



Summer 2021

NEWS

A PUBLICATION OF THE BOSTON FOUNDATION

Interview with
M. Lee Pelton

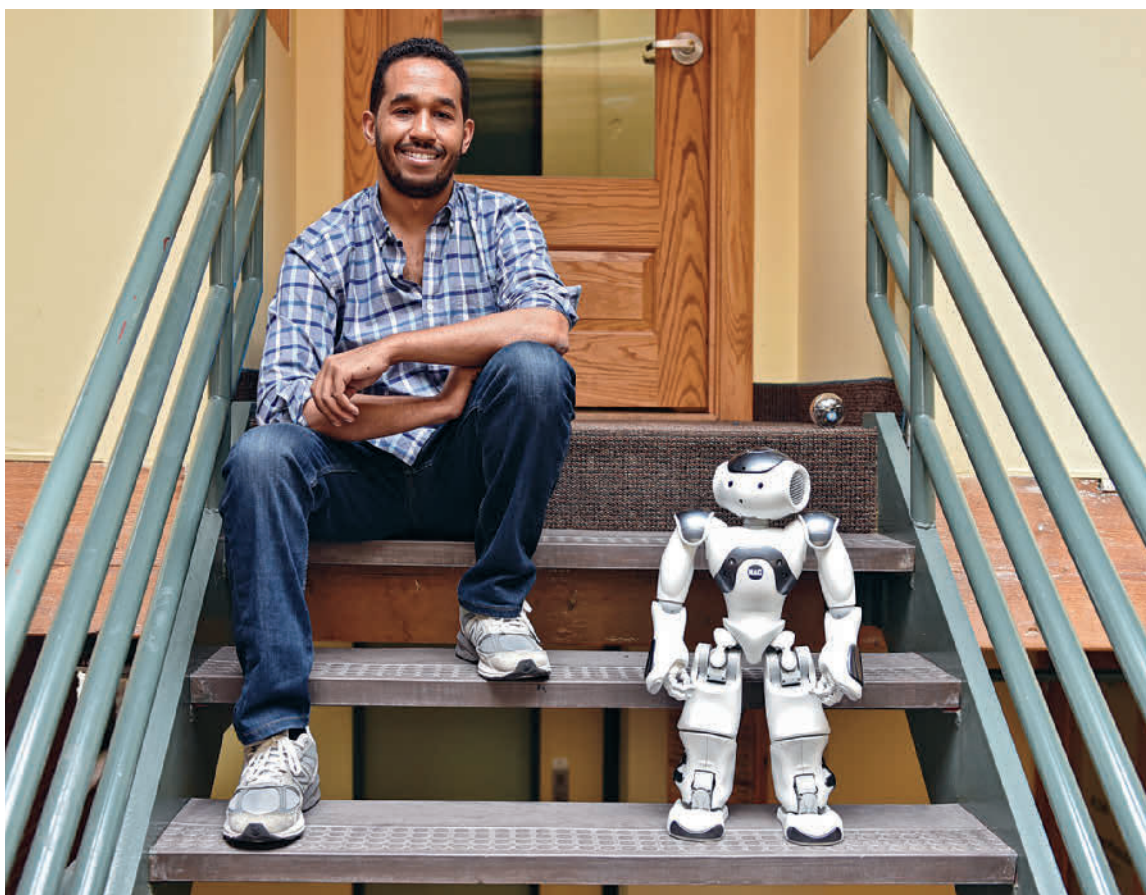


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Surviving COVID
in Mattapan



PAGE 8



Investing in Change

THE BUSINESS EQUITY FUND

**\$8.8
MILLION**

**Total
Leveraged by
the Business
Equity Fund**

Last year, in response to the racial inequities laid bare by COVID-19 and the Black Lives Matter movement, statistics pointing to the enormous wealth gap between families of color and white families were suddenly the focus of media outlets across the country. But it was a report from the U.S. Department of Commerce that caught the eye of some large financial institutions. It revealed that loan denial rates for businesses owned by people of color were two times

higher than for those owned by white people—and the average interest rate for the loans that were given was 22 percent higher.

