

Bridging the Gap

*Lessons Learned from Capital Grantmaking in Education
Through a Baltimore Lens*

Photograph from Arts Everyday



Meet the Team!



Abby Adeshina

*Chemistry and
Mathematics*



Michael Agu

*Economics and
Information Science*



Caroline Hoyt

*Public Health Policy
and Creative Writing*



Alyssa Schoof

*Environmental and
Japanese Studies*



Alexander Yevchenko

*Computer Science and
Business*

Behind Our Summer

The Morehead-Cain Scholarship

Our Educational Sponsor...

Funds full tuition, gap year, global experiences, and civic engagement

Civic Collaboration is one of four summer enrichment experiences

Selects scholars for leadership, character, scholarship, and physical vigor



The Middendorf Foundation

Our Host Partner...

"Empower Marylanders and support their compassion to help others."

Focuses support on:

- Education
- Culture & Historic Preservation
- Healthcare
- Social Services
- Environment

Supports infrastructure and long-term capacity-building projects that advance social and economic mobility.

Our Civic Collaboration

Our Purpose...

A core summer enrichment experience of the Morehead-Cain Scholarship

8-week immersive project with a community-based host organization

Scholars placed in cities across the U.S. and Canada

Emphasis on:

- Community immersion
- Collaborative problem-solving
- Leadership development



Our Project: An Overview



Problem Statement

Many capital grantmakers lack standardized frameworks to evaluate, support, and measure the success of capital projects — leading to communication gaps and inconsistent outcomes.



Project Goal

To strengthen educational capital grantmaking by identifying lessons, best practices, and outcome strategies drawn from funders, CDFIs, and nonprofit project leaders.



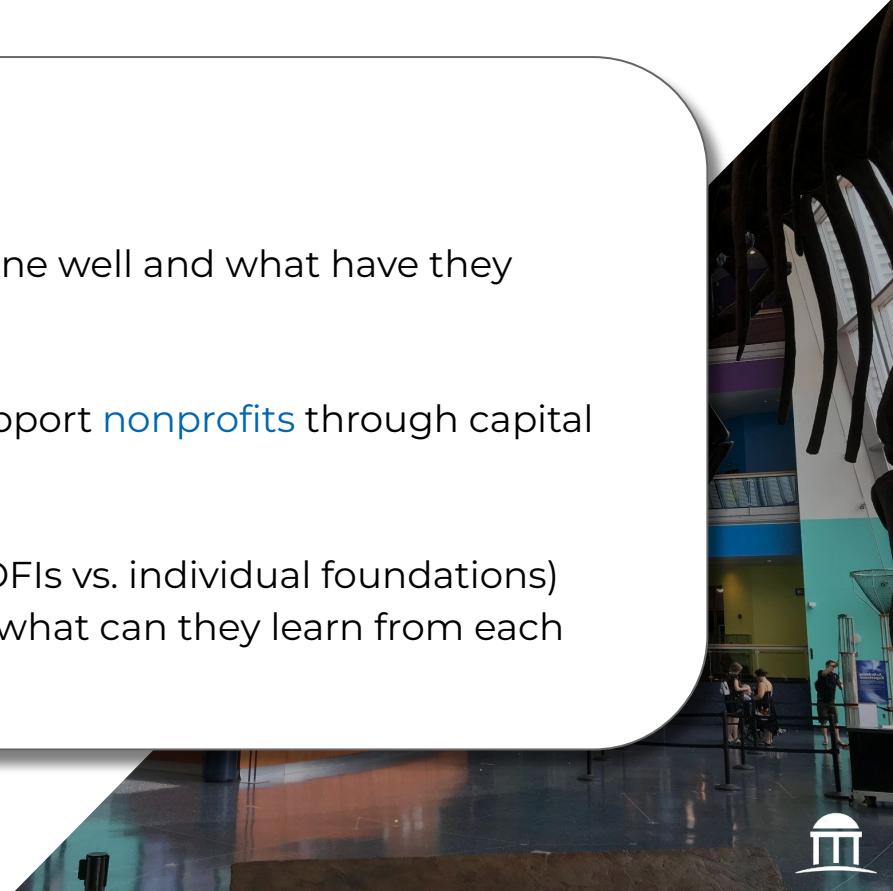
Photograph from
the Maryland Science Center

