for the Foundation to lead with a commitment to justice, diversity, equity, and inclusion through internal and external policies and processes.¹³ The impact of the

¹²Magner, Tara, "Advancing Leadership," John D. and Catherine T. MacArthur Foundation, November 27, 2017, <u>https://bit.ly/3x10BuT</u>.

⁹ "Overview: A Trust-Based Approach," Trust-Based Philanthropy Project, last accessed August 1, 2022, <u>https://bit.ly/3Q025sT</u>.

¹⁰ Metropolitan Planning Council and Urban Institute, *The Cost of Segregation*, March 2017, <u>https://bit.ly/2ltTCj7</u>.

¹¹ Chicago Metropolitan Agency for Planning, Demographic Shifts: Planning for a Diverse Region, February 2017, <u>https://bit.ly/3CoeZ0p</u>.

¹³ Stasch, Julia, "The Just Imperative: First Update," John D. and Catherine T. MacArthur Foundation, June 7, 2018, <u>https://bit.ly/3KrTgqx</u>.

COVID-19 pandemic and civic uprisings in the summer of 2020 after the murder of George Floyd made the need to explicitly focus on racial equity more urgent.

• Ultimately, the Chicago Commitment team determined in 2020 that it was essential to use its resources to name and more intentionally support the work grantees were doing to advance racial equity. The hypothesis was that Chicago Commitment's choices can influence other organizations (other funders, the private sector, etc.) to prioritize work to advance racial equity. Moreover, a grant from the Chicago Commitment would help grantees leading racial equity work find additional funding from other funders or the private or public sector or make connections to new networks to improve their social capital. By prioritizing racial equity, the Chicago Commitment team would help amplify the urgency of philanthropic, nonprofit, public, and private sectors to address racial inequities.

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The Chicago Commitment team's journey in developing its strategy and becoming more intentional about its racial equity goal was iterative and complex. Early on, the team expressed a desire to be deliberate in its demonstration of the racial equity goal. The team also wanted to be realistic about what it could accomplish given its budget, staffing level, and the stark inequitable conditions in the region. In addition, the team was cognizant that residents and civic leaders in Chicago have been disappointed by philanthropies in the past; many have observed that foundations often over promise and under deliver. Ultimately, however, several circumstances led the team to embrace an explicit racial equity goal. These included community feedback, watershed moments such as COVID-19 and racial uprisings, and the MacArthur Foundation's publicly stated commitments about its own institutional priorities toward justice and equity. The Chicago Commitment team agreed with those calling for it to (a) strive to be an authentic ally and partner to historically marginalized communities, and to do so by (b) naming racism explicitly, and (c) more intentionally supporting racial equity work its grantees had undertaken.

II. The Chicago Commitment Strategy

The goal of the Chicago Commitment is to advance racial equity and build a more inclusive Chicago region. The Chicago Commitment strategy centers on the following overarching outcomes:

- **People**: Increased inclusion and influence of people from historically marginalized communities.
- Places: More communities are resilient and empowered.
- **Partnerships**: More organizations value and prioritize collaboration, equity, and inclusion, and new and strengthened networks focus on furthering equity.

In the context of the Chicago Commitment strategy, the Chicago Commitment grantmaking strategy prioritizes projects that address racial inequities and historically marginalized groups. As such, the term "historically marginalized communities" is most frequently used in the Chicago Commitment strategy context to mean Black, African American, Latina/o/x, Native American, Asian, Middle Eastern, and other communities of color. The Chicago Commitment strategy also includes grantmaking to communities and identities targeted and harmed by unjust and systemic policies and practices, such as women and individuals who have low incomes; are lesbian, gay, bisexual, transgender, queer, questioning, or intersex; and are disabled.

Efforts to advance racial equity can be focused on many areas (e.g., health, education, etc.). Based on the MacArthur Foundation's existing strong relationships with individuals and entities, its past investments, and expertise, the Chicago Commitment team believes it can contribute to positive change in the arts and culture, civic, and economic and community development sectors. ¹⁴ The focus areas, referred to internally as modules, are intended to contribute to advancing racial equity in Chicago in unique ways. See Appendix 1 for more information about each module's conceptual framework. These include:

- Arts and Culture/Culture, Equity, and the Arts (CEA)¹⁵, which supports organizations that create art and culture, or whose processes center art and culture;
- Vital Communities, which focuses on real estate development in commercial and industrial corridors, as well as creative-placemaking; and,
- **Civic Partnerships**, which focuses on addressing urgent and timely issues facing Chicagoans.

Embedded within each module is the goal of **promoting and advancing leaders from diverse backgrounds** and areas of expertise. Elevating leaders in this way is intended to contribute to better decision making in the city and to the ability to equitably support opportunity for all residents. Finally, the Chicago Commitment team has on occasion made grants to projects or efforts that do not directly align with module-specific goals, but are for the benefit of Chicagoans (e.g., funding toward the Barack Obama Presidential Library). The Chicago Commitment team has labeled such grants, **"non-strategic**," as the team's strategy implementation practice was to focus resources on furthering module-specific goals.¹⁶ Notably, some of the "non-strategic" grants have supported organizations pursuing comprehensive or systems level racial equity efforts.

The strategy employs four approaches across all modules:

- Expanding the capacity of organizations and leaders;
- Facilitating connections among individuals, organizations, and communities to enhance their leadership capacity;
- Building and sharing knowledge to inform decision making and foster racial equity; and,
- Amplifying voices of leaders representing historically marginalized communities to elevate their power and influence.

Figure 1 illustrates the Chicago Commitment's Conceptual Framework. The next section describes the data collection activities and evaluation methods used for the Chicago Commitment evaluation.

¹⁴ The MacArthur Foundation has long been a supporter of the arts in the Chicago region. In addition, from 2001 to 2014, the Foundation operated the <u>Community and Economic Development Program</u>, which worked to increase economic opportunity for low-income individuals and families in Chicago.

¹⁵ The Arts and Culture program was reimagined and renamed as Culture, Equity, and the Arts in 2019. See Appendix 3.

¹⁶ Reasons for adherence to module-specific goals are twofold: (1) modules provide a decision-making criterion, allowing the Chicago Commitment team to make grants transparently and systematically, and (2) with limited resources, the Chicago Commitment team sought to maximize the potential for positive change by focusing resources on a handful of areas (the modules) rather than spreading resources too thin.



III. Overview of Evaluation Data Collection

Between December 2020 and March 2022, the Chicago Commitment evaluation and learning partner, Education Development Center (EDC), collected data from a myriad of sources, including 102 interviews with grantees and non-grantees and a survey of direct grantees. Sources also included data from the grants management system and a focus group with participatory grantmakers. In addition, the Office of Evaluation looked at secondary data research such as external evaluations conducted for the Partnership for Safe and Peaceful Communities (PSPC). The mixed-methods approach leveraged qualitative data to identify themes, and quantitative and spatial data to describe grantmaking.

Multiple variables — including the focus on learning and contribution, the module-centric nature of strategy implementation, the desire to limit burden to grantees, and the nature of racial equity work — influenced evaluation activities and findings.

Focus on learning. Evaluation activities focused on the most pressing learning priorities, which were at the module level.¹⁷ The goals for the evaluation activities should not be seen as an evaluation of the Chicago Commitment module sectors or issues (arts and culture sector, the neighborhoods the Chicago Commitment invested in, the urgent and timeline issues, or populations such as diverse leaders). Rather, the primary purpose of evaluative activities is to collect diverse perspectives and data points to facilitate learning to inform the Chicago Commitment's future priorities and strategy refinement.

Focus on contribution. Learning goals for the Chicago Commitment team are focused on the contribution of its resources to change, rather than receiving credit for fostering change. Contribution analysis acknowledges and centers the evaluation needs on the complexity and enormity of a goal such as advancing racial equity; that is, it would be impossible for any organization to claim credit for advancing racial equity. In the case of a philanthropy, an organization can contribute to change through the grantees it funds. The directness, transparency, and visibility of an organization's role in various efforts can limit contribution analysis. The use of intermediaries to regrant funds to smaller community-based organizations, for example, creates the possibility that the Chicago Commitment team may not be recognized as a contributor to these organizations.

Module level implementation. The focus of the Chicago Commitment team's activities and investments have been at the module level. As such, the focus of the evaluation activities was at the module level, where the Chicago Commitment team articulated specific outcomes and measures and where the team had priority learning questions. The Office of Evaluation aimed to highlight themes across each of the modules to respond to the primary learning questions in this report, at the strategy level.

Limiting burden. The Chicago Commitment team, the Office of Evaluation, and EDC strive to limit grantee burden. COVID-19 heightened this need. The pandemic also invariably slowed evaluation activities as the Chicago Commitment team, EDC, and the Office of Evaluation sought to adapt and adjust. To that end, the data collected reflects a limited number of interviewees' or survey takers' perspectives at one point in time.

¹⁷ For Civic Partnerships, the learning goals focused on general concepts related to partnerships (sustainability of partnerships, benefits to partnership, etc.), rather than specific partnerships; that is, EDC did not evaluate the Partnership for Safe and Peaceful Communities (PSPC). Similarly, for the Vital Communities module, the Chicago Commitment team and EDC sought to understand, at the highest level, several interviewees' perceptions of neighborhood change in three neighborhoods, and reasons for the change. EDC did not evaluate economic development changes in the neighborhoods that Vital Communities grants supported.

Non-linear and incremental change. Change in racial equity spaces is often non-linear, slow-moving, and potentially undiscernible within short time periods. The reasons for change often are very complex and influenced by many factors, including many outside of any one organizations' control (e.g., a pandemic). Evaluations about any one of the aspirational racial equity goals related to people, places, and partnerships can be intense. A robust evaluation of change in a single neighborhood, for example, would require significant resources of time to understand what, if any, change has transpired, how, and why.

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Due to the factors above, EDC collected data to address a wide range of learning questions, rather than a deep dive into any one population, place, issue, or sector. Timing also affected the amount of information the Office of Evaluation and the Chicago Commitment team received. For example, data collection for CEA began earlier than it did for other modules, and before the pandemic, which resulted in more information related to CEA than other modules. (See Appendix 2 for response rates for interviews and surveys.) Future evaluation activities will strive to address remaining and new learning questions (e.g., contributions to historically marginalized communities due to investments from the Impact Investments team). The next section summarizes key themes in the Chicago Commitment's design and implementation of its strategy.

IV. Grant Craft: Refining the Practice of Grantmaking

Two tenets drive the implementation of the Chicago Commitment strategy:

- 1. People and leaders from historically marginalized communities possess the localized expertise and knowledge to identify and implement solutions that are relevant and appropriate to the needs of their communities.
- 2. Efforts that are community-led, have robust community engagement, and reflect and respect diverse perspectives will offer the most innovative, viable solutions to Chicago's racial equity challenges.

The following pages provide examples of how the Chicago Commitment team sought to align its conceptual framework and grant craft processes with the two tenets. This section of the report illustrates the internal change management of the Chicago Commitment team. The information is not meant to imply particular outcomes or impact on the human condition in the region resulting from the Chicago Commitment's work; such impact takes time and is measured over generations. Three themes emerged based on observations and data analysis of the past five years of strategy design and implementation.

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The Chicago Commitment strategy became more intentional about advancing racial equity.

Before the articulation and finalization of the Chicago Commitment Conceptual Framework in 2020, Chicago Commitment grantmaking centered on advancing equity, writ large. Between 2018 and 2020, internal and external advisors, peer funders, and local leaders shared feedback that pointed more specifically to the urgency of addressing racial inequities in Chicago. As a result, the Chicago Commitment team narrowed its goal and became more intentional to advance *racial* equity in its articulation of the conceptual framework. This timeframe coincided with the first few months of the COVID-19 pandemic and the racial justice protests sparked by the murder of George Floyd. The resulting stark racial disparities and internal and external support for racial justice affirmed the decision to concentrate the strategy on racial equity and make it more prominent.

The Chicago Commitment team also finetuned its efforts to better connect each module to the racial equity goal and to target resources more intentionally. See Appendix 3 for a timeline of strategy development phases. That finetuning included the following:

- **Reconceptualized the Arts and Culture portfolio.** The Chicago Commitment team found that its past guidelines unintentionally prioritized Western art and culture, which led to a dominance of White-led institutions at the exclusion of artists and communities from historically marginalized areas. The new arts and culture grantmaking program, renamed Culture, Equity, and the Arts (CEA), expanded its eligibility criteria to include social justice and service organizations that use the arts to reach historically underserved audiences. The change made the portfolio more inclusive of organizations previously ineligible for support.
- Narrowed Vital Communities. The Vital Communities module originally was more general, aiming broadly for neighborhood improvement. Since then, the team has homed in on supporting early-stage real estate development in industrial and commercial areas. In 2022, the Vital Communities team also further developed its strategy to support creative placemaking.¹⁸
- **Continued Civic Partnerships.** The intent of the Civic Partnerships module remained the same—to support partnerships addressing urgent and timely issues that disproportionately affected historically marginalized communities. The team continued its existing partnerships related to community safety and gun violence, and joined new efforts focused on racial justice and COVID-19 relief.
- **Concentrated resources related to Advancing Leadership.** Advancing Leadership had at one time been a standalone module that supported leadership programs and efforts across many sectors. To be more intentional about its strategy and concentrate resources, the Chicago Commitment team decided to center its leadership-related investments on areas that complemented the team's modules, prioritizing arts and culture; community safety; and community economic development.

