

# Corporate Philanthropy 2003



## Region's top donors share their visions

BY HENRY DUBROFF  
*Business Times Editor*

Times are tough in the nonprofit sector. From the Santa Barbara Museum of Art, which just announced a major layoff, to human services organizations, it has been a real struggle to match expenses and revenues.

One result is that the wealthy donors who populate our region have become vitally important players. These donors continue to provide money, energy, leadership and vision. They are capable of stepping up in unique ways to fill the void left by government and other sources. During the summer, the *Business Times* visited with three major figures in the region's philanthropic circles. They include:

- Ed Hogan, founder and head of Pleasant Holidays in Thousand Oaks. Hogan is using his \$100 million foundation to actively pursue his vision of world understanding through travel and entrepreneurship.

- Tom Parker, head of the Hutton Foundation. Parker has spent much of the past year building cultural institutions in North Santa Barbara County. He and others are beginning to recognize that community needs have been severely short-changed in some areas of our region.

- Real estate investor and bank owner Michael Towbes. Towbes has become the driving force behind Santa Barbara's proposed Center for the Performing Arts. His recent efforts signal a more active approach to giving.

Here is a closer look.

### ED HOGAN: GLOBAL PEACEMAKER

In June, Ed Hogan culminated a lifetime of achievement in the travel industry when he and his wife, Lynn, received the Ernst & Young Master Entrepreneur of the Year award in front of 800 people at a Beverly Hills hotel.

But in his acceptance speech, the 75-year-old founder of Pleasant Holidays did not extol the virtues of making money. Instead, Hogan urged his peers to spend more time on philanthropic endeavors as a way of truly fulfilling the promise of the free-enterprise system.

These days, Hogan operates from the brand new offices of his Hogan Family Foundation at a Newbury Park business center. Though still actively involved in Pleasant Holidays, now part of the Automobile Club of Southern California, Hogan is steering the foundation and its \$100 million in assets in new and unique directions.

His vision is a simple one—he believes that travel is the key to people getting to

know and understand one another. "Travel that gets you integrated with different cultures could produce a more peaceful planet," he said, flashing a smile that sold thousands of people on taking trips to Hawaii and around the world.

