



# Partnerships and Social Innovation program

## The case of California and Michigan

*The Partnerships and Social Innovation program will bring people together across sectors to work together on projects that will make a positive impact and advance racial equity and climate action in greater Portland.*

When government agencies, businesses, foundations, and nonprofits work together they can combine skills and resources to make a bigger and longer lasting impact. The public-private partnership programs in California and Michigan are great examples.

### California

In 2019, Governor Newsom of California started the Social Innovation program, which brought people together from the public and private sectors. Through that program, California raised over \$4 billion from more than 250 partners. That money was added to \$10 billion in public funding and used to tackle some of the state's most urgent challenges.

In three years, there were 44 collaborative projects that helped address issues such as COVID-19, housing and homelessness, criminal justice, environment, immigration, education, and the economy.

One notable initiative is Project Homekey, which turned vacant hotels, motels, and other properties into permanent supportive housing for people experiencing homelessness. Public funds were used to purchase and renovate property, while philanthropic contributions bolstered wraparound services and increased capacity for community-based organizations to manage these properties.

Project Homekey is an example of successful collaboration between the public and private sectors, which benefited greatly from philanthropic and corporate support.

### Program structure

A cabinet-level advisor is integrated into the state government, which gives them insider status and access to timely information. The primary source of operational funding comes from the state government, while philanthropic contributions are channeled towards projects that benefit the public. A consulting firm, also paid for by philanthropic contributions, is responsible for the coordination of the philanthropic community.



### Michigan

The Michigan Governor's Office of Foundation Liaison was established in 2003. It was the first cabinet-level position in the nation designed to help create funding partnerships and strategic collaborations between the executive branch of state government and local foundations.

Over the years, the office has raised more than \$150 million in public and private investments to put towards education, economic and workforce development, health and land use.

One successful initiative supported by this office is its role in reforming Michigan's childcare assistance program. The opportunity arose when they learned that Michigan's Child Development and Care program, which supports working, low-income families, was returning grant funding to federal government even though need was so high.

Rumors wrongly suggested Michigan was returning unused federal subsidy funds due to a lack of matching state funds. However, the foundation liaison office proactively sought clarity and discovered that the real issue was a policy barrier that prevent low-income families and childcare centers from accessing subsidies.

Capitalizing on this knowledge, the office created a report detailing Michigan's childcare system challenges. This report revealed the program's shortcomings, including having the country's lowest childcare assistance eligibility and reimbursement rates. The study findings rallied funders and policymakers, leading to two significant changes in Michigan's 2017-18 state budget. Income eligibility was raised, and a more efficient biweekly reimbursement system was instituted.

#### **Program structure**

Liaison staff members are strategically integrated into the governor's policy team, ensuring direct access to government decision-makers. This framework aims to balance the power dynamic between government and philanthropic partners, with additional foundation involvement happening through an advisory council.

The advisory council is composed of representatives from funding foundations as well as a senior representative from the governor's office. This group plays a pivotal role in defining program responsibilities and objectives while providing guidance for its initiatives.

The office's focus areas, which align with the priorities of both foundations and state government, include early childhood education and development, K-12 education, college and career readiness, health and well-being, and workforce development, with a distinct emphasis on addressing equity and safety net concerns.



#### **Metro**

These two examples underscore the transformative potential of public-private partnerships. These alliances bridge funding gaps, foster innovation, and create a more equitable society. Lessons learned from these partnerships may provide a blueprint for a new sustainable and collaborative approach.

Given its regional mandate as a convening body, Metro is uniquely positioned to host this program as a collaborative platform for community impact in greater Portland.

#### **Program structure**

The Metro program is guided by an advisory council made up of stakeholders from the public, private, philanthropic and civic sectors.

The council advises on investment and impact areas that are in line with Metro and partner priorities and driven by community vision.

Metro invites leaders from across greater Portland to work together to identify, develop and coinvest in solutions for the challenges facing the region.

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