

A Hometown Gift

A no-strings-attached bequest has helped Greenville, S.C., promote social mobility, health, culture, and much more.

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Jeremy Tufts/Southern Cross Creative

John Hollingsworth's fortune is being used to create and expand nonprofits that make Greenville, S.C., a

better place to live. Here, Nick Burns works on a painting in his studio space during an event Greenville Center for Creative Arts holds for the public the first Friday of every month.

[John Hollingsworth](#), who invented and sold textile-manufacturing equipment, was a different kind of millionaire. Despite owning a company with subsidiaries in nine countries and land holdings of about 42,000 acres, he lived in a modular home behind his factory in Greenville, S.C. He drove a Volkswagen Rabbit and worked up to 12 hours a day, seven days a week — often in a flannel shirt and khakis — up until his death in 2000.

And when he died, he left nearly his entire fortune to his foundation — forsaking his daughter and grandchildren, save for a modest college fund, and that placed him at No. 4 in the *Chronicle's* 2001 Philanthropy 50 rankings. His only instruction was to give 45 percent of its disbursements to Furman University, which he attended for one year, 10 percent to the Greenville YMCA, and the remaining 45 percent to charities in Greenville County. He did not specify anything more than that. The open-ended nature of his gift has been part of its success, allowing the staff and board managing his foundation to develop a vision, adapt to changes, and use the money in ways they feel are the most effective.

As a result, Hollingsworth's bequest has done much to develop a powerful group of nonprofit organizations, and that is opening the door to large-scale change.

Many of the county's residents are well off: The county has the second-highest per capita income in South Carolina, and it has large stable employers, like tire maker Michelin's North American headquarters.

But not everyone has shared in the county's wealth. Some 13.5 percent of its residents live below the poverty line, slightly more than the U.S. average, and a similar share have no health insurance — much higher than the 8.5 percent national rate. Some county residents face challenges with economic mobility, transportation, housing, and health care, says Gage Weekes, CEO of the Hollingsworth Funds.

Since its inception, the foundation has distributed more than \$80 million. It funds a vast range of organizations — an art center, children's theater, and free medical clinic, as well as food pantries, legal and social services for the needy, and organizations including the Hispanic Alliance, which works on a broad range of issues. "Within our state, the Greenville nonprofit community is among the strongest," says Madeleine McGee, president of Together SC, a network of South Carolina nonprofits. "They are cultivating true thought leaders."

More Than Grants

The foundation is not just making grants; it is also working to address what it sees as a core problem: The county's economic growth is not creating economic mobility for all of its residents, says Weekes. "We are finding ways to bring that arc of opportunity a little bit closer to that arc of growth to ensure that everybody in Greenville County has an equitable opportunity to participate in that growth," he says.

Weekes came to Hollingsworth Funds in 2013 after spending nine years managing grant-making programs for major foundations at Rockefeller Philanthropy Advisors. He was appointed CEO in 2018. The foundation funds research, advocates for increased funding for housing and expanded hours for public transportation, and works on other projects with the city and county governments. It has helped

start nonprofits that focus on housing and homelessness.

"They've been very brave in the sense of not shying away from the conversation about policy change," says Adela Mendoza, executive director of the Hispanic Alliance in Greenville.

The foundation is particularly interested in financing groups that focus on multiple causes and collaborate with others. The Hispanic Alliance, for example, has more than 200 partnerships as part of its effort to help young Latinos, many of whom are immigrants or the children of immigrants, go to college.

The long-term goal is to help pull people out of poverty. It's an effort that requires a vast array of services, including bilingual staff members who understand the culture of the immigrants they are working with and programs that provide transportation, education, housing, and other needs. The Hispanic population has doubled in Greenville since 2000 to about 10 percent, but Hispanics are not faring as well as other residents: About 21 percent are impoverished, and they lack political power, says Mendoza.

The foundation conducted a study of economic mobility in the county and worked with the Hispanic Alliance to ensure that the people it serves were included. Mendoza says the results demonstrated in a quantifiable and credible way what she saw every day in her work. Beyond that, the fact that the findings were released by the Hollingsworth Funds gave a boost to her efforts to seek help from grant makers, businesses, and others.

"When they convene the movers and shakers in the community and present these findings, it makes it much easier for us to then continue

the conversation," she says. "It accelerates our ability to actually access support and, more importantly, build understanding in the community."