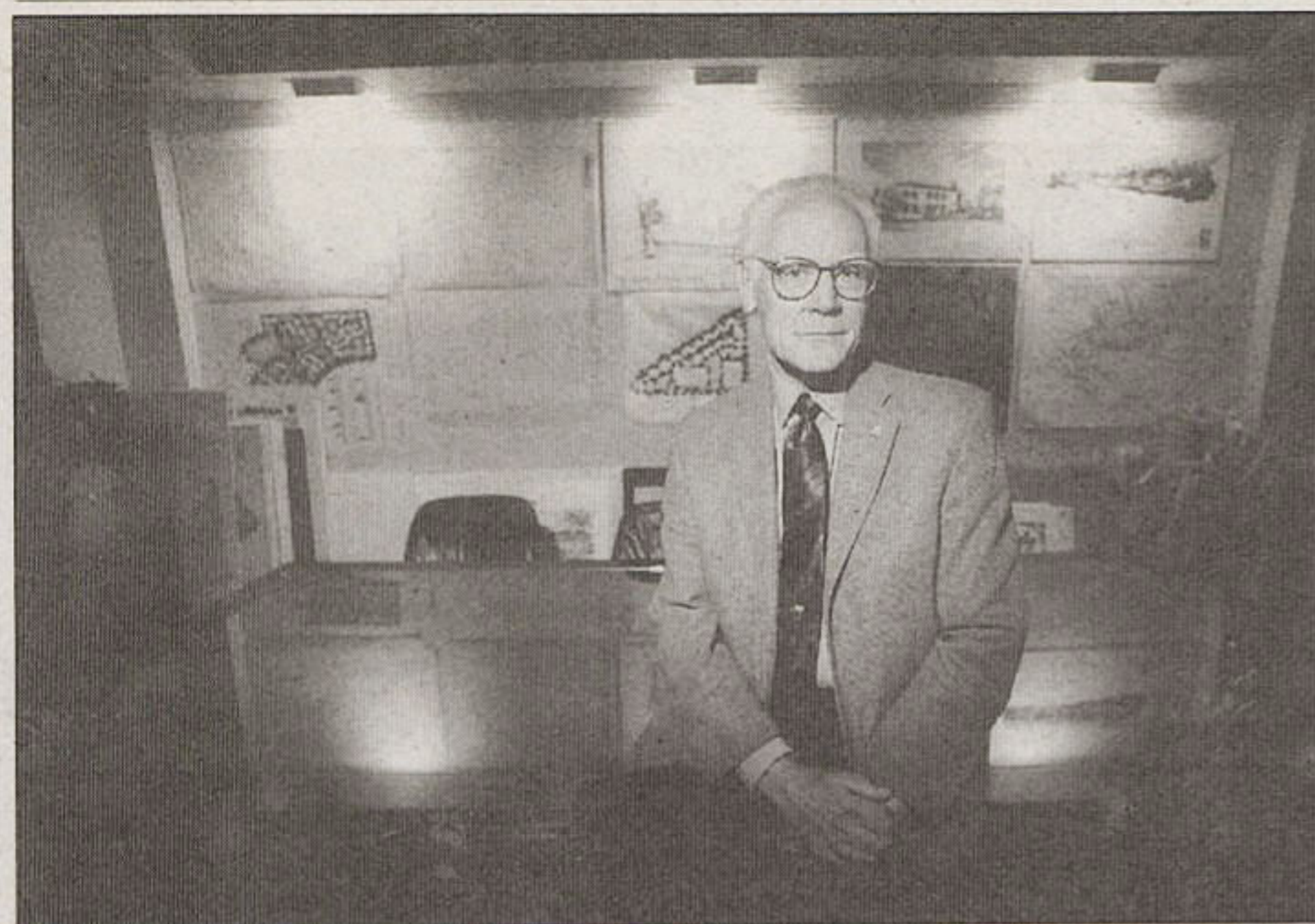
Playing on the theme "riches through knowledge; knowledge through travel," the Hogan family has developed a multi-cultural attraction called "Gardens of the World" at 2001 Thousand Oaks Boulevard in Thousand Oaks. Japanese, European and California-themed gardens offer visitors a chance to engage in tranquil understanding of different cultures. The gardens are offered to the community as

an educational experience and for non-profit fund-raising events.

But Hogan has not stopped with Gardens of the World. In recent years, his mission has evolved from promoting travel to teaching people how to be successful entrepreneurs—in the travel industry and other businesses.

He has developed academic programs to teach travel and tourism. One program is actively operating at Chaminade University of Honolulu and a second at Loyola Marymount University in Los Angeles.

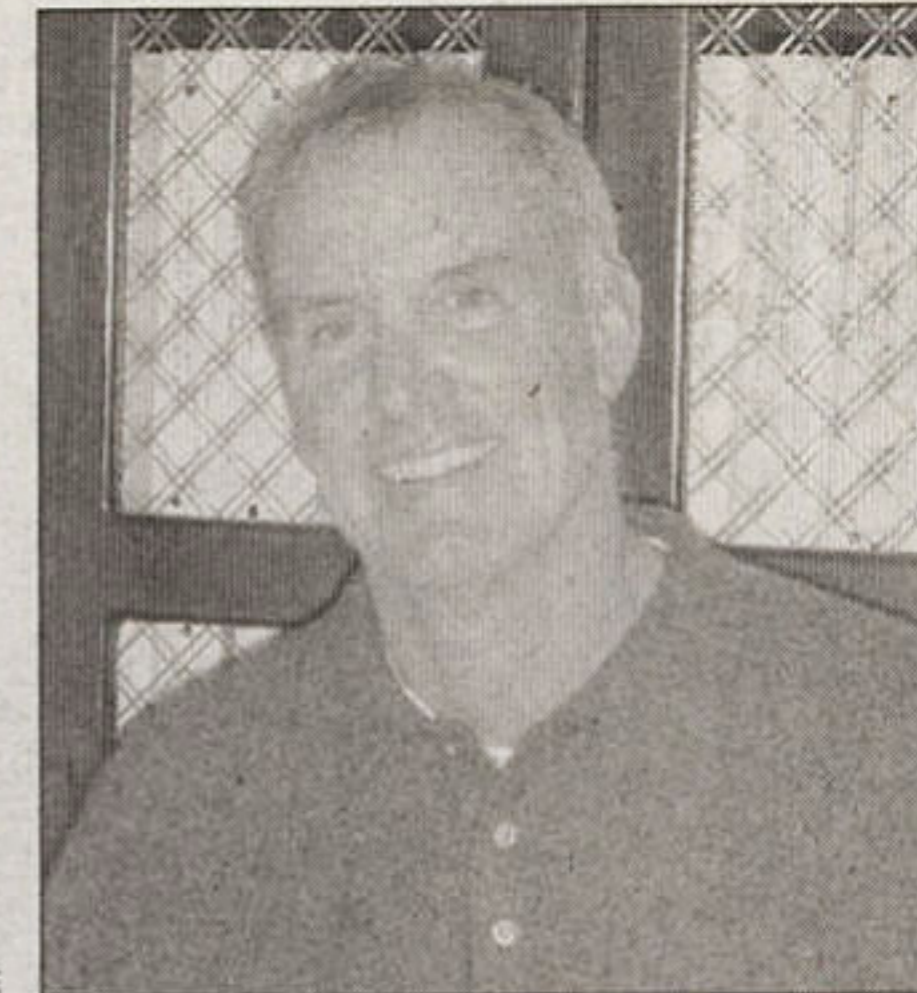
The crown jewel of Hogan Family Foundation enterprises is an entrepreneurial program for young people. See **PHILANTHROPY** on page 12