Community and sector leaders, including the Chicago Commitment's External Advisors, provided feedback to the module refinements. Since making the strategic refinements, the Chicago team and the MacArthur Foundation's senior leadership—including the President—have been more explicit and communicated more forcefully the goal of advancing racial equity to organizations and leaders in the Chicago region. This message has been shared via Perspective pieces on MacArthur Foundation platforms (website, social media, etc.), direct correspondence with other funders, and convenings with grantees.

The Chicago Commitment team sought values-aligned organizations as grantees and partners.

¹⁸ Vital Communities grants have supported a limited number of creative placemaking efforts. Beginning in 2022, the Vital Communities team further built out the creative placemaking strategy. Future evaluations will support learning for these activities.

In its assessment of potential grantees, the Chicago Commitment team prioritized organizations that placed a high value on racial equity through organizational characteristics and practices, including whether the organization has:

- Leadership representative of historically marginalized communities. In a 2022 EDC survey of Chicago Commitment grantees, 74 out of 133 survey respondents (56 percent) reported having a CEO, Executive Director, or leadership decision making body that identifies as BIPOC. Forty-five percent reported that at least half of their board members identify as BIPOC (see Appendix 7).¹⁹
- Internal policies that support an inclusive and welcoming workspace. Almost 90 percent of 133 grantee survey respondents reported prioritizing the development and/or implementation of DEI programs and initiatives.
- Work within or engagements with historically marginalized communities. Eighty-six percent of 133 grantee survey respondents reported having a mission or program serving at least one of the following populations: BIPOC, low-income individuals, people with disabilities, LGBTQ+, elderly, women, children, or another population.

One way the Chicago Commitment team has institutionalized its priorities is by creating a new grant application for CEA in 2020. The application centered on four qualities that emphasize processes aligned with Chicago Commitment values, instead of arts and culture creations. The qualities are: collaboration with community organizations and other arts organizations; commitment to equity; connectivity reflecting an organization's relationship with the city and its neighborhoods; and relevance, which considers how the organization is in dialogue with contemporary issues.

The Chicago Commitment team also seeks values alignment with intermediary organizations. Intermediaries have the potential to further a strategy's goal by their selection of regrantees. Since 2016, the Chicago Commitment has deployed \$25 million dollars to Prince and Driehaus for regranting.²⁰ In February 2022, the Chicago Commitment team began winding down the grantmaking intermediary relationships with Prince and Driehaus. In a mutual and amicable agreement with these funding partners, the Chicago Commitment team began to wind down those relationships and consider a new partner that would build on and deepen the racial equity goals of the CEA program. The new partner will have a standing commitment to Chicago's arts and culture sector, to the use of participatory grantmaking practices, and to supporting small and midsized organizations.²¹

¹⁹ The 2022 survey conducted by EDC included current and past grantees that received funding directly from the Chicago Commitment team between May 2016 and January 2022.

²⁰ In addition, since 2016, more than \$12 million has been given to the Chicago Community Foundation for regranting to PSPC; approximately \$1.2 million has been deployed to Local Initiatives Support Corporation, and \$900,000 has been given to United Way of Metropolitan Chicago. Between 2003 and 2022, MacArthur has awarded a total of \$65.6 million to 565 small and midsized organizations with budgets under \$2 million through the partnerships with Prince and Driehaus.

²¹ A new funding partner for CEA will be announced publicly in late 2022 or early 2023. More information can be found <u>here</u>.

The Chicago Commitment strategy employed tools that shifted *some* decision-making power away from the Foundation.

The Chicago Commitment team moved more decision-making capacity to the community, as part of the team's effort to strengthen community engagement in strategy implementation. Some examples include:

- **Participatory grantmaking.** The Chicago Commitment team implemented a participatory grantmaking panel to make grant recommendations for CEA.^{22,23} The panel consists of local artists and leaders from different sectors who review CEA grant applications and recommend applicants to receive Chicago Commitment funding. Although the Foundation retains overall decision-making authority regarding grants, the participatory grantmakers' recommendations have been honored without exception since the CEA program's inception in 2020. To date, these awards have totaled \$6.6 million. The CEA team's refined strategic vision, revised grant application criteria, and the recommendations of the participatory grantmaking panel have resulted in more grantee organizations from and representing historically marginalized communities.
- **Grantee-defined indicators of progress.** Vital Communities grantees are not required to make progress on specific outcomes that the Chicago Commitment team defines. Rather, place-based grantees are empowered in fact, expected to determine their own indicators of success. The Chicago Commitment team supports values-aligned grantees which meaningfully engage with communities, or whose leadership and staff are representative of the communities they hope to impact. That support demonstrates the Chicago team's trust in its grantees to develop measures of progress that are priorities to communities they represent.²⁴ Similarly, the CEA strategy intentionally does not define what is and is not considered art or culture, or what is or is not "quality" art and culture. Rather, the CEA grant application and module emphasize *processes* instead of artistic and cultural *products*.
- **Deployment of regrants via intermediaries.** The Chicago Commitment team works with intermediaries that can identify regrantees. To the extent that intermediary organizations have aligned goals with the Chicago Commitment, ceding grantmaking decisions to intermediaries allows the Chicago Commitment team to provide more support to historically marginalized communities.

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One common thread across the three themes above is the role that external partners and community leaders have played. Whether by giving guidance or direction on strategic refinement, or by playing a central role in processes such as participatory grantmaking panels or intermediaries, the Chicago Commitment team has relied on deep partnerships with individuals and organizations. The success of the partnerships and their ability to contribute to advancing racial equity are dependent on shared goals, trust, and transparency. As such, the Chicago Commitment team has placed much of its energy in the past six years on forging deep relationships with each entity.²⁵ For example, the Chicago Commitment continues to rely on guidance from external advisors as it refines the Chicago Commitment strategy. In addition, the Chicago Commitment team and the MacArthur Foundation's senior leadership regularly meet with and have sought to support other funders leading and

²² The Chicago Commitment team and MacArthur Foundation maintain decision-making power. The MacArthur Foundation leadership must approve grants. The Chicago Commitment team created the CEA grant application.

²³ Magner, Tara, "Sharing and Shifting Power: Lessons from Participatory Grantmaking," John D. and Catherine T. MacArthur Foundation, December 16, 2021, <u>https://bit.ly/3cpr4YV</u>.

²⁴ This practice of Vital Communities grantees defining measures of progress was embedded in the previous and current iteration of Vital Communities.

²⁵ As one example, the Chicago Commitment meets quarterly with other funders of community and economic development work.

addressing racial equity work. The relationships have generated candor and reflections, leading to adjustments and clarifications along the way.²⁶

Intermediary Partnerships: Benefits and Tradeoffs

Between 2017 and 2020, the Chicago Commitment team regranted \$24 million through the Prince Foundation and The Richard H. Driehaus Foundation, which provided support to 253 arts and culture organizations.²⁷ The Chicago Commitment team also regranted approximately \$12 million to the Chicago Community Foundation for the Partnership for Safe and Peaceful Communities. This funding and contributions from other funders supported 669 projects between 2016 and 2020.^{28,29}

The Chicago Commitment team deploys regrants through intermediaries for multiple reasons.

- Intermediaries can help deploy *more grant dollars* and make a *higher volume of small-sized grants* than the Chicago Commitment team is able to manage, given staff constraints.
- Intermediaries often are able to *deploy grants more quickly* than the MacArthur Foundation.
- Intermediaries often are used for regrants for *smaller organizations* that would have less capacity (e.g., smaller organizational budget and/or smaller staff) than larger organizations to manage a grant relationship with the MacArthur Foundation.

Evidence and Chicago Commitment team observations reveal that intermediary partnerships pose natural tensions in ceding some grantmaking decisions and the management of grants.

- As shared above, the success of intermediaries to further the strategy's goals is influenced by the intermediaries' values and processes. Misalignment of values could mean that Chicago Commitment funding is provided to organizations that could advance racial equity more effectively.
- Working with intermediaries can impede a direct relationship with organizations working at the community level. To the extent that the Chicago Commitment team hopes to cultivate deeper ties to community-based organizations or neighborhoods, the lack of a direct relationship with those organizations poses a challenge.
- The Chicago team has observed that, in some cases, utilizing intermediaries leaves the Chicago Commitment's role in regrantees' work, the issue areas, or the neighborhoods somewhat invisible or unclear. Evidence has shown that receiving a grant from the Chicago Commitment team has helped grantees gain funding from other sources. Regrantees unaware of their association with the Chicago Commitment may be unable to leverage this connection.

As the Chicago Commitment team supports grantees advancing racial equity work, the team's experiences with intermediary partnerships offer benefits as well as risks that should be monitored and mitigated.

²⁶For example, participatory grantmakers after the first round of grantmaking in 2020 stated that they were uncertain whether their recommendations for grants would be funded. The Chicago Commitment team clarified that it intended to advance the recommendations barring issues that may arise in conducting due diligence. This clarification gave the participatory grantmakers trust in the integrity of the process and strengthened their commitment to work in partnership with the team.

²⁷ Grant data provided by the Prince and Driehaus Foundation and analyzed by the Office of Evaluation.

²⁸ Dudley, Jessyca, Trusted Relationships, Networks, and Collaboration: An Evaluation of the Chicago Fund for Safe and Peaceful Communities 2020, 2020.

²⁹ The Chicago Commitment team has deployed funding to other intermediary organizations. Grants to Prince, Driehaus, and Chicago Community Foundation for regranting collectively make up 93% of all intermediary grants.

V. Analysis of Chicago Commitment Grant Data

This section summarizes the grants that the Chicago Commitment team made between May 2016 and February 2022, and characteristics of its grantees.³⁰ The information below is about grantees that the Chicago Commitment team directly funded. Regrantees are not included in this analysis, unless otherwise specified.

What kind of grants has Chicago Commitment made?

This section summarizes grants by module focus area, including grant amounts, grant length, and grant function. See Appendix 4 for more grant characteristics, such as median grant amount and median grant length, including characteristics at the module level.

Grants by module: The Chicago Commitment team has disbursed over \$120 million directly to 235 organizations in the Chicago region from May 2016 to February 2022.³¹. Many more organizations received Chicago Commitment funding through intermediaries that re-grant funding for the team. The Arts and Culture/Culture, Equity, and the Arts grants make up most of the grant dollars disbursed (\$44 million), followed by Civic Partnerships (\$38 million) and Vital Communities (\$26 million). Approximately \$9 million in grants has been deployed to advancing leadership efforts, and \$3.75 million toward non-strategic grants. See Figure 2.



Figure 2. Grant Dollars and Number of Grants by Module

Data: Office of Evaluation analysis of grants management data, May 2016 to February 2022

³⁰ In addition to grants, the MacArthur Foundation Impact Investments team has provided \$3.5 million in credit support to the Arts and Culture Loan Fund in the form of a \$2 million guaranty to IFF, a Chicago based community development financial institution, and a \$1.5 million deposit with Fifth Third Bank. The combined credit enhancement supports a loan program to provide working capital loans to grantees in the Foundation's Culture Equity and the Arts portfolio. The Loan Fund has been in existence since 2008 and has provided loans to more than 36 borrowers during its nearly 15 years of existence. Currently, IFF has a portfolio of \$1.1 million in loans to 15 borrowers. Fifth Third has a portfolio of \$761,000 in loans to 10 borrowers. An evaluation of the investments made through the Loan Fund will begin in late 2022/early 2023.

³¹ Six grants from 2016 also are considered part of the Chicago Commitment portfolio because of their intentional alignment and potential contribution toward the current Chicago Commitment strategy. The six grants are included as part of all data referenced in the report.

Primary function of grants: ³² Chicago Commitment grantees are given funding for various goals: support for a specific project or program (project support grants); funding intended to be regranted to another organization on Chicago Commitment's behalf (grants to intermediaries); unrestricted support for the grantee to advance its mission (general operating grants); and X-Grants, which are grants of \$50,000 and under that can be deployed quickly to new or existing grantees.

Below is a summary of grants management data for Chicago Commitment grants made between May 2016 and February 2022.

General operating grants: While the Chicago Commitment team has sought to provide general operating grants whenever possible, only 17 percent of grant dollars were given to organizations as unrestricted support, or general operating grants (see Figure 3).³³

- Since many of Vital Communities grantees work across multiple issue areas, only five percent of Vital Communities grant dollars have been general operating support.
- Because work for Civic Partnership is often toward specific pooled funds or partnerships, only seven percent of its grant dollars have been unrestricted.
- The Arts and Culture/CEA portfolio deploys general operating support most frequently; more than 50 percent of the Arts and Culture/CEA portfolio is made up of general operating support, and 100 percent of grants under CEA's participatory grantmaking panels have been general operating grants.