Our Project: Digging Deeper

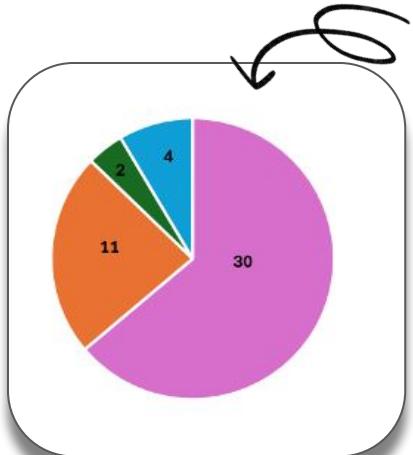
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Guiding Questions

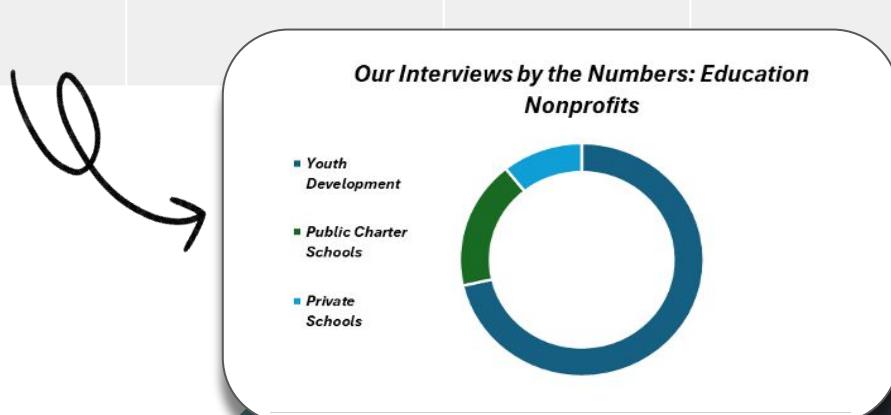
- What do **nonprofit leaders** say has gone well and what have they learned?
- What do **funders** need to know to support **nonprofits** through capital projects?
- How do different types of **funders** (CDFIs vs. individual foundations) approach capital grantmaking—and what can they learn from each other?



Our Project: Interview Breakdown



Total Interviews	Nonprofit Leaders	Foundation EDs and Grant Officers	CDFI Officers	Others
47	30	11	2	4



Case Studies

Two Explorations of Capital Projects in Baltimore



Key Strengths : Hampstead Hill Academy

HHA's capital project completed a new gymnasium at a cost of ~\$10M, serving 861 students. It is used for physical, music, and drama education, as well as an event space.

Strong Construction and Capital Connections

- Building Relationships prior to capital projects
- Owner's Representatives, General Contractors receptive of nonprofit needs
- Whiting-Turner as strong a construction partner

Adaptability and Forward-Thinking

- Value-Engineering plan in place
- Phasing capital projects on most critical requirements
- Construction with future capital grants in mind

Key Challenges: Hampstead Hill Academy

Public Charter Schools receive a per pupil allocation from the state, but no facilities funding; they rely on capital grants for upgrades. HHA has no tuition nor enrollment fees.

Managing Expectations with Funders

- Large individual donor started with funds toward gym
- Communicating most urgent needs of the project
- Choosing the right capital partners

Unforeseen Consequences of Capital Projects

- Shutdown of two adjacent streets in busy neighborhood
- Safety concerns of students crossing street at temp. intersection
- Loss of schoolyard area for older students

Key Strengths : Baltimore SquashWise

SquashWise is an educational nonprofit that serves over 400 youth across a number of programs. Their new space includes six squash courts and five classrooms, along with amenities.

Innovations in Fundraising

- SquashWise 'collaborative fundraising' approach
- Partnering community 'councils' with institutional funders
- Creative approaches are critical in restricted environments

Using Capital Projects to Generate Revenue

- Paid community membership model
- Included from earliest construction phases, dedicated spaces
- Subsidising operations and maintenance; capitalizing unused space

Key Challenges: Baltimore SquashWise

SquashWise's initial budget of ~\$7.8M ballooned to \$15M for construction, largely due to complications with the roof and structure.

