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PHILANTHROPISTS: GRANTS & GRANTMAKING

New \$100-Million MacArthur Contest Winner

5.06.21 | Linda J. Rosenthal, JD



"Big problems require bold solutions."

That's how, five years ago, the prestigious MacArthur Foundation introduced its "groundbreaking global competition" named <u>100&Change</u>.

This unprecedented contest – <u>a grant of \$100 million</u> – was open to any organization worldwide, either nonprofit or for-profit. The winner would be the group presenting "... the <u>most measurable and</u> <u>attainable plan</u> to tackle any critical problem facing people, places or the environment." See <u>MacArthur Foundation is offering \$100 million to a group that identifies a social problem and can</u> <u>solve it</u> (June 2, 2016) Colby Itkowitz, *The Washington Post*.

In <u>The MacArthur \$100-Million Grant Contest</u> (July 7, 2016), we reported on the announcement of the invitation to potential contest entrants. But we stayed along for the fascinating ride over the eighteen-month selection process that was remarkably open and transparent. From the original 2,000+ applications – a response that surprised even the sponsor – the proposals were whittled down to semi-finalists and then to four finalists. Along the way, the interested public was treated to glimpses (via brief YouTube video presentations) of many of the intriguing and worthwhile proposals.

The winner was a joint proposal from the International Rescue Committee and Sesame Workshop. Titled *Educating children displaced by conflict and persecution*, the 5-year grant funds a researchverified method of reversing the brain damage in refugee children in the Syrian conflict zone caused by "toxic stress." See <u>MacArthur Announces \$100-Million Contest Winner</u> (January 18, 2018) and <u>Sesame Workshop child refugee plan wins first MacArthur \$100M challenge</u> (December 20, 2017) Steve Johnson, *Chicago Tribune*.

Cecilia Conrad, MacArthur's managing director who led the <u>100&Change competition</u>, expressed the hope from the initial launch that it would "... <u>inspire more creative thinking</u> around problem-solving and shine a light on ideas deserving of resources." In a surprise move, the Foundation board also

awarded \$15-million to each of the three non-winning finalists.

The MacArthur Foundation board decided this would *not* be a one-and-done effort. It launched a second round: an entirely <u>new \$100-million</u> up for grabs. <u>New Competition for a \$100 Million Grant:</u> <u>Round Two of 100&Change</u> (February 28, 2019), Press Release. See also <u>MacArthur Foundation</u> <u>Launches New \$100 Million Competition</u> (March 7, 2019).

And now – after two more years and in the midst of the global pandemic crisis – The MacArthur Foundation board has announced its newest winner. See <u>Community Solutions Awarded \$100 Million</u> <u>to End Homelessness</u> (April 7, 2021) Press Release.

The "Big Bet"

John D. and Catherine T. MacArthur were "...<u>quiet philanthropists in their lifetime</u>" who gave "primarily to institutions in Chicago and Palm Beach where they lived." The family's wealth was from "business and real estate interests in those locations and New York."

Mr. MacArthur wisely listened to advice from a longtime friend and advisor who persuaded him to create a foundation in 1970 to "allow his money to go to good use long after he was gone." He deferred to the expertise and judgment of the first board: "I made the money; you guys will have to figure out what to do with it." But apparently, it was clear he wanted to "shape <u>a forward-looking</u> organization that could change with society's evolving challenges."

On John MacArthur's death in 1978, the Foundation received his assets, <u>estimated at \$1 billion</u>. The new charity's first two grants were \$50,000 each to Amnesty International and the California League of Cities. The "<u>Our History</u>" section of the website candidly acknowledges some growing pains in the early years. But, when the dust settled after the start-up phase, the MacArthur Foundation got on with carrying out the intent of its benefactor. Now it is one of the nation's largest independent foundations.

For most Americans, the John D. and Catherine T. MacArthur Foundation is most well known for its support of major public-television programming and a "more just, verdant and peaceful world." But the organization is also <u>highly acclaimed</u> for its innovative, six-figure, "genius grants" as well as the billions it has awarded to nonprofits in the United States and around the world working on major social challenges.