Multiple reasons exist for the limited number of general operating grants. (1) When an organization has projects or programs across many issue areas (e.g., housing, social services, legal aid, etc.), the Chicago Commitment team has opted to provide a project support grant so that grant funding is targeted to the effort that is aligned with a Chicago Commitment module goal. (2) Grants to pooled funds and intermediaries must be in the form of a project support grant; these grants, however, do not necessarily mean that a grantee or regrantee is restricted to activities. See more below.

Project support grants: Project support grants make up 83% of Chicago Commitment grant dollars. Technically, grants to intermediaries and X-Grants are considered project support grants. However, notable differences exist in the Chicago Commitment Figure 3. Grant Dollars and Number of Grants by Type of Grant



Number of Grants by Grant Type



Note: X-Grants and grants to intermediaries are forms of project support grants. The Office of Evaluation has separated these two categories from other project support grants to highlight the characteristics of X-Grants and regrants via intermediaries.

Data: Office of Evaluation analysis of grants management data, May 2016 to February 2022.

³² Grants to intermediaries and X-Grants are legally considered "project support" grants. To lift up the regranting purpose of intermediaries and the nature of X-Grants, the Office of Evaluation is separating intermediaries and X-Grants from the "project support" category. Grants to fiscal sponsors are included under project support.

³³ If X-Grants are excluded from the analysis, 32 percent of the total number of grants are general operating support. The portion of grant dollars that are general operating support remains the same at 17 percent, which is unsurprising given that \$2.5 million were X-Grants.

team's intent as well as in grant restrictions. To emphasize the variation, the Office of Evaluation analyzed project support grants into three separate categories: (1) project-support grants with restrictions; (2) grants to intermediary organizations; and (3) X-Grants.

- Most Chicago Commitment grants have been project support grants intended for a specific project or program to advance a module specific goal (43 percent of the number of grants and 49 percent of grant dollars). The proportion of grants for project support decreased significantly between 2017, the first full year of grantmaking, and 2021, the last full year of grantmaking, from 69 percent of the total number of grants to 36 percent. (See Appendix 5.)
 - The decrease can be primarily attributed to a reduction in the overall spending on arts and culture to bring the CEA module in closer proportion to other modules. In addition, the International Connections Fund program³⁴ has been suspended since 2020 due to the pandemic's limitations on travel, further reducing the number of project support grants.
 - Most Vital Communities grant dollars (84 percent) have supported economic and community development projects within grantee organizations, many of which work on other issues (e.g., housing).
 - Fifty-seven percent of Civic Partnerships grant dollars are project support grants for specific efforts related to urgent and timely issues (e.g., gun violence, etc.).
 - Similarly, the majority of Advancing Leadership grant dollars (93 percent) are intended for organizations' leadership-related programs.³⁵
- As shared in previous sections, intermediaries regrant Chicago Commitment funds. Approximately \$40 million (33 percent of grant dollars) was awarded to intermediary organizations that regranted Chicago Commitment funds.
 - Of that, \$24 million was awarded to the Prince and Driehaus Foundations under the Arts and Culture/ CEA portfolio, which then deployed the funds to regrantees in the form of general operating grants. That is, regrantees of Prince and Driehaus experience Chicago Commitment funding as general operating grants that are unrestricted.
 - Chicago Community Foundation deployed approximately \$12 million to PSPC regrantees. Some regrantees, such as those receiving funding through the Chicago Racial Justice Pooled Fund or the PSPC Summer Fund, may experience the regranted funds as general operating; others, like organizations receiving PSPC direct service grants, must use funding for specific projects or programs.
 - Vital Communities works with intermediaries that re-grant at a smaller scale; only \$2 million has gone to intermediaries in that module.
- X-Grants also are considered project support grants. Recipients of X-Grants must use funding for specific needs, such as conferences, research projects, or a convening. Though X-Grants represent a small proportion of grant dollars (2 percent), they represent a large proportion of the number of grants (28 percent). In fact, 42 percent of all grants made in 2021 were X-Grants. The Chicago Commitment team uses this tool more than any other program within the Foundation.
 - The team deployed 76 X-Grants (66 percent of all X-Grants) to build relationships with organizations that previously have not received Chicago Commitment funding.
 - A total of 40 X-Grants (34 percent of all X-Grants) were used to help existing grantees meet an immediate need (e.g., conference, research project, etc.).

The Office of Evaluation, Chicago Commitment team, and Grants Management will conduct additional analysis to better understand the variations in project support grants.

³⁴ The International Connections Fund supports artistic exchanges between Chicago arts organizations and international collaborators.

³⁵ A portion of the project support grants to the Field Foundation for Leaders for a New Chicago also support general operating grants.

What organizations are our grantees?

This section summarizes grantees' organizational leadership, mission, target communities, and geography.

First-time grantee status: The Chicago Commitment team has sought to learn about and support organizations that previously have not received funding from the team, but that can help advance racial equity through the module-specific focus areas. Approximately 65 percent of Chicago Commitment grantees are first-time grantees, which have received only one Chicago Commitment grant thus far; the other 35 percent have received multiple grants through the Chicago Commitment.³⁶ Nearly all non-strategic grants are made to organizations that receive only one grant from the team, signaling the exceptional nature of those grants.

Organizational leadership: The Chicago Commitment team has sought to identify and support organizations that people of color lead. In 2022, 133 direct grantees responded to an EDC survey that asked about various organizational characteristics. More than half (56 percent) of grantee survey respondents have a CEO, Executive Director, or leadership decision-making body that identifies as Black, Indigenous, or Person of Color (BIPOC). Forty-five percent have a Board that is at least half BIPOC. (See Appendix 7).

Organizational mission: With advancing racial equity as its central goal, the Chicago Commitment team sought to identify and support organizations with missions or programs focused on serving historically marginalized communities. **Sixty percent of direct grantee survey respondents have programs and services concentrating specifically on serving people who identify as BIPOC**. Eighty-six percent of direct grantee survey respondents serve at least one of the following populations: BIPOC, low-income individuals, people with disabilities, the LGBTQ+ population, elderly, children, women, or another marginalized population (e.g., immigrants, victims of violence).

Communities served: EDC's survey of direct grantees also provided information about the neighborhoods that grantees serve. Below are key findings based on the 133 survey respondents³⁷:

- 11 organizations (8 percent of 133 survey respondents) have a national or international reach.
- 7 organizations serve the entire state of Illinois.
- 61 organizations (46 percent) serve the Chicago region³⁸.
- 67 organizations (50 percent) serve the entire city of Chicago.
- 58 organizations (44 percent) serve specific parts of the city. Among these respondents, **a heavy** concentration exists in Chicago Community Areas (CCAs) where many historically marginalized people live. See Table 1 and Figure 4.

³⁶ The survey was given to 192 organizations and resulted in a response rate of 69 percent, including X-Grants. If X-Grants are excluded,

⁷¹ percent of organizations have received only one grant, and 29 percent of organizations have received multiple grants

³⁷ Survey respondents were able to select for multiple categories. As such, overlap occurs between organizations that selected multiple categories. For example, an organization can select that it serves the entire region as well as all the city of Chicago.

³⁸ EDC defined organizations which serve the entire region as those that selected city of Chicago, Cook County, and Chicago suburbs in the survey question.

Table 1. Race and Ethnicity of the Top Chicago Community Areas served by Chicago Commitment Survey Respondents

Chicago	City of	# of Resp.	Population by Race/ Ethnicity					
Community Area	Chicago Region		White	Latina /o/x	Black	Asian	Other	
Austin	West	25	6%	15%	78%	0%	1%	
North Lawndale	West	22	4%	9%	86%	0%	1%	
Englewood	Near South	20	1%	4%	95%	0%	1%	
South Shore	Near South	18	3%	2%	93%	0%	1%	
South Lawndale	West	15	4%	83%	12%	0%	0%	
Woodlawn	Near South	15	8%	4%	82%	4%	2%	
Hyde Park	Near South	14	48%	7%	26%	14%	5%	
Kenwood	Near South	14	19%	2%	67%	7%	4%	
Washington Park	Near South	14	1%	2%	92%	0%	4%	
East Garfield Park	West	13	6%	3%	88%	1%	2%	

Figure 4. Communities Served by Number of Chicago Commitment Direct Grantee Survey Respondents



NOTES: (1) Table 1 and Figure 4 represent the top ten Chicago Community Areas selected among the 58 organizations which stated that they serve specific Chicago Community Areas in the EDC 2022 grantee survey. Survey respondents can select multiple CCAs. Organizations not represented in Table 1 and Figure 4 are grantees with an international, national, statewide, or city-wide reach. (2) Percentages may not add up to 100 due to rounding error.

Data: Office of Evaluation analysis of EDC 2022 direct grantee survey data and 2015-2019 American Community Survey 5-year Estimates, downloaded from Chicago Metropolitan Agency for Planning data portal. Headquarters: Feedback from community leaders and internal analysis of grants in relation to the Chicago Commitment's racial equity goals led the Chicago Commitment team to provide more grants to organizations in neighborhoods outside the Downtown or Central area. Many community-based organizations, particularly those led by diverse leaders, are in areas outside Downtown. Almost 97 percent of grant dollars has been awarded to organizations with headquarters in Chicago; only 3 percent of grant funding has gone to organizations outside the city. More than \$50 million (41 percent of grant dollars) has been awarded to organizations in neighborhoods outside Downtown. Moreover, approximately \$40 million (approximately 33 percent of grant dollars) has been awarded to organizations in the West, Far South, Near South, and Southwest regions of the city, where many of the city's Black, African American population, and Latina/o/x population live.³⁹ See Table 2.

Table 2. Chicago Commitment Grant Dollars by Grantee Headquarters

Geography	Grant Dollars	% of Total Grant Dollars
City of Chicago	\$117,954,100	96.9%
Northwest	\$3,235,000	2.7%
North	\$3,767,500	3.1%
Central	\$71,432,800	58.7%
West*	\$14,663,900	12.1%
Far South*	\$1,573,000	1.3%
Near South*	\$18,855,400	15.5%
Southwest*	\$4,426,500	3.6%
*COMBINED	\$39,518,800	32.5%
Outside of City	\$3,712,500	3.1%
TOTAL	\$121,666,600	100.0%

Data: Office of Evaluation analysis of grants management data, May 2016 to February 2022.

When looking at change in grantmaking between the strategy development period (2017 to 2019) and strategy implementation period (2020 to 2022), the proportion of grant dollars flowing to grantee organizations located in the Central region (i.e., Loop, North Central, and South Central Chicago Community Areas) decreased, from 62 percent of grant dollars to 49 percent of grant dollars. Meanwhile, a slightly larger proportion of grant dollars went to organizations headquartered in the West, Far South, Near South, and Southwest parts of the city (32% of grant dollars in development period to 35% of grant dollars in implementation period). See Table 3.

Table 3. Distribution of Grant Dollars from Strategy Development Phase to Strategy Implementation Phase, by Location of Grantee Headquarters

Location of Grantee	All Grants			Arts and Culture/ CEA			Vital Communities		
Headquarters	Develop.	Implement.	Change	Develop.	Implement.	Change	Develop.	Implement.	Change
City of Chicago	97%	96%	-1%	98%	93%	-5%	93%	92%	-1%
Northwest	1%	7%	6%	1%	2%	1%	4%	6%	2%
North	3%	5%	3%	4%	14%	9%	1%	0%	-1%
Central	62%	49%	-13%	88%	52%	-36%	33%	23%	-11%
West*	11%	14%	3%	1%	13%	11%	18%	25%	6%
Far South*	0%	4%	4%	0%	0%	0%	1%	9%	8%
Near South*	16%	15%	0%	3%	10%	7%	25%	27%	2%
Southwest*	4%	2%	-2%	0%	3%	3%	11%	3%	-8%
*Combined	32%	35%	4%	5%	26%	21%	56%	64%	8%
Outside of City	3%	4%	1%	2%	7%	5%	7%	8%	1%

Data: Office of Evaluation analysis of grants management data, May 2016 to February 2022.

³⁹ Eighty-six percent of the Black and 56 percent of the Latina/o/x population live in the West, Far South, Near South, and Southwest parts of the city of Chicago. See Appendix 5 for more information.

