

Industry Philanthropy

Giving Back to Low-Income Families

For Brian McDonough, an attorney in Miami, and The Michaels Organization, a developer/owner/manager based in Marlton, N.J., affordable housing means more than just what they do for a living. Rather, it's also a way to give back to those in need and "pay it forward."

Following are their stories:

Brian McDonough: It Started With a Nagging Thought

After years of practicing law and raising three daughters, Brian McDonough was having a mid-life crisis. He enjoyed a wonderful career and family – but had a nagging thought he should be doing something else to "complete the circle" of his life.



Brian McDonough

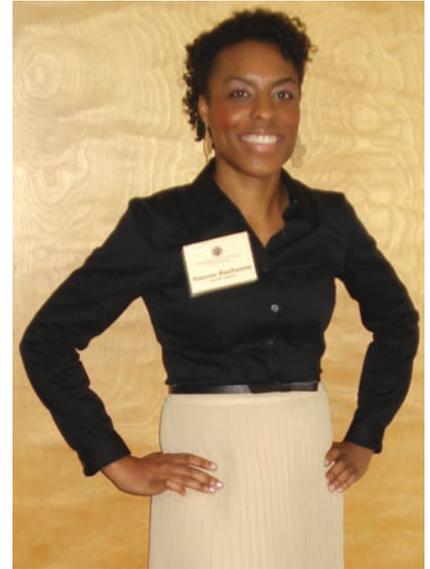
Brian wondered what he could do for others that might make a difference in their lives. His own life had changed with early decisions to go to college and law school. But Brian realized many young people who want to attend college don't have the means to do so.

In his affordable housing practice in Miami, Fla. at the law firm of Stearns Weaver Miller Weissler Alhadeff & Sitterson, Brian noticed that many families served by the affordable housing industry couldn't afford to send their children to college. So he decided to do something about this. In 2004, he formed a charity called Give Kids A Chance, whose motto is Education Is Power." The idea was to raise donations from business associates in the affordable housing industry, such as developers, lenders, professionals, and investors, who shared Brian's desire to help less fortunate families, by funding college scholarships for high school seniors from lower-income families. The response was overwhelming.

The charity's main fundraising event is an annual golf tournament in Miami Beach – a "must attend" for affordable housing professionals doing business in Florida. "I'm not exactly sure," says Brian, "what the motivation is that drives people to contribute so generously – charity, business, or friendship – but I suspect it's a bit of all of those things that have made Give Kids

A Chance so successful."

During its first year the charity targeted only high school seniors living in affordable housing properties. Since then it has broadened its reach and now solicits applications each year from low-income households statewide, by notifying guidance counselors in all public schools throughout Florida.



Recipient Simone Buchanan

To date, Give Kids A Chance has raised more than \$800,000 and provided college scholarships to over 225 high school seniors. Nearly all recipients have been from families making less than \$20,000 a year. The charity's recent ninth annual golf event raised more than \$100,000, and the charity recently awarded 20 scholarships to graduating high school seniors.

Simone Buchanan, a 2007 scholarship recipient, recently wrote to Brian, saying, "Thank you for your generous support in helping me achieve my goal of a college education. This scholarship has allowed me to be the first person in my family to attend college and has given me the peace of mind to know that I will graduate without the burden of substantial debt."

Brian's colleagues have been touched as well. "We're so proud to have been a part of the success of Brian's charity over the years," says Tim Kemper, a Regional Managing Partner for CohnReznick LLP. "Of all the things I'm involved in, this one really strikes a personal chord. What Give Kids A Chance has done is simply overwhelming and I know that all of us who have been part of it are proud to have played a role in its success."

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The Michaels Organization: Toys and Diplomas

The Michaels Organization is a bit like Santa and the Great Educator when it comes to giving back to residents of the affordable multifamily rental and military housing developments the company owns and manages. Each year the firm – active in more than 35 states – awards educational grants in the summer and conducts a holiday toy drive in December.

The toy drive started long ago. “About 20 years ago,” says Michaels’ spokeswoman Laura Zaner, “one of our employees suggested that we do a toy drive to benefit the low- and moderate-income families living in our properties. That’s when the program started and we’ve been doing it every year since.”

Zaner explained how the toy drive works. “The on-site social service coordinators who run the supportive services offered to the families in our communities recommend a family that could use additional help at Christmas time,” says Zaner. They then forward the names and ages of the children in these families to Michaels’ headquarters in Marlton, N.J. Each family is then “adopted” by a Michaels employee – on-site or corporate – that volunteers to purchase gifts for the children. The gifts – toys, clothes, books, etc. – are then wrapped and delivered to the families in December during the holidays.

“So many of our families are just struggling to meet every day needs,” says Zaner. “Every year we have 200, 300 families that are adopted. By the middle of December our corporate headquarters is overwhelmed with all of these packages, which are then shipped out to our sites.”

Even older is the company’s scholarship grants program, which was established in 1991. The company, through The Michaels Organization Educational Foundation, each year awards educational grants to new high school graduates and non-traditional students living in its communities to help defray tuition costs for higher education – college, university, or vocational training. Under the program, the Foundation takes



Hawaii Gov. Neil Abercrombie, at center left, joins executives of The Michaels Organization in celebrating the achievements of four residents of Towers at Kuhio Park in Honolulu who received scholarships from The Michaels Organization Educational Foundation

applications each spring from residents. The applications are reviewed by a committee that selects the recipients, based on financial need and educational criteria. Each grant is for one year but recipients can re-apply for additional aid each year of their education.

“It’s been a really successful program,” says Zaner. “To date, more than \$3.1 million in grants have been awarded and it’s benefited more than 1,500 residents.” The average scholarship grant is between \$1,500 and \$4,000.

In July 2012, the Foundation awarded a record 145 educational grants totaling \$315,000. Scholarship applications for the 2013/2014 academic year were due May 17th.

The scholarships are funded by proceeds from an annual golf tournament held by the Foundation and by private donations from subcontractors, vendors, and other partners of The Michaels Organization. Company founder Mike Levitt and his wife Patricia Levitt personally match each private donation two-for-one.

The Foundation pays an independent educational consultant, Dr. Bruce Johnson, who administers the scholarship grant program. He also helps recipients try to get additional financial aid, and runs a separate scholarship program for children of employees of The Michaels Organization. **TCA**