

Hidden in Plain Sight Update and Recommendation

From the HIPS Team (Katherine Fulton, Nancy Ramsey, Joshua Rymer)

To the SVF Board, November 2017

At Sonoma Valley Fund's late September board meeting, our team gave a brief report about the final outreach activities that were planned for the rest of the fall, with the expectation that the board would begin a dialogue about potential next steps at the November board meeting.

Obviously, the context has changed dramatically in the interim. Our lovely Sonoma Valley has gone from being a community experiencing the "distress of success" to one facing a long process of healing and rebuilding.

As a result, the outreach for "HIPS" has now closed. The events that had been scheduled have been cancelled, and no one will have an appetite to hear pre-fire assessments of Sonoma's situation. Our team was already hearing from some members of the community hoping that Sonoma Valley Fund would begin acting on our recommendations. But SVF's role now must be considered in light of the Valley's new situation, and the community foundation's leadership with the new Resilience Fund.

Our team has put our heads together to reflect on what we have learned and the choices ahead. We have a recommendation to make. This note lays out the logic of our conclusions. But we do not expect that a decision can be made at this board meeting. All of us have to learn much more about what is going on and what the CFSC's plans are, before the SVF board can make plans for the future. What we are hoping is to get your feedback and input at our Nov. 9 board meeting. Then the SVF Executive Committee can discuss next steps when it meets in December, while also coordinating with Beth and her CFSC team.

Options for "Hidden in Plain Sights" Next Steps

This project accomplished many of the things we hoped for. We added credibility and depth to the understanding of both the challenges facing the Valley, and the many assets already present in our nonprofit and philanthropic community. We helped build momentum to begin to address these challenges, both through the reports and the many sessions and conversations that followed. And we raised the visibility of SVF/CFSC as a community leader and resource for the Valley as it faces its future. It was a lot of work, and we are proud of what we accomplished.

Here are the options we considered for what SVF might do to follow up on the HIPS work.

1) DO NOTHING specifically having to do with HIPS.

As Barbara pointed out in July, it has always been a possibility that SVF could just declare victory, and not take any other action as a result of the HIPS work. Our announced strategy (pictured in our annual report to the community) says that one of the ways we "invest in our community" is by being "a catalyst for our collective future." That was always the purpose of the HIPS report.

The SVF board could conclude now that all bets are off for any work or fundraising that distracts from the fire rebuilding efforts. Besides, as an all-volunteer organization, we have very little capacity, and we need to focus our time and effort.

2) Work on BOTH FIRE RECOVERY AND HIPs follow up, in ways that enhance both.

With this option, Sonoma Valley Fund would clarify its role as “capacity builder” for the community—help CFSC raise and deploy funding for fire recovery while helping the community and its key organizations get ever better and stronger in addressing the underlying challenges identified in HIPs, which are not going to go away.

SVF’s role and mission is and would remain to support an ever more robust and effective nonprofit and philanthropic community. But moving forward, we would have a sharper understanding of how we best achieve this, by building the “capacity” both of individual organizations and the community as a whole. “Capacity” as we are using it here means new skills, new relationships, new understanding or data, increased use of best practices, increased ability to fill gaps or try new ideas and increased coordination.

This organizational purpose and role would wrap into one clear identity what we have learned we do well from our recent successful activities: honoring the “philanthropy” of volunteers who give their time, launching the highly successful capacity building cohort grant-making program and informing philanthropy by documenting the “big picture” of the Valley’s situation through “Hidden in Plain Sight.”

The recent tragedy that has hit the community gives us a chance to respond to immediate needs in ways that could open up new possible solutions for the long term. In crisis there is always opportunity. There are many things that SVF can and should do in the coming years to build the community’s ability to seize that opportunity.

3) WORK ON FIRE RECOVERY, AND PICK AN ISSUE that we believe we can raise resources for and help provide leadership.

This would be a departure for SVF, but it is important to view it as an option. Two of the HIPs big challenges—poverty in the Springs and the housing crisis—are obviously affected by the fires, and there could now be new opportunities to create new solutions, using insights from the HIPs work. SVF is one of the few community institutions positioned to think about the community as a whole and initiate new actions that bring various parties together. However, without raising money to hire staff here in the Valley it is difficult to see how we could rise effectively to this type of role.

For reasons we will outline below, our team recommends that SVF pursue and further develop Option 2—working on fire recovery and strengthening our role as a community and philanthropy “capacity builder.” We believe that this recommended role is where we would have landed had the fire never happened. It will now look a bit different in 2018 and 2019 than it would have pre-fire. But we believe a limited and doable role and program can be designed, with both of these aims joined. Below we explain more about what this choice might entail, and why we recommend it.