Challenges in Securing Funding at Scale

- State funding timelines are inflexible, constrict projects
- Nine month construction shutdown, increased costs
- Contacting representatives early and often, communicating need

Working in Historic Buildings

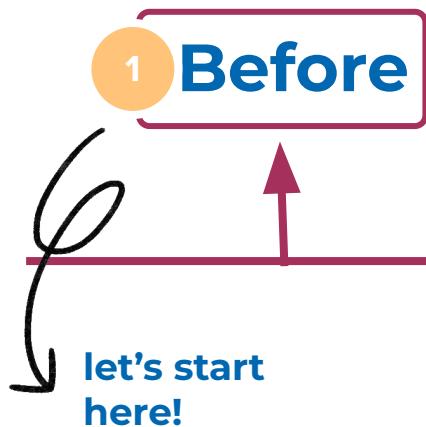
- Doubled construction budget when issues with building exposed
- MHT grants are generous, but are they worth the easements?
- Funder and Nonprofit Diligence on Tradeoffs

Lessons Learned

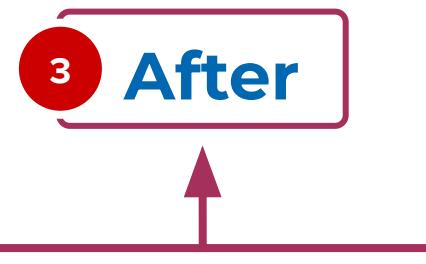
Findings from 47 Interviews



What positions projects
for success before starting?



How do we
evaluate success?



Lessons from ongoing projects?



1. Space for Exchange of Expertise

“It’s all about who
you surround
yourself with...”

Mark Feiring, Maryland Book
Bank



Photograph
from Wide Angle Youth Media

1. Space for Exchange of Expertise

Developing Connections with Nonprofits

- Outside of capital campaigns, emphasising community needs and development, progression and upcoming opportunities for funding
- Site visits are vital in communicating needs, “showing” vs. “telling”

Lack of Community between Funders and Grantees

- Some nonprofits might host funder events, but most lack capacity and consistency; some not even aware of funders
- How to fix this for both sides – nonprofit visibility and funders gauging opportunity?

2. Capital Projects Require Increased Capacity

“So we knew that, in August, if we wanted to have a new HVAC system by the end of the next summer, we had to start doing it then.”

- Jennifer Summers, St. Ignatius Loyola Academy



2. Capital Projects Require Increased Capacity

Candid Conversations about Project Requirements

- Nonprofit leaders step into capital projects with little understanding of the time, money, and capacity needed to finish; especially leaner organizations
- How does a capital project take time away from staff and operations?

Increasing Criticality of Contingency Funds

- Rapidly changing tariffs, federal funding cuts, and delays in state allocations mean contingency funds are increasingly used to keep construction going
- Funders should expect larger contingency fundraising and rising use



3. Key Areas in Selecting a Space

“In a city like Baltimore, where nonprofits are densely concentrated, Wide Angle actually contributes more to the local economy by leasing rather than owning.”

- Moira Fratantuono, Wide Angle Youth Media

3. Key Areas in Selecting a Space

Determining Outcomes of Ownership/Leasing

- Optimizing for lower upfront capital costs, or long-term control
- Raising awareness of the challenges of working in historic buildings; determining capacity and grant tradeoffs with additional work

Project Location and Operating Challenges

- Location of youth served dictates location of capital project – encouraging nonprofits to ensure that accessibility is top of mind
- Additional challenges happen during construction – local councils, traffic shutdowns, etc. – how does this affect programming?

4. Community Voice in Project Design

“We have built and strengthened so many relationships with various community members and organizations in this process.”

- Susan Malone, Wide Angle Youth Media

1

Community-driven design is at the heart of shaping capital projects.

2

The design of a space must have **cultural relevance**, to reflect the community's identity and needs.

3

An organization's **internal** and **external** networks rely on their stakeholders

4

Stakeholders **support** success by encouraging community buy-in.

What positions projects
for success before starting?