As a result, large banks began pledging to do more to support businesses owned by people of color. But a Boston Foundation initiative

CONTINUED ON PAGE 2

(Above) The Business Equity Fund invested in Rick Fredkin's business, Eduporium, which provides STEM products, such as the Sphero robot, to schools.

Photo by Craig Bailey.

BEF Investment Committee members (from left): Demetriouse Russell, CEO, Venn Diagram Partners, LLC; Antonio Lopez, CPA, Founding Partner, LCW CPAs Inc.; Greg Shell, Managing Director, Bain Capital's Double Impact portfolio; Lizette Pérez-Deisboeck, General Counsel and Chief Compliance Officer, Battery Ventures; and Jared H. Ward, Senior Vice President in Middle Market Banking, Eastern Bank



called the Business Equity Fund (BEF) already had been doing just that since 2018. Greg Shell, who chairs the BEF's Investment Committee, is skeptical about the sudden awakening.

"It's really an exercise in dishonesty to wonder how you have the economic outcomes that we have in this country," says Shell. "Those outcomes are engineered. The big question is whether it makes sense to perpetuate the approaches that have gotten us here. The answer is clearly no." In fact, according to a 2019 McKinsey & Company report, reducing the racial wealth gap could increase the U.S. GDP by as much as six percent by 2028, benefiting everyone in America.

"When the lack of equity experienced by businesses of color was the focus of so much media attention, a number of people I know were desperately searching for ways to help, to make a difference," says committee member Lizette Pérez-Deisboeck. "I was proud that through the BEF, we were already doing

something—something important."

The goal of the BEF is to help businesses of color employ more people, build more wealth and thrive. The Fund is designed to provide both flexible financing and patient capital to businesses that already are doing well and positioned for growth. To date, seven businesses have received a total of \$2.3 million in low-cost loans. All of them survived COVID.

"When the pandemic hit, the BEF had to rewrite the playbook," says Jared H. Ward, another committee member who has worked for 40 years in the commercial banking field. In the early days of the COVID crisis, the Fund stepped up to offer deferments on loan payments for the companies in which it has invested. "The Investment Committee also decided to provide additional capital to several businesses to help them survive," adds Ward.

"We are very fortunate that the Business Equity Fund operates within an ecosystem of support," says Boston Foundation Vice

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tbef.org/bef
for a recent
report
and more
about the
Business Equity
Fund

***“We’re learning more about how to do this in the best way—
to help these businesses be the best version of themselves.”***

—Greg Shell, Chair, Business Equity Fund Investment Committee

President for Programs Orlando Watkins, who spearheads the BEF for the Foundation. “That includes the Business Equity Initiative, which provides consulting and mentoring to Black and Latinx businesses, and the Greater Boston Chamber of Commerce’s Pacesetters Initiative, which encourages its members to spend more of their procurement dollars on businesses of color. It’s the strength and breadth of that ecosystem that makes this work so effective and rewarding.”

In addition to an early and major grant from Eastern Bank and funding from the Boston Foundation, the BEF has attracted investments of close to \$6 million for a total of \$8.8 million.

Andrew Balson, who has a Donor Advised Fund at the Boston Foundation, was an early investor and recently scaled his commitment. “I believe in capitalism, but it doesn’t work for everyone,” says Balson. “To me, the market fails when it comes to access to capital for people who come from neighborhoods where there isn’t a lot of family wealth.” He credits the fact that the investments are accompanied by seasoned professionals who offer technical assistance to the businesses. “The combination is powerful and the early returns are good,” he adds, “even taking COVID into account.”

