

# Sobrato: Helping nonprofits find an affordable home

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For more than 50 years, the Sobrato family has been instrumental in developing Silicon Valley real estate.

Sobrato Development Cos. understands the power of property, and the family-run business is putting its portfolio to work for a growing list of nonprofits.

Since 1996, the Sobrato Family Foundation has served as the charitable arm of the developer's philanthropy program.

## SOBRATO

**HQ:** Cupertino.

**CEO:** John Sobrato.

**Bay Area cash giving per employee:** \$67,467.

**2007 Bay Area giving:** \$1.68 million.

Even as many companies are going global in their giving, Sobrato stays strictly focused on Silicon Valley. Its strategy is to invest in the "people and places" of local nonprofits, providing cash grants to fund line items like salaries and rent.

While most funders support specific programs, Sobrato's focus on general operating grants is unique, said Diane Ford, the foundation's executive director. The nonprofit world agrees. Last year, the Sobrato Family Foundation won the Outstanding National Foundation Award from the International Association of Fundraising Professionals. It is the youngest group ever to receive the honor.

"We believe we were chosen because we are a good role model for how a small



DOUGLAS ZIMMERMAN

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foundation can have a meaningful local community impact on nonprofits," Ford said.

Before joining the foundation in 2000, Ford was a corporate grant-maker at Bay Networks, now known as Nortel Networks, and ran three nonprofits in Silicon Valley.

"The one thing I could never get money for was to pay my bills," Ford said. "Nonprofits need general operating funding ... to operate their community mission, whether that is serving foster youth (or) running a charter school."

Sobrato's philanthropic approach sets it apart. Instead of renewable annual grants,

the foundation gives two years of funding through two-to-one challenge grants. Grantees must match the first year of funding with additional fundraising before the second year of funding is released, along with a 5 percent increase to cover rising costs. Multi-year grants help nonprofits plan ahead, minimize paperwork and expand donor relationships.

"It's important to have a broad base of support from other individuals, corporations and foundations," Ford said. "It's our way of building their institutional capacity."

One of the foundation's innovative pro-

grams provides office space to nonprofits. The Sobrato Center for Nonprofits in Milpitas houses 35 organizations, each paying \$1 in rent a year. A second center is slated to open in downtown San Jose this fall. Each campus is 110,000 square feet. Last year the foundation unveiled the Sobrato Community Conference Center at its Milpitas campus, offering free meeting space where nonprofits can hold trainings, meetings and fundraisers. The space is available to any Bay Area nonprofit on a first-come, first-served basis. The San Jose campus will feature the same amenities. The state-of-the-art facilities have been well received.

"I think we've made nonprofits feel respected and valued like they deserve, with a nice space to host their meetings and do retreats," Ford said.

CompassPoint Nonprofit Services, which provides accessible, low-cost training to nonprofits, has benefited from the foundation's full range of support. Based in San Francisco, CompassPoint moved its Silicon Valley office to the Sobrato Center in Milpitas at the end of 2006. While it pays \$25,000 a month in San Francisco, its shared costs in Silicon Valley are just \$5,000 a year. It has hosted scores of workshops at the free conference facilities, allowing it to serve more local nonprofits.

CompassPoint is also the recipient of a two-year, \$82,000 grant from the foundation. Jeanne Bell, executive director, said "the multi-year general operating support is worth double its weight in gold."

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