

Regional tack appeals to young Jewish funders

BY: [LILA HANFT](#) Staff Reporter

Kim Meisel Pesses and Peter Meisel are the guardians of a philanthropic legacy passed down from their parents Barbara and Stanley Meisel.

Pesses was only 9 years old when she first went with her father to deliver Thanksgiving dinners to inner-city families. Now, like many Jews in their late 30s, 40s and 50s, Pesses and Meisel are expanding their families' charitable horizons.

Traditionally, Jewish philanthropists give about half of their donations to public and private institutions of higher learning, followed by the arts and social services. But according to studies by The Future of Philanthropy and other industry observers, second wave Baby Boomers (those born after 1957) are more likely to focus philanthropic efforts on "making change" rather than simply "doing good."

"The Jewish community is often very good at the service piece, at getting people to work in soup kitchens, and is less good at asking the critical question, 'Why are these people hungry?'" Daniel Sokatch, executive director of the Los Angeles-based Progressive Jewish Alliance, told JTA last year.

Enter the Fund for Our Economic Future (the Fund), an ad-hoc philanthropic collaboration of Northeast Ohio organizations created in 2003. Members include The Cleveland Foundation, Gund Foundation, GAR Foundation, Greater Cleveland Partnership and the Nord Family Foundation. By the close of Phase 1 (in February 2007), the Fund had 85 member organizations drawn from 14 counties that had committed a total of \$36 million to the Fund's goals.

Despite its size and decentralized structure (the Fund's staff, with one exception, are "on loan" from member foundations), it is unified by the principle that underlying the region's social, educational and vocational problems is a single cause: the decline of Northeast Ohio's economy. The Fund grew out of discussions between funders and grantmakers who agreed that too often their charitable gifts relieved the symptoms of economic decline (unemployment, homelessness, hunger) without addressing the underlying illness.

While the Fund's primary goal in jumpstarting the stalled regional economy of Northeast Ohio- seems impossibly large, its initiatives are, in fact, carefully evaluated and strategically focused. With its emphasis on research, due diligence and accountability, the

Fund is a state-of-the-art organization, a textbook on “best practices” that operates at the uppermost level of Northeast Ohio’s philanthropic world.

“It’s very exciting to see organizations that don’t otherwise interact come together and put aside their narrower interests in the hope that together they can do more than they could ever do alone ” Pesses says.

When it comes to grantmaking, the Fund spends money strategically, investing in initiatives designed to prime the economic pump. Funds have gone to groups that specialize in attracting venture capital, particularly in the high-tech and biotechnology fields, and in supporting existing employers, particularly mid-sized manufacturers.

The Fund’s expectation is that each of the initiatives and partnerships it helps support will be financially self-sufficient within a few years.

“Some people feel that investing in companies and creating jobs isn’t really the job of philanthropy,” Pesses says. “Trying to get people to look past their traditional ways of giving can be a challenge.”

She points to Research Triangle Park in North Carolina and Silicon Valley in California as examples of successful regional economic development. Their high-tech research and development centers were created through collaboration of state and local governments, nearby universities, and local business interests.

From the start, The Fund appealed to Meisel and Pesses on a personal level (see sidebar). The Meisel Family Foundation, which includes the families of Meisel, Pesses and their siblings, contributed \$100,000 to Phase 1 of the Fund.

Other Jewish donors for Phase 1 include the David and Inez Meyers Foundation, Forest City Enterprises Charitable Foundation, Gross Builders, Michael J. Horvitz, The Mt. Sinai Health Care Foundation, Ohio Savings Charitable Trust Fund, the Thomas and Joann Adler Family Foundation, and the Wuliger Foundation. Together, Jewish donors contributed over \$1 million, garnering a seat on the Fund’s steering committee.

Now that the Fund is entering Phase 2, Meisel and Pesses once again hope to raise the \$1 million needed to retain the Jewish community’s seat on the 12-member steering committee.

“We want to be on the steering committee because that’s where the strategy of the fund is developed,” Meisel explains.

“It’s a real working group,” Pesses adds. “People participate and are very open.” At steering committee meetings, she’s been struck by a level of commitment, creativity and diligence that she finds “impressive.”

Some Jewish funders from Phase 1 have already renewed their donations for Phase 2, like the Meisel Family Foundation, which was “overwhelmingly positive” about committing another \$100,000 to the Fund. “Our foundation is involved with a lot of (other) wonderful things and will continue to do so,” Meisel says. “But Kim and I feel that this is probably the most important effort we’re involved with.”

The Thomas and Joann Adler Family Foundation has tripled the commitment they made to Phase 1. Tom Adler feels “it is important for Jewish philanthropy to be part of this because our Jewish community cannot flourish in a vacuum. We need a successful economy surrounding us for jobs and quality of life.”

This time round, Meisel and Pesses can point to the Fund’s successes over the past three years.

For example, grantee BioEnterprise has created, recruited or accelerated more than 87 bioscience companies in the region and attracted \$300 million in capital. Collectively those companies employ more than 700 people and spend more than \$85 million annually in the region.

Another achievement is the steady rise in Northeast Ohio’s reputation among entrepreneurs. Entrepreneur Magazine, which in 2002 had ranked Northeast Ohio #61 (of 61) in entrepreneurship, ranked it #57 in 2003, #31 in 2004, and #24 in 2005 (just below Dallas and San Diego and just ahead of San Francisco), thanks in part to BioEnterprise and its fellow grantee, JumpStart.

Last November, Pesses, Meisel and Jewish Community Federation president Stephen Hoffman invited Jewish donors to hear Brad Whitehead of the Cleveland Foundation review the Fund’s successes. Then the siblings explained why the Fund is so important for Jews.

“A vibrant Jewish community depends upon a vibrant Northeast Ohio,” said Pesses. “That linkage seems to hit home with people — you can’t have one without the other.”

ghanft@cjn.org