EDC and the Office of Evaluation also analyzed grants management data to compare how grantmaking patterns changed for Arts and Culture as it shifted to CEA, and Vital Communities as it narrowed its focus to catalytic real development in industrial and commercial corridors.⁴⁰ Under the previous Arts and Culture portfolio, 88 percent of grant funding went to organizations in the Central part of the city. Under the current CEA portfolio, 50 percent of grant dollars went to that part of the city. **The proportion of grant dollars going to organizations based in the West, Far South, Near South, and Southwest parts of the city increased from 5 percent of grant dollars to 26 percent of grant dollars between the Arts and Culture and CEA time periods. In addition, as the Vital Communities team refined its strategy, it awarded a greater proportion of grant dollars (56 percent to 64 percent) to organizations in the West, Far South, Near South, Near South, and Southwest parts of the city.**

A total of 59 percent of grant dollars goes to organizations in downtown Chicago, a logical dynamic given those organizations' geographic reach. Most if not all grantees headquartered in the Loop, North Central, or South Central area serve large swaths of the Chicago region.⁴¹ Even as the Chicago Commitment team strives to direct more grant dollars to community-based organizations in neighborhoods, a large proportion of grant funding likely will remain in the downtown area, particularly if the Chicago Commitment team continues to fund intermediaries, infrastructure support organizations, or large nonprofits, many of which serve the entire region or city and likely are based in the downtown area.

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Collectively, analyses of grants management data and EDC survey data show that (1) Chicago Commitment grantees have served nearly every neighborhood in the city, and (2) many grantee organizations are focused on serving historically marginalized communities. The next section discusses reflections about the landscape.

VI. What We are Learning about the Landscape

Does the landscape suggest opportunities for the Chicago Commitment team to make meaningful contributions toward racial equity in the Chicago region?

Yes, the landscape suggests a role for the Chicago team to play in the advancement of racial equity in the Chicago region. The Office of Evaluation observed four issues between 2017 and 2022 that create windows of opportunity for advancing racial equity. These include: 1) the COVID-19 pandemic, 2) social unrest catalyzed by the murder of George Floyd, 3) movement of Black and Latina/o/x to the suburbs from the city, and 4) polling results that reveal Chicago residents' perceptions of need.⁴² These areas emerged from EDC interviews with

⁴⁰ At the time of the evaluation, EDC, the Office of Evaluation, and the Chicago Commitment team collectively determined to concentrate learning and data analysis on comparing grantmaking between a module's strategy development phase and a strategy implementation phase. Grants under the Civic Partnerships module were not analyzed in a comparative way over time largely because no distinction exists between a strategy development phase and a strategy implementation phase for this module. The Office of Evaluation will plan on performing additional grants management analyses in the future, including analyses for Civic Partnerships and Advancing Leadership. ⁴¹ Among grantee organizations headquartered in the Central region and that also responded to the grantee survey (69 survey respondents), 31 stated that they serve the city of Chicago and suburbs. Fifty-one organizations stated that they serve "All of the city of Chicago."

⁴² John D. and Catherine T. MacArthur Foundation, "The Harris Poll: Economic Inequity in Chicago," September 8, 2021, <u>https://bit.ly/3e7HGVy</u>.

grantees and key informants⁴³, the Office of Evaluation's review of secondary data, and discussions with program staff and external partners.

COVID-19 Pandemic: The pandemic exacerbated and brought more attention to racial inequities. Since 2020, inequities increased across many dimensions, including gaps in life expectancy, housing stability, employment, and food access.⁴⁴ All organizations, from grantees to philanthropies to the public and private sector, had to rethink the fundamentals of their work – from policies and practices to services provided. EDC's 2022 grantee survey found that 103 of 133 direct grantee organization survey respondents (77 percent) created new programs or services because of COVID-19 (see Appendix 7). To support their communities, many grantees, particularly within the Civic Partnership and Vital Communities modules, shifted a large portion of their resources to direct services (e.g., helping inform residents about COVID, providing basic human needs such as food and healthcare to newly unemployed or ill community members, and administering vaccinations). Among CEA grantees, the inability to gather in public left many arts and culture organizations unable to generate revenue through ticket sales. The pandemic's strain on arts and culture institutions, particularly those reliant on audiences and tickets, included small "arts-centered" and larger, more traditional organizations. That said, smaller organizations, particularly those led by diverse leaders, felt a greater strain than larger organizations.

The increased attention to racial inequities that the pandemic generated presents a window of opportunity for the Chicago Commitment team by lessening the need to make an argument for 'why' addressing racial inequities is important. The pandemic underscored existing fragilities in the organizational infrastructure of community-based organizations that the Chicago Commitment team supports with grants. The crisis also identified the support that can make inroads toward racial equity, such as streamlining the application process and expanding pooled funds. These modifications increased the Chicago Commitment team's capacity to deliver resources to historically marginalized communities, many of which were hit hardest by the pandemic. These practices can continue beyond the crisis and inform the team's long-term work. The experience equips the Chicago Commitment team with new knowledge about what is important to sustain positive change in historically marginalized communities to advancing racial equity beyond the COVID crisis.

Social Unrest: The murder of George Floyd on May 25, 2020 led to a global outcry for justice, racial equity, and police reform. For many people from historically marginalized communities who already were working toward racial equity, his killing reinforced the urgency of the work. For others, George Floyd's death increased their awareness of the continuing significance of race and the persistence of racial inequities and injustices. The civil uprisings against racial injustice sparked conversation and reflection, and for some, change. At the start of the Chicago Commitment team's Conceptual Framework refinement process in 2018, some team members questioned if advancing racial equity, would it be working toward this goal alongside many others in philanthropy? The death of George Floyd and the racial inequities that COVID-19 laid bare answered those questions: No, racial equity was not a passing trend in philanthropy; and, yes, the Chicago Commitment team would be working alongside other funders to contribute to advancing racial equity. Through external pressure or internal reflection, many philanthropic organizations have committed to address racial equity over the long-term. EDC's interviews with local and national funders in 2021, reinforced by conversations in 2022, suggest that racial equity will remain a priority among the subset of funders that were interviewed or that the Chicago team

⁴³ Key informants include non-grantees which are experts in module-related areas and other funders.

⁴⁴ City of Chicago, COVID Dashboard, accessed Aug. 20, 2022, <u>https://bit.ly/3QScS9H</u>.

engages with. The funders expressed that racial equity was an explicit goal for their foundations, or serves as an undercurrent to internal and external policies and conversations.⁴⁵

This long-term commitment by peer funders, grantees, and other sectors presents a window of opportunity for the Chicago Commitment team to further its commitment to racial inequity in Chicago by (1) fortifying existing partnerships with other foundations and grantees, and (2) establishing new partnerships with entities that have led or joined the fight for a more inclusive and equitable Chicago.

Suburbanization of Communities of Color: More than 96 percent of Chicago Commitment grant dollars have been distributed to organizations headquartered in the city of Chicago. Yet, the 2020 Decennial Census showed that almost 50 percent of the Chicago region's Black population and more than 60 percent of the Latina/o/x population live outside the city.⁴⁶ Recent conversations among local community and economic development experts (grantees, non-grantees, and funders) have stressed the significance of considering regional perspectives and strategies that could foster a more vibrant, equitable Chicago region. The increase in populations of color living in the Chicago suburbs presents an opportunity for the Chicago Commitment team and raises important questions: What does it mean to implement a place-based strategy over a wide geographic area?⁴⁷ What are the unique priorities, challenges, and needs facing historically marginalized communities in the suburbs? What are the contextual factors in the suburbs (e.g., socioeconomic conditions and local economic development and nonprofit infrastructure)? As demographic shifts continue, the Chicago Commitment team will have an opportunity to redefine its strategy to make a greater impact.

Public Perception of Need: A 2021 Harris public poll found that many Chicagoland residents were most concerned about issues adjacent to the module topic areas: economic opportunity and affordable housing (see Appendix 7). ⁴⁸ Feedback from external advisors and other leaders in the Chicago region also highlighted that housing was as an issue that has an important impact on racial equity. Lessons learned from the Harris Poll present an opportunity. The poll's reach is broad and anonymous, complementing the many small group and individual conversations that the Chicago Commitment team has with external advisors, community leaders, and grantees to learn what concerns them most. As needs become more persistent and consistent, the polling results present an opportunity for the Chicago team to continue learning what is important to Chicago residents and refine its strategy based on a broad range of feedback.

Each of these notable circumstances presents a window of opportunity for the Chicago Commitment team. Increased societal awareness of and attention to racial injustices affirms that Chicago Commitment resources and funding from philanthropy writ large, would be useful to organizations and leaders as they continue to pursue, or ramp up, racial equity work. Knowledge about demographic shifts and public perception equips the Chicago Commitment team with new information to assess previous decisions and to plan for future strategic decisions. While new lessons will be learned and refinements made, the team already has begun to make

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⁴⁵ Education Development Center, Racial Equity in Philanthropy Technical Report, June 2021, <u>https://bit.ly/3AY6Sqx</u>.

⁴⁶ Institute for Research on Race and Public Policy (IRRPP), *Shifting Population Trends in Chicago and the Chicago Metro Area*, University of Illinois at Chicago, April 2022, <u>https://bit.ly/3pPw0t8</u>.

⁴⁷ The Chicago region is made up of 14 counties, based on the Census metropolitan statistical area definition. The Chicago Metropolitan Agency for Planning, the local metropolitan planning organization, defines the region as seven counties.

⁴⁸ Throughout 2021, the MacArthur Foundation engaged the Harris Poll to survey approximately 1,000 residents of the Chicago metropolitan area once per quarter to better understand residents' perceptions about a variety of issues, including public safety, the impact of the pandemic, race relations, and the health and vibrancy of communities. The results are detailed in the Chicago Commitment team's Landscape paper.

changes, particularly related to trust-based philanthropy, which is gaining attention and prominence in philanthropy. Some of the practices that the Chicago Commitment strategy has been implementing include:

- seeking feedback from communities where funders hope to make change;
- being more transparent; and
- changing practices to mirror the trust embedded in grantees' work—that grantees know what to do.

As other foundations engage in these practices, the Chicago Commitment team has the opportunity to learn from and partner with the organizations to make meaningful contributions.

VII. Progress Toward Outcomes

Does progress to date demonstrate meaningful contributions? Does implementation of the strategy to date reflect a high-quality, effective program with the possibility for achieving meaningful results?

Evidence indicates that the Chicago Commitment has contributed to short-term outcomes identified in the Conceptual Framework. Grant funding has supported grantees' ability to maintain capacity and leverage resources from other funders. The Chicago Commitment also has contributed to the ability of leaders from historically marginalized communities to develop new skills, make new connections, or advance professionally. The team's short-term outcomes are particularly significant, considering that, much like other organizations, Chicago Commitment grantees have been challenged by COVID-19 and have spent the past 2.5 years adjusting and adapting as organizations, while trying to support staff and communities. Given the circumstances under which the team has been working—1) the long time necessary to achieve racial equity related goals; 2) much of the strategy has undergone refinement in recent years; and 3) the pandemic has stalled or set back progress—the Office of Evaluation and the Chicago Commitment team anticipate making very modest progress toward intermediate or longer-term goals as of this moment.

This chapter presents the learnings from EDC's interviews and the Office of Evaluation's reflections on where the Chicago Commitment has demonstrated contributions toward supporting people, places, and partnerships in the Chicago region. Learnings represent themes found across the strategy, based on data collected at the module level.

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People: Increase Inclusion and Influence of People from Historically Marginalized Communities

As articulated in the Chicago Commitment Conceptual Framework, the Chicago Community team sought to increase the influence and inclusion of people of color, so that diverse leaders can make, influence, and contribute to decisions that would improve the lives of communities they represent. The Chicago Commitment team provided funding to programs and grantee organizations to help leaders from historically marginalized communities advance professionally and feel sustained (i.e., they remain in their field, avoid burnout, and have a sense of wellbeing).

This section summarizes findings from EDC interviews with grantees and non-grantees across all modules as well as for the approach called Advancing Leadership. Evidence points to areas where Chicago Commitment funding has contributed to some advancement of leaders from historically marginalized communities and where longer-term, more significant, or transformational change is absent or appears too early to be seen.

- Individual support: Chicago Commitment support of leadership programs has contributed to the advancement of leaders from historically marginalized communities in a variety of ways, including new and more leaders participating in grantee leadership programs, and former leader participants advancing within organizations.
- Increased visibility: Tools in the Chicago Commitment toolbox include events and meetings, panels, and other mechanisms to spotlight leaders. COVID-19 diminished the ability of many organizations to convene in person. Nevertheless, EDC interviewees stated that a grant from the Chicago Commitment can bring newfound visibility to an organization and increase its opportunity to have its voice heard in its community. A relationship with the Chicago Commitment also can generate opportunities to create programming, activities, and other initiatives that serve community members and local businesses.
- Organizational-level support: Several grantees noted that Chicago Commitment support of their organizations provided opportunities to hire more staff and foster capacity building for their organizations. For some leaders, acquiring a Chicago Commitment grant provided leverage to influence their organizations' internal leadership culture. For example, interview participants explained how funding directly affected their ability to: 1) create internal tracks for promotion; 2) introduce programming that nurtures the staff to elevate them into leadership roles and even pursue graduate degrees; and 3) establish collaboratives to better understand community needs.
- Collaborations and shared learnings: Leaders have developed initiatives in collaboration with each other and brought back what they learned to their communities. These initiatives often were based on issues that communities were facing. Interviewees also suggest that leaders have connected to new spaces or tables of influence (e.g., organization-wide, or governing boards), and that leaders have bridged and strengthened their connections across sectors and geographies. As one example, EDC found evidence that receiving a grant from the Chicago Commitment has helped some grantees, such as small community-based organizations, enter new economic development spaces.
- Decision-making spaces: It is unknown how, when, or in what ways support from the Chicago Commitment has given leaders more opportunities to directly develop or inform policies or programs. The Chicago Commitment team has observed that civic leaders, including elected officials, increasingly are calling on community leaders to serve in prominent roles. For example, the Mayor's Racial Equity Rapid Response Team, formed in March 2020, invited leaders from neighborhoods with high rates of COVID-19 to advise on the city's relief programs. Leaders of nonprofits also are asked frequently to serve on steering committees of public-private partnerships for pandemic recovery and other matters. While many of these individuals are Chicago Commitment grantees, it is unclear if the civic recognition and opportunities were due in part to Chicago Commitment support.