By the middle of the last decade, its visionary leadership team, headed by then-president Julia Stasch, embraced the concept of "<u>Big Bets</u>"; that is, "significant and urgent investments to achieve transformative change in areas of profound concern."

The <u>100&Change</u> program is, quite literally, a very "big bet." But it's just one aspect of the larger "Big Bets" focus of the MacArthur Foundation. See the website's "<u>Our Work</u>" section.

The Second Round Winner

In its press release of April 7, 2021, the Foundation <u>introduced the winning proposal</u> of the second 100&Change global competition. The \$100-million was awarded to New York-based nonprofit

Community Solutions and its proposal, "<u>Accelerating an end to homelessness</u> in 75 U.S. communities in five years."

This contest winner already has an established reputation and success in this field, particularly with its Built for Zero program. "Community Solutions will use the \$100 million grant to <u>implement and</u> <u>scale Built for Zero</u>," a network of 84 communities that use a rigorous, data-driven, public health approach to reduce and end homelessness." Already, "using this approach, 15 communities have ended chronic or veteran homelessness." The new \$100-million award winner "aims to make this goal achievable and expected in any community by 2026."

"Homelessness is curable," explains MacArthur's current president, John Palfrey. "For too long, homelessness has been viewed as intractable and pervasive rather than a <u>crisis worth solving</u>. And "Community Solutions has proven that people do not have to live this way. Its racially equitable response is primed for this moment."

Community Solutions has a <u>dedicated website section</u> about its winning proposal. See also <u>How a</u> <u>Data-Driven Push to End Homelessness Landed MacArthur's \$100 Million Prize</u> (April 8, 2021) Philip Rojc, Inside Philanthropy; and <u>MacArthur Foundation Grants Community Solutions \$100 Million to</u> <u>Address Homelessness</u> (April 7, 2021) Abby Schultz, Barrons.

In <u>Chicago's MacArthur Foundation Awards \$100 Million Grant to Community Solutions to End</u> <u>Homelessness</u> (April 7, 2021), the Chicago Tribune's Jennifer Day explains: "When you think of seemingly intractable societal problems — the sort of issues the MacArthur's <u>100&Change program</u> is designed to address — <u>homelessness is perhaps the epitome</u>." And "Community Solutions has developed a framework that's been deployed in more than 80 U.S. locations to better coordinate services available to people who are homeless. The goal is not to manage or control homelessness, but to end it."

MacArthur's Cecilia Conrad notes that the foundation "was impressed by the work Community Solutions has already performed and noted that <u>its work seemed particularly timely</u>, given the COVID-19 pandemic." The homelessness crisis is a "problem that is both timeless and of this moment." She adds that this "is not a pick that's a response to COVID, per se, but the issue itself is one that predated COVID and will be here after COVID."

The president of Community Solutions, Rosanne Haggerty, is a critical lynch pin to the organization's win of this enormous prize. With a stellar track record in this field, Ms. Haggerty was already well-known to MacArthur, having won a MacArthur Fellowship two decades ago.

Conclusion

The MacArthur Foundation has repeated its supplemental-award practice from the inaugural 100&Change competition. As in that first round, the other finalists currently will receive multi-million grants as well as assistance with obtaining funding from other sources.

These 2021 finalists are:



- <u>Clinton Health Access Initiative & Murdoch Children's Research Institute</u> [Bringing lifesaving oxygen therapy to patients worldwide]
- <u>National Geographic Pristine Seas</u> [Safeguarding and restoring the ocean's health and productivity]
- <u>Project ECHO</u> [Democratizing life-saving medical knowledge and care]
- <u>Report for America</u> [Eliminating American news deserts]
- World Mosquito Program [Protecting communities by preventing transmission of mosquitoborne disease]
- Linda J. Rosenthal, J.D., FPLG Information & Research Director