# Raising funds and awareness for homeless services in Los Angeles, with Richard Newcomb of Union Rescue Mission

Andrew Olsen: Hey, this is Andrew Olsen, host of the Rainmaker Fundraising Podcast. We're coming to you today from beautiful Palm Springs, California, at the City Gate Network Conference. I'm super excited. I have two good friends here, my podcast co-host for the week, Shawn Saunders, who is Vice President of Client Services at Dickerson Baker and Associates. Shawn, welcome back.

Shawn Saunders: Thanks for having me back.

Andrew Olsen: Dude, glad to have you. Really enjoying the podcasts that we've been recording this week. Our special guest for this afternoon is Richard Newcomb, the Vice President of Philanthropy and Social Enterprise at Union Rescue Mission in Los Angeles. Richard, welcome today.

Richard Newcomb: Great. Glad to be here. Thank you so much.

Andrew Olsen: Thank you for making time for us, and thanks for your willingness to share with us. Before we jump in, I'd love for you to take a few minutes, tell us a little bit about yourself and your background, and give us a little bit of insight into who Union Rescue is.

Richard Newcomb: I'm a New Orleans native. I worked in the fashion industry for 36 years. Traveled back and forth to New York 333 times. It was a fun thing to do. My wife and I had a stillborn child in 1993, the day the branch [inaudible 00:01:09] compound burned to the ground. You're there and you're holding a lifeless son and thinking about what life could be like. You're watching these images on TV, and that was the day God tapped me on the shoulder and I went on this journey, got engaged in several churches. My wife is in advertising and graphics. Together, we helped energize a lot of organizations, a couple of churches, several non-profits, and ultimately, the journey of why we own the planet, and was it going to matter, my life is over, have I accomplished much. The fashion thing was a great gig for a long time, and did a lot of fun things, but ultimately at this stage of life, the journey kind of led me to the Union Rescue Mission.

Richard Newcomb: As a board member, which I was there for five years as a board member, and they approached me three years ago to become an employee in the development VP job. My wife wouldn't let me take the gig at that point, and then the person they hired lasted about 15 months. Our CEO, Andy Bale said, "Hey, how about now?" We layered in social enterprise thing to it, to make it a little more significant job. We figured it out. The board supported me on that, encouraged me on that. I joined the team there as an employee last July, July 16th. Like I said, I've been on this journey, trying to figure out why we own the planet, and I think Matthew 25 resonates with me. "Whatever you did for the least of these, you did it to me." That's been a factor in who I've become over these last 26 years since that date back in '93. I feel like I'm working for God now at URM.

Shawn Saunders: That's awesome.

Richard Newcomb: It's really been empowering, and every day is a new day. I'm working more hours and I see my wife less, which is like, "Wait a second. I didn't think that's what this was all about." If you're helping impact humanity in a positive way, and this organization truly is, it's an honor to work there with the great colleagues I have.

Andrew Olsen: Tell us a little bit about that. What makes Union Rescue a significant organization?

Richard Newcomb: There's a lot of that. They're the oldest in Los Angeles. 127 years. They are the largest privately funded homeless shelter in America.

Andrew Olsen: In all of the U.S.?

Richard Newcomb: In all of the U.S.

Andrew Olsen: Wow.

Richard Newcomb: In 2018. I know this because I work diligently with Andy, our CEO, and my wife, who did the graphic design. I have a copy for you, our annual report, which was just published this past week. We're about to mail about 7,500 to our most significant donors. We had 6,274 human beings come through the door that were homeless, that came through our facility. Of that, 1,198 were children. We are bigger than the next five organizations combined on Skid Row. We average about 1,350 human beings under a roof per night between our two locations. Down on Skid Row, we have a five story building, 225,000 square feet. Then we have our Hope Gardens Family Center on 77 acres down on Sylmar. We have a policy that we will never turn away a woman, a child, or a family, no matter what. In 2018, at many times, there's that 211 phone number. You call that, a homeless, they have nowhere to go. If the city is answering that phone number, they would send the families to us.

Richard Newcomb: We were close to maxing out last fall, where we had as many as 272 children in our downtown facility. We have about 155 out in Sylmar, with 75 moms and 25 senior ladies out there. They quit answering the phone, and they quit sending them our way lately. In fact, we had a walk to fight homelessness on May 11th. That was part of the way I got recruited onto the board. I helped create that event last year, so our first year as a board member. We had it at L.A. Live. Raised $510,000, had 1,200 participants. Pretty good for a first [inaudible 00:05:07]

Andrew Olsen: Absolutely.

