

TransCap Initiative
Systemic Investing for Sustainability

Gary Community Ventures' Housing Work

A Case Study of Systemic Investing



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February 2026

Preface

About the TransCap Initiative

The TransCap Initiative (TCI) operates at the intersection of real-economy systems change and finance. Our mission is to develop the field of systemic investing—a new investment logic for funding systems transformation. We do so by running an open innovation space for developing, testing, and scaling systemic investing through research, prototyping, and network weaving. You can learn more about our work on our [website](#).

About systemic investing

Systemic investing is the next frontier of purpose-driven finance, answering an urgent call for a more strategic, integrated, and contextualized approach to funding systems transformation. It leverages the tools and methods of systems thinking and complex systems science to make sense of societal challenges as complex systemic issues. It advocates for the strategic orchestration of multiple forms of capital provided by multiple types of investors under a shared theory of transformation, in pursuit of a holistic, systemic notion of impact.

For more information about what systemic investing is, read the publication [“Definition and Hallmarks of Systemic Investing”](#). To learn more about the relevance of systemic investing and the contexts in which it promises to be most useful, see the primer [“Systemic Investing for Social Change”](#) published in the *Stanford Social Innovation Review* as well as the more comprehensive white paper [“Transformation Capital – Systemic Investing for Sustainability”](#).

About TCI case studies

As part of the TCI’s field-building effort, we are searching for examples of ongoing initiatives that illustrate core ideas of systemic investing. We are publishing a series of case studies that showcase the work of organizations we admire to demonstrate and explain what it means to do systemic investing “on the ground”. Throughout, we hope to illustrate what is distinctive about systemic investing and how it is different from other, more mainstream approaches to sustainable finance and impact investing.

In our work, we operate in the current reality (what is) while looking ahead to possible futures (what could be). Systemic investing in its “pure form” belongs in the future, with elements of the practice emerging as pioneers around the world explore how an understanding of systems can support different ways of investing. Each case study highlights where elements of this emerging financial practice are taking shape and might lead us to unearth novel ideas and approaches that strengthen the conceptual underpinnings and best practices of systemic investing.

Cover image: Denver homeowners who purchased their first home with down-payment assistance from the Dearfield Fund, a Gary venture | May 2024

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Introduction

What does it mean to transform a system?

Systems work is steeped in abstract concepts and explained with jargony language, which is why it can feel disconnected from the reality of the human experience. This can lead some people to dismiss it as academic and philosophical and thus as irrelevant—or at least impractical—for those working at the coal face of change.

But that's not true. Systems work can be highly applied, tangible, and impactful. There are scores of organizations effectively applying systems theory in practice, implementing strategies that improve the livelihoods of people in meaningful and measurable ways, and narrating their work through compelling stories. **Gary Community Ventures (“Gary”)** is such an organization.

In fact, Gary's commitment to systems work is wholehearted and uncompromising. The organization is almost radically “outside-in”, letting the needs of the people it serves dictate its strategy, thereby not shying away from doing the hard or contentious work that needs to be done to move the needle on the issues it cares about. In so doing, Gary takes a user-centric approach, working in partnership with other organizations and with its beneficiaries to build not what *should* help people but what *actually does*. This makes Gary an example of what becomes possible when working in a highly strategic, integrated, and contextual way—thereby embodying many of the core principles of systemic investing.

In addition to this system-first approach, there are other genes in the Gary DNA that compelled us to write this case study. One is Gary's recognition of the importance of public policy for systemic change and, based on that, its steadfast commitment to engage in policy design and advocacy work to shape the local political context. Another is that Gary plans to sunset its operations by 2035. While sunsetting is not a hallmark of systemic investing, we were intrigued to better understand how operating with a model of impermanence affects a capital allocator's mission, strategy, and execution, and what this might mean for other systemic investment efforts.

This case study explores Gary's work in one particular outcome area—**Family Economic Mobility**, with a particular focus on **affordable housing**—through the lens of TCI's emerging framework of systemic investing. Some of the leaders behind Gary have engaged with the core ideas of systemic investing and find them compelling, but they don't necessarily make sense of their work through TCI's framework and language. Nor is this case study to be understood as Gary's endorsement of TCI's work. As both the idea of systemic investing and the work of Gary Community Ventures continue to emerge and evolve, we hope one informs the other, for mutual benefit. We also hope that the insights we unearth through this process inspire other changemakers focused on affordable housing, an increasingly pressing problem around the world.

The **first section** (“Background”) of this case study introduces Gary Community Ventures. The **second section** (“Gary Community Ventures and Systemic Investing”) explores how Gary's work exemplifies the principles and hallmarks of systemic investing. While many of the core ideas of systemic investing are present in Gary's work, we highlight those most salient and “higher in the mix.” The **third section** (“Lessons Learned”) provides a sense of the experience the Gary team has had in trying to put these ideas into practice. Finally, the **fourth section** (“Food for Thought”) suggests ways in which Gary could potentially strengthen the implementation of key concepts at the heart of systemic investing.

This case study is primarily based on a review of internal and external resources, such as presentations and reports, as well as interviews with several individuals involved in Gary Community Ventures, including [Santhosh Ramdoss](#) (CEO), [Catherine Toner](#) (Managing Director, Impact Investing), [Vilan Odekar](#) (Chief of Staff), and [Zach Martinez](#) (Director of Policy and Advocacy), as well as [Luke Teater](#) (Housing Policy Consultant at Thrive Economics).



Launch of Proposition 123 campaign – a Colorado-wide affordable housing ballot measure passed in 2022 | September 2022
Photo courtesy of Gary Community Ventures, used with permission

1. Background

1.1 About Gary Community Ventures

Overview

Gary is a philanthropic organization dedicated to improving the lives and livelihoods of children and families in the state of Colorado, USA. It was founded on the vision of Sam and Nancy Gary—he an oil entrepreneur, she a child health expert and clinical child psychologist—who were convinced that economic and social prosperity are interdependent.

“Business does not exist separately from the environments in which it operates. The image of business success is merely a veneer unless the surrounding communities can rise above the shackles of poverty. Nobody makes it unless we make it together.”

– SAM GARY, FOUNDER OF GARY COMMUNITY VENTURES

The philanthropic work of the Garys started in the 1950s, using the resources of Sam’s oil business and Nancy’s expertise in child wellbeing. In 1976, their activities were institutionalized for the first time through the establishment of the Piton Foundation, and a few decades later, Sam and Nancy complemented their philanthropic giving by creating Gary Community Investment Company (GCIC) in 2014. All their endeavors then underwent a legal and brand transition to form Gary Community Ventures in 2021. Over time, what has started as a traditional grantmaking endeavor has evolved into an integrated model that leverages resources across business, policy, and philanthropy to “make a lasting, transformative impact on Colorado kids and families”.

Outcome areas

Gary Community Ventures pursues two **primary goals**, “Transforming Systems” and “Building Wealth”, to serve kids and families from low-income backgrounds and communities of color in Colorado across three **“outcome areas”**:

Vision, mission and values of Gary Community Ventures

Box 01

Vision

- “That all children in Colorado have the opportunity to grow up healthy and reach their full potential.”

Mission

- “To partner with our community to leverage business, policy, and philanthropy, working together, to reshape the arc of opportunity for Colorado kids and families.”

Values & Commitment

- “We listen with humility to our community, partners, and one another, learning together to drive action.”
- “We dare to be bold, driven by the urgency our kids and families deserve.”
- “We deliver breakthrough solutions and never do it alone.”
- “We are committed to understanding the systems of racial oppression faced by our communities. We acknowledge our individual and collective privilege and actively incorporate diverse perspectives to advance racial equity in everything we do to create a more just Colorado.”

- **School Readiness**, which focuses on providing high-quality early learning opportunities to children (through better access to pre-school and childcare services) and critical family support services focused on birth outcomes, skill development for children, and the expansion of parents’ capacity to support their children in the early years;
- **Youth Success**, which aims at increasing academic skills (especially math and literacy),

advancing youth wellbeing (with an emphasis on building young people's sense of purpose, fostering trusted relationships with peers and adults, and ensuring access to early screening and interventions), and increasing post-secondary success (e.g., through work-based learning opportunities in high school); and

- **Family Economic Mobility**, which focuses on helping families grow income (through upskilling and better access to public-sector benefits), cut expenses (through access to affordable housing and debt consolidation), and build wealth (e.g., through asset ownership).

Strategy and structure

In pursuit of these goals and outcomes, the Gary team deploys four different **categories of interventions**, which they call “tools”, in synergistic fashion in order to “tackle complex challenges from multiple angles and create longer lasting impact than any single approach could achieve alone”:

- **Impact investments:** Investing concessionary and market-rate capital from Gary's balance sheet in mission-based organizations dedicated to both social and financial impact.

Investments tend to fall into one of three groups:

- For-profit companies, investment funds, and other organizations adopting market-based solutions** across the country;
 - National market-based solutions** looking to scale impact in Gary's programmatic areas or expand their impact to Colorado; and
 - Place-based investments** that directly benefit kids and families in Colorado.
- **Venture building:** Incubating new solutions for unmet needs and unresolved challenges, working alongside partners and beneficiaries. The focus is on rapidly piloting early-stage ideas with smaller audiences to shape them into new products and organizations and then spin them out as standalone ventures—an approach that Gary likes to compare to Google X. Most often these are nonprofits, occasionally for-profits and sometimes other structures entirely, and they particularly focus on issues where technology is a key success

factor and allows for scaling to the level of public systems and institutions. This work is being led by a ten-person in-house team with expertise in the development of technologies for social outcomes.

- **Policy and advocacy:** Deploying its own policy team or financially supporting partners to advance transformative policies, nurturing a thriving policy ecosystem, and supporting ongoing improvements of public systems at the state and local levels. This work includes supporting campaigns around specific ballot measures, engaging in state legislative work, advocating for city or county measures, and supporting government entities with high-quality policy implementation.
- **Catalytic grantmaking:** Providing non-repayable grants to public, nonprofit, and private organizations—including organizations Gary has incubated and spun-out—with the aim of expanding the impact of Gary's nonprofit partners and improving outcomes across its programmatic areas.

Integral to Gary's way of working is collaboration—not just in project-based partnerships with other organizations working on the same problem, but in a continuous dialogue with the people that Gary serves. For instance, the [Colorado Design Insight Group \(CDIG\)](#) is a panel of 500 Coloradan households directly affected by the issues Gary is addressing, with whom the Gary team is in regular dialogue to stay current on needs, challenges, and sentiments, and test solutions.