The New Situation for Sonoma Valley

We spent some time thinking about where Sonoma Valley might be headed over the longer term, given what we understand about current realities. We did this by using two lenses to view the possible future for our community.

The *first lens* is framed by Hidden in Plain Sight, which outlined four major long-term challenges facing the Valley (among many other nuanced findings):

- Growing poverty, primarily located in the Springs and the Latino community—with many implications for the future of youth/education and the economy.
- A growing housing crisis, which is regional in nature, with many implications for the economy, public services, inequality and the quality of life.
- Fast and further predicted growth of the senior population—prompting the need for much better understanding of the implications and needs.
- A nonprofit and philanthropic sector that is relatively large in aggregate, but dominated by small, stressed organizations. The sector needs more and better support and coordination so that the community can rise to its increasingly complex challenges in the most effective and efficient ways possible—working better and smarter, together.

When we look ahead a decade or two, we can see that the Valley could look very different if there are proactive and visionary responses to these challenges, versus a situation where leadership is lacking and the situation slowly deteriorates on many dimensions. Hidden in Plain Sight was designed to be a catalyst for a future where our community rises to our challenges in new ways.

However, the fires have framed our future with *a second lens* that complicates this first set of choices. Now when we look ahead at Sonoma's future, we can see how the rebuilding could be used successfully as an opportunity to rethink and reimagine, versus a situation in which the rebuilding simply tries to restore the old status quo. For instance, one can imagine ways in which the housing crisis is addressed in new ways, because of the post-fire urgency and the resources that flow into the community as a result.

If we look at the future using both of these lenses—the pre- and post-fire prospects—it is clear that the most desirable future is “Sonoma Valley Strong.” This is a future where citizens come together with the help of outsiders to “save our town,” seizing the opportunity to rebuild and heal in ways that accelerate our progress addressing the challenges that were already present before the fire.

The fires haven't changed the importance or the trajectory of any of the large issues facing the community. They have simply amplified the problems of housing and poverty, in particular, while posing new stresses and choices for the nonprofit and philanthropic communities. There is an opportunity now to think bigger and more long-term. Those on the periphery of philanthropy here—newcomers and part-timers—may now be motivated

to lean in. New leaders and community volunteers have risen to the occasion; can they now be enticed to get engaged in the broader context in new ways?

The New Situation for SVF—and What Our Role Could Look Like

Sonoma Valley Fund sits in a different context than it did even a year or two ago, for two reasons:

- 1) CFSC has new resources and visibility, post fire, even as its existing organizational strategy process is ongoing. The affiliate relationship with SVF remains to be further defined on both accounts.
- 2) SVF has created two new programs, both of which have added value to the community (the Todd capacity building grants and the Hidden in Plain Sight initiative). The combination of these programs, with the existing volunteer celebration event, has given SVF increased visibility, as well as raised expectations.

We believe that the cohort has created a very valuable template for how SVF can work in the future to build the “capacity” both of individual organizations and the community as a whole. This role could of course apply to the extension of the current cohort or to new cohorts of actors. But we mean the analogy to be larger; this experience has taught us some of the design principles for how we might be effective, in the following ways, by:

- Building on what already exists through supporting organizations and leaders already at work in the community
- Providing skilled professional support, to open up new possibilities, make connections and create the mechanisms for ongoing relationships (without which these connections do not happen)
- Creating a learning environment, where leaders can aspire and build new skills, at least some of which aim to increase data and evidence-based program evolution
- Creating trust and relationships that must be the basis of increased cooperation among nonprofits whose missions and beneficiaries overlap
- Providing financial support for the increased coordination and the desired improvements
- Using all of the above, demonstrating the ways in which “bottom up” efforts can add up if organizations are supported and funded in new ways

Some members of the cohort reacted to the Hidden in Plain Sight report by wondering whether SVF might play something like this role for the community as a whole, creating new capacity for the community to respond to its challenges, just as the cohort has created new capacity to respond to individual and shared organizational priorities.

The only way that this would be possible would be for SVF to become staffed fulltime ourselves, with a level of funding far beyond our current means. And that would assume that we would take on a more direct service role, and that this synchs with CFSC priorities. All of which seems a big stretch at present.

However, short of this “silver bullet” approach, there is much we COULD do. To extend the metaphor, we could work to support the distributed leadership of the community with “silver buckshot.”