Interviewees shared that emerging diverse leaders often start the professional growth from a place of isolation and disconnection. They indicated that a transformational approach to leadership advancement is as important, if not more important, than transactional leadership models that prioritize skill-building. Transformational leadership centers relationship building, trust, and social support among leaders and their communities and prioritizes leaders' resiliency and long-term mental health and wellness. Interviewees stressed that outcomes under the transformational model take longer to manifest. In the long and arduous road to advancing racial equity, the Chicago Commitment team has an impetus to consider holistic ways of nurturing, sustaining, and propelling leaders from historically marginalized communities on their journey.

Places: More Communities are Resilient and Empowered

The Chicago Commitment team sought to create more resilient and empowered communities. By "place," the Chicago Commitment strategy refers to a corridor, neighborhood, multiple neighborhoods, group of jurisdictions, region, or market. Its strategy is not focused on the environment or condition of a specific "place" or real estate development project. This section summarizes findings about two grantmaking areas that seek to contribute to place-based change: the Vital Communities module, and the Partnership for Safe and Peaceful Communities' (PSPC) Chicago Fund under Civic Partnerships.^{49,50} Vital Communities grants support community-based organizations and other entities to generate catalytic development in industrial and commercial corridors to create jobs, provide tax revenue, and produce other benefits to low- and middle-income neighborhoods. PSPC organizations seek to promote safety and reduce gun violence, often concentrated in economically disinvested areas.

Evidence highlights areas where Chicago Commitment funding has supported grantees rooted in neighborhoods and working to support historically marginalized communities. It is too early to see larger gains. In most cases, the pandemic likely has limited or stalled progress.

- Increased organizational capacity, funding, and connections: Across all modules, evidence showed that Chicago Commitment funding has contributed to the capacity development of grantee organizations. Direct grantees and regrantees have been able to leverage Chicago Commitment grants to acquire additional funding from other private, philanthropic, and public agencies to support placed-based projects. Moreover, the acquisition of a Chicago Commitment grant has helped grantees enter spaces into which they have not previously been invited. Vital Communities infrastructure technical assistance supports grantees that help community-based organizations obtain data analysis, document community priorities, and conduct comprehensive planning. Chicago Commitment regrantees which received grants via the Fund for Safe and Peaceful Communities also reported increased capacity from the technical and resource assistance that the Fund provided.
- *Positive neighborhood change:* Evidence indicates that Chicago Commitment grantees have contributed to better neighborhoods. Here are two recent examples:
 - New real estate development: EDC interviewees cited small-scale development (e.g., a new café, a laundromat, rehabilitation of residential properties, and a marketplace) as markers of positive neighborhood change to which Chicago Commitment grantees have contributed. In limited cases, Chicago Commitment grantees also have helped bring large-scale real estate developments viewed as signs of renewed investor interest in the community. ⁵¹
 - Gun violence in 2021 and 2022: Regrantees through the Partnership for Safe and Peaceful Communities (PSPC) implement gun violence prevention and safety programs in neighborhoods by working with youth, the formerly incarcerated, and residents. At the start of Chicago Commitment in 2016, gun violence and homicide rates in Chicago skyrocketed to levels not seen since the 1990s, with over 4,000 shootings. Rates of violent crime decreased in subsequent years, from 4,270

⁴⁹ Data for Vital Communities should not be read as exhaustive. Deep investigation into any one neighborhood or place was not conducted. EDC interviewed five grantees and six key informants to acquire data into the extent that Chicago Commitment resources have supported change in three geographies of focus: Englewood, Washington Heights, and the South Suburbs. The Chicago Commitment chose those geographies as representative of areas where Chicago Commitment investments have been deployed early in the Chicago Commitment strategy. In the case of Englewood, MacArthur began investing in organizations and projects there before the Chicago Commitment was created.

⁵⁰ Jessyca Dudley conducted evaluations of the Chicago Fund for 2018, 2019, and 2020.

⁵¹ The Go Green Community Fresh Market opened in March 2022 in Englewood because of the work of Chicago Commitment grantees, though not necessarily or solely because of Chicago Commitment grant support.

shootings in 2016 to 2,646 shootings in 2019 (see Appendix 10). ^{52,53} However, violent crime surged to 2016 levels when the pandemic began. Recently, signs of incremental progress have emerged: The number of shootings between January and August 2021, compared to that same time period in 2022, decreased by 20 percent (2,838 shootings to 2,268 shootings). Some community organizers cite the work of PSPC organizations as contributing to this recent downward trend.⁵⁴ In addition, over the 2022 Memorial Day weekend, neighborhoods with PSPC investments experienced lower rates of shootings compared to neighborhoods without PSPC regrantees.⁵⁵

- *Lasting, transformative change:* This has not occurred within historically marginalized communities and is unsurprising for a variety of reasons:
 - Market-tested real estate development: The Vital Communities team's refinement began implementation in January 2021. The Chicago Commitment team anticipates catalytic real estate development to break ground in later years of strategy implementation. Long-term outcomes for Vital Communities include new or rehabilitated infrastructure that will catalyze comprehensive development. More information and feedback would help determine if Chicago Commitment grant funding to grantee organizations will be sufficient to "seed" catalytic change that the market can sustain.

Significant reduction in violence: Even with the slight reduction in gun violence between 2021 and 2022 in Chicago, gun violence in the city remains extraordinarily high – higher than 2019 rates – and concentrated in disinvested communities.^{56,57} The pandemic has underscored that (1) many socio-economic conditions such as unemployment and poverty often are linked with crime; (2) COVID-19 has had a negative impact on many socio-economic conditions, including those linked with crime; and (3) COVID-19 has affected historically marginalized communities disproportionately (e.g., people of color largely have felt income loss).^{58,59} Chicago Commitment team members, funders, and grantees involved with PSPC have expressed that adopting holistic approaches addressing socio-economic conditions are necessary to reduce violence significantly and establish enduring community safety. The Civic Partnerships' long-term goal is for the Chicago Commitment team partnerships to lead to creating and strengthening infrastructure that can address an urgent and timely issue, such as gun violence, and that the infrastructure of such partnerships will be adaptable and replicable. PSPC is in its seventh year of implementation, providing funders and community-based organizations the opportunity to reflect on strategies and plans that have worked, and areas to better center relationships, more authentically collaborate, and more intentionally innovate.

⁵² EDC and the Office of Evaluation have not evaluated PSPC or the possible contributions of grantees to neighborhoods. The information about grantees contributing to reduced gun violence is based on secondary literature cited here.

⁵³ Jessyca Dudley, who conducted evaluations of PSPC from 2017 to 2020, found that PSPC funding supported regrantees' work to address violence through community-initiated programs and activities. Funding helped regrantees create a stronger sense of community within their neighborhoods; build skills and connect residents with jobs; scale work and increase programmatic reach; address alienation and trauma; and provide professional development as well as emotional, and mental support.

⁵⁴ Sabino, Pascal, "West Side Neighborhood Sees 58% Drop In Shootings Thanks To Violence Prevention Programs, Outreach Workers Say," *Block Club Chicago*, May 19, 2022, <u>https://bit.ly/3dPHFW3</u>.

⁵⁵ Data from City of Chicago *Violence Reduction Dashboard* for North Lawndale, Roseland, and West Pullman, for May 27 to May 30 in 2021 and 2022. No data has been collected yet to suggest causality or contribution between PSPC infrastructure and shootings over Memorial Day 2022.

⁵⁶ Liederman, Mike, "Chicago Had 971 Shootings In First 5 months Of The Year. Violence Is Trending Down From Pandemic Peak, But 'Is Still Way Too High,' Expert Says." *Block Club Chicago*, June 2, 2022, <u>https://bit.ly/3wlcd8k</u>.

⁵⁷ Rowlands, D.W. and Love, Hanna, 2022, "Mapping gun violence: A closer look at the intersection between place and gun homicides in four cities," The Brookings Institution, April 21, 2022, <u>https://brook.gs/3TaGNeC</u>.

⁵⁸ Love, Hanna, "Want to Reduce Crime? Invest in Place," The Brookings Institution, November 16, 2021, <u>https://brook.gs/3Kw0fPb</u>.

⁵⁹ City of Chicago, "COVID-19 Impacts on Life Expectancy in Chicago, 2019-2020," *Covid Dashboard*, last modified August 19, 2022, <u>https://bit.ly/3Az3sc3</u>.

Across all modules, including Vital Communities and Civic Partnerships, the Chicago Commitment team has an opportunity to assess the amount (i.e., grant dollars and length of a grant term) and implementation of support (i.e., type of grant) that will be needed for historically marginalized communities to be truly empowered and resilient.

Partnerships: Organizations and Networks Value Collaboration and Racial Equity

Across all modules, the Chicago Commitment team sought to encourage more organizations to value collaboration, racial equity, and inclusion, and to create new and strengthen existing networks focused on furthering racial equity and building civic infrastructure. The Chicago Commitment conceptual framework posits that when entities work together, they can leverage their collective assets (e.g., financial resources, convening power, creativity, problem solving skills) such that the sum is greater than the whole of its parts.

This section summarizes findings from EDC interviews with grantees and non-grantees across all modules and the approach called Advancing Leadership. It also sums up observations from the Chicago Commitment team and the Office of Evaluation.

- Organizational diversity, equity, and inclusion goals: In EDC's 2022 surveys, almost 90 percent of direct grantees said they have identified specific goals or priorities related to diversity, equity, and inclusion (DEI).⁶⁰ For many grantees, the Chicago Commitment's public commitment to racial equity and DEI helped set the tone around racial equity in their organizations. For example, the MacArthur Foundation 2019 Demographic Survey⁶¹ helped some grantees to quantify their reach (i.e., people or audiences served by the grantees' programs or projects) to diverse populations and communities.
 - Notably, EDC observed differences in the way leaders of White-led organizations discuss DEI goals compared to how diverse leaders from organizations led and staffed by people of color discuss or think about DEI. For example, White-led organizations tended to discuss DEI initiatives focused on increasing representation of BIPOC staff and leaders. DEI efforts in BIPOC-led organizations focused on other dimensions of DEI, or DEI efforts were not perceived as a priority because the BIPOC-led and staffed organizations felt as if they already were inherently embodying DEI.
 - Many White-led organizations are early in their DEI journey and indicated that they are working to articulate long-term DEI goals and visions for their organizational structure. Some interviewees from White-led, traditional arts organizations wish to receive additional guidance on how to incorporate racial equity within existing programming and organizational structures and how to connect with other organizations around DEI-related goals.
- Networks: EDC found evidence of mixed progress across the Chicago Commitment strategy of new or strengthened networks for advancing racial equity. For example, the Chicago Commitment team's support of leadership programs is contributing to the development of a network among these programs. Communication occurs across programs. In addition, leaders sometimes participate across different programs (e.g., a person who participates in one program may subsequently participate in another). The CEA team is undergoing a process among its grantees to explore if and how organizations would be interested in a form of collective action—a formal network or informal with regular gatherings. EDC data from CEA grantees suggests some reticence among grantees to establish a formal network, especially if

⁶⁰ The survey question asked, "Has your organization identified specific goals or priorities related to diversity, equity, and inclusion?" Eighty-nine percent of 133 direct grantee respondents said "Yes."

⁶¹ John D. and Catherine T. MacArthur Foundation, *Grantee and Investee Demographics: Results of the John D. and Catherine T. MacArthur Foundation's 2019 Demographic Survey*, October 2020, <u>https://bit.ly/3KcTLVi</u>.

it feels "forced." Reluctance also stems from an ongoing sense of competition among grantees. Other CEA grantees have shared with the Chicago Commitment team a desire to connect with one another, and the hope that the Chicago Commitment team will help build bridges between organizations. Regrantees of the Chicago Fund's Partnership for Safe and Peaceful Communities also appreciated the opportunity to meet with other grantees when opportunities arise. ⁶² The challenges of COVID-19 and the racial injustice uprisings also led to greater collaboration among grantees of the Fund, as well as partnerships between grantees and other organizations. Those challenges even led to the formation of new partnerships in some areas.⁶³

Partnership dynamics: EDC also collected data to learn about the nature of the partnerships in which the Chicago Commitment participated through the Civic Partnerships module. Activities and accomplishments such as pooled funds or different forms of grantee applications and reporting have led to excitement and eagerness among philanthropic partners to convene, share learnings, and explore other opportunities to innovate and do "things differently." Some interviewees noted that the consensus-driven nature of some partnerships led to less risk-taking and may have stifled innovation. Among the Partnerships' grantees (which are regrantees of Chicago Commitment funds), evidence was more mixed. While the grantee organizations did meet other organizers or community-based organizations working at the community level, EDC data suggests that the grantees did not meet with other funders or decisionmakers. In fact, interviewees among the grantees felt removed or disconnected from the larger partnership that provided funding, even if the grantees were able to meet or work with other community-based organizations.