Structurally, Gary is set up to harness the impact potential of its different tools by working through three distinct **entities**:

1. **Gary Philanthropy:** A 501(c)(3) private foundation handling most grantmaking as well as some venture building and impact investing activities
2. **Gary Ventures Inc:** An S-Corporation where mission-focused funds are held and through which investments are made (including venture investments).
3. **Gary Advocacy:** An LLC where the bulk of the policy and advocacy work is managed.

The Gary leadership team determines the most appropriate legal entity or combination of entities to deploy its four tools in a way that most effectively

advances towards its impact goals of transforming systems and building wealth. At the time of writing, Gary operated with an annual grant budget of USD 10 million.

Gary also recognizes that advancing innovative programs and policies alone is not sufficient to create lasting systemic impact but requires working at a deeper level. This is why they also engage in complementary activities under the **strategic priorities** of “Investing in Leadership” and “Changing Narratives”. For many years, Gary has hosted the Piton Fellowship, a leadership development program designed specifically to nurture critical capabilities and capacities among civic leaders to support their transformative work. They are now moving beyond this model to a more systemic approach that focuses on specific sectors and thematic areas in Colorado. It involves mapping the “instigators, innovators, and implementers” and creating platforms for these key actors to meet and build meaningful relationships. The ambition for this new strand of leadership development work is to nurture cohorts of change agents who can drive and sustain

systemic transformation long after Gary’s work ends.

And in order to “change narratives”, Gary engages in field-building within philanthropy and impact investing. Examples of this include the recent co-authorship of a [report](#) on ownership investing and hosting “ASSEMBLE100”, an annual convening of different actors from policy, philanthropy, finance and beyond around pertinent socio-economic challenges related to Gary’s mission. This included a gathering in 2023 focused on bringing new capital into the market to advance housing affordability.

Finally, all of Gary’s activities are shaped by an overarching strategic imperative: According to the will of its founders Sam and Nancy, Gary Community Ventures operates with a **sunsetting clause**, planning to cease operations in 2035. It thus has 10 years left to “thoughtfully transfer all [...] resources to the community” in a way that makes “a lasting, transformative impact on Colorado kids and families.”



Viña Apartments, affordable housing in Denver, CO
Photo courtesy of Gary Community Ventures, used with permission

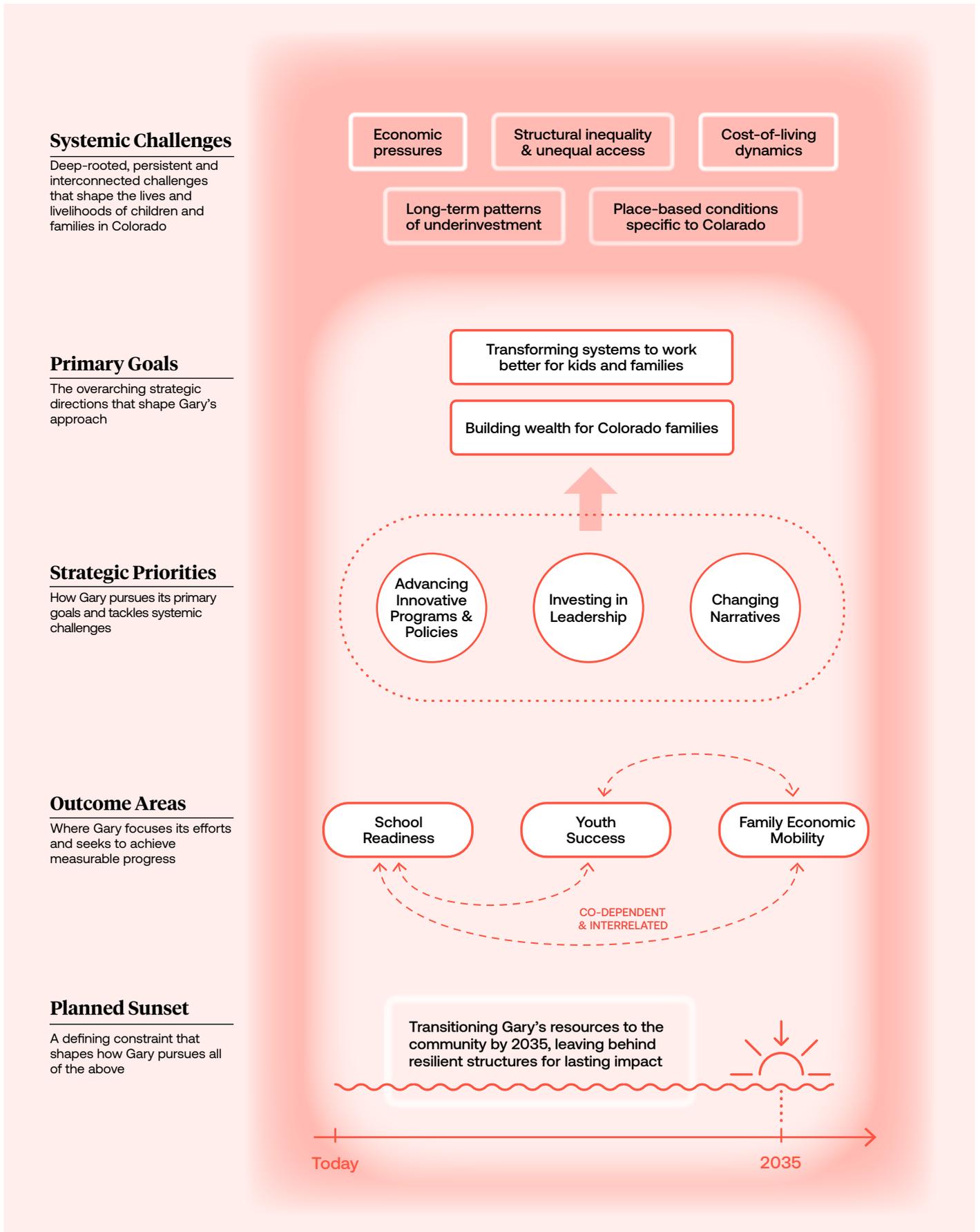


Figure 01 | Gary Community Ventures' approach to creating lasting impact

1.2 About Gary's housing work

Goals

The purpose of Gary's housing work is to ensure that all Colorado families with children can access and afford quality housing. Housing is viewed not only as a stabilizing factor for family well-being but also as a foundational pathway for wealth building and long-term economic mobility.

This ambition has been translated into clear and measurable systemic targets: By 2035, Gary aims to alleviate Colorado's housing supply crisis by contributing to the construction of up to 100,000 affordable housing units (10,000 annually at peak).¹ At the same time, Gary seeks to boost the homeownership rate across the state to 75%, placing a particular focus on families of color in an attempt to reduce racial wealth gaps.²

Strategic rationale

Gary's work on housing sits within the "Family Economic Mobility" outcome area. As one of the most basic human needs, housing is essential for Gary's impact mission at large. And with it being the highest monthly expense item for families in Colorado as well as constituting a major path to building wealth (through homeownership), housing is critical for economic well-being and mobility.

This is particularly true as Colorado has seen the unfolding of an affordable housing crisis over the past decades. 88% of Coloradans across all ethnicities and income levels view the cost of housing as a grave concern, and one third of people worry about losing a home because they cannot afford their rent or mortgage.³ One of the reasons for this is a supply shortage—between 2010 and 2020, 40% fewer units were built compared to the preceding decade, but the state of Colorado's population increased significantly over that period. As a result, housing costs have been rising, thereby disproportionately affecting low- and moderate-income Coloradans.

Data now shows that the number of units deemed affordable for those earning less than USD 45,000 per year has decreased by almost 300,000 units in the past decade. And given underlying trends, housing

is projected to become an even bigger constraint for family economic mobility in Colorado in the future. This is why Gary is dedicated to lowering the cost and creating avenues for people to build wealth through housing, either through direct ownership or other means of attaining equity.

Evolution and anatomy of Gary's housing work

Sam Gary's commitment to housing as a foundation for family stability stretches back decades. He believed that housing is a key element in preserving outcomes for families and children, and he became an early pioneer in investing in housing solutions. As co-founder and co-creator of the master plan for the Central Park community east of Denver—one of the largest urban infill developments in the country—Sam helped establish an integrated model that included affordable housing from the outset. Over the years, he worked on numerous municipal and mixed-use housing projects, deepening his understanding of what it takes to create housing that serves diverse income levels. Sam also helped co-create the [Urban Land Conservancy](#), a first-of-its-kind effort focused on land banking and preserving land for future affordable housing use. In 2015, he helped establish the [Elevation Community Land Trust](#), which has since grown into the largest community land trust for affordable homeownership in the region.

Building on this multi-decade body of work, Gary Community Ventures' leadership recognized from the outset that housing is one of those issues that cannot be solved through singular philanthropic investments. Meaningfully moving the needle on a challenge of this magnitude requires coordinated engagement across both the public and private sectors. This recognition inherently pushed Gary to think beyond direct funding of unit creation—an approach that, while valuable,

¹ This target is based on the latest data around Colorado's housing shortfall which stood at 106,000 units in 2023 according to the [State Demography Office \(SDO\)](#).

² More inspiration for how to use strategies of boosting homeownership rates in service of closing racial wealth gaps can be found in [TCI's case study on the GroundBreak Coalition](#).

³ Based on the 2024 [Pulse survey](#) by the Colorado Health Foundation.

would be inadequate given the scale of the crisis—and instead develop a systemic solution embedded within the structures and incentive systems of public and private actors alike.

By 2020–2021, the Gary team identified a significant gap in the financing frameworks for affordable housing. Structural issues—compounded by years of underinvestment following the 2008 financial crisis—had left Colorado's affordable housing needs far from met. This was especially true for the **Low-Income Housing Tax Credit (LIHTC)**—the most important public lever for delivering social housing at the national level—which suffers from several shortcomings. One is the focus on a particular segment on the area median income (AMI) spectrum—namely, the 30–60% bracket—which causes a dearth of financial support for those people in the 60–120% band. The result is a persistent lack of housing supply for this segment due to the prevailing incentive structures faced by developers: they either provide LIHTC-eligible housing to people below 60% AMI or target market-rate returns which makes housing largely unaffordable for the 60–120% AMI band. Another problem comes in the form of

funding gaps: LIHTC requires additional match financing to complement its own funding, and doesn't include funding for homeownership.

