The Colorado Health Foundation™

How The Colorado Health Foundation is Investing in Power Shifts

At The Colorado Health Foundation, disrupting traditional ways of deploying philanthropic resources and capital is at the heart of the fight for health equity and racial justice. Across the Foundation, by centering community voice and our values in everything we do, it brings a shared understanding: we don't just talk about systemic change through shared liberation, we operationalize it.

That integration of racial justice and community power into every facet of the work is critical. It gives Foundation staff, community partners, and even vendors and consultants, a clear north star for meaningfully changing the status quo.

That clarity of purpose is only deepening in the current moment with the many threats to diversity, equity, and inclusion practices and racial justice work. While some in philanthropy who previously claimed to champion equity and justice in their work are scrubbing their websites or watering down their messaging, at CHF, we are not backing down. We are doubling down.

Creating health equity through racial justice—and the many ways race intersects with other aspects of Coloradans' lived experience—means shifting power away from the entrenched interests that hold us back from equity and greater prosperity, and towards community. One of the ways the Foundation is seeking to meaningfully shift power is by supporting communities' ability to advance their own agendas through greater access to capital. One of the tools we use to do that is impact investments.

Just like racial justice is integrated across the Foundation, our impact investing is also integrated across every department. **We documented this journey in a recently released report looking backon nearly a decade of impact investing at CHF.**

What is impact investing?

At the intersection of endowment investments and traditional grantmaking lies impact investing. While some of our endowment investments may be mission-aligned, they are designed to generate returns and power our programmatic and administrative needs. On the other hand, while grantmaking continues to be a powerful philanthropic tool, it is limited in its ability to open financial, legal, and other practical doors to community partners.

Grant dollars alone can't get someone access to financing like mortgages, and they can't signal to interested co-investors that a potential investee is a good opportunity. The vehicle for moving capital matters just as much as the dollars themselves.

In addition, impact investments not only put dollars where communities can best use them, they also have the potential to generate investment returns. Those returns aren't just dollars for the Foundation to use in other ways, they can do more for communities than traditional grants can.

One way this shows up in the Foundation's strategic impact investments is through cash deposits. **CHF released a blog about this strategy earlier this year.** By putting the Foundation's cash deposits to work in community banks—rather than bigger national or international banks—it builds the lending capacity of those banks, and increases capital and resources available for community partners to create their futures.

In addition to cash deposits and traditional grants, the Foundation also uses:

Program-Related Investments (PRIs): Typically low or zero-interest loans, CHF's PRIs are designed to create access to capital, but must be repaid. They can also help establish credit worthiness for investees.

Loan Guarantees: These allow investees to access capital for high-impact projects from banks and other financial institutions where CHF provides a guarantee that the money will be repaid, but without the Foundation having to put up the cash up front.

Recoverable Grants: Between a loan and a traditional grant lies a recoverable grant. These funds allow investees to advance innovative work while offering flexibility for repayment methods that can include impact outcomes as well as financial performance.

Technical Assistance and Capacity-Building Contracts: These provide support for mission-critical infrastructure, leadership, and systems, especially where capacity is a barrier to scaling solutions or accessing capital.

Often times, the Foundation uses these tools together across time to support community partners to achieve their goals and help shift power in local ecosystems and markets.

A journey towards impact

CHF's impact investing journey did not begin as a fully formed strategy. In the early years, impact investments operated more alongside grantmaking than as an integrated part of the Foundation's broader work. That began to shift in 2017, when CHF intentionally reimagined how capital could be used to advance health equity and racial justice—not as a separate lane, but as another tool to support community-rooted solutions and move resources where traditional markets often fail community.

Since then, the work has been defined by learning, adaptation, and a willingness to let community needs shape our strategy. CHF has tested different tools, refined its investment policy, and built stronger ways to understand what impact looks like beyond dollars out the door. That learning has helped move the portfolio from experimentation to alignment, and now toward a more intentional understanding of how investments can strengthen organizations, mobilize additional capital, and support long-term systems change.

Just as important, impact investing has become increasingly integrated across the Foundation. It is connected to the work of Community Investment and Impact, Learning and Evaluation, Grants Management and Operations, Communications, and other teams that help shape, support and tell the story of this work.

That integration matters because impact investing is not simply about making loans or guarantees. It is about aligning every available tool (grants, investments, learning, relationships, and voice) toward the same goal of shifting power and creating the conditions for every Coloradan to live a healthy life.

The future of impact investing at The Colorado Health Foundation

As CHF looks ahead, impact investing will continue to be shaped by the same values that guide the Foundation's broader work: racial justice, health equity, and a belief that communities should have the power and resources to determine their own futures. The next phase is not about treating impact investing as a separate strategy, but about deepening its connection to the full range of tools CHF uses to support community-led change.

Nearly a decade into this journey, the Foundation is still learning, adapting, and pushing to do more than move money. The work ahead is to keep aligning capital with community power, so investments do not simply generate returns, but help create lasting conditions for health, dignity, and opportunity for all Coloradans.

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