1 Before

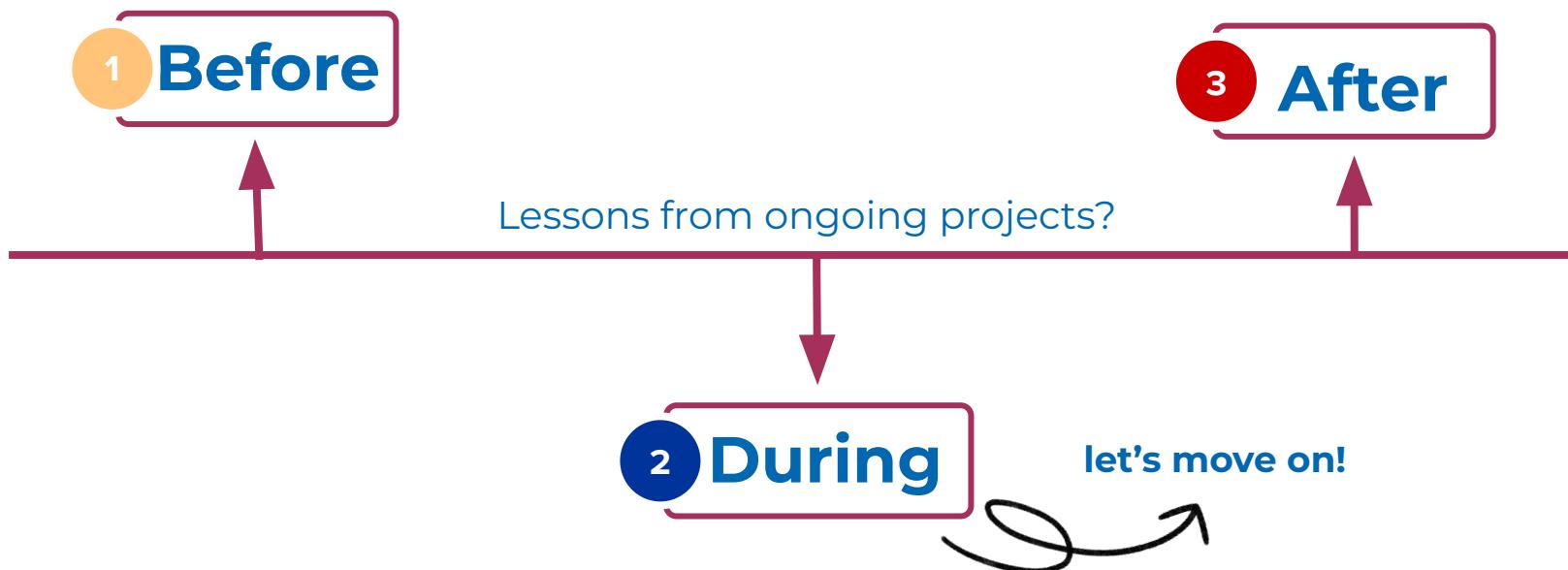
How do we
evaluate success?

3 After

Lessons from ongoing projects?

2 During

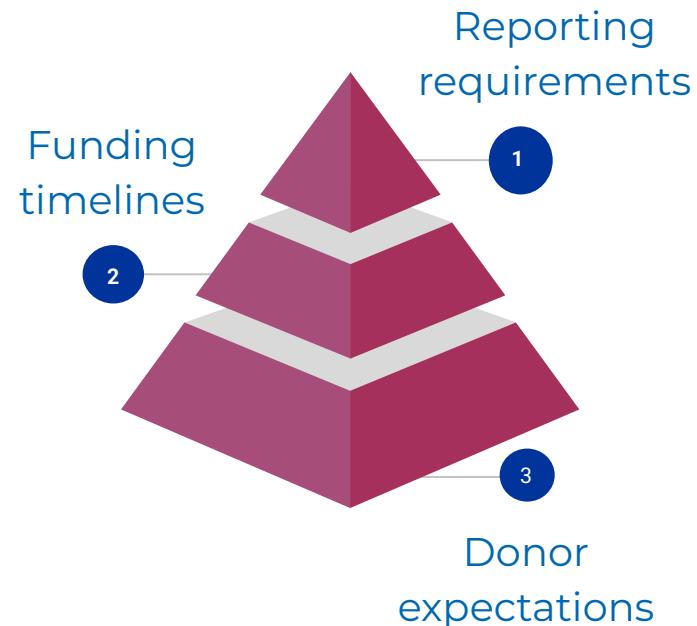
let's move on!



