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Environmental Foundation Expires, as It Always Wanted

By STEPHANIE STROM

John Hunting, an heir to the Steelcase office furniture fortune, always knew that his foundation, the [Beldon Fund](#), would have a limited life span.

“I felt as an environmentalist that it was imperative to spend the money now, because it would be silly to wait for the future if there wasn’t going to be a future,” Mr. Hunting said in an interview the other day. “And I also felt that if I died and there was a board running things, the money might start going to causes I wasn’t interested in funding.”

On Friday, the Beldon Fund will close its doors, having spent about \$120 million over a decade strengthening environmental organizations in five states — Florida, Michigan, Minnesota, North Carolina and Wisconsin — and increasing awareness of the impact that environmental degradation has on human health.

The debate about whether foundations should exist in perpetuity or establish a date to sunset and spend all their money by then has grown in the last several years, especially in the wake of the stock market’s collapse, which severely reduced foundation assets.

Like the Beldon Fund, about 12 percent of other family foundations plan to close their doors at



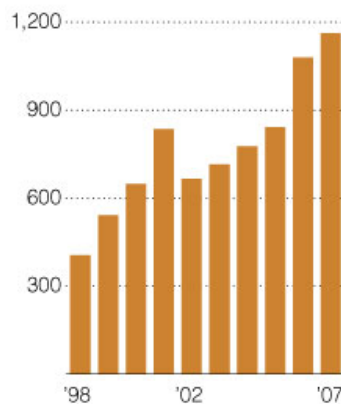
Michael Appleton/New York Times

At the Manhattan offices of the Beldon Fund, employees were busy Thursday clearing out.

Shutting Down

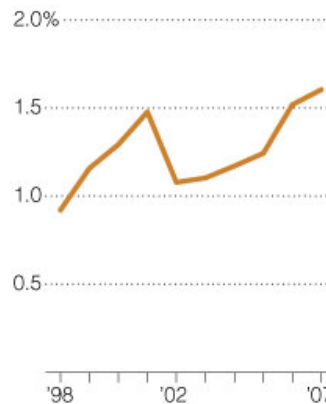
The number of foundations terminated or merged has steadily increased since 2002.

Foundations terminated



Source: The Foundation Center, 2009

Termination rate



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some time, and an additional 25 percent are undecided about the issue, according to a [study](#) by the Foundation Center, a chief authority on philanthropies.

“The number with plans to spend down has not grown in proportion, but it has grown numerically because the field has gotten bigger,” said Loren Renz, senior researcher for special projects at the Foundation Center. “That one-quarter of these foundations are undecided about whether to spend down or exist in perpetuity tells you, I think, that

there is more thought being put into this issue right now.”

The Aaron Diamond Foundation and the John M. Olin Foundation are among several philanthropic institutions that have closed their doors in the past, and the Atlantic Philanthropies, the foundation created by Charles F. Feeney, a founder of Duty Free Shoppers, is in the process of spending down billions by 2016, when it plans to shut.

The Beldon Fund financed environmental advocacy in the belief that significant progress could be made only if governments were involved.

“Take any major issue,” Mr. Hunting said, “and it is so profoundly affected by decisions made by the federal government and state governments that if you really want change, you have to get them to change their philosophy and policies.”

Gara LaMarche, president and chief executive of the Atlantic Philanthropies, said Beldon’s support for advocacy was one of its most important legacies. Mr. LaMarche noted that Atlantic had hired two people who were on Beldon’s staff because of their skill in that area.

Mr. Hunting, now 77, has himself been very involved with the foundation’s work. For instance, he bought a house on Capitol Hill in Washington and turned it into a model “green” home, using old wood in the renovations, recycling water and

setting aside a kitchen drawer full of worms to demonstrate the potential for composting in an urban setting.

Given the house’s proximity to the Capitol, “we could have gatherings for members of Congress to see how this all worked,” he recalled. “The worm drawer elicited different reactions. Some people fainted, others were fascinated. I had the worms for five years, and for the record, they never smelled.”

The Beldon Fund, whose offices are in New York, opened in 1998 with an endowment of \$100 million, said Anita Nager, its executive director. (A separate, far smaller Beldon Fund created by Mr. Hunting in 1982 has headquarters in Grand Rapids, Mich., and, although still existing legally, is inactive.)

Mr. Hunting said he hoped the closing set for Friday would become part of his legacy in philanthropy. The foundation’s [Web site](#) will remain, with information about how Beldon planned and executed its exit strategy and the lessons it learned during its lifetime. Mr. Hunting hopes those lessons will serve as a road map for others.

“You have to think about the end at the beginning, because it affects everything you do,” he said. “We learned some lessons along the way, and I’d like to think that experience will help others avoid some of the mistakes we made.”