It was this recognition of deep structural issues in the housing finance landscape and the understanding that, given the scale of the challenge, grantmaking alone couldn't meaningfully close those gaps, that prompted Gary to pursue a more ambitious, systemic approach to housing: utilizing financial innovation and unlocking the catalytic potential of philanthropy and public finance to mobilize capital.

Financial innovation

Gary Community Ventures' initial exposure to housing resulted from a variety of **investment activities** to support innovative financial approaches aimed at mitigating Colorado's housing crisis. For instance, Gary made a program-related investment (PRI) into the **Colorado Housing Accelerator Initiative (CHAI)**, which specifically targets affordable housing funding gaps through the provision of both equity and debt capital.



Residents play on the Mosaic Campus, an affordable housing and community hub, purchased by Urban Land Conservancy, a Gary venture that launched in the early 2000s | Photo courtesy of Gary Community Ventures, used with permission

Gary's investment in CHAI has not only contributed to the creation of a meaningful number of housing units in high-need communities but also served as an **innovation experiment** to demonstrate the potential for comprehensive housing financing strategies. In addition to applying more conventional concessionary equity and debt financing mechanisms, with CHAI, Gary tested the implementation of an innovative financing structure called the **Tenant Equity Vehicle (TEV)**, whose purpose is to facilitate wealth-building for renters and low- and moderate-income households by allowing them to participate in the profits generated through the CHAI portfolio.⁴ The learnings and demonstration effects from this program also informed Gary's policy innovation work, specifically on the design of a similar mechanism that was included in a statewide ballot measure (see "Policy Innovation", right).

Other impact investments similarly seek to enhance homeownership and reduce housing costs. They include a mortgage credit fund targeting homebuyers from communities of color, a venture investment in a matching platform focused on housing for low- to moderate-income renters, and a fund supporting homebuyers who have faced systemic barriers to homeownership (see [Section 2.2](#)).

Grantmaking

The second pillar of Gary's housing work is grantmaking, which it uses primarily to fund two types of interventions:

- i. Catalytic **philanthropic support** for housing-related public-benefit work, and
- ii. **Venture building** targeted at critical systemic challenges that contribute to Colorado's housing crisis.

This has been a cornerstone of Gary's activities even before it had codified its formal housing strategy. The [Urban Land Conservancy](#) and [Elevation Community Land Trust](#) are examples of endeavors focused on securing land for community benefit to counter displacement. Originally incubated by the Piton Foundation, they were later spun out into standalone entities and still work to alleviate Colorado's housing crisis to this day. More recent examples are partnerships with [Turner Labs](#) and [Ivory Innovations](#) focused on innovative construction methods that have the potential to lower costs and

accelerate the delivery of housing units. Another is [MyFriendBen](#), an online platform co-designed with families to make it easier to access public benefits systems. By 2025, MyFriendBen has helped more than 55,000 households in Colorado to apply for USD 33 million in benefits. Now an independent nonprofit, it is expanding to five additional states—demonstrating how Gary's venture-building can achieve national scale.

Policy innovation

Building on the early lessons Gary had learned from its investment work—including through platforms like CHAI and the piloting of the Tenant Equity Vehicle—as well as its grantmaking across pioneering models like the Urban Land Conservancy and Elevation Community Land Trust, the team believed there was a unique opportunity to translate these innovations into publicly funded solutions. They saw a window of opportunity in 2022 to bring a citizen-led ballot initiative to voters that would essentially take these tested approaches and permanently fund them at scale.

"In most of our outcome areas, the scale of impact will come through policy."

— CATHERINE TONER

Gary thus decided to embark on an ambitious journey to reshape **housing policy** at the state level. This effort culminated in the passage of **Proposition 123**, a statewide ballot measure that would channel approximately USD 6.5 billion over 20 years—roughly USD 325 million annually—into affordable housing development.

Proposition 123 encompasses a range of programs addressing all three of the affordable housing funding gaps described above: match financing to complement LIHTC funding (a "LIHTC gap filler" in the form of concessionary debt), a fund providing both concessionary equity and debt capital to incentivize affordable workforce rental developments, and down-payment assistance for aspiring homeowners. It also

⁴ Note: The concept of tenant equity is similar to that of employee stock ownership in companies, and Gary's work on tenant equity is indeed informed partially by their learnings from engaging with innovative financing structures related to employee ownership funds.

includes programs for landbanking and homelessness. Different elements of the law are intentionally targeted towards households at different income levels to effectively integrate the efforts of local governments and housing developers and give them the flexibility to improve the affordability of housing in their communities. And to ensure effective housing delivery, Proposition 123 requires participating local governments to implement “fast-track” review processes for affordable housing and to increase their supply targets by 3% annually.

In essence, Proposition 123 works like a public-sector subsidy to real estate developers so that they can

achieve a market-rate financial return without having to charge excessive rents to tenants in order to achieve that return. It's designed to align with existing public funding mechanisms to catalyze the efforts of real estate developers, and therefore effectively presents a USD 325-million-a-year solution for a trillion dollar problem.⁵

⁵ Further information on Proposition 123, its design, implementation and impact can be found [here](#).



A tax preparer for Tax Help Colorado, a Gary venture that spun off in 2021, helps a Colorado parent file his taxes
Photo courtesy of Gary Community Ventures, used with permission

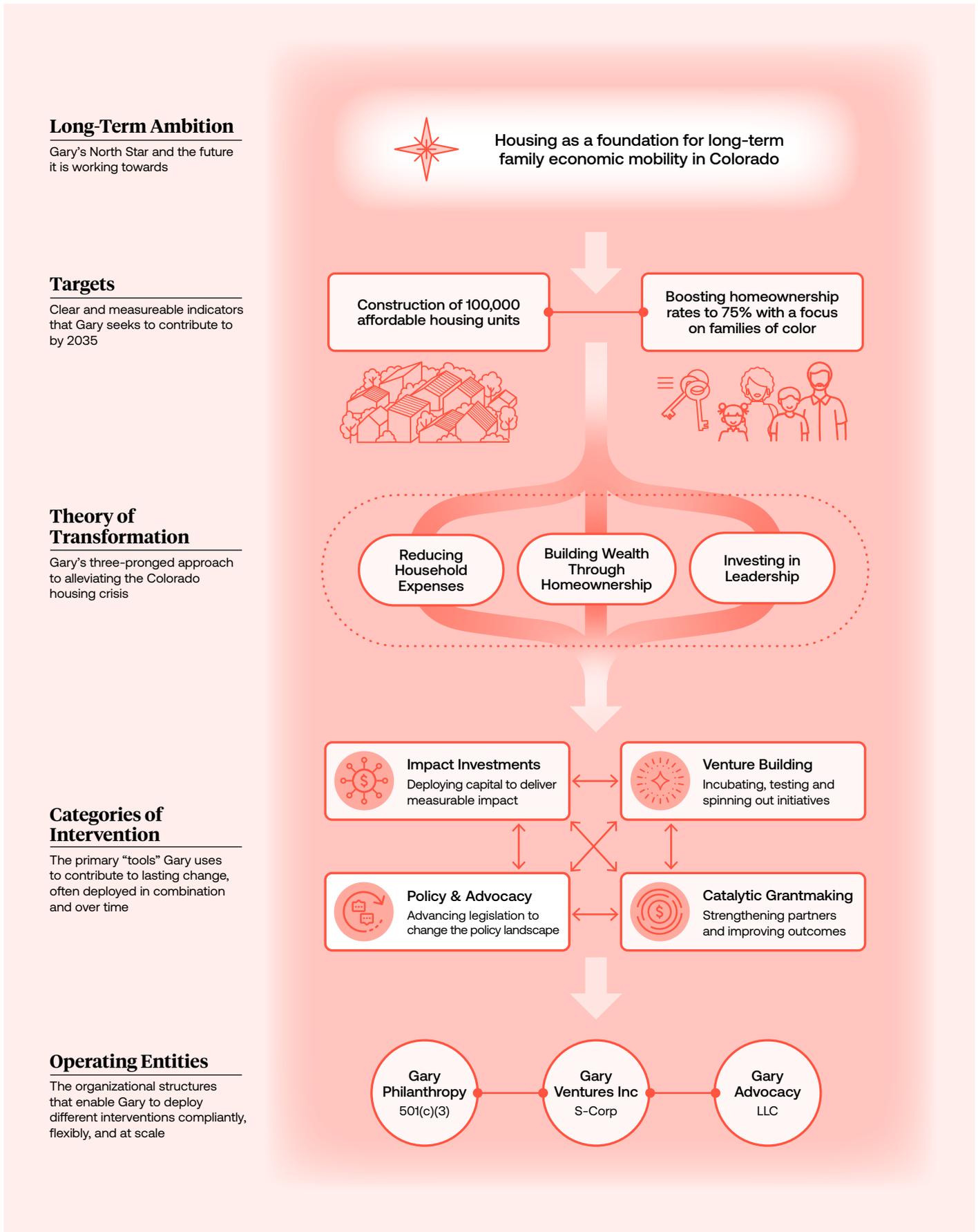


Figure 02 | Gary Community Ventures' approach to transforming Colorado's housing system

2. Gary Community Ventures and Systemic Investing

2.1 A system-first approach

Strategizing in tune with the system

In pursuit of its overarching purpose of the housing work (that all Colorado families with children can access and afford quality housing) and specific output goals (to build 100,000 new units of affordable housing and boost homeownership rates to 75% by 2035), Gary employs a “system-first” / “outside-in” approach. Instead of letting its institutional constraints dictate what the strategy *could* be, Gary interrogates the system to discover what the strategy *should* be. This approach showcases that systems thinking is deeply anchored in the organization’s DNA and signifies a pronounced **Systems Mindset (↗)**.

Operating with a systems mindset also means acknowledging that the systems Gary tries to influence are complex, interdependent, and constantly changing. This requires letting go of fixed long-term strategies and calls for flexibility and constant adaptation of the work in order to remain coherent and responsive to the needs of the system. Gary exemplifies this by taking an iterative approach to its housing work and letting its strategy emerge in an evolutionary way. For instance, the realization that the LIHTC program was insufficient to adequately close the affordable housing gap was the result of a deal-specific due diligence process by the impact investment team.

It was moments of learning like this that, over time, led to the emergence of a coherent, three-pronged **Theory of Transformation (↗)** on how the Colorado housing crisis could be alleviated:

1. **Reducing household expenses** by increasing the availability and affordability of quality rental housing, which entails addressing systemic land use barriers that prohibit the development of units, and unlocking innovative public financing to create and preserve more affordable units;
2. **Building wealth through homeownership** by increasing the supply of affordable (i.e., targeted at certain AMI bands) for-sale units and utilizing various types of interventions to launch demand-side support measures; and

3. **Investing in leadership** by nurturing a network of leaders and advocates who can sustain momentum beyond Gary’s own lifespan—recognizing that the keys to systems change are not only technical but also social in nature.