5. Challenges with Public Funding Streams Affecting Capital Projects

“What they fail to recognize is somebody has to do that work, and we as the practitioners are the ones that best know what we need to spend money on.”

- Anonymous Nonprofit Leader



5. Challenges with Public Funding Streams Affecting Capital Projects

Working around Long, Inflexible Timelines

- Public funds are a large contributor to projects, but timelines are long and delays in appropriations cause serious harm to construction
- Funders understanding when capital is most useful, especially early-on

Acknowledging Project Delays

- Many projects, especially those without connections, faced months of construction inactivity awaiting Fire Marshal, BGE, permits, etc.
- How can funders work with nonprofits and council to ensure both parties are prepared for quick turnaround?

6. Challenges with Individual Donors that Affect Capital Projects



Photograph from
The Maryland School
for the Blind

“It becomes this difficult thing to navigate, and that’s where the overreach comes in...”

- Marlo Jacobson, Maryland School for the Blind

6. Challenges with Individual Donors Affecting Capital Projects

The Hidden Cost of Individual Fundraising

- Compliance can sometimes cost nonprofits in terms of time, administrative resources, and money dedicated to managing smaller, individual grants.
- How can funders work with nonprofits to strategically select funding opportunities?



What positions projects
for success before starting?

1 **Before**

Lessons from ongoing projects?

2 **During**

let's move on!

How do we
evaluate success?

3 **After**

7. Funding Needs Outnumber Grant Opportunities

“A funder is like, we'll either help this awesome capital project or renew your operating grant. Which one do you want?”

- Sonja Cendak, Port Discovery Museum



Photograph of
the Weinberg Library
at KIPP

7. Funding Needs Outnumber Grant Opportunities

Funder Difficulties in Prioritizing Funding

- 20,899 nonprofits in the Baltimore metropolitan area – which needs to meet?
- Capital campaigns described as ‘Hunger Games’

Changing Narratives around Types of Grantmaking

- Capital projects accumulate funding into one, big project; raises questions around equity, some funders moving away

Communication Between Donors

- Donor-to-donor communication and informal networks can shape access to capital
- Nonprofits, in a limited landscape, position projects for mass appeal



8. Understanding the Current Environment

“We’re losing money, but this environment is increasing the need... and we don’t know what to do... somebody is losing their identity...”

- Anonymous Nonprofit Leader

8. Understanding the Current Environment

Flippancy in Public Funding

- Cuts in federal funding result in less funds for construction, and less employees to facilitate approvals
- Reliance on contingency funds to keep construction open

Re-Evaluating Success Metrics

- Nonprofits increasingly moving away from explicit DEI, equity goals due to federal scrutiny
- How do funders reshape outcome metrics to accommodate for this lost narrative?

9. Shifting Evaluation from Outputs to Outcomes

“The basic metric — the project is completed and usable.” - Julia Keller, Creative Alliance

Currently, nonprofits and foundations look for reporting centered on success metrics that rely on **outputs**, however, CDFIs have given us a good roadmap to focus interests on **outcomes**.



Our
Goals

IFF's Theory of Change
Framework

Discussions

Thinking about Next Steps



Heard on the Street

What Leaders Find Helpful



Photograph from
Hampstead Hill Academy

**Funder-Sponsored Discussions
for Nonprofits Doing Capital
Projects**

**Fostering Funder-to-Funder
Connections**

**Candid Funder-Grantee
Conversations around Costs of
Capital Projects**

Where do you see key tensions or points for further research?

Supporting established/stable organizations versus supporting organizations where funds are more than a drop in a bucket?

What are the impacts of the nonprofit to funder ratio in capital grantmaking?

What is the best timing for philanthropy to enter?

What is the relationship between and difference in roles of individual, private, or public funding sources?

Are Foundations asking the right questions to determine whether or not something is a good project?

What projects are viable in the current volatile environment?

Where do you see key tensions or points for further research?

Are there other ways of supporting smaller organizations besides a capital grant?

How can funders create a push towards filling spaces, even collaboratively, rather than creating new ones?

Who should do capital projects and when? And how is that determined?



Thank You!

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Our thanks to the Morehead-Cain Foundation as well, for organizing, coordinating, and sponsoring our work throughout Baltimore.

All the best,
The Morehead Cain Baltimore Team 2025