Richard Newcomb: We just had our second one. We had Luke Robitaille out there with me on stage, and A.C. Green of the Lakers. He helped launch us into the walk. It was a great day. We were hoping for a bigger leap, but it's very restricted at L.A. Live on who you can get as sponsors to do that. We got these three billboards. We got a screaming deal, $2,500 for three billboards in L.A. Usually, they're 10 to 20 grand per month. We did that, and they're still up. I turned to Andy and we discussed it. I said, "Hey, we have those billboards, and if we can get them for 2,500 bucks for another month, or however long. They'll probably leave them up, unless somebody buys the space, they'll just stay there. Why don't we put 'Experiencing homelessness? Call us. We never turn a woman, child, or family. URM.org.'" We have the graphics. Just got them revised this morning. We've been debating the last two weeks, what phone number? What phone number? How do we get an answer to that? At least 6:00 A.M. to 11:00 P.M. If not, 24 hours.

Richard Newcomb: Andy, who is the most Christlike human being that I know personally, and that's part of why I went and took this job, we put his cellphone number on it. I swear.

Shawn Saunders: [inaudible 00:06:26]

Richard Newcomb: He doesn't just talk the talk. He walks the walk. He lost his leg to a flesh-eating disease. I love this guy. I love working with him. I tell him to take of yourself. We got to do this. We got to rock it for the next 10. God's calling us to it. Let's do the best we can. Those billboards are going to be up in the next 10 to 14 days.

Andrew Olsen: That's amazing.

Richard Newcomb: With his cellphone number on it. I'll show it to you at the end of this.

Andrew Olsen: It's something that's really interesting to me. I think Andy is probably the most authentic ministry leader in rescue that I've experienced. I was talking with my friend Mark Horvath, so Invisible People. I don't know if you know Mark Horvath.

Richard Newcomb: Absolutely. I follow him on Facebook. He and Andy are close.

Andrew Olsen: He's a big advocate of Andy's.

Richard Newcomb: He says URM is the only true rescue mission that's open 24/7, 365, and never turns away anybody.

Andrew Olsen: You're exactly right. He said to me last week, "Andy Bales is the only rescue mission leader that will take a call at 3:00 A.M. and personally go bring someone back to the mission," which I think, given the work that we all do, and the number of rescue missions in the U.S. and across Canada even, that says something. I appreciate just how authentic Union Rescue is in your leadership in that area.

Andrew Olsen: L.A. is a really crowded market. Your wife's in advertising. I spent 14 years of my career at a [inaudible 00:07:53] agency in southern California. It's a crowded market. There's a whole lot of people, there's a whole lot of media properties, it's really expensive. Talk to me about how Union Rescue navigates that, and maintains relevancy in the market, when it's not just the non-profit sector that you're competing with. You're competing with all the commercial traffic and activity that happens in L.A. Tell us a little bit about that.

Richard Newcomb: That's a really good question. I've thought a lot about it, and working a lot of things in that realm, because Los Angeles County and city just came out with the homeless count numbers today. They were supposed to come out Friday. That delayed them, because they weren't good. Actually, I think we are in a position to really share our story. I talked to a PR firm about an hour and a half ago that did some pro bono work for us, and said, "Hey look, here's all the stuff we have going on," and it's a long list. I don't know how much time we have here, but still. Homelessness is out of control within southern California. We're waiting for the L.A. numbers. Here's the five counties around Los Angeles. Riverside is up 21% in the year. San Bernardino up 23%. Orange County up 43%. That's a two year jump. They didn't count 2018. [inaudible 00:09:11] County is up 50.

Andrew Olsen: 50?

Richard Newcomb: 50.

Andrew Olsen: Wow.

Richard Newcomb: It's not a big population there. It's small numbers, but it doubled. It's up 50%, so it went up by 50. Who we got? Ventura County is up 28%. L.A. just came out. The county is up 12%, and L.A. City is up 16%. Those are huge numbers. Everybody is talking about it. I've got friends that heard it. "Man, this is crazy. What the heck is going on?" I think a lot of people, they voted for HHH, and they got, "It's all solved. I'm fine. I don't need to donate. It's all fixed." Then, in the meantime, look what's going on. It's getting worse, and worse, and worse, and worse. The city is doing some things, but it's just not enough. I think actually, we have a prosperity problem, that's from some of the research I've looked at. People are like, "The economy is so good. Why not?" A lot of people have mental illness. A lot of people have drug and alcohol addiction. That's a big factor. Probably half or more. The affordability of the Los Angeles market is out of control.

Richard Newcomb: There is an 111% increase of children on Skid Row. You talk about, how do we differentiate ourselves. That is 100% at Union Rescue Mission. That 111% increase, because nobody else on Skid Row takes children and families. Nobody. Most of them are mainly men. We have by far the biggest taker inner of women and children families, without a doubt. 40% of those experiencing homelessness in L.A. County are women and children.

Richard Newcomb: With those kind of stats, and I already told you the numbers we took in, it's about 6,300 last year. How about, we served 1.3 million meals last year. We provided 470,000 nights of safe shelter in 2018. We got 933 people or more, who entered our doors, into a more permanent solution of housing. Show me another organization that did that in Los Angeles, and they did it with zero government funds. Not one done. Nothing from the city, the county, the state, or the federal government.