Identifying needs and matching tools

In analyzing problems and developing strategies, members of the Gary team let themselves be guided not only by the lessons learned from intervening in Colorado’s housing system but also by their own intuition. This doesn’t mean that they shun analysis, but rather that they employ analytical methods in a targeted manner. Often, it is intuition that leads the work, with analysis and prototyping later confirming that intuition and helping to refine a course of action.

“When working on systems change, you must lead with intuition and feel your way forward.”

– SANTHOSH RAMDOSS

The evolution of Proposition 123 is a case in point. The realization that philanthropy alone wasn’t going to bridge Colorado’s affordable housing gap and that an ambitious policy intervention was needed started as a hunch. Critically, this intuition was then backed by further analytical reasoning, early prototyping and testing of ideas to gain a deep understanding of the problem and discover how best to design a public funding measure capable of addressing the issue. When the team recognized that LIHTC dollars were insufficient to meaningfully address the rental housing gap, they didn’t simply accept this as a constraint—they started investing in early-stage experiments to explore what non-LIHTC affordable housing creation and financing might look like. These private prototypes and pilots served a dual purpose: they deepened Gary’s ability to develop a stronger, evidence-informed point of view, while also demonstrating what was possible to policymakers and other stakeholders. This willingness to prototype was itself enabled by Gary’s capacity to

take significant risks using philanthropic and impact investment dollars—capital that could absorb the uncertainty inherent in testing unproven approaches.

“We often rely on our intuition of how things structurally work, and then backfill that with research, modeling, and the support of subject matter experts.”

– CATHERINE TONER

As part of this analysis, the Gary team also tried to grasp the full extent of the **System Financing Needs (¶)**—the amounts and types of financial capital required to transform a system—to ensure that their efforts would be scaled at the correct order of magnitude. Their early analysis suggested that overcoming Colorado’s affordable housing shortage would require roughly USD 350 million annually for 20 years—far exceeding what philanthropic organizations focused on this issue could contribute from their own balance sheets. So Gary began to further dissect this funding gap to identify which types of capital were required to close it. They investigated existing public financing levers (e.g., LIHTC) and how to enhance their impact, and they analyzed private developers’ activities, incentives, and the complementary funding needs to close the affordable housing gap for different AMI bands. All of these insights were vital in the design and passage of Proposition 123 and for the development of a comprehensive investment architecture (see [Section 2.2](#)).

This kind of specific understanding of funding needs allows systemic investors to effectively deploy capital in service of the transition of a system. Crucially, it can also inform the design of impact safeguards. Proposition 123, for instance, includes a mechanism that ensures that supported units remain restricted to qualifying households rather than entering the open market.

Convening the system on common ground

Applying a system-first approach also implies that the stakeholders who live in and shape the system should be co-owners of a transformative strategy. This is why **Coalition Building and Orchestration (¶)** of multiple actors across a system’s stakeholder landscape is

so important in systemic investing, and Gary’s work exemplifies this perfectly.

In its housing work, Gary plays a central role in convening real estate developers, policymakers, advocacy organizations, and community representatives. During the design of Proposition 123, Gary brought together a bipartisan steering committee of 15–20 organizations and engaged several partners and consultants to support the policy design effort and provide guidance and research on all aspects of the proposition. In so doing, Gary acted as an integrator of different perspectives and bridge-builder between stakeholder groups with competing interests. This was particularly important for getting housing developers on board with Proposition 123. As Zach Martinez noted: “The people who build the units must be part of the solution; whatever we do must work for them, too.”

Gary was also key in securing the passage of the measure. This required activating a distinct part of the organization’s DNA: running high-quality political campaigns designed to win at the ballot by convincing a majority of Coloradans that investing in a new publicly funded affordable housing measure was worth their support. The organization actively campaigned in 10 cities across the state and sought to build a large bipartisan coalition where they “played a balancing role to find a middle ground that works for everybody,” as Zach Martinez put it. Beyond coalition building and electoral strategy, Gary also served as the core anchor partner for mobilizing financial resources, leveraging funding from both local and national organizations eager to see a systemic solution like Proposition 123 succeed. This commitment to balancing competing perspectives and interests has enabled Gary to design solutions that worked both politically and practically and now serves as a strategic asset for further work.

“In designing and securing passage of Proposition 123, we were the propeller on the boat—but other people were the rudder.”

– CATHERINE TONER

2.2 A polycapital intervention strategy

Over time, Gary's housing work has evolved into a full-fledged systemic investment program (Figure 03, see next page). This program comprises multiple financial mechanisms—some of which Gary has agency over, some of which sit outside its direct sphere of control. These mechanisms work together synergistically to address Colorado's housing crisis from multiple angles and strategically integrate all four of Gary's tools: policy and advocacy, impact investments, catalytic grantmaking, and venture building.

This integration reflects Gary's operating philosophy: housing solutions rarely succeed through a single intervention. A promising innovation may need philanthropic support to prove its concept, investment capital to scale, and policy change to achieve systemic impact. Gary's structure allows it to provide all four, often simultaneously, creating compounding effects that no single tool could achieve alone.

One way to visually depict Gary's systemic investment program is in the form of an **Investment Architecture** (↗)—defined as the design of the overall capital structure of a systemic investment program. Investment architectures identify the types of investment and funding vehicles needed to address a societal issue, the legal forms best suited for these vehicles, and the size of each vehicle in terms of investment and funding volumes. They also detail how the different vehicles are strategically related to each other and to financial mechanisms managed by others.

At the heart of Gary's investment architecture for housing sits a **Strategic Investment Portfolio** (↗)—a collection of assets funded with return-seeking capital, that integrates two of Gary's tools: impact investing, targeting specific gaps in Colorado's housing finance ecosystem where concessionary capital can unlock solutions that neither pure philanthropy nor market-rate investment can achieve alone, and venture building, to incubate innovative housing solutions:

- **Colorado Housing Accelerator Initiative (CHAI)**

By making an anchor private equity investment through Gary Philanthropy into CHAI in 2022, classified as program related investment (PRI), Gary sought to address the widening supply gap

for affordable housing in Colorado. CHAI contains both a debt and equity vehicle and was specifically set up to target the “missing middle”—households earning 60-120% of Area Median Income (AMI) whose housing needs are neither sufficiently served by existing public funding support like LIHTC nor through private markets. For Gary, this investment would not only help produce a meaningful number of housing units specifically targeting this in-need community, but it would also serve as proof of how concessionary capital can fill gaps in affordable housing capital stacks and thus supercharge real estate development. Alongside the investment, Gary provided grant funding to develop the Tenant Equity Vehicle (TEV, see Box 02), illustrating how Gary's tools work in synergy.

- **Enterprise Renter Wealth Creation Fund (RWCF)**

This presents another investment to address the currently underserved segments of Colorado's affordable housing market. RWCF invests in the preservation of multi-family affordable rental housing for households up to 120% AMI with the majority of units dedicated to households earning at or below 80% AMI. On top of the direct impact on housing creation, this investment by Gary also served the explicit purpose of learning about the implementation of innovative models to build renter wealth, as RWCF operates such a mechanism for residents: it disburses a portion of the investment's cash flows to tenants through rental rebates, recapitalization proceeds, and social and community services. Gary's learnings from engaging with RWCF—just as its experimentation on TEV with CHAI—would later feed into their partnership with the State and contribute to the design of Proposition 123.

- **HomeTeam Ventures**

Gary also made a mission-related investment (MRI) in HomeTeam Ventures, an early-stage venture capital fund specializing in identifying and supporting innovations across the housing ecosystem, with a particular focus on construction methods and financing solutions. The fund's focus aligned closely with Gary's broader housing strategy, and the investment helped surface promising innovations spanning a range of housing challenges. One notable portfolio company, Stake, provides cash-back for renters, enabling them to

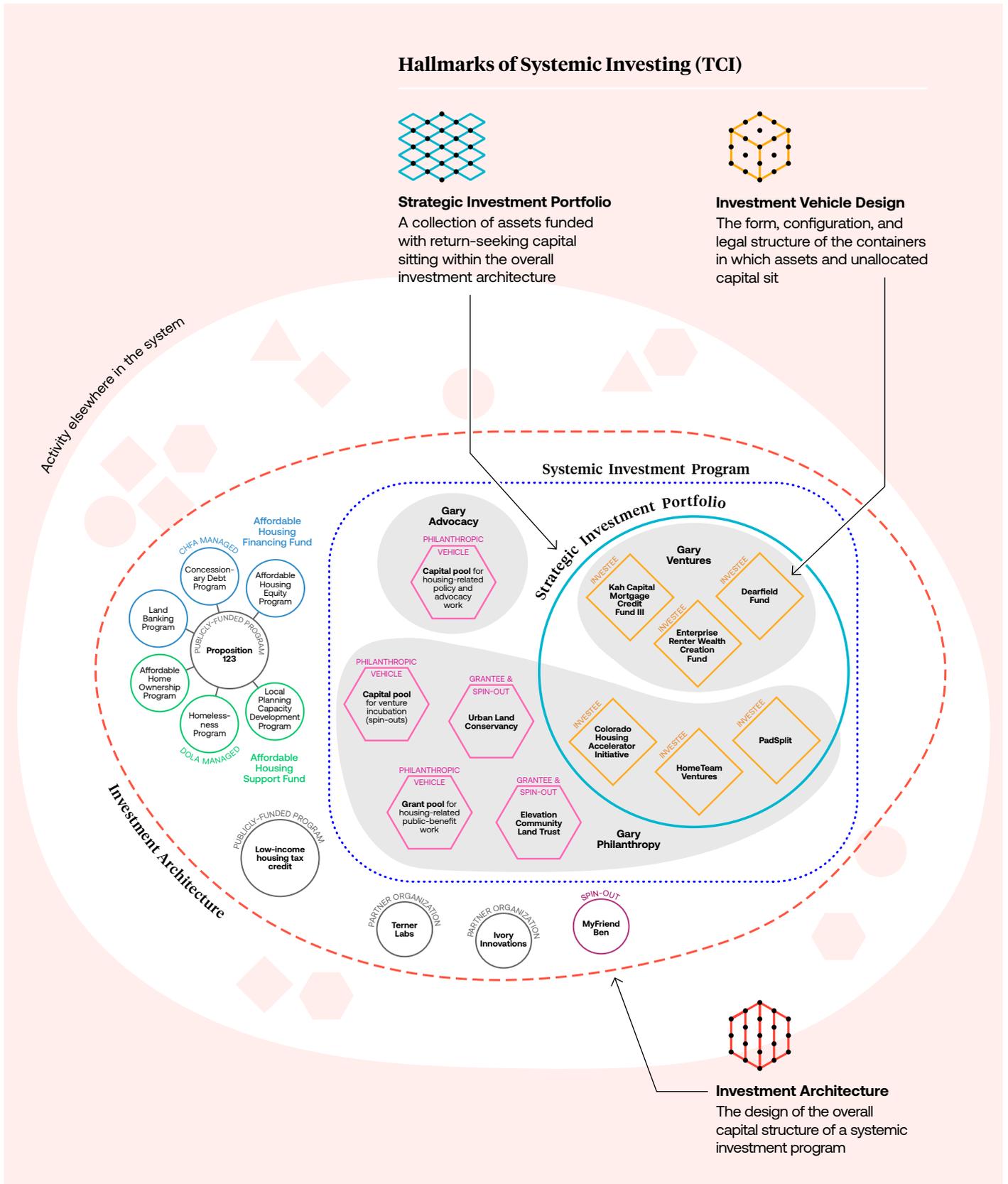


Figure 03 | Gary Community Ventures' systemic investment program on affordable housing