Beyond the 'New, Sexy Project'

Hollingsworth is unusual in its grant making because most of its grants are for general operating support, something that its recipients appreciate. "Groups need the freedom to do what they do best," says Weekes. "You either believe in the organization and its programming, strategy, and leadership or you don't. Because of that, general operating support to me is really the only appropriate investment."

Weekes's willingness to invest in groups this way has pushed other grant makers to follow suit, says Suzie Foley, executive director of the Greenville Free Medical Clinic. "There is a willingness to think beyond the new, sexy project to fund core capacities and to look at strengthening organizations," Foley says. "Gage and the Hollingsworth Funds were an early adopter of that concept and paved the road for other organizations to buy into that concept."

That has been a help to the Hispanic Alliance, too. Its biggest needs are to hire staff members who are comfortable working with people from many cultures and who can focus on a range of issues. "They've invested in operational capacity so that we can attract and retain the best talent possible to work in both cultures," Mendoza says.

Even just getting support from the foundation can help attract other donors, says Liz Rundorff Smith, interim executive director at the Greenville Center for the Creative Arts. The Hollingsworth Funds provided support for its capital campaign when the group formed in

2016 and again in 2018 — about \$190,000 in total.

The group is located in an old textile mill and will share space with 280 apartments that a developer is building there. It provides scholarships to youth summer art camps and programs for older people as well as free public events — a mission that is in line with Hollingsworth's priorities, says Smith. "It has made a huge difference in terms of our start-up and fundraising to have such a large gift from such a notable organization," she says.

From Estate to Foundation

Despite the value of Hollingsworth's estate, it was not easy to turn it into a functioning foundation. Hollingsworth's estate included an international textile-machinery business and about 42,000 acres of land, much of it undeveloped. There was very little cash.

While the *Chronicle* and other publications initially valued the estate at about \$400 million, Weekes says that once the assets were evaluated, the gift was actually worth about \$290 million. The foundation sold land to generate capital so it could make grants — only about \$415,000 in its first year.

It kept many of the tracts in Greenville with commercial potential. Because of that, the foundation has become a developer. It has created a separate for-profit company through which it is constructing a 1,100-acre master-planned mixed-use community that has 160 businesses and more than 8,000 residents. It worked with a developer to build a low-income apartment building and is exploring whether it should construct more affordable housing, using its commercial assets to further address challenges it has identified in the community. "We

really want to further align those assets with some of the challenges of economic mobility in Greenville right now," says Weekes.

The foundation now has about \$375 million in assets and awarded \$8.6 million in grants last year.

Big Topics

The Hollingsworth Funds is more than the sum of its finances. It has made itself a valuable educational resource for nonprofits, says the art center's Smith. The foundation hosts speakers that discuss larger issues, such as economic mobility in the Southeast.

"These are things that are much bigger in terms of how you approach your strategic plan as an organization," says Smith.

Weekes and his staff offer advice to local organizations, making it a sounding board for problems and even strategic planning, says Foley of the Greenville Free Clinic. "[Weekes] and some of the staff have been really invaluable partners in talking through what is it that you have and what you need short-term and long-term," she says.

"They're asking for transparency. It's a very honest and frank relationship. You've got to kind of pull off the Band-Aid and talk about the good and the bad sometimes."

The Hollingsworth Funds is more like a partner than a grant maker, says Mendoza. The work that she is doing can sometimes only be measured over years or more. It takes patience from a grant maker even if immediate results are not apparent. "That is liberating and very empowering for an organization like ours that is pushing for change in a state that doesn't change very quickly," she says.

The foundation staff is also personally engaged with the nonprofits it funds.

"When [foundation staff] come in, it's like their home and they're so happy to see what we're doing and who we're helping, and they know the money's going to the right thing," says Marilyn Neves, interim executive director at Foothill Family Resources. The group provides GED classes and mental-health counseling, help with rent, career counseling, and even a food bank to a rural part of the county. "We have a trusting relationship."

The foundation also encourages collaboration for itself and the groups it funds. It was a founder of the Greenville Partnership for Philanthropy, a group of local grant makers, including some businesses, that meet to discuss the community's needs so they can collaborate, coordinate, and learn from one another.

"I'm no longer surprised about how willing people are to come around a table with an issue in the center or a problem in the center to solve," says Weekes. "We're now seeing a really strong mix of public, private, and social-sector actors learning from each other's perspectives, trying to figure out solutions to long-term, systemic challenges."

Nonprofits benefit from the collaboration, too, says Foley. "There's a more cohesive communication and plan amongst them rather than what happens almost everywhere, a scattershot approach," she says. "That has helped to strengthen the whole nonprofit community in this area."