Greg Shell agrees. “In many cases, these businesses are on the cusp of achieving improvement and growth and what we try to do is give them a combination of capital, technical assistance, training and commercial opportunity. And the investments don’t just benefit the companies. These are businesses that tend to hire people in their neighborhoods. So, you get wealth building for the business owners, customers who are well served and hiring activity in neighborhoods. We’re learning

more about how to do this in the best way—to help these businesses be the best version of themselves.”

One of the recent businesses to receive support is Eduporium, an early-stage, high-growth reseller of STEM products and tools to the education market. “We had two strategic advisors who helped our team create a mid-term strategic plan,” says CEO and Owner Rick Fredkin. “Then the BEF’s Investment Committee gave us the opportunity to build our case.” Eduporium prioritizes recruiting Black and Latinx workers, meeting one of BEF’s goals, which is to encourage more businesses of color in the booming technology space. “Our ultimate goal,” says Fredkin, “is to be a major name in the education technology field.”

Tres Islas Restaurant Group owners Nivia and Hector Piña, who own three other restaurants, in front of the site of their new Mission Hill restaurant Cilantro. They recently received an investment from the Business Equity Fund.



A Conversation with M. Lee Pelton

PRESIDENT AND CEO

Lee Pelton became President and CEO of the Boston Foundation on June 1. Previously, his professional career has been in academia, most recently as the visionary President of Emerson College. During his time in Boston, he has also been a major civic leader.

Serving as President and CEO of the Boston Foundation is a major shift for someone who has worked in academia for your entire career. What propelled you to take on this challenging new position?

When I returned to Boston after a 25-year absence, one of my priorities was, and continues to be, serving as a civic leader in a variety of areas. With respect to my new assignment at TBF, I often jokingly say that I now get to do full time what I've been doing part time for most of my adult life. Civic leadership is an essential aspect of my professional and personal identity. I feel very strongly that coming to the Boston Foundation is not a job. This is something I was called to do.

Also, the opportunity came at a time when I had arrived at a turning point in my professional evolution. In my 10 years at Emerson, I had achieved most of what I had set out to do. Stepping down from a job in which you have poured your heart and soul is not easy. But I felt that it was time for me to leave Emerson. The promise of TBF brings me much joy and satisfaction: I now wake up every morning with a single compelling question, "How can the Boston Foundation improve lives and strengthen communities today?" I cannot imagine a better job than that.

"I now wake up every morning with a single compelling question, 'How can the Boston Foundation improve lives and strengthen communities today?' I cannot imagine a better job than that."

The pandemic has awakened America's and Greater Boston's charitable impulses. How do you think we can build on that kind of engagement so that it's not just a moment in time?

It's not one pandemic. It's a triple pandemic of COVID-19, economic devastation and a very public exposure of the systemic racial disparities that have long plagued our country and Boston. It calls upon the Boston Foundation once again to seize the moment, as we have done in the past, and help to write a new chapter for the city of Boston and its current and future residents.

I love Boston. But, despite its decades of spectacular growth and prosperity, Boston continues to be a tale of two cities—one that is prosperous and well off and the other struggling to make ends meet in what is now one of the nation's most expensive and economically unequal cities. The triple pandemic has thrown these inequities into even sharper relief. And so, the Boston Foundation has a major role to play in the city and beyond, not only through its endowment, the Permanent Fund for Boston, and the generosity of its fabulous donors, but through its civic leadership—the role that it plays in bringing together nonprofit organizations, the business community and civic leaders to seek ways to address and confront the most pressing issues of our communities.

The past 16 months have been extraordinarily challenging for all of us. And yet, it provides TBF with an astonishing opportunity to rethink and reimagine our role and how we might profitably shape Boston for years if not decades to come.



The Boston Foundation needs to be—must be—in the forefront of that change.

You've been encouraging people to read Heather McGhee's remarkable book, *The Sum of Us: What Racism Costs Everyone and How We Can Prosper Together*. What is it about that book's message that inspired you to want to share it with others?