build wealth through their housing payments—a model that powers renter wealth mechanisms in other funds Gary supports, including RWCF and CHAI. Beyond the direct investment returns, the partnership with HomeTeam Ventures has given Gary valuable exposure to cutting-edge housing innovations and connected the organization with leading entrepreneurs in the space, insights that have informed Gary's policy design and systems change work.

- **PadSplit**

Gary has made a mission-related venture investment into PadSplit, a company focused on increasing housing density and unit count by utilizing existing buildings more efficiently. This opportunity specifically arose through the passing of novel legislation that loosened the restrictions around residential occupancy limits. PadSplit leverages this opportunity to increase housing density and availability using existing supply by providing a platform that connects low- to moderate income renters with providers of affordable shared housing solutions. Akin to an “AirBnB for affordable housing”, as Catherine Toner puts it, the company partners with property owners to create furnished, shared homes where residents can rent on a week-to-week basis and gain access to affordable housing without the need for long-term leases or large upfront costs. PadSplit also provides support services such as credit reporting and financial coaching for residents. Having been introduced to the company via Turner Labs, Gary invested USD 300,000 in 2024 to specifically support PadSplit's expansion into Denver.

- **Kah Capital Mortgage Credit Fund III (KCM Fund III)**

This investment presents another intervention to support homeownership, in this case a focus on homeownership retention for low- to moderate income homeowners. It identifies the key role of lower income levels and the lack of access to capital in suppressing homeownership retention and wealth-building among these groups where economic shocks can quickly propel home-owning families into foreclosure. The fund purchases loan pools and securities backed by distressed and reperforming mortgage loans and uses its servicing rights to work with the borrower to restructure the

loans to an achievable monthly payment. Thus, the investment diversifies Gary's approach by targeting homeownership preservation. It also utilizes private credit and thereby diversifies Gary's private investment portfolio.

- **Dearfield Fund**

Gary's most recent venture building success, the Dearfield Fund, addresses homeownership as a wealth-building mechanism, specifically targeting communities facing systemic barriers to ownership. Gary acted as founding sponsor, provided structuring and governance support, served as anchor investor, and offered a first-loss guarantee to attract additional capital. The fund provides down-payment assistance through a “community second mortgage”—an interest-free loan repaid only upon resale or refinancing, along with a small share of home appreciation. Today, the fund operates through Dearfield Capital Management, a subsidiary of Gary Ventures, demonstrating how venture building can create permanent institutional capacity.

Outside of the strategic investment portfolio—but still core to the systemic investment program overall—sit Gary's philanthropic, and policy and advocacy activities:

1. A **capital pool** for venture incubation work (spin-outs);
2. A **grant pool** for conventional housing-related public-benefit work; and
3. A **capital pool** for contributions to housing-related policy and advocacy work.

For instance, Gary provides ongoing support for two spin-outs, who receive grant funding for strategic initiatives, capacity building, and expansion into new communities. This reflects Gary's philosophy that venture-building doesn't end at “graduation”—ongoing philanthropic support can accelerate the impact of proven models:

- **Elevation Community Land Trust (ECLT)**

Originally incubated by the Piton Foundation (Gary's predecessor), ECLT pioneered the community land trust model in Colorado. The CLT model separates land ownership from home ownership—one-time investments create or acquire affordable housing that is sold to low- and

moderate-income families (up to 70% AMI) while the land remains in permanent trust. This structure keeps homes affordable across generations, not just for the initial buyer. After graduating from Gary's incubation, ECLT became an independent nonprofit and continues to receive philanthropic support for its expansion.

- **Urban Land Conservancy (ULC)**

Also incubated by the Piton Foundation, ULC addresses community displacement through a flexible toolkit: land banking to preserve future development sites, acquiring and preserving existing affordable housing, and holding land in its Community Land Trust. ULC's ability to act quickly in competitive real estate markets—often acquiring properties before they're lost to market-rate development—has made it a critical infrastructure player in Denver's housing ecosystem. Like ECLT, ULC graduated to independence but maintains an ongoing relationship with Gary through continued philanthropic support.

Outside of the program—but still part of the overall investment architecture—sit the financial mechanisms that Gary has no direct control over but are still nonetheless critical for the success of its housing work. Most notably, these include Proposition 123 and LIHTC.

In the context of this investment architecture, **Proposition 123** needs to be considered an “investment vehicle disguised as policy”, as Catherine Toner put it, that permanently dedicates USD 325 million annually to affordable housing in Colorado, using public finance to achieve the systemic scale that private investment alone cannot reach. Critically, the measure's design was directly informed by Gary's earlier work:

- The LIHTC gap financing provisions address funding gaps Gary identified through its investment due diligence;
- The workforce housing fund targets the 60-120% AMI band Gary served through CHAI;
- The down-payment assistance program scales the approach Gary pioneered through Dearfield Fund; and
- The renter wealth-building mechanisms incorporate learnings from Gary's TEV pilot and RWCF investment (see [Box 02](#)).

Proposition 123 consists of two major funds, administered by state agencies, with distinct but complementary roles:

1. **Affordable Housing Financing Fund**, which is administered by the Office of Economic Development and International Trade (OEDIT) and Colorado's Housing and Finance Authority (CHFA), and comprises an affordable housing equity program, a concessionary debt program, and a land banking program to support affordable rental development. It also entails funding that specifically complements existing public funding from LIHTC via dedicated gap financing.
2. **Affordable Housing Support Fund**, which is administered by the Department of Local Affairs (DOLA) and entails an affordable home ownership program, a homelessness program, and a local planning capacity development program.

Finally, other interventions that are formally located outside of the strategic investment program but present critical components of the overall housing portfolio include: **MyFriendBen**, the solution originally incubated by Gary and co-designed with families, that makes it dramatically easier to access public benefits. And **Terner Labs** and **Ivory Innovations**, two important partnerships focused on advancing innovation around housing delivery.

What emerges from this is a collection of strategically aligned assets working synergistically and integrating all four of Gary's **tools to address Colorado's housing crisis**:

- **Venture building** generates innovations that **investments** can scale.
- **Investments** produce learnings that inform **policy** design.
- **Policy** creates conditions that enable new ventures and **investments**.
- **Grantmaking** provides the flexible capital that supports all three.

Importantly, investment architectures are not static constructs but are meant to evolve along with the system whose transformation they seek to enable—through the adjustment of the sizes of different vehicles, the addition of new ones, and the retirement of those that no longer serve a purpose. And indeed,

Gary considers its investment architecture to be a continuous work in progress. At the time of writing, they are working with key partners and local housing leaders on several additional solutions, including a USD 1 billion revolving loan fund for housing construction, novel insurance solutions, and a one-stop-shop platform for developers to build their capital stack.

2.3 Tackling adjacent bottlenecks

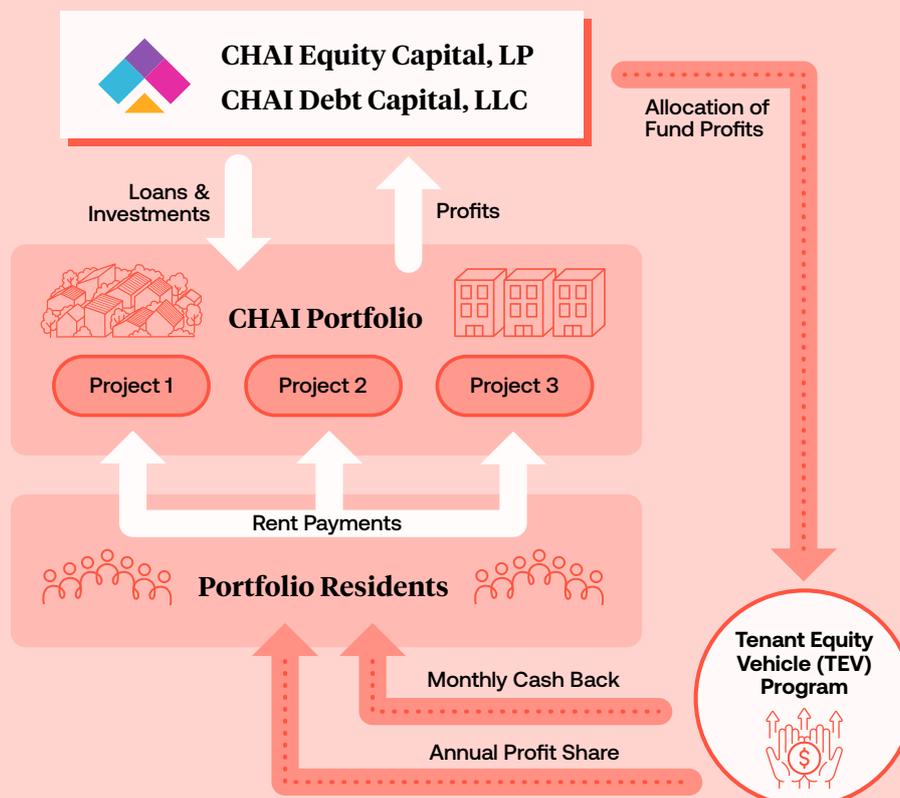
Gary's strategic investment portfolio powers a series of financial interventions to tackle a variety of different levers with the aim of reducing housing costs and enhancing home ownership in Colorado. But in recognizing that the challenge of solving Colorado's affordable housing crisis goes far deeper than plugging

The power of experimentation

Box 02

The inclusion of a Tenant Equity Vehicle as part of Proposition 123's Affordable Housing Fund had been informed by Gary's earlier innovation experiment in the context of its investment in the Colorado Housing Accelerator Initiative (CHAI). Through CHAI, Gary supported the testing and refinement of the design of a financing approach that would allow renters to participate in any appreciation of housing value (see

schematic). This kind of experimentation provided critical lessons, complemented by learnings from Gary's engagement with RWCF, to shape the specific design of Proposition 123 and also serve as proof point to lawmakers. This is an example of using pilots as learning platforms for larger-scale interventions in systemic investing.



a financing gap, Gary also utilizes the other tools at its disposal and directs them at variety of other root cause issues: policy and advocacy work funded through contributions from Gary Advocacy, grant making via a dedicated capital pool situated within Gary Philanthropy, and venture building operationalized through Gary Ventures and Gary Philanthropy.