Andrew Olsen: Wow.

Richard Newcomb: I think that's a pretty good statement. It's a pretty good track record. We've been here for 28, 27 years. On June 30th, we'll be debt free, as far as-

Andrew Olsen: Really?

Richard Newcomb: We'll have zero debt. We're raising 43 million dollars to build a third location plus two other expansion projects, which I'll tell you about in a minute, unless now is the time to tell you. I don't know. I don't want to tie you up too long. We have a lot of good stuff. We have three expansion projects. We're expanding Hope Gardens by 15 apartments for 15 moms and kids. That's 60 human beings. We've built a sprung structure, which is a fancy name for a giant tent that's 4,100 square feet, like a military tent. It's lasted about 25 years. It's up. We're just doing the wiring and the plumbing. We have two trailers that have 11 bathrooms and showers. It'll be for single women that are on the streets of Skid Row. They'll be able to stay in there, stay in their bunk all day, get three meals a day, and get enrolled in programs or things we're offering there.

Richard Newcomb: On top of that, we have this expansion where we bought this two acre site that was a former laundry for a denim manufacturer. It's currently our warehouse. We're going to tear it down at the end of this year, and build a 72,000 square foot, 86 apartment, 370 bed facility for families, dads with kids, moms with kids, and two parent families. Most of the families we have downtown are single moms, like 68 moms with kids, and maybe seven dads. That's kind of moving target. It's changing every day. Hope Gardens we can't have males over the age of 17. This facility, we're able to have males over 17. I have dads in that facility.

Richard Newcomb: Who's doing that in L.A.? All with private funding. We already have about 1,500 under roof per night, that ability, up to 1,550. That's a lot of people on air mattresses on the first floor in our chapel, in places like that if we have that need. We've never turned anyone away up until this point, and we'll never turn away a woman, child, or family. We're layering on between these three expansion projects. 550 beds all with private funds.

Andrew Olsen: I want to take us on a little tangent, because I'm noticing something, the way that you're referring to the population that you serve. I've heard you say the phrase "human beings" maybe 15 times on this recording.

Richard Newcomb: Sorry. I said it too much [inaudible 00:13:20]

Andrew Olsen: No, no. We all work in this sector, and so often, we hear folks who are experiencing homelessness referred to with many different terms, many of them not polite or pleasant. Is it intentional-

Richard Newcomb: It's intentional

Andrew Olsen: That you use that word?

Richard Newcomb: It is intentional, and Andy, our CEO, he drives it in our head. People are not "the homeless." He cannot stand that statement, and none of us use it. They are not "the homeless." They're like a thing, an entity. They are people experiencing homelessness. They've fallen on hard times, have lost their way in life. We, as an organization, we call this, it's like Christ said, "Whatever you did for the least of these, you did it to me." We're stepping into that and we're trying to do the best we can with that, and live into those values, and do it to the best of our ability. We have a lot of amazing donors that walk hand in hand with us, that step us in amazing ways consistently, to help us do this work.

Andrew Olsen: That's awesome. I want to talk a little bit about those donors, and particularly, kind of connecting your donors and your support community with what's going on with the increase of homelessness in L.A. You just shared with us what the numbers are in the recent homeless count. Before we started recording, you were telling us a little bit about just that density in and around the Skid Row community, and if you turn on any news broadcast in Los Angeles these days, you're going to hear a story about homelessness. The need seems exponential. Is that something that dissuades your donors? Are they experiencing fatigue? Do you hear donors saying, "We just don't know how you can ever move the needle here"? Or are you experiencing something different? Are they coming alongside and really doubling down in their support?

Richard Newcomb: I think a little bit of both. There are some that are in it no matter what, because they see the distressing face of Christ in those individuals, and they have that calling, and they have that compassion. They're going to be there no matter what. I know Andy, he shared an email that he had from a guy that's been back and forth here today with him. The guy lives downtown. He owns a business or two. He walks a mile or two every day. He says, "I've been giving to you guys and you're a good organization, but these people are ungrateful, and I've watched them become the people living on the streets. There's no solution. You're not ever going to solve it. It's just going to be there, and they feel entitled. If you give someone a dollar, 'That's not enough. I want more.' You try to give them a meal, 'No I want cash.'" That's his personal experience, so I can't judge him on that. There is some of that.

Richard Newcomb: I think there is donor fatigue. I think some people are tired of hearing about it. I think some people think the government ought to step in and solve it. "Why does it have to come out of pocket?" There's others that are, especially if they come from a more faith perspective of what we are called to do, why we're on the planet, and we have resources, they want to provide some of that.

Andrew Olsen: Sounds great.