I've read it twice. There are three aspects of it that stand out to me. First, she makes it clear that when we talk about racial equity for Black folks, we also understand that these critical issues intersect with many other complementary issues—circumstances, both current and historical, that impact women, the LGBTQ+ community, Latinx and other Brown folks, Asian Americans and Pacific Islanders and Indigenous communities.

Second, the major thrust of the book is that efforts to address these important issues do not constitute a zero-sum game. The notion that if you reward one group, it denies another group of those benefits is a false narrative.

Finally, McGhee makes the compelling case that racism negatively impacts everyone, not just folks of color.

What do you think about our city and our positioning now when it comes to race? Do we have an opportunity?

I'm often asked, "Is this a moment or a movement?" And while it's too early to call what we live in today a movement, it is crystal clear that George Floyd's death was a catalyzing moment. The 9 minutes and 29 seconds video recording of his death made the "invisible" visible. Without a doubt, it deepened the nation's collective

awareness of the persistent racial, social and economic inequities in our nation of plenty.

You have spent so much of your life steeped in literature and language. How does that background enter into your thinking about your new work at the Boston Foundation?

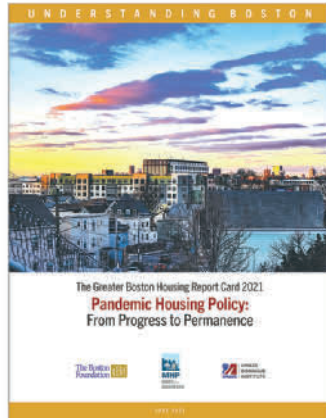
My scholarly training is what one would call textualist. I studied texts in order to extract meaning out of them. Most of the time, those texts for me were prose and poetry. It required a kind of exegetical focus. I tend to think of myself as a social and cultural anthropologist. I look at the world as a text. I look at people as a text. I look at communities as text. What do those texts mean? How do I read them? I look at balance sheets as a text. I love budgets! I love financial statements, because they're just a text and when you're trying to extract meaning out of a text, you ask, "What's the narrative?" A budget is a story. So, I bring that orientation as a textualist to my role at TBF.

Language is a powerful instrument of change. When I write or speak, I do so with great care and deliberation because language can be deeply transformative. A poem, a short story, a lecture can move people to righteous action. I will add that storytelling is also an instrument of change and transformation. Stories can inspire us to lead lives of meaning and purpose and hope.

We're just beginning to write the next chapter in the story of the Boston Foundation and this city—and I couldn't be more thrilled to be a part of that.

We invite you to read Lee Pelton's full biography at www.tbf.org in the "Who We Are" section.

RECENT EVENTS AT THE BOSTON FOUNDATION



THE 2021 GREATER BOSTON HOUSING REPORT CARD, PANDEMIC HOUSING POLICY: FROM PROGRESS TO PERMANENCE

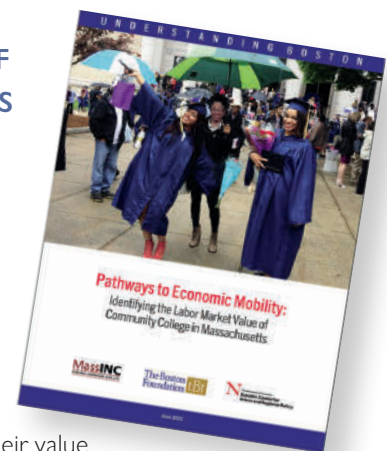
JUNE 30, 2021

This year's edition of the Greater Boston Housing Report Card makes the case that the region's most difficult housing challenges are still with us—and were only compounded by recent events. It suggests that bold federal, state and local responses to the acute economic crisis should be parlayed into long-term responses to our ongoing housing challenge.

PATHWAYS TO ECONOMIC MOBILITY: IDENTIFYING THE LABOR MARKET VALUE OF COMMUNITY COLLEGES IN MASSACHUSETTS

JUNE 10, 2021

The Boston Foundation and MassINC released a new report on the employment and earnings outcomes of community college students and graduates in Massachusetts. Drawing on a statewide system linking data across high schools, postsecondary institutions and employers, this report explores timely questions to better understand the impact of community colleges on students' career trajectories and their value as a pathway to economic mobility in the Commonwealth.