As part of its philanthropic activities, Gary directs resources to address **systemic challenges** such as land ownership, gentrification, and restrictive land use policies. For instance, grant funding to the Elevation Community Land Trust and Urban Land Conservancy supported their respective activities around keeping land in trust to ensure its accessibility for local communities. Gary also works in partnership with other actors to tackle structural issues like labor shortages and construction costs. Examples are California-based Turner Labs and Utah-based Ivory Innovations who aim to accelerate the adoption of lower-cost building technologies and novel construction methods. Similarly, Gary has leveraged grant funding towards its venture building activities, which resulted in the creation and successful scaling of MyFriendBen, which vastly eased access to public benefits for over 55,000 families in Colorado. All of these efforts underscore Gary's systemic perspective: viewing housing not only as a financial challenge but as a multifaceted system with technical, regulatory, and social dimensions.

Beyond specific organizations, Gary funds **capacity building, research, and coordination** across Colorado's housing sector, strengthening the relational infrastructure that makes systemic change possible. Recognizing that zoning regulations represent a critical barrier to housing development, Gary partnered with a range of local philanthropic organizations to tackle the crisis around land use. Working with a diverse set of stakeholders, they created the Zoning Atlas—a simple-to-use tool that communities can leverage to understand their current zoning landscape and make progressive changes to their land use policies. Finally, Gary's policy work includes ongoing efforts to strengthen the federal Low-Income Housing Tax Credit (LIHTC) program—the most important public lever for affordable housing nationally. All of these efforts underscore Gary's systemic perspective: viewing housing not only as a financial challenge but as a multifaceted system with technical, regulatory, and social dimensions.

Each of these interventions addresses different **Leverage Points** (↗)—places within a complex system where a (relatively) small shift can produce outsized effects in other places of the system—but together they form a synergistically aligned portfolio utilizing various types of financial capital as well as political advocacy to bring about transformative change to Colorado's housing system. This kind of alignment of instruments beyond simple impact investments towards a broader system intervention approach is what, in systemic investing, is referred to as **Nesting** (↗).

2.4 Lasting impact through impermanence

All of Gary's work unfolds in context of its planned sunset in 2035. The organization has set itself the ambitious goal of creating lasting impact within the next decade—deploying all of its resources by the sunset date while leaving behind resilient structures capable of generating value long after Gary itself has ceased to exist.

“Going forward, we will de-emphasize traditional investing and focus on creating financing structures that will outlive Gary—a bit like horcruxes⁶ in Harry Potter.”

— CATHERINE TONER

This finite horizon instills both **urgency and discipline**. The central question becomes: How can Gary maximize impact in the shortest possible time? That framing compels clear prioritization of high-leverage interventions and fosters a greater appetite for risk than is typical in a perpetual foundation.

It also informs Gary's lean approach to impact measurement. While acknowledging that family economic mobility is a complex, multi-factor issue, the team zeros in on two core indicators: the number of affordable housing units built and the share of homeownership. Beyond these metrics, Gary emphasizes

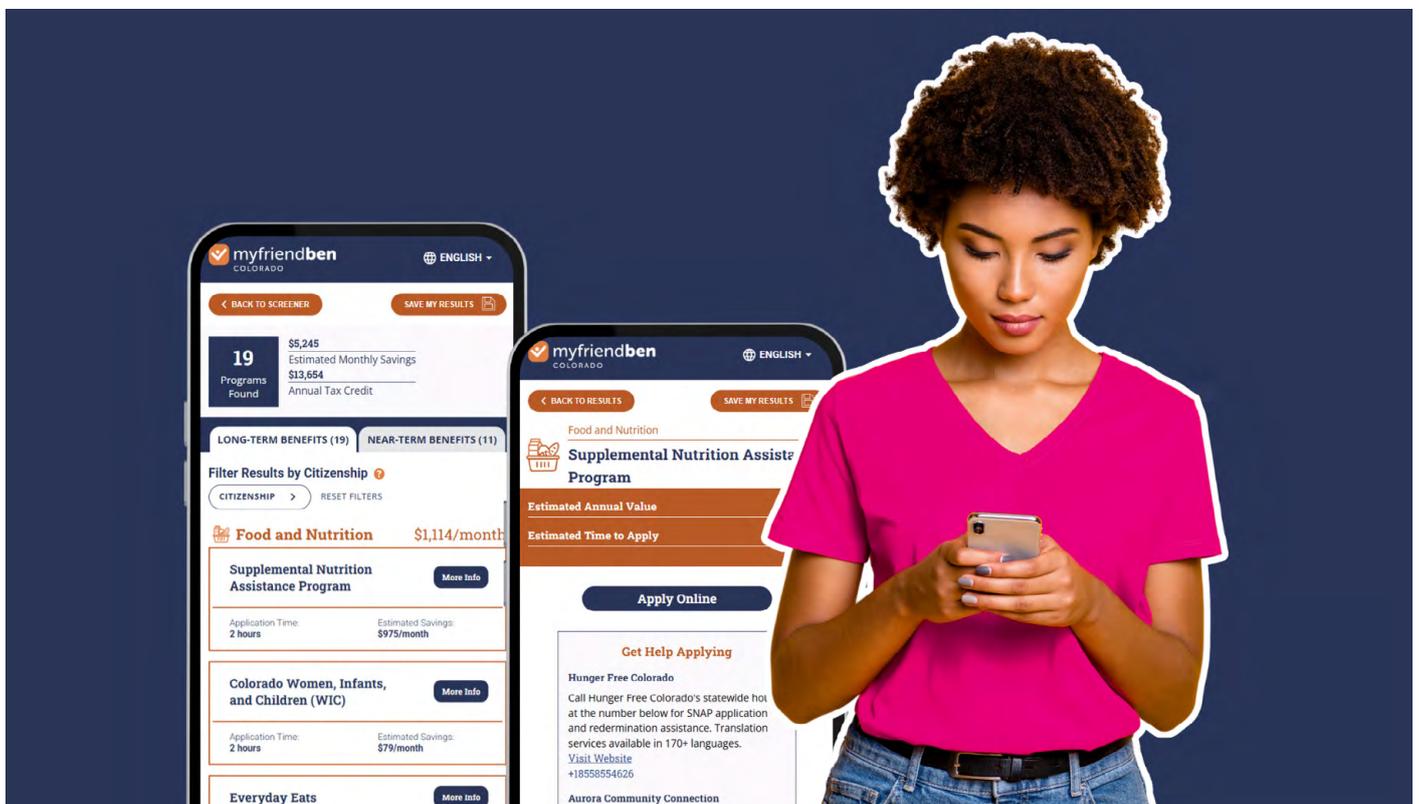
⁶ “Horcrux” is used here as a metaphor for durable financing structures designed to persist beyond the lifespan of the organization that created them.

constant sensing and learning, rapid prototyping, and adaptability. In this way, it exemplifies the kind of **Measurement, Learning and Sensemaking** (↗) approach particularly well suited to navigating complex adaptive systems.

A powerful source of this learning comes from Gary's established practices and processes of deeply engaging with its beneficiaries. Through consultation and co-creation (e.g., via the Colorado Design Insight Group), and by prototyping and user-testing novel approaches with its technology solutions team, Gary gathers insights that are then fed back into broader organizational decision-making. This ensures that lived experience continually shapes strategy across the organization.

Fully aware of its limited lifespan, Gary directs its efforts not only toward immediate outcomes but also toward laying the **foundations for enduring change**. It supports housing advocacy organizations that will continue beyond 2035 and strengthens the relational infrastructure of Colorado's housing ecosystem by convening and empowering a wide array of actors.

This is a deliberate strategy to embed resilience in the system so that progress endures beyond Gary's presence. This is also where the power of Gary's innovative approach to convening becomes particularly evident. On the housing side, the team has invested deliberately in building strong, meaningful relationships and strengthening the bench of housing leaders and systemic actors who can carry the work forward. Gary has also created spaces where these actors can find common ground, build community, and develop the deep relationships needed to move the system forward. This has been accomplished through convenings like Assemble100 and Activate40—the latter designed specifically for systems leaders within Colorado's housing ecosystem who came together to chart a collective path forward. Critically, those in the room are individuals who hold power within the system and can implement the outcomes that emerge. Gary describes them as a group of “instigators, innovators, and implementers.” By bringing these system actors together, Gary aims to ensure that part of its legacy will be long-lasting—investing not just in big solutions but in the infrastructure of systems change itself.



MyFriendBen, a benefits and tax credit estimator incubated and spun out from Gary Community Ventures
Image courtesy of Gary Community Ventures, used with permission

3. Lessons Learned

3.1 Working in context is powerful

Gary Community Ventures is focused on improving three interrelated outcomes (school readiness, youth success, and family economic mobility) for low-income children and families in Colorado. In other words, it has set its **System Boundaries** (↗)—the demarcations that define the scope and limits of a system—in a way that creates a hyper-local context for its work.

At the TCI, we believe that working in context is a prerequisite for systems change. As we write in a recent SSIR article: “The extent to which a particular innovation actually solves any tangible challenge depends on how it integrates into the contexts in which it is used. [...] Working in context allows investors to study a problem in depth, paying attention to local idiosyncrasies and nuances and then working out what set of solutions is required to address it effectively.”