Evidence compels the Chicago Commitment to consider how it might use its influence and resources to reassess the processes and nature of partnerships and networks, so that collaboration with other entities is not seen as a threat to individual organizations. In addition, the Chicago Commitment should use its convening power to help build greater trust with and among grantees and funders.

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Based on the information above, the Chicago Commitment team has made strides toward short-term outcomes outlined in the Chicago Commitment framework, related to people, places, and partnerships. The short-term outcomes are particularly important. Progress toward racial equity is incremental and takes time. Moreover, much of the strategy has been refined recently. Implementation has begun only recently. In addition, much like other organizations, COVID-19 has challenged Chicago Commitment grantees, which have spent much of the last few years focused on adjusting, adapting, and surviving as organizations, as well as supporting their staff members and communities. As such, the Office of Evaluation and the Chicago Commitment team do not anticipate significant progress toward intermediate or longer-term goals yet. Data indicates that more work needs to be done to ensure that Chicago Commitment funding can support diverse leaders holistically, for the long run. That funding also must support grantees' capacity to create lasting positive change in neighborhoods and support authentic partnerships that lead to innovation in advancing racial equity. The next two sections provide more data about the landscape, and additional themes, for the Chicago Commitment to consider as it refines its strategy.

⁶² Jessyca Dudley, *Trusted Relationships, Networks, and Collaboration: An Evaluation of the Chicago Fund for Safe and Peaceful Communities 2020,* 2020.

VIII. Chicago Commitment Strategy and Grantmaking Practices

Are the current design and implementation of the strategy (and accompanying assumptions) adequate to make the intended meaningful contributions?

Evidence suggests that the Chicago Commitment strategy would do more to contribute to advancing racial equity if it makes refinements to its current design and implementation plan. This section summarizes reflections from the Office of Evaluation on the conceptual framework design and implementation, based on learnings from EDC data, Chicago Commitment team feedback and observations, and secondary data. The Office of Evaluation encourages the Chicago Commitment team to consider a strategic refinement of the Chicago Commitment's conceptual framework to address racial equity more comprehensively, and to pursue greater efforts to promote innovation, increase grantee organizational capacity, and demonstrate how to be a more authentic partner to historically marginalized communities.

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Address Racial Equity More Comprehensively

Current design and implementation: The Chicago Commitment strategy is furthering racial equity through its three module areas: arts and culture; real estate development in industrial and commercial corridors, and creative placemaking; and partnerships that address urgent and timely issues. Eligible grantees must fit into each of the module specific areas unless an intentional exception exists for a grantee organization.

Learnings, Reflections, and Considerations. The landscape suggests, and a number of grantees and non-grantees have affirmed via feedback to EDC and the Chicago Commitment team, that racial equity cannot be advanced meaningfully without addressing the root causes of racism and thinking about racial equity more comprehensively. Many social and economic conditions where racial disparities exist are inextricably linked. For example, housing stability affects a person's ability to find and retain employment, and employment affects a person's ability to have a home.⁶⁴ Given that dynamic, many organizations focus on a range of topics or services to holistically support historically marginalized communities. One option for the Chicago team to consider is providing grants and non-grantmaking support to organizations that work at a systems level to advance racial equity, or organizations that work on complementary issues to module-specific outcomes. Several specific ideas for addressing racial equity more comprehensively are listed below:

The Chicago Commitment could reach more – and different – historically marginalized communities by explicitly supporting organizations that work on comprehensive racial equity issues or efforts. Currently, the Chicago Commitment team adheres closely to module specific topic areas to make grant decisions strategically, systematically, and transparently within a limited grant budget. The Chicago Commitment team and Foundation and community leaders note that the current approach has led to the unintentional exclusion of influential small CBOs working to advance equitable outcomes for the diverse communities they represent. The reason: the CBOs are not aligned with module-specific areas. Moreover, some CBOs representing populations of historically marginalized communities are more likely to work on civic engagement, social justice, or racial equity generally, especially if the population is

⁶⁴ National Coalition for the Homeless, "Employment and Income," last accessed August 1, 2022, <u>https://nationalhomeless.org/employment-income/</u>.

dispersed throughout the region, rather than concentrated in a particular neighborhood. These populations often are underrepresented or entirely absent from the Chicago Commitment portfolio. An intentional inclusion of organizations working comprehensively or at a systems level, instead of providing grants on a case-by-case exception, also would signal to organizations not yet known to the Chicago Commitment team that its grants are a resource that could benefit the historically marginalized communities they serve.

- The Chicago Commitment team should explore efforts complementary to existing module goals or current investments. As one example, EDC interviewees shared that the efforts under Civic Partnerships sometimes can seem too "niche" and limited in scope. Interviewees recommended that participating philanthropies approach the issue areas more comprehensively by bringing in organizations working in adjacent sectors. For example, supporting affordable housing or homelessness also can further community safety goals. Similarly, supporting housing affordability or environmental justice in an area where an industrial or commercial development is being considered would be a more comprehensive way to support community wellbeing.
- Demographic shifts and feedback from community leaders compel a **consideration of more support for historically marginalized communities outside the city of Chicago**. Data has revealed that many people of color live in the Chicago suburbs. Almost 97 percent of grant dollars, however, have gone to organizations based in the city. While many grantee organizations do work across the entire Chicago region, very few grantees focus specifically on the suburbs; in EDC's 2022 survey of direct grantees, two of 133 survey respondents reported working exclusively in the Chicago suburbs.

Pursue Greater Efforts to Bring in New Voices and Promote Innovation

Current design and implementation: A primary approach of the Chicago Commitment has three elements: to amplify the voices of leaders from historically marginalized communities to elevate their power and influence; to facilitate their ability to bring community-based knowledge to the discourse, emphasizing their communities' needs and interests; and to inform decisions on policy or practice affecting those communities. The Chicago Commitment implements this approach in several ways, including:

- grants to leadership programs that aim to build the skills and tools for leaders from historically marginalized communities;
- grants to organizations for the purpose of supporting and cultivating leaders within their organization;
- prioritization of organizations or projects that serve historically marginalized communities; and
- preference for organizations located in communities they serve.

Organizations that wish to apply for support under the Vital Communities and Culture, Equity, and the Arts modules can self-nominate by submitting a Letter of Inquiry or description of their work after reviewing the publicized grant guidelines. Currently, no guidelines exist for organizations interested in seeking grant support directly or indirectly through the partnerships under Civic Partnerships. Organizations are welcome to submit inquiries through the Foundation's web portal.

Learnings, Reflections, and Considerations: EDC data suggests that some interviewees have a perception that the grantees funded by the Chicago Commitment often are viewed as "premier" organizations, which receive grant funding from many other foundations. For some, this feedback indicated a positive attitude about the Chicago Commitment strategy (i.e., the Chicago Commitment team has identified organizations with demonstrated track records of representing their communities and being effective in their organizational

missions). For others, this feedback was cautionary or even critical, suggesting that the Chicago Commitment demonstrates elitism and adopts exclusionary practices that advantage White-led institutions. Even the perception of exclusivity—the idea that an organization has no chance to receive Chicago Commitment funding—could dissuade potential grantees from seeking support, if these organizations know about the Chicago Commitment opportunity at all. Below are some considerations for the Chicago Commitment team to expand their reach and deepen their contribution to historically marginalized communities:

- By providing grants to lesser known, newer, or smaller organizations which have not been recipients of philanthropic funding, the Chicago Commitment can reach more and different organizations that serve historically marginalized communities or are led by diverse leaders. Some interviewees believe that philanthropic organizations, generally, reinforce longstanding patterns of White-led organizations being better resourced,⁶⁵ and that the Chicago Commitment is no exception. The Chicago Commitment team has been using X-Grants as one way to become familiar with organizations that are first-time recipients of Chicago Commitment funding. Even a small grant from the Chicago Commitment has been fruitful for organizations to build capacity, meet new partners, and obtain additional funding from other philanthropies or the public or private sector. The strategy can continue or even increase the use of X-Grants to explore new relationships. Alternatively, some grantees have reflected that, if the Chicago Commitment were aiming for equity, as opposed to equality, it should consider giving even *more* to organizations led by or centered around historically marginalized communities, to help the organizations reach levels of resources that White-led organizations have accumulated.
 - Notably, grants under CEA have done this: Participatory grantmakers have recommended larger grants for organizations that are farther along on the journey to racial equity and smaller grants to those that have longer to travel. The Chicago Commitment team believes that where groups are on that journey is not necessarily a reflection of being led by or centered around historically marginalized communities, but in practice, it is a strong proxy.
- Some interviewees suggested that the Chicago Commitment broaden its outreach by **incorporating participatory grantmaking practices**, or other regranting mechanisms, in more parts of the strategy to for example—empower community members to direct resources to small real estate developers or organizations otherwise unknown to the Chicago Commitment.
- Opportunity exists for the Chicago Commitment to consider how it can do more to support small community-based organizations and property developers obtain equity, mitigate risk, innovate, and further build capacity and skills. Research has shown that larger, established (often private sector) developers are risk averse and less likely to invest in communities with weakened markets.⁶⁶ Smaller developers and community-based organizations often step in, though they may lack experience, skills, and financial equity. Interviewees shared that, in some cases, the philanthropic field's current tools and practices (e.g., grants and loans from community development finance institutions) and the way public agencies support current economic development efforts (e.g., matching grants and tax credits) are too limited and can be ineffective in spurring economic development—especially in economically disinvested areas where many people of color live.
- The Chicago Commitment and other funders need to should draw lessons from collaborations within funder-driven civic partnerships so that these collaborations encourage the creation and incubation of innovative ideas, shared learnings, and scaled and sustained solutions. Some interviewees suggest that, in certain cases, funder-driven civic partnerships stifle innovation. This can result from: 1) the desire for consensus leading to too many compromises; 2) power dynamics among funders; or 3) decisions being driven by risk-avoidant philanthropies whose preferences win out over community

 ⁶⁵ White-led organizations are thought to be long-time recipients of grant funding, have longer grant terms, or are given larger grants.
 ⁶⁶ U.S. Environmental Protection Agency, *Attracting Infill Development in Distressed Communities*, May 2015, <u>https://bit.ly/3KeiOeP</u>.
voices. Some interviewees feel that, when many voices are at the table, traditional approaches to an issue that are seen as middle-of-the-road or "safe," receive priority over more innovative ideas. Interviewees said that funders may resort to compromise based on their place in a perceived hierarchy, where smaller donors (or those that have made lesser investments in a fund) may feel inclined to defer to the opinions of larger donors or those that have made larger investments to a fund. ⁶⁷

Opportunity also exists to clarify the Chicago Commitment's goals and decisions to extend its influencing power and amplify the work of grassroots leaders. Interviewees shared that grassroots organizing and community advocacy play a significant role in contributing to systems change by "holding people's feet to the fire to be responsive" and supporting policy change. Interviewees shared their perception that grassroots and community advocates are underrepresented or under-targeted among leadership development programs. In fact, the Chicago team has intentionally funded leadership programs with a strong commitment to equity; that serve historically marginalized populations; that are in demand from people in those communities; and that are inclusive of community advocates. For example, two leadership programs, Cultivate and the Multicultural Leadership Academy, are explicitly focused on racial equity, and many funded grantees work intently on recruiting grassroots leaders. EDC data suggests that the *perception of* the Chicago Commitment's work and its intent and investments are misaligned. Grantees also recommended that the Chicago Commitment team do more to engage with and support younger, diverse leaders to cultivate the next generation of community leaders.

Increase Grantee Organizational Capacity Support to Advance Racial Equity

Current design and implementation: The Chicago Commitment team strives to increase grantee organizational capacity as a core approach, given that an organization's capacity is necessary to carry out its work. The Chicago Commitment team also has provided some grantees with technical assistance, including coaching, peer learning, individualized consulting, and other forms of capacity development.⁶⁸ Furthermore, approximately two dozen organizations received four-year institutional support awards to build internal strength. These grantees also had the opportunity to receive intensive financial management trainings and coaching for staff and board members. Recipients of Arts and Culture and CEA grants have had the opportunity to obtain extra support with financial management, operations, and small-scale investments in their physical space (e.g., installing HVAC systems or improving accessibility for disabled patrons). The Vital Communities team provides grants to infrastructure support grantees whose mission is to conduct activities such as neighborhood planning, technical assistance, or data analysis. While their work is not exclusive to Chicago Commitment grantees, the resulting products are in service of Chicago neighborhoods and communities.