Shawn Saunders: Richard, I want to ask you a question here, because you came out of the corporate sector, right? I spent some time in the corporate sector before I got into fundraising as well, and I remember my first day on the job. I thought in the environment I was in, and it was a rescue mission, but I was thinking, "Oh, no. What have I gotten myself into?" I could tell the culture was very different in a lot of ways. I adapted, of course. What was your experience? Was it different or challenging coming from the corporate sector into a non-profit context? If so, if it was challenging in some ways, what are some of those ways?

Richard Newcomb: There were some challenges, but I came in with a humble mindset, that, yes, I was on the board of directors, and the board encouraged me to take this position. The CEO, Andy and I had become friends and worked well together, so I had that connection that was a real positive thing. That helped a lot because I wasn't distracted with trying to build those relationships. They already existed. I had earned credibility by starting to walk to fight homelessness June of last year, I had momentum, I collaborated with the staff, so I knew a lot of them, who the players were, the marketing team, and others there. That was really empowering and made the transition a lot easier.

Richard Newcomb: Like I said, I said, "I deem to commend," rather than, "Hey, I've observed these things and this is broken, and that's not working, and we're doing this." I didn't do that. I came in from a very humble place, and I did one-on-one interviews with each of the players that were under my responsibility, whether they were management, or a major donor officer, or whoever, grant writer, et cetera, or an assistant. I just met with them with the doors closed, between you and I, stays here. "Enlighten me. What is work experience like? What are your frustrations? What are you excited about, if you are excited about anything? What could be better?" Et cetera. I took a lot of notes, and I did that for several weeks, and let that sink in for the first month or two, and realized that there was a bit of a vacuum on the leadership of the people in the development department, and they needed some direction.

Richard Newcomb: In my realm, in the fashion industry, you came in on Monday, "What happened last week? What did our product do? What did our competitor's product do? What is trending?" The trend thing, because I've been in the fashion industry for over 30 years, and it's helped me working with churches and leadership for 25 years and that, of you see things, and you're like, "That's a trend. That's not going well, and it's going to continue that way where that's a ..." We would monitor that in the fashion industry. That's not working. What's the next thing? What's going to carry the ball and make you be successful, whether it's in fundraising or spreading your story, telling your story, et cetera.

Richard Newcomb: One of the things we did was, there weren't reports. There was this, "Hey, here's your donors and go do the best you can," was sort of the thing. One of the things I wanted was, I wanted to come in on Monday and know what each person in this department, how many touches they had with their donors, whether it was email, phone call, receipt, donation, visits, or what did you do. What did you get in donations for that week? We had this reports. Our team loves them. They love them, and we have a meeting. I meet with our development director, Tim, on Mondays, and then we all meet on Tuesday morning, and we kind of go through them. "Was it a good week? Was it a bad week, and what are we doing to make it better?"

Richard Newcomb: We created those things. I didn't just come in from day one, but we implemented this stuff over the first six or eight weeks, and it creates some systems for accountability. The person that was the development director left the organization for another one. I had taken over the meetings. I was running the meetings, and she would have one once a month. I had them every week. Let's stay engaged. Let's stay on focus. What's on our agenda? What do we have coming up? We've implemented some things like donor appreciation lunches. They were mostly downtown. Now we try to go ... Los Angeles is 17 million people metropolitan, and we have people all over here. We have people out of state that are significant donors. We try to go see them.

Richard Newcomb: We had one in Orange County last Friday for 26 people. We've been to Pasadena the month before. An upscale name restaurant like a Fleming's or a place like that. We've been to The Palm. We'll get a price break and we'll take them to lunch. No alcohol. It's like 40 bucks. They show up, and we don't ask for money. "Here's what's going on." I have a presentation I could show you guys later if you're interested. "Here's who we are and where we're going," and it talks some things. It talks about our statistics of who we'd serve, what their donations are doing, and the expansion projects we have on the way to try to meet the need here in L.A.

Shawn Saunders: That's awesome. What I'm hearing you say, I think, Richard, a good takeaway I've already gotten from this, and I've been there the Union Mission before, and I've been on Skid Row and I've heard the stories about Andy, and got to interact with him. Not directly, but he spoke at a function that was there. This was a couple years ago. Where I'm going with this is that I think you came into a situation where you had a really good foundation, and a lot of the different challenges that, some that come into the non-profit context have to face. Just get on a level playing field, and building the political relational capital. It sounds like a lot of that stuff, for most of it, was already taken care of. It seems like the vision there is just really clear. You guys seem to be a very mission, vision driven organization. In other words, you exist for your calls and not just to exist for existing.

Richard Newcomb: Correct.

Shawn Saunders: That's what I take away from that. Another question is, you're in L.A., and I've interacted some with the mission down the street. What's the name of that one again?

Richard Newcomb: L.A. Mission.