HEALTH STARTS AT HOME: FINAL EVALUATION JUNE 1, 2021

Since 2014, the Boston Foundation's Health Starts at Home initiative has brought together housing and health-care organizations in a series of partnerships. The purpose was to support work that demonstrates the benefits of stable, affordable housing on children's health outcomes. The release of the final evaluation report marked the culmination of the seven-year initiative, with an assessment of its innovative and significant body of work. Representatives from the four Health Starts at Home partnerships described their work and researchers from Health Resources in Action (HRiA) and Urban Institute shared findings from the Health Starts at Home outcome evaluation. The strongest correlations of combined health and housing support was in improved mental health especially for the caregivers of young children.



BUILDING AAPI POWER: UNITING AGAINST HATE AND MOBILIZING FOR OUR SHARED FUTURE

MAY 24, 2021

With anti-Asian hate and inequities exacerbated by the COVID-19 pandemic, increased visibility has prompted conversations about how Asian American and Pacific Islander (AAPI) communities can build AAPI-led capabilities to mobilize for lasting change. The Asian Community Fund and the Boston Foundation honored AAPI Heritage Month with a data presentation assessing the current needs of AAPI communities, followed by a panel discussion featuring community leaders who shared how we can meet these needs while building AAPI power.

THE COLOR OF THE CAPITAL GAP: INCREASING CAPITAL ACCESS FOR ENTREPRENEURS OF COLOR IN MASSACHUSETTS MAY 20, 2021

Boston Indicators released a report produced in partnership with The Coalition for an Equitable Economy that examines the disparate levels of growth capital available to businesses in Massachusetts and, crucially, proposes actions to be taken to remedy racial disparities. These include increasing access to small business loans; increasing access to equity, grants and alternative financing structures; regulating the small business financing sector; and increasing the representation of people of color in capital allocation roles.



BOSTON OPPORTUNITY AGENDA: ANNUAL REPORT CARD MAY 19, 2021

The COVID pandemic has given us an opportunity to reimagine education in Boston. With the release of the ninth annual BOA Report Card, experts discussed data trends across our cradle-to-career systems in Boston and explored what data on student outcomes will be available in the near future to guide our recovery efforts. Community leaders shared new ways that we can work together to advance equity and a just education ecosystem in Boston.



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tbfb.org/events
to access the
reports and
videos of
all Boston
Foundation
events.

Surviving COVID in Mattapan’s “Heart of Haiti”



Above: Music is one of the enrichment programs IFSI offers to children.

Opposite top: IFSI provides a space for after-school studying for Mattapan students.

For most travelers, it takes about four hours to fly from Haiti to Boston, but for many Haitian immigrants, the journey takes far longer and can be grueling.

“We had one family that had to stop at 30 different places before arriving in Boston,” says Dr. Geralde Gabeau, Founder and Executive Director of Immigrant Family Services Institute (IFSI). “They go to Brazil, they go to Chile, and finally to Mexico, and once they get to the U.S., there are so many other stops that they have to make before coming here.”

Mattapan has the largest Haitian population in Massachusetts, and more families are

arriving every week. IFSI works to expedite their successful integration into the social and economic fabric of Boston, with an emphasis on providing academic support and enrichment services to youth.