Learnings, Reflections, and Considerations: Across all modules, EDC found that grantees face challenges that additional efforts to increase organizations' capacity could address. Among newly emerging nonprofits, capacity building is even more important as an organization builds out and establishes its portfolio, culture, practices, or audience. Grantees, particularly CBOs, also reported difficulty with retaining talented, diverse leaders, who often are presented with competing professional opportunities. Organizational stability includes being able to offer competitive salaries and professional development opportunities. COVID-19 has tested organizations' capacity and resilience, and in many cases, led to fundamental organizational shifts. Below are some considerations for the Chicago team to bolster grantee capacity.

⁶⁷ EDC data suggests that it is unclear whether that happened, but several interviewees shared that fear.

⁶⁸ As one example, the Chicago Commitment team made a grant to BDO FMA, a consulting firm, to provide financial management and technical assistance to grantees that received institutional support grants.

- The Chicago Commitment should **continue to provide**, **and perhaps expand**, **its use of general operating support**, **particularly for smaller or newer CBOs**. Interviewees regarded Chicago Commitment support as important to sustaining their organizations and doing their work regardless of the type of grant they received. Recipients of general operating grants did explicitly cite this grant structure as a benefit.⁶⁹ While all grants (general operating grants, project support grants, and X-Grants) were seen as crucial to carrying out racial equity work, EDC's evidence shows that general operating support was seen as a means of sustaining the organization itself, helping to lighten the burden of maintaining core operations. General operating support allows organizations to address structural needs, think about growth, and consider staff retention, among other factors. One grantee said multi-year, general operating support "allows us to dream." In comparison, funding one specific project or component of an organization's work often fails to address the larger financial problems nonprofits face. The Chicago Commitment team also can explore if non-grantmaking tools exist to support grantees—especially those receiving project support grants—with staff retention and hiring, fundraising, and more.
- The Chicago Commitment team should **explore additional ways to comprehensively support the wellbeing of diverse leaders**. Interviewees said leadership roles can be stressful and isolating for established and emerging diverse leaders. While leadership programs and opportunities are seen as places to "build skills," interviewees also discussed that diverse leaders particularly need supportive, safe spaces that allow them to connect to one another and address mental health and wellness. These undervalued or under-resourced program components were understood to be vital or, in some instances, more important than leadership skills that could be learned or practiced.
- The Chicago Commitment team can explore ways to **connect small, community-based organizations, particularly those doing place-based work, more directly with much-needed resources and expertise.** Interviewees in the community and economic development sector acknowledged that they lack critical staff in their organizations such as finance specialists and planning staff. Adding staff with specialized skills would strengthen the overall capacity of place-based grantees. This can be accomplished in several ways. For example, increased funding to infrastructure support organizations with planning, technical assistance, and analytical skills can provide critical support and access to resources to historically marginalized communities across the Chicago region, writ large. One interviewee suggested a mechanism where grantees and other nonprofits share resources as one innovative approach to increase capacity using limited resources. In a shared resource approach, philanthropy could support hiring one urban planner to support multiple organizations.
- Interviewees indicated that for change to occur, the Chicago Commitment and other philanthropic, private, and nonprofit funders must think long-term, offer long-term commitments, and right-size their own expectations for when change will occur and what it will look like. Change will take time when solving for the myriad challenges that have resulted from decades of systemic disenfranchisement. External factors like COVID-19, a housing market crash, or inflation can delay grantees' work. That is, change often will not be linear, or it will occur incrementally; fundamental change also can be intangible (i.e., relationship building, trust building, and capacity building).

⁶⁹ EDC data does not suggest that general operating funds advance racial equity work more than other forms of support.

Demonstrate How to be a More Authentic Partner to Historically Marginalized Communities

Current design and implementation: The Chicago Commitment team posits that its decisions will influence other funders and decision makers. The team uses its influence to create platforms via our communication channels. The Chicago Commitment also hosts panels to highlight diverse leaders and convenes grantees.

Learnings, Reflections, and Considerations: Feedback from EDC, grantees, and community leaders compels the Chicago Commitment team to reflect on what it means to be a civic leader and an authentic partner to historically marginalized communities and diverse leaders in advancing racial equity.

- EDC's analysis of data suggests that interviewees want the Chicago Commitment team to "lead by being an authentic partner." Interviewees who hold this point of view shared that (1) some grantees have been doing community-based work, combating racist policies, or telling the narratives of historically marginalized communities since the organizations' inception; (2) in comparison to these grantees, interviewees perceive the Chicago Commitment and the MacArthur Foundation to be relatively new in the racial equity space; and (3) interviewees felt that some nonprofits especially smaller organizations do not feel fully recognized or valued for their long histories of serving historically marginalized communities. Given these perceptions, interviewees shared with EDC that they do not need the Chicago Commitment team to lead them in conducting racial equity work. Instead, interviewees need funding and support to move community-led agendas forward. By allowing local nonprofits a greater voice in how support and resources are allocated, the Chicago Commitment team becomes a more authentic partner to historically marginalized communities. EDC shared that the Chicago Commitment team can demonstrate how to be an authentic partner in the following ways:
 - Wielding power where grantees may lack it (e.g., bringing city partners together in a meaningful way);
 - Taking risks by investing in new and never-funded organizations, and by supporting organizations through trial and error;
 - Being seen as part of groups and neighborhoods, and building relationships through community dialogues;
 - Coming to tables "not in a benevolent sense," but "equally with grantees," where leaders with local knowledge and experiences are seen and treated as integral players in decisions, and the Chicago Commitment team supports local leaders' visions for community change;
 - Being transparent with processes;
 - Making more grants to organizations located in communities they serve and led by leaders from those communities;
 - Connecting people and convening organizations, and letting them decide if and how to partner; and,
 - Taking a stand on racial equity issues that matter to Chicago.
- Another way the Chicago Commitment team can be an authentic partner to historically marginalized communities is to use its communication tools, platform, and reach to amplify the urgency of racial equity and spotlight its grantees' work. The Chicago Commitment team has heard calls from smaller local funders and community leaders to be more visible and vocal about advancing racial equity. They believe that the MacArthur Foundation and its leadership have more access to spaces than smaller funders and organizations. The Office of Evaluation has observed that funders constantly must strike the balance in using their power (such as platform, influence, and reach) to contribute to change, without seeming to overshadow grantees or take credit for progress that required the combined efforts of many organizations. Examples of how the Chicago Commitment can deploy its communication tools as an authentic partner include the following:

- Prioritizing racial equity more directly and explicitly in Foundation communications; and,
- Being transparent about the different ways the Chicago Commitment team is thinking about racial equity (e.g., continuing to publish the demographics of leaders of the MacArthur Foundation and its grantee organizations).
- Interviewees told EDC that when funders encourage collaboration between grantees, they often ignore
 the fact that organizations must compete with one another for philanthropic support. As a result,
 collaboration can feel forced or disingenuous to nonprofit organizations. The Chicago Commitment can
 help shift perceptions by supporting collaboration when it is the desire of organizations to work
 together on an issue of shared interest or toward a shared goal. The CEA team currently is engaging
 with its grantees to see if and how grantees would like to engage in collective action. The Chicago
 Commitment team members could explore if value, bandwidth, and desire exist for grantees of other
 modules and diverse leaders in Chicago to work and learn together.
- Many recognized that philanthropy cannot be the sole arbiter of the city's problems. Instead, grantees
 encouraged the Chicago Commitment to look for opportunities to engage the public sector, including
 opportunities to directly connect community and grassroots leaders with government actors. The
 Chicago Commitment also can help create more collaborative environments where public, private, and
 nonprofit entities share learnings, innovate, and solve problems.
- Interviewees noted that philanthropic entities like the Chicago Commitment also can leverage power to **hold leaders and organizations accountable** for the promises they have made to re-invest in historically marginalized communities.
- Lastly, the Chicago Commitment has an opportunity to further lean into its reputation as a civic leader and influencer. EDC data suggests that some spaces exist where the Chicago Commitment's role in neighborhoods or issue areas are lesser known or unclear, even though the team has committed staff time and grant funding in these areas. The team should consider strategically **increasing the Chicago Commitment's visibility** when its power and reputation can be deployed to magnify the importance of an issue or bring other decisionmakers and funders into the conversation.

The Chicago Commitment team has allocated a large portion of its resources to grantees led by or serving historically marginalized communities and has used its influence and power to amplify the work of grantees. Yet, the enormity of undoing the harm and healing from generations of racism requires more resources, staff effort, and time. The considerations above would support more and different diverse leaders and organizations from historically marginalized communities; amplify their voices and perspectives; increase their influence and capacity; and in turn, contribute to moving the needle on racial equity in Chicago.

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IX. Next Steps

The Chicago Commitment team is committed to working toward advancing racial equity in Chicago. That pursuit will require time, resources, humility, and partnership. It also will require a commitment to continuous learning, and acceptance that the path will be long and non-linear. This context aligns with the nature of an Enduring

Commitment, whereby the Foundation commits to long-term staff and grant investments in advancing racial equity in Chicago.

The MacArthur Foundation Strategy Review process in 2022 presents an opportunity for the Chicago Commitment team to pause for deep reflection about learnings related to progress, windows of opportunity, and the design and implementation of the strategy. After the December 2022 strategy review, the next steps will be a continuation of efforts to learn, adapt, and partner based on guidance from historically marginalized communities and other community leaders, learnings, and values.

2022 to 2023: The Chicago Commitment team will propose refinements to its strategy. During this period, the Chicago Commitment team should seek guidance from leaders in historically marginalized communities and other community leaders about critical questions that would inform grantmaking and other strategic choices. Guidance also could help identify specific measures or data (e.g., social or economic indicators) that would be most meaningful or helpful to track in supporting grantees doing racial equity work. Those refinements include the following considerations:

- People: How do diverse leaders from historically marginalized communities "define" inclusion, influence, and sense of belonging? In what sectors, levels of leadership, or other spaces would diverse leaders hope to see an increase in the inclusion and influence of people from historically marginalized communities?
- Places: How can the Chicago Commitment team's grantmaking and non-grantmaking tools be tailored to communities' different needs, such that they become more resilient and empowered?
- Partnerships: Do grantees want to create formal or informal networks or collaborations to advance racial equity?

Chicago Commitment Definitions

EDC recommends that the Chicago Commitment team consider greater specificity in defining "communities" and "place." The Chicago Commitment team intentionally has defined each term broadly; grantees are most knowledgeable about the needs and priorities of their communities, and therefore, grantees ought to define the change that they seek. EDC has observed that lack of specificity has made it challenging to understand change, and that making more specific determinations can aid in further targeting resources. EDC proposes two considerations: (1) Does the Chicago Commitment team hope to contribute to change in specific geographic areas (specific neighborhoods or parts of the region) or specific economic or social areas (employment, income, business development, etc.)? (2) Does the Chicago Commitment team hope to contribute to place-based change in the CEA or Civic Partnerships module, or across the strategy, writ large, and if so, what does that look like? What would be needed?

2023 to 2028: To ensure that investments are contributing to positive change for historically marginalized communities, or to assess whether additional course corrections are necessary, the Chicago Commitment team will continue collecting information about the following: (1) The extent to which investments support strategy level goals, as refined based on guidance from leaders from historically marginalized communities and other community leaders. (2) The extent to which module-level outcomes are making progress toward intermediate outcomes. Important elements in assessing each module will include:

• Culture, Equity, and the Arts: Increased recognition and representation of grantee organizations and their leaders from historically marginalized communities; increased interest and prioritization of equity

and inclusivity; increased opportunities for community members to inform and participate in arts leadership and funding decisions; new and strengthened collaborations.

- Civic Partnerships: Increased number and type of stakeholders within partnerships; increased traction in addressing issues; increased learning; future partnerships center racial equity.
- Vital Communities: increased community economic development that serves residents' needs and desires; more public and private resources and capital invested in targeted areas; expanded networks of grantee and other civic leaders; heightened awareness and knowledge about placed-based initiatives across the city such that traditionally under resourced neighborhoods can access new or additional resources.

See Appendix 1 for the full list of module-level outcomes.

As the Chicago Commitment team reflects on these considerations, it faces tough decisions and tradeoffs. Continued feedback from community leaders and partners, including grantees, will help the team prioritize. The Foundation's values will provide another fundamental layer to guide strategy refinements (see Appendix 9). Given the enormity of the work to be done to move the needle on advancing racial equity, and the current landscape where that effort seems like a shared priority among civic leaders, the Chicago Commitment can use its position as a civic leader, convener, and influencer to bring leaders together to partner, share learnings and resources, solve problems, and innovate. Grantees are at the forefront, leading the vital work that the Chicago Commitment team is dedicated to support by utilizing new and existing resources and tools.