Shawn Saunders: L.A. Mission. I've talked to [inaudible 00:23:02] before, and they've said the fundraising context and landscape here, they believe, is pretty different from other places. I don't know if they've lived in other places, but whatever. They have some good points. I just want to get your perspective on that. You're in a diverse context, and so you're dealing with lots of different worldviews and perspectives. Like it or not, we all come with values. We have all values. You're dealing with a diversity of those. What do you do to navigate that? If you don't mind sharing with our listeners.

Richard Newcomb: The diversity issue?

Shawn Saunders: Yeah.

Richard Newcomb: In general.

Shawn Saunders: Yeah. Particularly working with donors and knowing how to, can you adapt, how do you handle these different viewpoints from your angle.

Richard Newcomb: We try to be welcoming to all people from all walks of life, whether they are a guest, or they are employed there. 25% of our staff, we have about 100, maybe three employees, 25% ... It's been as high as 30 at times, but it's approximately 25% of our staff are former guests. Very ethnically mixed. I've seen our leadership team has great diversity. There's seven of us. It's a real priority for Andy to take that approach and welcome anyone and everyone that comes through our door. In our outreach and to all that we deal with around the city ... A good example is, we're expanding with that, it's called Angela's House, by the way, that third location, the satellite in south L.A. We hope to break ground on that end of this year, probably December, something like that, and hopefully have it completed by December 2020. That is in an inner city neighborhood. It's in south L.A., 132nd and Avalon Boulevard.

Richard Newcomb: Why that location? Because 65% or more of the people on Skid Row come from there, so why not go to where they are? Andy's vision is to decentralize Skid Row. The city has pushed everybody together, and that's why you have this cluster of 49 city blocks that are Skid Row with over 1,000 or 1,100 registered sex offenders. That is a failed plan by our city leaders. We're looking to diversify that. We already have Hope Gardens. We created that 12 years ago and moved out there. In 12 years, there's been zero instances of any problem. It's a very, very, very diverse community. We have established an alumni association of women from all walks of life. Down in south L.A.

Richard Newcomb: We're looking to move down there to serve that community so they can stay near their church, family, school, friends, and not pull them down in the main streets of Skid Row. Especially we're focused, like I said, we will never turn away a woman, child, or family. We see that 40% of those experiencing homelessness are women and children, so let's step into that void. Nobody else on Skid Row is accepting children or families. The number of women accepted down there is very few as well.

Richard Newcomb: We have reached out with a grassroots, very quiet campaign. Most people don't know we're doing this, and we're reaching out quietly for this shelter. Really, it's a bridged housing facility. It's not a homeless shelter. Knock on the door, "Hey, let me in. I have nowhere to go." You need to either enter in through our downtown facility and then be moved over there, or come through an agency we have a relationship with, or some of these churches that I'm about to tell you about down in that neck of woods, that, "Hey, we have a homeless family. I have a family that's been evicted from their ... Do you have space?" Those kind of things.

Richard Newcomb: We've reached out to ... I started with the church right next door to this warehouse, which is going to be where our facility is located. It's the Greater Pearl Baptist Church right next door, and we called up. Kitty Davis Walker called them up. She's a colleague of mine. She's our VP of PR. Set up the appointment and we've been down there to see Pastor Thompson. They nervously awaited our arrival, and like oh, my goodness, they've seen our vehicles come and go, because it's a warehouse. Oh, my goodness. They're going to export Skid Row. There's going to be tents outside the building. Everybody that's there, they panic.

Richard Newcomb: We went down there, showed them who we are and where we're going, and they're like, "Wow. This is so exciting. You want to bring social enterprise here. You want to give people a place to land. You want to help people find jobs. We so need this." From there, they invited three more pastors and we went back and did the presentation again. "Wow, this is great. We need it in our community." Then they set up a Saturday morning, 7:00 A.M. at a church, with 13 to 15 pastors. Did the same thing. They said, "What do you need? You need us to help you raise funds? What do you need from us?" Says, "You know what? We're doing pretty good on the fundraising thing. I'm sure your churches need that. You keep keeping it where you're there, but when we go live to the community, and there will be people that will push back and won't welcome us, they'll be upset that we're coming with this, stand in solidarity with us, and let's be united. You need this. You believe this, and you welcome us into the community. That's what we need from you. We're all in."

Richard Newcomb: We had one of the largest churches in that neck of the woods, Crenshaw Christian Center, Pastor Fred Price, Jr., he and his wife came down, we had Christmas in July in December. They came up with a couple other folks from their church. We showed the presentation to them, and they were blown away. In fact, for our walk to fight homelessness, Fred's dad was the founding pastor, and they were a giant church. They had thousands and thousands of members. Giant school. They were really thriving there. They were in Compton. They would have an annual mission fund that they would try to raise a million dollars. Most of the funds would go out of the country. He says, "Why are we sending it there? There's tents all up and down Vermont. We should be focusing that on this problem here in L.A." They have adopted us, the Union Rescue Mission, as their mission.