What this means is that, to a meaningful degree, all systems are “local”. Societal issues tend to share universal commonalities, but their drivers and impacts vary sufficiently from place to place. So impact investors and philanthropy professionals working at the “local” level—in context—can understand the complexity and idiosyncrasies of a specific issue at a greater level of depth than their peers working at the regional, national, or multinational level.

Gary’s experience—both in housing and other programmatic areas—bears this out. By being proximate to the issues they care about, members of the Gary team have developed intimate knowledge of the inner workings of the systems they try to change. In addition, they are able to directly tap their beneficiaries to gain insights into needs and behaviors, creating the opportunity to do “user testing” of solutions and thereby increasing the chance that their interventions actually make a difference.

But working in context is not just about the depth of knowledge and the customization of interventions—it also has significant cultural and psychological ramifications. As Santhosh Ramdoss explains:

“Pursuing a systems change strategy can sometimes be an excuse to work at the meta-level instead of where things are real. We make specific promises to specific people, so we must deliver tangible outcomes.” That most members of the Gary team live in Colorado and thus in the communities they serve amplifies this delivery pressure while keeping them intellectually honest about the opportunities and limitations of their work.

“Focusing on place keeps us real. I can walk down a street, point to a house, and explain why that building represents systems change.”

– SANTHOSH RAMDOSS

3.2 Sunsetting is liberating

Gary Community Ventures is planning to cease operations by 2035, meaning the organization has another 10 years to deliver on its mission. In a world where most foundations are designed to exist into perpetuity, working with a sunsetting clause is highly unusual—and has profound ramifications for all elements of the organization, from culture to strategy, governance, and execution.

First and foremost, the Gary team is learning that knowing the organization’s expiration date is liberating. It makes the board more risk-tolerant. It frees the executive team from the need to conduct lengthy strategy reviews. It enables an action-oriented culture that attracts people who are willing to pursue ambitious work. And it allows Gary to be unapologetic about the interventions it pursues in service of its mission.

In addition, sunsetting drives focus and instills a sense of urgency to leave a mark. For instance, Gary’s policy and advocacy team knows that it only has four even-year elections and ten legislative sessions left between now and 2035, and that it needs to be extremely deliberate in how it prioritizes and sequences its advocacy work. This awareness of the clock ticking is pervasive throughout the organization, fostering a culture of focus in decision-making and discipline in execution.

“Not having the luxury of time makes us look harder for solutions.”

– SANTHOSH RAMDOSS

Lastly, operating under a sunset clause prompts the organization to be thoughtful about its legacy. How can Gary ensure that the change it creates throughout its lifetime endures? How do interventions need to be designed so that they can continue to exist once Gary is no more? Operating with the overarching philosophy of creating “lasting impact through organizational impermanence”, the Gary team is constantly asking itself how change can be institutionalized (e.g., through new policies) or embedded in self-sustaining structures (e.g., social businesses)—in other words, how to change the system.

Over time, members of the Gary team have become profound believers in the power of sunset. Santhosh Ramdoss goes so far as to posit that sunset might be a prerequisite for foundations aiming for transformation: “Systems change is a natural process, and a fundamental principle of nature is that things die. So foundations meant to exist into perpetuity are arguably ill-designed for the outcome they’re pushing for.”

3.3 Policy work requires courage, shrewdness, and good timing

As described above, the financial mechanisms embedded in Proposition 123 are essential to the investment architecture of Gary’s housing work. Proposition 123 and other legislative successes—such as [Family Affordable Tax Credit \(FATC\)](#) and [Proposition EE](#) supporting the establishment of universal preschool for all four-year-olds in Colorado—have taught the team valuable lessons about the success factors of advocacy work.

One such factor is courage. Shaping and advocating for policy change is an inherently political endeavor and thus subject to pushback from those stakeholders who hold opposing political views. Those who advocate expose themselves to headwinds, and facing those headwinds requires boldness—especially because those headwinds might come from regulators, as most countries (including the United States) have strict laws

governing what tax-exempt nonprofits can and cannot do on the political front. Gary has learned that facing such headwinds is worth the payoffs, given the critical role of policy in shaping societal outcomes of all kinds, including family economic mobility.

That said, navigating regulatory complexity requires shrewdness. For Gary, one of the keys to navigating this complexity is its organizational structure, which allows it to engage in a wide range of activities while staying compliant. Beyond thoughtful structuring, successful advocacy work also requires being strategic and systematic in influencing political agendas, developing new ballot measures, and building political coalitions. Gary has learned how to do this well, both through its own staff and through partnerships and collaborations with external consultants and fellow civil society organizations.

One of the most critical lessons learned has to do with timing: when the political window of opportunity opens up, one must seize the moment. This happened with Proposition 123, which passed in 2022 in part because the state of Colorado had generated more revenue than it was legally permitted and thus needed to reallocate the surplus to taxpayers. Gary knew this and pushed hard to bring a measure to a vote that would dedicate a part of that surplus for affordable housing, knowing it had a good chance of being accepted by Coloradans.

3.4 If it doesn’t exist, let’s build it!

Taking a system-first approach will inevitably lead to the discovery of missing elements: solutions to be developed, organizations to be built, and financial instruments to be structured. Few foundations or asset managers engage in venturing, closing gaps in the innovation and actor landscape. Gary Community Ventures is a notable exception.

In fact, Gary has learned that venturing is not only an option but sometimes a necessity for the areas it cares about. Sunset by 2035 means that Gary has a clear strategic imperative to remove common obstacles—funding, time, and talent—that systematically constrain many social entrepreneurs, foundations, investors, and government entities in their quest for solutions. In addition, as a systemically operating philanthropic organization, Gary’s understanding of the systemic

issues it addresses—combined with its resources—means that few other organizations are as well-positioned as them to take the lead. Whether with the Urban Land Conservancy, Elevation Community Land Trust, Dearfield Fund, Proposition 123, CHAI, or MyFriendBen, the Gary team has demonstrated the power of building what's missing.

“Everything we do needs to have a high risk of failure to be worth the time and effort.”

– SANTHOSH RAMDOSS

In fact, the leaders at Gary are learning that the case for running an in-house venture studio—or supporting the venturing activities of other organizations—is growing stronger over time. That's because the more they intervene in their target systems, the more they learn about how these systems operate and what else they need to evolve in a desired direction. These insights make them particularly well-positioned to lead on solution incubation, while giving them an opportunity to shape the solutions landscape in ways that are highly synergistic with their existing portfolio, thereby amplifying impact through **Combinatorial Effects** (↗)—amplification effects that arise when multiple interventions stand in a strategic relationship with one another.

3.5 Integrated capital deployment is team work

Working across a suite of tools of a fundamentally different nature isn't trivial, but Gary is learning what it takes to do so effectively. It all starts with adopting the right kind of internal organization. Many foundations are organized around tools, with teams overseeing those tools—the grantmaking team, the investment team, the policy team—feeling strongly about the importance of their tool and struggling to collaborate with one another.

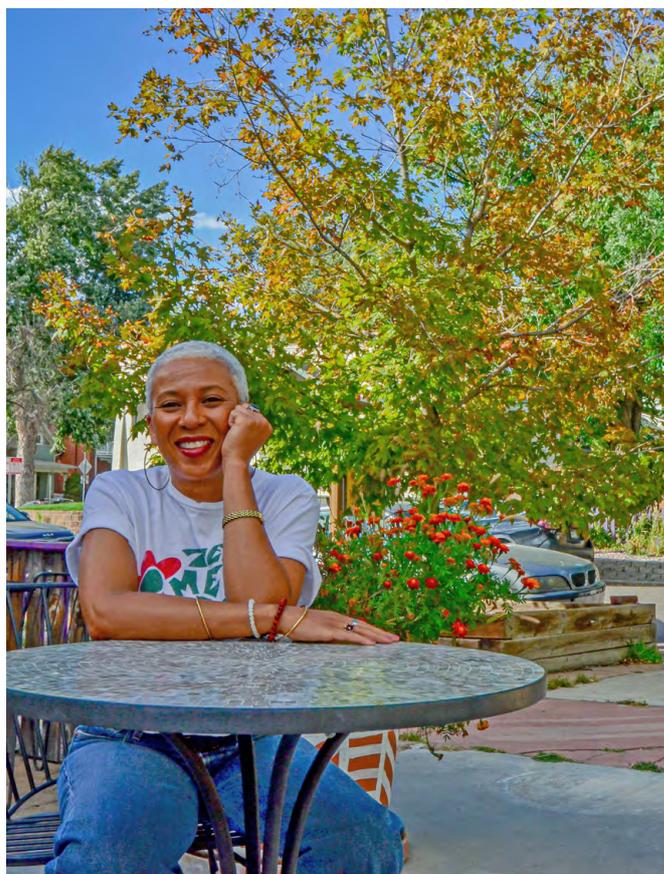
From an organizational perspective Gary is no different with its functional teams organized around its four tools. Yet, through a combination of strategic clarity around a limited set of interdependent outcome areas, the focus and urgency instilled by the sunset, and the context-attuned nature of the work, there's a sense that team members effectively come together and aren't wedded

to a particular type of tool but instead choose the right tool for whatever problem they need to address.

That said, because most people tend to be experts in one particular tool, Gary understands and emphasizes the importance of “working out the muscle” of tool agnosticism. This includes upskilling team members in areas where they have knowledge gaps and creating experiences that help people deepen their understanding of what each tool is capable of delivering.

“We continuously work on aligning our main bodies of work across our multiple tools—and we believe this has been key to the impact we've been able to create so far.”

– VILAN ODEKAR



A Denver resident who used down-payment assistance from Gary Community Venture's Dearfield Fund to buy her first home | October 2023

Photo courtesy of Gary Community Ventures, used with permission

4. Food for Thought

Systemic investing draws on the rich and varied insight of systems thinking to generate fresh perspectives on how capital deployment could most effectively support system transformation. There are various ways in which this body of knowledge and practice might be used by Gary to enhance its work.

4.1 How might Gary enhance its intuition-led decision making with tools drawn from systems thinking?

The team at Gary Community Ventures are subject matter experts and deeply embedded in the system they seek to transform. This means that they have well-trained intuition to guide their decision-making. Having such intuition is a strength when intervening in complex adaptive systems, which requires the distillation of a wealth of information into actionable insight—something that intuition is particularly efficient in doing.

