In 2020, Nate Payne, the editor at the Traverse City Record-Eagle in Traverse City, Michigan, approached a leader at a local community foundation. Payne’s outlet was partnering with Report for America (RFA), a
national program that places journalists in newsrooms, and its agreement with RFA stipulated that individual member organizations raise 25% of program expenses from funders.

The community foundation’s leader asked Payne how much he needed. “$20,000,” he responded, somewhat sheepishly. “Well, we can raise $20,000 in a couple of phone calls,” the leader said. “How much do you really need?”

Fast forward to 2022. The Traverse City Record-Eagle went on to generate 10 three-year commitments from funders at $10,000 each, for a grand total of $300,000. Not too shabby for a chat that started with a meager $20,000 ask.

For Todd Franko, RFA’s director of local sustainability and development, the exchange underscores that community foundations represent a transformative but frequently under-leveraged source of funding for local journalism outlets. “The foundation leader immediately recognized that $20,000 wasn’t going to be enough,” Franko told me from his home in Youngstown, Ohio. “And it all started from that simple conversation.”

This anecdote kicks off “Community News Funds,” an RFA report that looks at community foundations supporting local news in seven U.S. cities. While these place-based funders have long played a role in philanthropic support for journalism, interest has picked up considerably in recent years, as major events like the pandemic and the January 6 insurrection reinforced leaders’ belief that a robust and trustworthy
news ecosystem is a nonnegotiable component of a healthy body politic.

But community foundations are doing more than just writing checks. The “key headline from the report,” Franko said, is that community foundations are “taking on a partnership role in helping the local newsroom appeal to donors and explain it in a way that resonates, and more money comes into the operation.”

**Identifying best practices**

The conditions that make community foundation support so important for local news are** painfully familiar** by now. That is, countless news and media organizations went bankrupt in the last 20 years, thousands of reporters have been laid off, and millions of Americans now find themselves living in “news deserts” devoid of trusted local coverage. Outlets vanished, but the thirst for community-focused news didn’t. Enter philanthropy, which, in the last 10 to 15 years, has sought to replenish lost advertising revenue — revenue, Franko noted, “that’s never coming back.”

RFA’s mission is to provide reporters to outlets operating in news deserts and bankroll coverage that the newsroom otherwise couldn’t pursue. RFA currently has a presence in 217 newsrooms in approximately 180 communities across the country. (Editor’s note: RFA’s president and co-founder Steven Waldman is an occasional guest contributor for IP.)

RFA also wants outlets to build sustainable revenue models. “Everywhere we exist, there’s an opportunity to have the conversation of philanthropy participating in the funding of local news,” Franko said. As such, he
spent a good deal of time during the last five years working with leaders in places like Raleigh, North Carolina, and Pittsfield, Massachusetts, to cultivate local philanthropic support.

Typically, RFA found that many outlets on the receiving end of philanthropic support were getting one grant at a time. And for these organizations, even a grant as small as $10,000 could have a huge impact. “It really got the ball rolling,” Franko said, “but we recognized that much more was needed.” He and his team took a closer look across their network and discovered that the most successful newsrooms secured roughly $50,000 in funding from multiple sources over three years. These newsrooms also generated support from local community foundations whose leaders, in turn, secured additional funding for the outlets.

**A case study from Fresno**

Equipped with these findings, Franko and his team coined the term “community news fund” to describe this evolving model of support. In what he called an “ideal situation,” a community foundation houses a single fund, donors contribute to the fund, and administrators allocate multiyear support to local newsrooms.

RFA’s report includes examples of community foundation-driven support in seven cities. When I asked Franko to cite any especially interesting case studies, he listed the one involving Traverse City, Michigan, which has a population of 15,525, and another focused on the burgeoning local news
ecosystem in Fresno, California, where the city’s outlets serve 526,147 residents.

In 2019, the Fresno-based Central Valley Community Foundation, which Franko called one of the “top three or four leaders of local news resurrection in the country,” established the Impact Media and Measurement Fund (IMMF). The IMMF, which is administered by the community foundation, provides funding for six projects, including the Education Lab, which is based at the Fresno Bee, and Branches & Roots, an online media outlet highlighting the work of farmers and ranchers living in the San Joaquin Valley.

“The foundation stepped up and said, ‘We will help lead the community dialogue, bring funders to the table and put our word behind it,’” Franko said. To date, the IMMF has raised nearly $2 million from nine foundations and 14 individuals. Franko calls this blended support “a great assemblage of what local news needs — institutional funders and individual funders, all who feel like they’re on the same team.”

In another encouraging development, Franko and his team discovered that donors contributing to community funds across the country are earmarking gifts for endowed reporting positions. “We’re seeing that the fund creates sustainability years down the road, not just for three-year increments,” he said.

“It’s a golden era”

Having been in the journalism field for 30 years, Franko acknowledges that local news proponents were often unable to make the pitch for local news and that “a lot of ethnic voices were left on the sidelines because
newsrooms didn’t always respond properly enough to all communities.”

Fortunately, those dynamics are changing. “Pioneers” like the Knight Foundation, ProPublica and the Texas Tribune have “communicated to citizens that the key to a better path forward is getting your story told,” Franko said. There has also been some encouraging support for outlets led by or serving communities of color. The RFA report cites dozens of diverse partner newsrooms across the seven profiled cities, while we’ve looked at programs like Borealis Philanthropy’s’ Racial Equity in Journalism Fund and the recently launched Pivot Fund, both of which channel funding to these historically undercapitalized outlets.

Residents also appreciate local news more than they used to. The pandemic has highlighted the importance of trustworthy and locally focused information. The January 6 attack on the Capitol, meanwhile, “scared the hell out of a lot of people,” Franko said. He used to make presentations where he asked funders to save imperiled jobs at the local paper. Now, “it’s become a matter of saving our communities and assuring a shared set of facts that we can reasonably agree is truthful.”

Going forward, the field faces many challenges, some of which RFA spells out in its report. For example, consider what the report calls “philanthropic capacity” — the exportability of the community news fund model. While RFA did not see a community’s wealth as a determining factor in whether or not it could establish a fund, the report’s authors nonetheless acknowledge that communities “might struggle to find
a local newsroom to make a grant to, or the money to support the grant with.” The RFA calls this area of need “tremendous, important, and in need of creative thinking and innovation.”

For Franko, who spent the last 15 years talking about “lost revenue and lost newsrooms,” many of these challenges are thorny but ultimately surmountable, especially compared to what he has navigated for most of his professional career. Citizens realize that trusted local news “is as much of the lifeblood of the communities as having water and electricity,” he said, and community foundations are using their influence to build out multiyear philanthropic support for outlets all across the country. “To me, it’s a golden era to reshape what news means to a local community,” Franko said. “It’s time to get on the bus.”