Memmott: Foundation of Rochester philanthropy changes

Jim Memmott  3:26 p.m. EDT April 12, 2016

Rochester has been celebrated for its generosity, its giving per capita. So perhaps it wasn’t a complete surprise in February when the Rochester Area Community Foundation announced that it had received the largest gift in its history, $61 million.

The money was donated by members of the Sands family, the builders of Constellation Brands Inc., the international producer and marketer of beer, wine and spirits. It establishes the Sands Family Supporting Foundation under the umbrella of the Community Foundation.

“We are excited to create another platform for future Sands family generations to … continue to support the Rochester community,” said Richard Sands, chairman of Constellation’s board. He made the gift along with his brother, Rob, and mother, Mickey.

The Sands gift would be significant enough were it one of a kind. However, Jennifer Leonard, the president and CEO of the Community Foundation, sees it as part of a pattern, a change that has occurred over the last 20 years.

A different model of giving has emerged here. Because of that the area has weathered what could have been a disastrous storm.

Leonard arrived at the Community Foundation in 1993. At that time the nonprofit agencies in Rochester depended heavily on gifts from large corporations. That model had been started by George Eastman, the founder of the Eastman Kodak Co, and continued long after his death.
Then the corporations began to shrink. “As manufacturing declined, philanthropy also took a big hit,” Leonard says. “I watched Kodak cut its giving in half and then half again in the ’90s. … There was a period of time when it was very hard for nonprofits to know where their institutional support was going to come from.”

To be sure, support continued from a familiar source, the United Way of Greater Rochester. It continued to both raise and give money, albeit at a lower rate as fewer employees at the big companies meant fewer donations through payroll deduction.

Another source of funds arrived in 2006 with the creation of the Greater Rochester Health Foundation after MVP Health Plan acquired HMO Preferred Care. At last report, the Health Fund had $245 million in assets.

But in addition to those sources, significant support has been coming from foundations created by individuals and families who have seen business success here.

In some cases, these foundations or giving vehicles were placed under the umbrella of the Community Foundation, which has grown significantly under Leonard’s leadership. As of December, it had $382 million in assets, $243 million of that in endowment.

In many other cases, foundations were created by families or companies as separate entities with their own boards and their own missions.

“Philanthropy reflects the economy of the community,” Leonard says. “You can trace the most successful businesses through the money left for future generations.”

The Sands family success goes back to 1945 when Marvin Sands, Robert and Richard Sands’ father, bought a winery and started Canandaigua Industries.

Other business success led to other foundations. The Farash real estate empire funded The Max & Marian Farash Charitable Foundation. The Wegman Family Charitable Foundation was established by the grocery giant. The B. Thomas Golisano Foundation grew out of Paychex Inc.; the Charles J. & Burton S. August Family Foundation started with money from Monro Muffler Brake Inc.

“A lot of business families in Rochester have turned their wealth in part over to the community,” Leonard says, “and not just through support of individual organizations, but often through creation of a philanthropy that involves their family. That’s a beautiful story.”