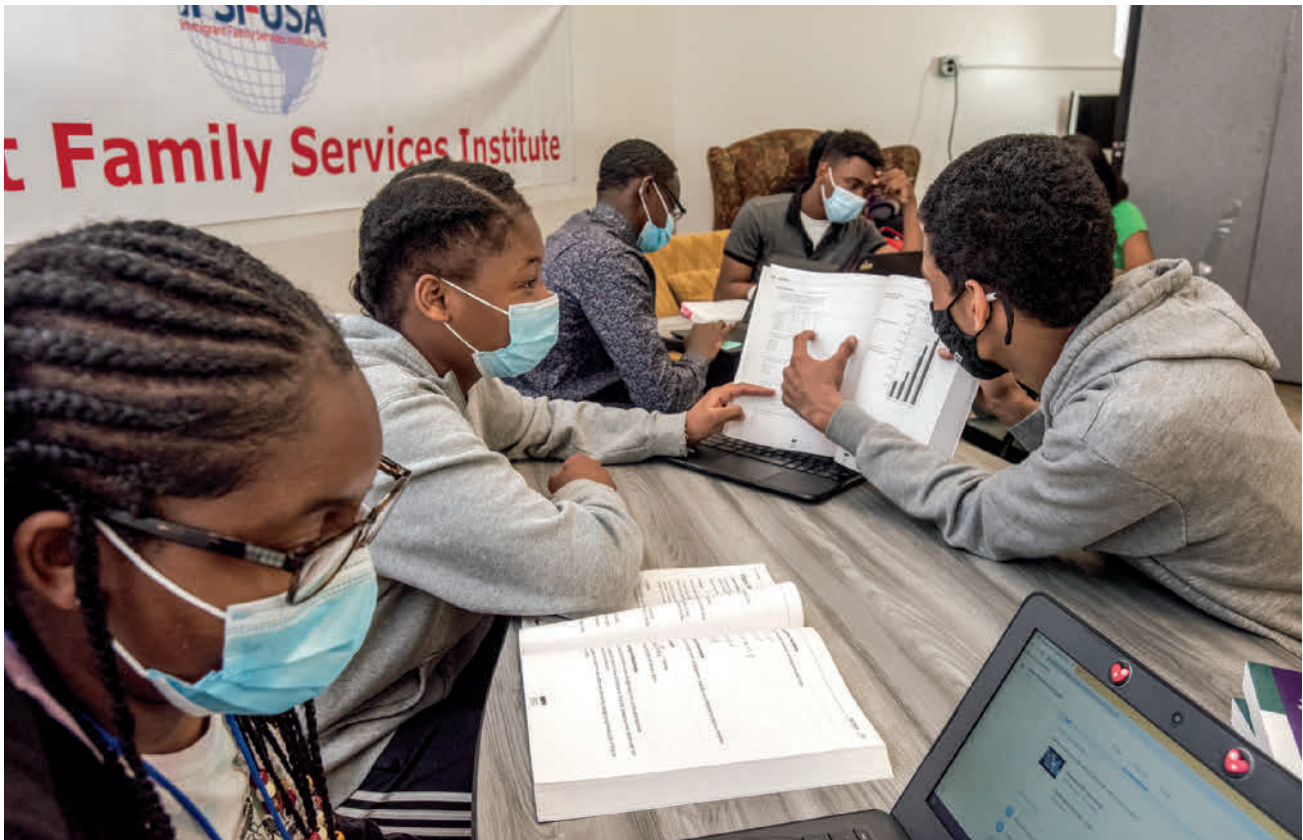
“They’re leaving Haiti because they can’t support themselves there,” explains Gabeau. “That’s the sadness. You would think that after spending so much time trying to get here, they would be welcomed, they would be valued—they would find a better life. Instead, they move from place to place and sometimes they don’t know where their next meal is coming from. So, it is very hard.”

The pandemic only made things harder. Haitian immigrants were among the first to lose their jobs and then their homes, with no government support to soften the blow.

“COVID-19 was really a mirror that showed us the inequity and injustice that exists,” explains Gabeau. “Before COVID, things were really really bad—and then they just became worse.”

When the pandemic hit, IFSI turned on a dime and adapted its work to assist clients with housing, food and other essentials, with the help of a special \$150,000 grant from the Boston Foundation to support communities that have been most directly impacted by COVID-19.