Richard Newcomb: They showed up for our walk to fight homelessness. 233 participants and raised over $21,000. We're going to be their main focus with their mission fund [inaudible 00:29:14]

Shawn Saunders: That's awesome.

Richard Newcomb: We're actually trying to start an advisory board, and have Pastor Fred be a major player in that group. We're going to meet with him later this month to talk about that, see what that might look like. We've reached out to an inner city neighborhood, and we've been warmly received. Got a great rapport with the folks in the community, and the churches, and the pastors. We're transparent. We are just transparent. We show who we are. We have nothing to hide. We're just trying to do what we're called, and to bring that role and that community that needs it so desperately.

Shawn Saunders: Right. What about as you interact with the stakeholders, the donors? Maybe it's not directly through the body of Christ, like maybe it's someone who's not a Christian, or doesn't espouse the Judeo-Christian ethic, whatever. They've got a different viewpoint, but yet they're donating. Do you have any donors like that, that maybe they're not Christians so they have different viewpoints and values, but yet they still align with your calls, or no?

Richard Newcomb: For the most part, people ask ... If somebody's Jewish who will give to your cause. We have a lot of amazing Jewish donors who are people of high net worth, that realize the role we play in the community, and the difference we're making, and the fact that we're faith-based. That's part of the reason we're getting nothing from the city. The city, state, or county government. We're getting nothing. We're faith-based. If you take money from those them, it's like, you have to allow people to continue to use drugs and alcohol. That's not going to work in our facility. You're not going to transform their lives. Then they're going to come in high, they're going to come in loud. Some come in from the streets that our at our place, and we're like, "Sorry." We'll be patient with them. We'll try and put them in a place, "Work it out. Sit over here. You can't go up to the third floor where you have a room up there, because you're drunk." That kind of of a thing.

Richard Newcomb: If after about three times you go, "There's a pattern here. I'm going to have to ask you to leave." There's a term for it. I'm trying to think of what it's called. You have to allow them to continue to do that. There's places around town where that's still going on. I don't think they're getting the life transformation-

Shawn Saunders: I would agree.

Richard Newcomb: Because of that. Same with the trans thing. Currently with HUD, if a male sees themselves as a female and you're taking money from HUD, you have to allow them to shower and sleep where the women sleep. That's an awkward situation. We're really sensitive to it and we welcome the trans community, and we have many there, but we have a special accommodation kind of as an in between place, that, "Here's where you can be." If you've had the life change operation, great. You are welcome to go over there. If you haven't, you have to be where your anatomy currently says you are. We're really sensitive to that. We work with them. We've actually gotten really high marks from folks in the trans community, that we've been sensitive and loving, and welcome.

Shawn Saunders: That's awesome.

Richard Newcomb: Their biggest challenge is, they could be abused verbally and mentally and other ways by guests that are there that are threatened by them, or are prejudiced against them. Our staff has done a great job, and Andy has preached that to let's be that.

Shawn Saunders: That answers my question. You're meeting people where they are.

Richard Newcomb: Exactly.

Shawn Saunders: That translates not relegated to the people that you're working with, the human beings, but throughout the donor base as well. It seems like that's being transferred over. That's an easy ... If you've got those high marks in the trans community, that answers my questions about how do you navigate the diversity there within the donor base. You can sell that. It's there. Last question I have. You mentioned social enterprise. First of all, let's unpack real quick what is social enterprise, because maybe some of our listeners don't know that term. Once you unpack it, Richard, if you could describe any connection to philanthropy. I know there's a whole world out there, like Christian Community Development Association, and [inaudible 00:33:23] Center, and [inaudible 00:33:25] Bank, and the guy who started that, and this whole movement that I think has brought a lot of value to the rescue mission space. Books like "When Helping Hurts," "Toxic Charity" by [inaudible 00:33:37], and all this stuff has birthed out of this. Excuse me. Why don't you explain what social enterprise is, and what's the connection to philanthropy.

Richard Newcomb: Social enterprise, and part of the reason I was giving that, was I came from a fashion background, and I helped thrift store, which was going to be shut down by the board of directors, because it was unprofitable the first two years. Then I got the fashion industry to contribute to it, and give new garments that were slightly flawed. It's now 40% of the sales of the thrift store. It's turned into a successful enterprise. Then I had vision. I'm a New Orleans native, and there's a place there called Café Reconcile that Emeril Lagasse, this chef, he's on the board of directors, Shell Oil is a big contributor, and some other corporations. It's for inner city youth, 16 to 24, and they teach them to be employees in restaurants. It's been very successful. I think they've got 2,500 inner city youth that found jobs in New Orleans, such as a thriving restaurant business.