The HIPs team has many ideas about what this could look like, based on what we have seen in the community. For now, here is a very rough draft, “thinking out loud”, description of some of the ways that this role might work:

- **Focus on Building Nonprofit Capacity:** The HIPs work taught us in detail about the need for various kinds of “capacity building” support: for additional research about key issues; for facilitation support when organizations want to explore cooperating; for training in nonprofit best practices; for convening actors around emerging issues or innovation; for creation of an evidence base around key interventions; for coordinating donors and board leaders; for advocacy to government agencies; for grant writing, and so much more.

Right now, there have been few places in the Valley that organizations can apply for this type of assistance, which complements and increases the effectiveness of the usual program funding. Providing this support is a direct response to the 4th challenge the HIPs report identified: the need to support our community in working better and smarter, together, to response to the increasingly complex challenges before us.

- **Clarify SVF’s Role With Respect to Key Community Foundation Initiatives.** First, of course, we would work with CFSC to clarify our role in the Resilience Fund activities, and then work together on next steps for the Todd grants and future potential cohorts (our capacity building efforts already in motion).
- **Raise a Fund for Capacity Building Grants, Training and Convenings.** In parallel our board would look at the feasibility of raising a small, new experimental HIPs “action fund.” We might aim for a \$50K-\$100K fund to start, then run the program and fine tune it after 12-18 months, as we can report results. Our grants committee would set criteria and then invite community proposals for small grants to strengthen Sonoma’s ability to respond to the HIPs challenges. As an example, Vintage House might apply for support to conduct detailed research on the needs of seniors. Or a new coalition might apply to support a researcher on how other communities have addressed similar housing crises. Or several nonprofits who see that their programs overlap might apply to hire a facilitator to help them explore how they might coordinate their efforts more effectively. And so on.

SVF’s capacity building fund could be named “*Sonoma Valley Strong*” and it would exist alongside the ongoing “cohort” program and the Resilience Fund.

- **Tie Initial Capacity Building Links to Rebuilding.** This new effort could be designed initially with a special emphasis on helping our nonprofits deal with the implications of the fire, both for those organizations on the front lines of the response, and those who are not. We could, for instance, provide training for nonprofits on how to do the financial planning necessary after a natural disaster. For some that means dealing with an influx of funds and anticipating that those funds are not sustainable. For others it means how to hold onto support when you

are not dealing directly with the disaster. (Obviously, this would require close coordination with the Resilience Fund's efforts.)

- ***Future Enhancements.*** As we learn and judge where the most promising leadership is emerging, there are a number of other options we could consider. We might partner with other funding organizations in special initiatives. We might aim to become a more active hub of communications about what is occurring among our nonprofits to meet new challenges and work in new ways. And we might consider more ambitious efforts, with donor support, such as the creation of much better data across organizations working on similar issues or with the same populations.

Over time, we would develop a track record of ever smarter and more disciplined efforts, combined with new relationships and trust, that together would lead to better coordination of community efforts and better long term results. We would be aiming to create the conditions where leadership from the community can emerge (rather than assuming we have to be supplying that leadership). We would be aiming as well to increase donors' confidence in our local nonprofits' effectiveness, ultimately laying the groundwork to raise an endowment that would fund efforts such as these in perpetuity.

Looking Ahead

This note, and this sketch of how we might move forward after HIPs and the fire, obviously sits in a larger context of activities in the community and current and planned actions by the Community Foundation. As we write, there is much we do not know and are eager to learn along with all of you. But we do know three things:

- 1) Our team is near the end of its work, and we cannot conclude until we do one more thing. We have promised on many occasions to "report back" to the community what we learned from our many discussions over the past six months. We have always felt that we should do this in light of a statement about what SVF itself intended to do in response to the HIPs findings. It seems clear that this cannot and should not happen until sometime in 2018 (preferably sooner rather than later), and obviously needs to happen in light of a statement about SVF's specific role in the community foundation's county-wide rebuilding initiative.
- 2) Once we make this statement, the HIPs project will formally shut down and our team will have completed the commitment that it made in the middle of 2016. Joshua is leaving the board at the end of this year, although he has agreed to stay engaged with our team as we take these next steps.
- 3) With this note, and as we move to close our effort, we will pass the baton to the board as a whole—most assuredly including our new members—to craft not only SVF's ongoing role, but the next projects and programs that will fulfill it. As these become clearer, Katherine and Nancy, who will remain on the board, will then decide as individuals what they are able to commit to moving forward. In any case, both will need to cut back their level of time commitment after a big "stretch" year.

We look forward to hearing your thoughts.