“We had to become everything to everyone,” says Gabeau. “But the good thing was that it brought all of the partners together. To meet the needs, we partnered with Haitian-Americans United, True Alliance Center and Massachusetts Immigrant Collaborative to support families with cash assistance and food distribution. There was a sense of working together. Now we have to find ways to sustain that.”



DR. GERALDE GABEAU has devoted her life to educating Haitian people. When she was young and still living in Haiti, she was in church one day and noticed that the man next to her was holding the Bible upside down.

“I realized that he hadn’t had a chance to go to school and learn to read, she says. “I was very young and naïve and said to myself, ‘Okay, we have to do something about that.’ So I spoke with my friends and we organized an education program that grew to serve 500 youth.

“When I came here, I thought I would do something else, but the issue of educating Haitian children—who we consider to be our future—became very, very critical to me. So, I did some research about the education system and I decided to start a program serving Haitian children in an after-school setting, but also to educate parents about the need for them to get involved in their children’s education.

“When I completed my doctorate I realized that one of the biggest issues that immigrant families face is the process of integration into a new culture. It’s a very, very long process, because they don’t have enough information to make the right decisions for themselves or for their families. The longer it takes for them to integrate, the more unhappy and confused they are, so their children suffer too, academically and socially and emotionally. That’s why I started Immigrant Family Services Institute. I wanted to work with families so that they can understand the new landscape and make the best decisions for themselves and their children.”



GO TO 
tbfi.org/covid
 for more about
 our response to
 COVID-19.

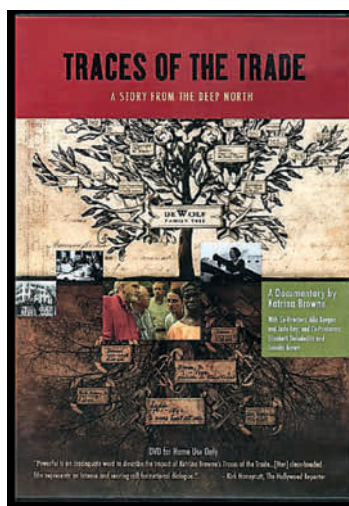
Lightning in a Bottle

A FILM SPARKS CANDID CONVERSATIONS ABOUT RACE

Dain and Constance Perry have a Donor Advised Fund at the Boston Foundation. Dain grew up in Charleston, South Carolina, and worked for 30 years in the financial services industry in Boston—before that serving with nonprofits that promoted criminal justice reform. Constance grew up in Boston. For more than 20 years, she managed, designed and implemented programs for at-risk youth and adults. The two have traveled across the country to conduct screenings of the film *Traces of the Trade: A Story from the Deep North* produced in 2008 by Katrina Browne, Dain's cousin. The film, which premiered at Sundance and has aired on PBS, explores Dain's ancestors role as the largest slave trading network in North America, dashing any lingering illusions that the slave trade was limited to the South. After the screenings, the Perrys facilitate conversations about the lasting wounds of slavery and racial reconciliation.

“We knew we had lightning in a bottle,” says Dain Perry about the premiere of the documentary *Traces of the Trade* in 2008. The film, which later aired on PBS, follows Dain and nine other descendants of the DeWolf family as they retrace the steps of their ancestors' slave trading activities, visiting the DeWolf hometown of Bristol, Rhode Island, slave forts on the coast of Ghana, and the ruins of a family plantation in Cuba. At the end of the film, they discuss the impact of the journey.

After the film premiered, Dain and his wife, Constance Perry, who is African American and a descendant of slaves, decided to show the film to faith groups, businesses, community groups



and others—then facilitate conversations about the emotions and the issues it raises. Within six weeks, the power of the experience was so clear to them that they decided to retire and devote themselves to the work. They went on to lead hundreds of screenings and conversations across the country, including several sessions with Boston Foundation donors and staff. “We started 13 or 14 years ago, and we’re just about as busy now as we were then,”

says Dain.