Richard Newcomb: I brought that to Andy as a board member several years ago, like, "Maybe we could do that too." He still likes that idea. I've registered the name Café Redemption and URM Café, to maybe do a Homeboy Industries type thing. I'll answer your question and weed back to philanthropy. Anyway, you can give someone a fish, or you can teach them to fish. For the most part, we have been giving people the fish. "Come on in," put a roof over your head, give you a safe place to land, feed you. We partner with Pepperdine Mental Health, Pepperdine Legal Aid, UCLA Medical, and UC [inaudible 00:35:29]. They come in, we start, we do all of that stuff, but it's like giving them a fish. We came in, we solved their problems. We try to give them some financial management skills so they don't re-circle back into that, because they made poor decisions. Also, recovery programs for all of those kind of thing. People need that economic engine to have a long lasting effect when they leave our place, and not cycle back into it.

Richard Newcomb: What we're trying to do is create social enterprise opportunities, where they can be employed, save some money, have work experience, have a work record. A lot of them have criminal records and all that kind of stuff. I came in thinking focused on expanding the thrift store. We have a thrift store that is now making about $75,000 a month in sales. Its breakeven point is about $52,000, so it's making 20 to $25,000 a month. It employs 15 people. The problem with this location, it's in Covena, so it's 25 miles from downtown's facility, and it's 42 miles from Hope Gardens. Geographically, it's not a great location to provide jobs for our guests.

Richard Newcomb: We have a truck driver and another person at Covena that have come from downtown that have worked out. What we're trying to do is expand out at Hope Gardens, because [inaudible 00:36:50] they have two to three years. They go through the program, they become an apprentice after a year. Then, they're there for another year or two. Let's put them in a situation working in a thrift store. Minimum wage on July first is $14 an hour. They could save 12 to $20,000 over the next year to two years, get out, buy a used car, have money for a deposit, move into an apartment. You've got your life stabilized. That's what we're trying to do.

Richard Newcomb: We have an idea for a restaurant. Porto's Bakery gives us 1.6 million dollars in in-kind gifts per year. Starbucks brought us two refrigerated vans. We have the keys to 80 Starbucks stores. We go and unlock the back door at night, and we've gotten 1.9 million dollars in product. Everything in the refrigerated case that has an expiration date of today for these 80 Starbucks stores around Los Angeles, will be in our facility for our guests and people living on the street-

Shawn Saunders: Isn't that awesome?

Andrew Olsen: That's really cool.

Richard Newcomb: Tomorrow. What if we open-

Shawn Saunders: Good for them that they're partnering with you.

Richard Newcomb: URM Café, and it's right next door to URM Thrift and Boutique. We're employing eight to 15 people at each enterprise, and spreading the word. It's a partnership on the ... We have the fashion industry that's helping feed the boutique part of the thrift store, which is a different model than everybody else in thrift. We have a giant banner outside there. New clothing from the factory, direct from the factory, $2.99 to $7.99. That's helped drive that business. We're creating a whole new model. There's tons of fashion industry companies based in Los Angeles. We hope to grow that relationship.

Richard Newcomb: What if Starbucks has a heart for this? I've told you what they've done at Porto's, has a huge heart. They just had a commercial that Bank of America created for Betty Porto showing her heart and how she's interacted with our children, and what she's done for us. What if we did that? URM Café, a joint venture of Porto's, Starbucks, and the Union Rescue Mission.

Richard Newcomb: I don't know if that'll happen, if it's reality, but it's an idea, and I think we'll have something of that nature, they'll certainly want to partner with us. Again, it's teaching them to fish, build up that savings account. We're big on savings account. We have people that become apprentices in their place. We have hundreds that become apprentices. That's part of our program, that life transformation. You save 80% of that money, you use the balance for your cellphone or whatever. When you leave, you have X amount saved up.

Richard Newcomb: Here's an example of that. One of the drivers, we've been doing this now about two years, 18 months to two years. One of the drivers of the Starbucks vans up to this route, came through our program, and if a check is over a certain amount, you have to have two signatures. It's either Andy, our CEO, Dan, our CFO, or myself. The CFO said, "I need you to co-sign this check." It was $20,000. I'm like, "Who's this?" Turns out it was one of the drivers of the van for the Starbucks thing, had saved $20,000. Again, a graduate from our program, and he was taking the money to go open up his own savings account and moving it to a regular bank, and start to look to move out of the facility [inaudible 00:39:53]

Andrew Olsen: That's so cool.

Richard Newcomb: That's the kind of thing we're talking about. That's life transformation. That is social enterprise at work. That is teaching people to fish, just not giving them a fish.

Shawn Saunders: You're saying it's part of the program. Essentially, bringing work ethic, getting people to disenfranchise, to become franchised, right?

Richard Newcomb: Right.

Shawn Saunders: Equipping them in that way. You can sell that to donors, it sounds like.

Richard Newcomb: Yes.

Shawn Saunders: They want to fund that, because they know that these are going to produce lasting outcomes. Am I-

Richard Newcomb: Exactly.