JASON SCHOCK PHOTO



COURTESY HOGAN FOUNDATION



COURTESY HUTTON FOUNDATION

Major forces in the tri-county philanthropic community show there are many ways to make an impact.

Left: Michael Towbes

Center: Lynn and Ed Hogan

Above: Tom Parker

## PHILANTHROPY

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neurship program at Gonzaga University in Spokane, Wash. Hogan said he was taken with the approach to ethical business practices of university President Robert J. Spitzer, and he has now committed millions of dollars to a bachelor's degree program that integrates entrepreneurship, ethics and internships.

Hogan argues that international entrepreneurship is perhaps the best way to fight terrorism. "The hungry person is discontented. We need to create commerce to the point where people are well fed. Then they can begin to educate themselves," he said.

### TOM PARKER: REGIONAL CATALYST

Working in partnership with his sister-in-law, Betty Hutton, Tom Parker built a

real estate empire in Orange County that, in turn, funded a major philanthropic effort. The Hutton Foundation, named after Betty, has become a major benefactor to causes in and around Santa Barbara, its home base. But beginning with the new century, Parker began to focus on a fundamental imbalance about community services in the Santa Barbara County region as a whole. His foundation helped fund a study that concluded the following:

- Funding for nonprofits in South Santa Barbara County rose from \$100 million a year to \$350 million through the 1990s.

- Funding for nonprofits from the Santa Ynez Valley north to Santa Maria was flat at about \$25 million for the same decade.

Recognizing that such an imbalance was wrong, particularly at a time when Santa Maria, Buellton and other commu-

nities are growing rapidly, Parker began acting as a catalyst for change.

The Hutton Foundation has teamed up with the Santa Barbara Foundation, the Nonprofit Resource Center and others.

The coalition of nonprofits has purchased the former Coca-Cola bottling plant in Santa Maria as an incubator for new community organizations. It has funded a symphony with a part-time conductor and a Discovery Science Center for school kids. And it was begun to work closely with Santa Maria's elected officials to identify community needs and meet them.

Parker is an advocate for nonprofits because they operate much more like businesses than government bureaucracies. "The tax system does not empower us," he said. "But when people get involved in nonprofits they have a sense of ownership."

Besides, he added with a grin, when a

group of people joins together for a worthy cause, politics goes out the window. "Philanthropy doesn't really recognize the difference between a liberal and a conservative," he said.

Parker delights in steering the Hutton Foundation into the role of catalyst. To that end it has established a revolving loan fund that makes low-cost financing available to nonprofits that want to expand. It also has provided funding for nonprofits to purchase their own buildings as a way to build a financial cushion and hedge against rising lease rates.