And yet relying on intuition also comes with pitfalls. There is extensive academic literature that shows a range of biases impacting human decision-making, and there are various social dynamics that play out when decisions are made in the absence of analytical results. To mitigate this risk, Gary combines its intuition-driven approach with well-established practices to rigorously test the robustness of their assumptions. The two principal channels for doing so are direct community connection (notably via the Colorado Design Insight Group) and rapid prototyping through their in-house venture lab and product development team. This twin approach allows Gary to “hedge against both philanthropic isolation and misdirected intuition”, as Santhos Ramdoss puts it.

Despite this unique approach combining intuition with rigorous ground-truthing, the question remains whether Gary's leadership team could enhance its decision-making even further by exploring practices and tools grounded in systems thinking. This could entail more systemic analysis of issues (e.g., through mapping), developing theories of change, and articulating intervention strategies.

The point here is not to have analysis replace intuition, and to turn Gary's leaders into technocrats—it's about augmenting Gary's unique culture with more systemically-minded analysis to produce higher quality, more robust foundations for action. Systems thinking and systems change practice offer a range of rigorous analytical tools to make sense of a societal issue, identify leverage points for action, develop theories of transformation, quantify a system's financing needs, and devise coherent intervention strategies.

This raises some interesting questions: if Gary adopted some of these tools, might it arrive at new perspectives or understandings of the Colorado housing system? Might new strategies and paths forward become apparent?

Systems thinking also brings a distinctive approach to **Measurement, Learning and Sensemaking (↗)**.

Unlike conventional impact measurement and management (IMM) approaches, a systemic approach takes a broader view of the kinds of information that can be useful in supporting decision making processes. Instead of asking ‘what is the impact of our investments?’, systemic learning and sensemaking processes ask ‘what flows of information are available to us about what is happening in the system?’, and ‘how do we make sense of these flows of information to support ongoing decision making?’ Systems Monitoring Learning and Evaluation (SMLE) is an established field of theory and practice that provides tools and techniques for answering these questions.

These practices could bring additional structure to the intuition-led sensemaking and on-the-ground prototyping and user-testing already taking place at Gary, potentially enabling the organization to draw in additional types of information and data, and to analyze them in a more intentional and robust manner.

4.2 How might the tools of systems thinking help Gary to strengthen collaborations and make its legacy more robust?

Many organizations rely on collaboration. For Gary, with its sunset clause, collaborations and relationships with other actors in the system are critical. They are one of the main ways in which the organization's impact will live on beyond 2035.

A distinctive feature of systems-based approaches is that knowledge and action are seen to be most powerful when they are rooted in the *relationships* between actors in the system. This is true of systems analysis processes described above. If Gary did decide to use mapping processes to codify its understanding of the Colorado housing system, these processes could (and should) be designed to be collaborative, so that the result is shared. This would help to externalize and share the knowledge of key team members in advance of Gary disbanding.

Measurement, learning and sensemaking processes are also rooted not in the search for objective facts, but in *collective sensemaking*. This is a way of sharing the process of knowledge creation, which means that knowledge can be disseminated across actors both within and outside the Gary team. What would it look like for Gary to design collective learning and sensemaking processes over the last few years of the organization's existence, as a way of transferring knowledge and understanding from the organization out to the community?

4.3 How might the language of systems change help Gary to better communicate its work, and strengthen connections with a growing global movement?

This case study has highlighted the deeply systemic nature of the way Gary has operated to date. Until this point, Gary has not described its work in explicitly systemic terms. This is a pattern that TCI sees repeated across many different contexts—work is already being done that is systemic in nature, but without using the language of systems thinking or complexity.

Often, these organizations struggle to articulate or explain what they know to be true—that they are tackling issues in ways that feel different to the mainstream, and that many of the standards of the mainstream (such as the imperative to measure impact in a particular way) do not fit. At TCI, we see the potential for the language of systems change to act as a shared language for these organizations to articulate the distinctiveness of their work. Might Gary be able to integrate this language in the way it communicates its work, including and beyond this case study?

The implications of this go beyond any single organization. Global interest in systems thinking is growing as many actors sense possibilities for genuinely different ways of tackling problems. If Gary started to describe its work in more of these terms, might it become easier to connect up with a global movement of systems change efforts, and to learn from each other?

This question is particularly interesting in relation to Gary's plan to cease operations by 2035. The philosophy underpinning the sunset⁷ is highly compatible with systems thinking. It emphasizes joint action, rejecting the idea of philanthropies asserting control and claiming impact. This is a valuable contribution to the global conversation around the design choices faced by those wanting to bring about system transformation.

⁷ See this piece outlining ideas for sunsetting the Gates Foundation based on Gary's philosophy.

5. Final Reflections

Gary provides an excellent example of what it means to deploy capital in a strategic, integrated, and contextualized manner—in other words, how to do systemic investing in ways that produce real impact. There are many aspects of Gary's work that strike us as pioneering, including its highly contextualized strategy, its approach of working with tool agnosticism, its commitment to policy and advocacy work, and its solutions incubation function. These elements seem to be highly effective and thus worth replicating by others.

It has also become clear that Gary's approach is grounded in emergence—not unlike an airborne plane that is still being assembled. Instead of being locked into rigid three- or five-year plans they emphasize evolution and adaptation, where each intervention presents a learning opportunity that can strengthen its repeatable institutional practice. Crucially, this also extends beyond the boundaries of outcome areas: learnings from Gary's housing work also shape the activities on early childhood and vice versa. At the same time, this means that there are no proven playbooks and experience directly and constantly shapes Gary's evolving strategy.

And finally, some of Gary's structural features, most notably the positively liberating effects that come with being a sunseting organization, appear to hold valuable lessons for organizational design in service of systems transformation.

Despite all of this, the leadership team readily admits that not everything is perfect: maintaining Gary's intuition-led and system-first approach and the culture underpinning it requires continuous work. And they also have to contend with issues like internal competition and power struggles that are part of the reality of most organizations. But grounded on a firm belief in its approach, structural set-up, institutional practices and web of relations, the Gary leadership team is committed to guide the organization through the final decade of its existence, guided by strong conviction and determination—powerful assets in times when much of the world seems to be wavering.



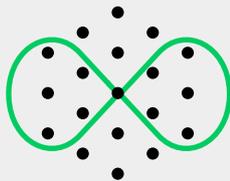
Participants at the ACTIVATE40 gathering, convened to build shared leadership for systems change | June 2025
Image courtesy of Gary Community Ventures, used with permission

Hallmarks of Systemic Investing

1 CONCEPT

Systems Mindset

The fundamental attitudes, beliefs, and dispositions—anchored in systems thinking and complex systems science—directing the way systemic investors think about societal issues and how to address them



2 CONCEPT

Transformational Intent

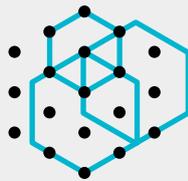
The high-level change vision for a particular system



3 PROCESS

Systems Analysis

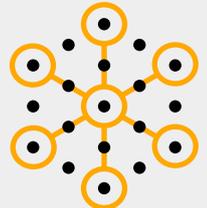
The generation of strategic intelligence informing capital deployment decisions in systemic investment programs



4 PROCESS

Systems Mapping

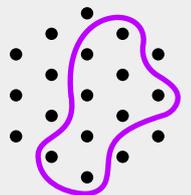
Identifying and visualizing nodes, relationships, and dynamics within a system



5 CONCEPT

System Boundary

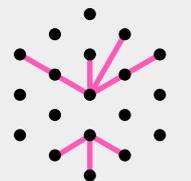
A conceptual demarcation that defines the scope and limits of a system



6 CONCEPT

Leverage Points

Places within a complex system where a (relatively) small shift can produce outsized effects in other places of the system



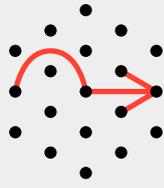
Discover more

For additional information about what systemic investing is, including more detail on each of the 16 hallmarks, read TCI's publication "[Definition and Hallmarks of Systemic Investing](#)".

7 CONCEPT

Theory of Transformation

The overarching hypothesis of how a transformational intent could be realized



8 CONCEPT

Transition Pathways

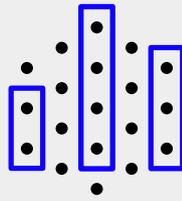
An evolutionary trajectory—understood as a series of stepping stones of “adjacent possibles”—that a system might follow given its path-dependency and current directionality



9 CONCEPT

System Financing Needs

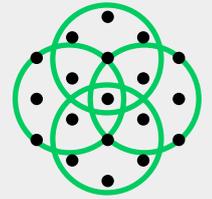
A hypothesis of the capital requirements for achieving a particular transformational intent



10 PROCESS

Coalition Building and Orchestration

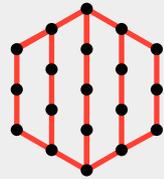
Developing and nurturing a group of investors and funders committed to a shared transformational intent and theory of transformation



11 CONCEPT

Investment Architecture

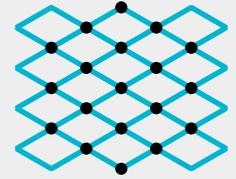
The design of the overall capital structure of a systemic investment program



12 CONCEPT

Strategic Investment Portfolio

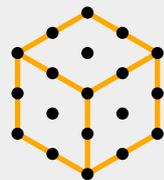
A collection of assets funded with return-seeking capital sitting within the overall investment architecture



13 CONCEPT

Investment Vehicle Design

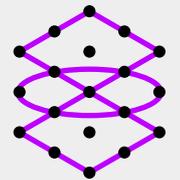
The form, configuration, and legal structure of the containers in which assets and unallocated capital sit



14 CONCEPT

Nesting

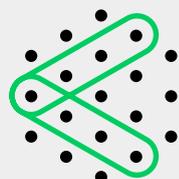
The deliberate synergistic alignment of an investment portfolio with a broader system intervention approach



15 CONCEPT

Combinatorial Effects

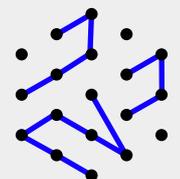
The synergies that arise when multiple interventions stand in a strategic relationship with one another



16 PROCESS

Measurement, Learning and Sensemaking

A systematic approach to generating insights and a basis for accountability in systemic investment programs



About the authors



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Acknowledgments

We are grateful for the Gary Community Ventures' financial and non-financial support of this work, particularly the trust the organization's leaders and subject-matter specialists have shown toward us, the authors. We also thank the funders of TCI, who made this work possible in the first place.

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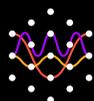
Hofstetter, Dominic; Tschiderer, Johannes. *Case Studies of Systemic Investing: Gary Community Ventures' Housing Work*. Published by the TransCap Initiative, Zurich (Switzerland), February 2026.

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