Shawn Saunders: Correct me if I'm wrong.

Richard Newcomb: That's the thing on writing for grants, and reaching out to donors. They want to know that we're making a difference. The more long-term outcomes we can show through the increase and the growth of these social enterprises, I believe the more they'll be engaged. For example, we're ready to launch the next thrift store. We'll come up with the formula. Dan and I, and Andy have discussed it. Dan's our CFO. We think that we can launch the next thrift store, or multiple thrift stores for 150,000. We're looking in and around the Sylmar area where Hope Gardens is, because the [inaudible 00:40:54] there on average two to three years, versus downtown it's more transitional. Some people are there three months, six months, nine months. Some are longer, but they're there at a very safe place. Their kids are going to school. We have tutoring. It's a great environment. You get these moms engaged in that. We're hoping we can grow that and expand that. I kind of lost my train of thought where I was going to with that whole thing.

Richard Newcomb: Social enterprise. I want to give you another thing that we're doing. PPG Industries has a giant plant, 450 employees, in Sylmar. Oh, I'm sorry. The thrift store. We're looking for three locations in and around Hope Gardens. Looking in Santa Clarita, Grenada Hills, Pacoma, where you're a 15 minute drive from Hope Gardens. We'll have a store manager who's been trained at the other location, and we'll just settle them back and forth to the thrift store. That's where we're trying to build that, where it's geographically close, and we can grow that around there.

Richard Newcomb: As far as philanthropy goes and donors doing that, we've reached out and written grants to multiple banks and entities that are interested in job creation, where you got $25,000 from Wells Fargo. We got $25,000 from Bank of the West. We are matching that with $50,000 from profit from the existing store. We're looking for another $50,000 from a philanthropic source. Could be an individual, could be another bank, or a foundation, or whatever. When we get that 150, I have a retired donor, great guy, who is running around looking for ... He's a retired executive from the commercial real estate industry, who has searched 16 locations. Said, "None of them are good enough," and he's looking for the next one. When we get the next $50,000, we're ready to launch that. We'll have to do that in the next three to four months roughly.

Richard Newcomb: One another thing on social enterprise. PPG Indus tires, talk about corporations with a philanthropic heart. They are a giant corporation. 47,000 employees worldwide. They paint every airplane on the planet Earth, other than Russia. They make windows for almost every jet and fighter plane on the planet Earth other than Russia. They have an aerospace industry facility near Hope Gardens out in Sylmar. They came and they handed out candy for our harvest festival October before last. Last October, they came in with 172 volunteers, and painted the bottom half of the exterior of the buildings. Then they came back and painted a mural. Now they're starting an employment program that started three weeks ago. They have brought 15 moms, all of them have a criminal record. Two have felonies, which might limit what they can do, because they're working in a facility making windows for fighter jets for the government, but 13 have not the best backgrounds, but they're all [inaudible 00:43:42], they've been training them in interview skills, training them in resume writing. That was the last two weeks.

Richard Newcomb: This week, they're going through practice interviews with the real people who are decision makers at PPG.

Shawn Saunders: Cool.

Richard Newcomb: They have adopted us. They are thrilled at what they're doing, and they're planning to hire between two and five women into this plant, that they're looking to expand, and is so thrilled about what we're doing, they have approached us. They need land to expand their plant because they just got a big contract for the new F35 fighter jet, and they need a bigger facility. They've asked us, "Could we buy 20 acres of your 77 acres at Hope Gardens? Level some of these hills, and build a half a million square foot facility, and then have a program where would hire your graduates in three to five per year. We're so interested in what you're doing, we will build affordable housing for your employees who only make minimum wage."

Shawn Saunders: I got to have a taste of that, because I started a recovery organization that was a social enterprise, self-sustaining, so I've seen how rewarding that interplay is, and you get into some really cool ... That's some fun fundraising, man. That is some cool stuff that you're talking about. It doesn't get any better than that. I think on a future show, Andrew, we should probably try to unpack, and maybe it's with Richard, this concept of social entrepreneurship. There's interplay that's different the social enterprise is what you're starting, but that'd be something, like another show, I think.

Andrew Olsen: For sure. We are out of time. This has been a great conversation. I appreciate you sharing with us.

Shawn Saunders: Yes, thank you.

Richard Newcomb: Glad to be here. Thank you.

Andrew Olsen: One last thing I'd like to do is, often we have folks listening, that they'll hear something and it'll spark an idea, and they want to follow up. If someone wants to get in touch with you, what's the best way for somebody to do that?

Richard Newcomb: Send me an email. rnewcomb, N-E-W-C-O-M-B @urm.org.

Andrew Olsen: Awesome. Thank you again for your time today.

Richard Newcomb: Thanks, Andrew.

Shawn Saunders: Thank you, Richard.

Richard Newcomb: Thanks, Shawn. Appreciate it.

Shawn Saunders: God bless you.