“We’ve always had good conversations, important conversations,” explains Constance “but about five years ago, the conversations turned to being more of a lament. Our white participants said, ‘I thought we had moved further along in regards to race and racism than we have.’ Some of them had been involved in racial justice issues in the ’60s. They had protested for civil rights and gone to trainings about dismantling racism. They were pained by the fact that they hadn’t been paying attention.

“The murder of George Floyd only intensified the discussions. I think it really shocked people who are white. African Americans and other people of color were shocked by the brutality of it, but it was nothing new—this kind of force used against people of color.”

Asked whether the topic of reparations for slavery has come up often in the discussions, Constance says that it has not. Indeed, the topic is one of the few points on which the two don’t agree. Dain prefers the word “repair,” believing that the term “reparations” has become a polarizing word for many people, who assume it means that a check will be written

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to all Black people. “I have a marketing background and I think there will be a colossal backlash against it.” He explains that the word “repair” comes from the Book of Isaiah, where the term “repairing the breach” is used. “That is the intent of using that word,” he says, “Repair the damage that has been done.”

Constance responds: “Reparations is about making amends for the wrong that was done. No check or action can repair what was done. As an African American, I hear two different things. Whether the word *repair* is used or *reparations*, the good thing is that it’s being talked about. Now, it will be debated. It’s come out of the shadows.”

Dain was surprised during the interview that Constance expressed more hope about the future of race relations than he feels. “The country has taken such a giant step backwards over the last four years that it will take years to recover,” he says. Both are frustrated that those who join their screenings and conversations are “self-selecting.” In other words, they aren’t the people they really need to reach. Dain adds, “But if we can get the white folks to become more deeply involved and get the scales off of their eyes a little, then we’ve done our job.”

“What gives me a sense of hope,” says Constance, “is that in our conversations, white people are acknowledging the fact that they have just made assumptions: ‘Surely the opportunities are available for people of color to have the kind of life I have. And if people of color don’t have those things, then it must be that they haven’t worked hard enough. They haven’t studied hard enough. It’s on them.’ And now they’re saying that, ‘systemically, institutionally, things have been in my favor. There is such a thing as white privilege.’ And



Boston Foundation donors Constance and Dain Perry skillfully lead difficult conversations about race for businesses, community groups, Boston Foundation donors and staff and others.

hearing more and more people say that gives me hope.

“When George Floyd was murdered and the Black Lives Matter movement intensified, the people who were in the streets spanned all racial and ethnic groupings. All ages and classes. We’ve never seen that before. And the fact that young people are pulling their parents and their grandparents along and saying to them, ‘You need to pay attention. You need to be involved,’ that gives me hope. If I don’t have hope, for me it’s despair. And I can’t afford to fall into that. There’s too much on the line.”

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Estate and gift planning through the Boston Foundation is an excellent way to establish a charitable legacy. We offer many avenues to incorporate charitable giving into your estate planning—and we can help you shape your charitable intent and think through which type of gift is right for you.

Contact Emma B. Penick, MBA CAP® AEP®, at emma.penick@tbf.org or Betsy Townsend, MBA CAP® at betsy.townsend@tbf.org to learn more about planned and legacy giving.



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THERE AT THE BEGINNING Live Arts Boston

In 2017, the Boston Foundation came together with Barr Foundation to launch Live Arts Boston with the goal of lifting up the work of performing artists of color and immigrant artists—and to strengthen arts

equity in Boston. More than \$4 million in funding has made it possible for recipients to provide millions more dollars in direct payments to artists working on their projects—and over 70 percent of all artists who have received grants are of color. On June 25, Live Arts Boston awarded nearly \$1 million in grants to 65 artists, groups and small organizations to create, produce and present new performing works. GO TO tbf.org/lab for more about Live Arts Boston. **The Boston Foundation has been *There at the Beginning* with critical early funding for more than 100 great ideas and new nonprofits.**



Guy Mendilow Ensemble is a 2021 grantee.
(Photo by Gretjen Helene)

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