X. Appendices

Appendix 1. Module Specific Conceptual Frameworks



VITAL COMMUNITIES

Support place-based community and economic development efforts, ultimately contributing to broader neighborhood economic vibrancy



Appendix 2. EDC Data Collection Response Rates by Method, December 2020 to March 2022

Surveys (Completed/Administered): 334/450

Interviews (Participated/Invited to Participate): 102/146

Focus Groups (Held/Scheduled): 1/1, with 6 people participating, out of 11 people invited

			Me	thod		
Focus	Direct Grantee Survey	Grantee Interviews	Key Informant/ Supporting Organization Interviews	Participatory Grantmakers Focus Group & Facilitator Interview	Participatory Grantmakers Survey	Program Officer Interviews
Strategy (Racial Equity)	-	-	14/16	-	-	7/7
Arts & Culture/CEA	38/56	23/27	22/34	1 Focus Group with 6/11 PGMs Fac. Interview: 1/1	19/20	-
Driehaus	-	-	-	-	-	-
Prince	-	-	-	-	-	-
Civic Partnerships	32/48	7/19	8/11	-	-	-
Vital Communities	33/44	5/9	6/12	-	-	-
Advancing Leadership	14/16	6/6	3/4	-	-	-
Non-Strategic	16/28	0/0	0/0	-	-	-
Total	133/192	41/61	53/77	7/12	19/20	7/7

Appendix 3. Chicago Commitment Timeline

	2014 2			2015			2016			2017		2018		Γ	2019			2020			2021								
	Q1	1 Q2	Q3	Q4	Q1	Q2 (232	Q4	Q1	Q 2	Q3	Q4	Q1	Q2 Q3 ³	Q 4	Q1	Q2 (3 Q4	I Q	1 Q2	Q3 Q4	Q1	Q2	' Q3	Q4	Q	1 Q2	Q3	Q4
Chicago Commitment																													
Culture, Equity, and the Arts																													
Civic Partnerships⁵																													
Vital Communities																													

Baseline period Theory of change development period Theory of change

¹ January 2014 = Start of baseline period

- ² September 2015 = Framework for Enduring Commitment to Chicago endorsed by Board
- ³ September 2017 = Chicago Commitment strategy endorsed by Board
- 4 June 2020 = Theory of Change and and Evaluation Design submitted to the Board
- ⁵ The concepts for the Civic Partnerships module were initially developed in Q1 2017 with an investment made for the Partnership for Safe and Peaceful Communities.

Appendix 4. Summary of Chicago Commitment Grant Characteristics, June 2016 to February 2022

CHICAGO COMMITMENT	All Grants	Civic Partnerships	Culture, Equity, & the Arts	Vital Communities	Leadership crosscutting	Non-strategic grants
Organizations	711 010110	i di di cito inpo	di the filles	connuncco	crosscatting	814110
ALL						
Number of organizations	235	59	93	52	29	3
% Orgs who received only 1 grant	65%	78%	78%	50%	62%	979
% Orgs who received more than 1 grant	35%	22%		50%	38%	39
EXCLUDE X-Grants						
Number of organizations	180	33	81	43	11	2
% Orgs who received only 1 grant	71%	76%	85%	53%	0%	100
% Orgs who received more than 1 grant	29%	24%	15%	47%	100%	0
Grant Dollars by Type						
All Grant Dollars	\$ 121,666,600	\$ 38,308,800	\$ 43,919,500	\$ 26,419,000	\$ 9,244,300	\$ 3,775,000
% General Operating	17%	7%	33%	5%	5%	38
% Project Support	49%	57%	10%	84%	93%	55
% X-Grant	2%	2%	1%	3%	2%	6
% Intermediary	33%	33%	57%	8%	0%	0
No. Grants by Type						
All Grant Types	406	90		96	65	3
% General Operating	23%	7%		3%	9%	44
% Project Support	43%	41%	26%	65%	54%	26
% X-Grant	28%	37%	19%	25%	37%	31
% Intermediary	6%	16%	3%	7%		
Median grant dollar amount						
	\$100,000	\$177,500	\$100,000	\$250,000	\$75,000	\$50,00
General Operating	\$180,000	\$500,000	\$225,000	\$500,000	\$75,000	\$50,00
Project Support	\$225,000	\$403,000	\$50,000	\$300,000	\$100,000	\$232,50
X-Grant	\$20,000	\$25,000	\$15,000	\$25,000	\$2,500	\$20,00
Intermediary	\$300,000	\$225,000	\$6,075,000	\$300,000	<i>92,300</i>	920,00
Internediary	9300,000	<i>4223,000</i>	<i>90,073,000</i>	<i>\$</i> 300,000		
Median grant duration (months)						
All Grant Types	12	12	33	24	12	1
General Operating	30	24	36	24	12	:
Project Support	24	36	24	24	12	
X-Grant	4	3	2	4	6	
Intermediary	12	12	36	24		

Source: Office of Evaluation analysis of grants management data, May 2016 to February 2022 Note: Percentages may not add up to 100% due to rounding error.

Appendix 5. Percentage Distribution of Grant Types, by Number of Grants and Number of Dollars

Year	P	ercentage c	of Grants by	у Туре	Percentage of Grant Dollars by Type						
	Gen Ops	Project Support	X-Grant	Intermediary	Gen Ops	Project Support	X-Grant	Intermediary			
2016	17%	67%	_	17%	29%	65%		6%			
2017	10%	69%	14%	7%	2%	22%		76%			
2018	27%	50%	17%	6%	21%	66%	1%	12%			
2019	19%	46%	32%	2%	16%	62%	3%	19%			
2020	22%	33%	36%	9%	29%	36%	6%	29%			
2021	15%	36%	43%	6%	11%	66%	3%	20%			
2022	82%	12%		6%	84%	8%		8%			

Source: Office of Evaluation analysis of grants management data, May 2016 to February 2022 Note: Percentages may not add up to 100% due to rounding error.

Populatio	n by Race/	Ethnicity by	Chicago Re	gion, 2016	-2020							
		1	Population		Percentage Distribution							
Geography	Total Population	White (Not Hispanic or Latina/o/x)	Black or African American (Not Hispanic or Latina/o/x)	Hispanic or Latina/o/x	Asian (Not Hispanic or Latina/o/x)	Total Population	White (Not Hispanic or Latina/o/x)	Black or African American (Not Hispanic or Latina/o/x)	Hispanic or Latina/o/x	Asian (Not Hispanic or Latina/o/x)		
City of Chicago Only	2,699,347	900,055	776,470	772,791	182,251	32.4%	21.5%	56.2%	40.1%	29.5%		
Northwest	567,193	253,910	15,857	243,416	39,436	6.8%	6.1%	1.1%	12.6%	6.4%		
North	495,847	303,766	50,890	69,021	51,734	6.0%	7.3%	3.7%	3.6%	8.4%		
Central	155,791	98,675	15,546	10,556	26,023	1.9%	2.4%	1.1%	0.5%	4.2%		
West	461,454	101,984	176,562	153,956	18,525	5.5%	2.4%	12.8%	8.0%	3.0%		
Far South	228,616	42,136	144,113	37,415	821	2.7%	1.0%	10.4%	1.9%	0.1%		
Near South	349,244	20,460	294,511	17,820	8,465	4.2%	0.5%	21.3%	0.9%	1.4%		
Southwest	397,425	63,482	56,380	238,930	35,177	4.8%	1.5%	4.1%	12.4%	5.7%		
Cook County (minus Chicago)	2,470,170	1,268,909	407,903	535,641	199,824	29.7%	30.3%	29.5%	27.8%	32.4%		
DuPage County	926,005	612,736	44,091	132,736	112,225	11.1%	14.6%	3.2%	6.9%	18.2%		
Kane County	531,756	301,506	27,625	169,901	20,878	6.4%	7.2%	2.0%	8.8%	3.4%		
Lake County	699,682	425,678	45,535	153,498	55,733	8.4%	10.2%	3.3%	8.0%	9.0%		
McHenry County	307,291	246,788	4,194	41,218	8,234	3.7%	5.9%	0.3%	2.1%	1.3%		
Will County	689,704	434,072	76,490	122,209	37,632	8.3%	10.4%	5.5%	6.3%	6.1%		
TOTAL	8,323,955	4,189,744	1,382,308	1,927,994	616,777	100.0%	100.0%	100.0%	100.0%	100.0%		

Source: U.S. Census Bureau, 2016-2020 American Community Survey 5-year Estimates

Appendix 7. Chicago Commitment 2022 Direct Grantee Survey: Selected Questions

We are interested in knowing if your organization identifies as a Black, Indigenous, or People of Color (BIPOC) organization. The following are a few characteristics that a BIPOC organization may demonstrate. These examples are not meant to be exhaustive, and other ways of thinking about BIPOC related organizational characteristics or leadership are encouraged. If applicable, please select the characteristics that describe your organization. Select all that apply.

BIPOC Characteristics	Direct G (n=1		
	Frequency	Percent	
Our organization has programs and services that focus on serving people who			
identify as BIPOC	99	74%	
Our CEO, Executive Director, or leadership decision-making body identifies as			
Black, Indigenous, or a Person of Color (BIPOC)	74	56%	
Fifty percent (50%) or more of our organization's staff identify as BIPOC	73	55%	
Fifty percent (50%) or more of our organization's board identify as BIPOC	60	45%	
Our organization's mission is explicitly by, for, or about BIPOC communities	48	36%	
None of these characteristics describe our organization	14	11%	
Our organization does not collect this information	4	3%	
Our organization does not wish to provide this information	0	0%	

How has the focus of your organization's programs or services changed or adapted because of the COVID-19 pandemic? Please select all that apply.	Direct G (n=1	
	Frequency	Percent
Adapted or adjusted service criteria	49	37%
Adopted new organizational strategic plan	47	35%
Created new programs or services	103	77%
Developed new fundraising strategies	82	62%
Expanded the number of communities served	52	39%
Laid off staff	26	20%
No changes or adaptations to programs or services	2	2%
Other	29	22%
Reassigned staff to different programs	44	33%
Temporarily or permanently ended programs	44	33%

Appendix 8. Harris Poll Findings – Amenities and Services

City residents, especially, see their neighborhoods as lacking key amenities and services. Jobs, housing, infrastructure, entertainment, and good schools are popular neighborhood wish list items.





Appendix 9. Alignment with the MacArthur Foundation's Values

In the spirit of dialogue and continuous learning, below are a set of values-aligned questions for the Chicago Commitment team to contemplate about its enduring work:

Diversity, Equity, and Inclusion

- How can the Chicago Commitment strategy support more "invisible" or dispersed communities (e.g., Asian American, Indigenous, disabled, LGBTQI+)?
- How might the team support communities or collectives that are not organized into formal entities?

Empathy

- In what ways can the Chicago Commitment do more to empower, support, and amplify the work of organizations that have long addressed issues of racial equity?
- Where are opportunities for the Chicago Commitment to help with racial healing and racial justice?

Integrity

- How can the Chicago Commitment hold itself accountable to historically marginalized communities, to diverse leaders, Foundation leadership, and others?
- How can it use its influence to hold others in power accountable, or bring them along toward the same goals?

Learning

- Given that many grantees and key informants desire authentic collaboration and learning with the Chicago Commitment team, how can Chicago Commitment support achieve that, recognizing the burdens on organizations and the Chicago Commitment team's limited resources?
- To what extent can learnings from the Chicago Commitment strategy implementation inform other funders working to advance racial equity?

Creativity

- How can the Chicago Commitment engender more innovation in its grantmaking while mitigating risk?
- How can it do this internally (via rethinking traditional philanthropic practices) and externally (in support of community-based organizations and other organizations tackling racial equity)?

Appendix 10. City of Chicago Violence and Victimization Trends



Graphic 1. Number of Shooting Victims in City of Chicago, January 2015 to August 2022*

*2022 dates include crime reported between January 1 through August 21, 2022 Data source: City of Chicago, *Violence Reduction Dashboard*, accessed August 23, 2022, <u>https://www.chicago.gov/city/en/sites/vrd/home.html</u>

	2021	2022	Change
Homicide Victimizations	519	425	-18%
Fatal Shooting Victimizations	486	392	-19%
Non-Shooting Homicide Victimizations	33	33	0%
All Shooting Victimizations	2,838	2,268	-20%
Fatal Shooting Victimizations	486	392	-19%
Non-Fatal Shooting Victimizations	2,352	1,876	-20%
Criminal Sexual Assault Victimizations	1,072	1,103	3%
Robbery Victimizations	3,816	4,630	21%
Vehicular Hijacking Victimizations	1,177	1,276	8%
Aggravated Battery Victimizations	3,906	3,733	-4%
Aggravated Assault Victimizations	5,586	5,629	1%
Human Trafficking Victimizations	7	14	100%
All Violent Crime Victimizations	18,357	18,612	1%
Multi-Victim Shooting Incidents	400	309	-23%
ShotSpotter Alerts	25,715	25,620	0%

Data source: City of Chicago, *Violence Reduction Dashboard*, accessed August 23, 2022, <u>https://www.chicago.gov/city/en/sites/vrd/home.html</u>