

NORTH CENTRAL COMMUNITY ASSOCIATION PRESENTS

# MOVING FORWARD TOGETHER

MARCH 26<sup>TH</sup> 2008, REGINA

Building a stronger, more vibrant network of Community  
Economic Development (CED) support across Regina

Hosted by the North Central Community Association and Coop Ventures



a custom-made magazine from the centre for community enterprise



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CCE is one of Canada's leading technical assistance, training, and publishing organizations in the field of community economic development. We are constantly in touch with some of the field's leading thinkers and practitioners. Many of them write for the quarterly **Making Waves: Canada's Community Economic Development Magazine**, the source of all of the materials in this compilation.

This publication is an example the custom-made magazines that CCE provides to conferences or workshops concerning community economic development. We can also make such selections available through a dedicated internet access site stocked with materials in portable document format (PDF). In this way, national expertise and networks can combine with local knowledge and goals to supply participants with a resource they will keep and use for years.

To learn more about CCE, **Making Waves**, or our custom-made magazines, visit **[www.cedworks.com](http://www.cedworks.com)**, phone (toll-free) 1-888-255-6779, or e-mail [ccebe@telus.net](mailto:ccebe@telus.net).



Dear Participant,

Welcome to 'Moving Forward Together' our special gathering to discuss how a Community Economic Development (CED) strategy can help us rebuild our inner-city communities. Our special guests with decades of inner-city CED experience will share lessons from Winnipeg and Saskatoon:

- **Laverne Szejvolt:** A founding board member of Quint Development Corporation and its first Housing Committee Chairperson.
- **Brendan Reimer:** The Canadian Community Economic Development Network's (CCEDNET) Prairies & Northern Territories Coordinator, Brendan began working in the restorative justice field, and ran a social enterprise with men with various disabilities. He is a volunteer board member with LITE, a Winnipeg CED organization, and has a passionate commitment to social justice.
- **Jacqui Barclay** will facilitate discussion. She has lived in Saskatoon's Riversdale community for over 10 years and serves as Vice President of their community association. Jacqui is the Chair of the Quint Development Corporation.

I urge you to take some time and read this "custom-made" edition of Making Waves: Canada's CED magazine. There are a variety of articles from a number of its back issues to complement today's activities. However, every issue of Making Waves is an excellent resource for CED practitioners, so consider subscribing or better yet, join the Canadian CED Network and receive a subscription as a member benefit.

This initiative stems from a consultation done in the Fall of 2002. At that time, North Central residents defined a vision of a safe, healthy and caring community that is a source of pride for the areas residents. Community Development and Business and Economic Development were identified as essential pillars in achieving this vision for a healthier community.

This evening workshop is an important opportunity to learn more about CED resources and tools that can enhance our neighbourhood revitalization and poverty reduction strategies. We hope our time together will also help build a stronger, more vibrant network of CD/CED support across the city and the Prairie Provinces.

Let's move forward, together!

April Bourgeois, Event organizer



*Moving Forward Together is hosted by the North Central Community Association & Coop Ventures.*

Moving Forward Together, April 26, 2008 Regina

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# Comprehensive Community Initiatives

What we know so far (Part I)

BY MARK CABAJ

Comprehensive Community Initiatives (CCIs) are efforts by citizens to take on the most complex problems facing their communities and the lives of their fellow residents. We're talking real *dilemmas* here – things like community safety, homelessness, and poverty that cross the conventional boundaries of “social,” “economic,” and “physical,” and don't respond to narrow or short-term action taken by governments, charities, business, or other sectors working in isolation.

Unlike these conventional approaches, the CCI is a deliberate effort to bring to the task diverse people and organizations commanding a range of skills, experience, and insight. Moreover, they explore the inter-related root causes of the dilemma, and make that all-embracing analysis both the rationale and framework for multi-year action. The comprehensive lens applies to both the way they see and the way they do.

A great many communities have undertaken CCIs in the last ten years, particularly to address poverty. Can a comprehensive, community-driven approach get the job done? What hampers its effectiveness?

It's too early to offer definitive answers to these questions. But the experience of the Vibrant Communities initiative to reduce poverty (see sidebar, next page) sheds some light on them, as does research by the Aspen Institute.\* So we can make a start.

Many issues affect the success of CCIs. Operational factors like planning, evaluating, and fundraising take on a new meaning in a comprehensive initiative. The management of the collaboration and the roles played by government, foundations, and charities – these too can make or break a CCI. But two matters crop up again and again: how community groups define and implement the concept of “comprehensive action,” and how

accurately and thoroughly they articulate the process of change they are trying to co-ordinate. Clarity about both these matters will go a long way to helping community groups stick to the CCI process and realize some very substantial gains.

## Comprehensive Action

CCI participants generally put the comprehensive approach into practice in one of four ways.

Some undertake a very wide array of actions from the outset. In the case of the Core Area Initiative in Saskatoon, Saskatchewan, over 60 organizations representing a broad range of community stakeholders took part in an 18-month planning and consultation. They identified 13 goal areas and no less than 62 actions that they wished to undertake. Vivre Saint-Michel in Montréal and the Halifax Inner City Initiative also undertook ambitious, if slightly less expansive programs from the get-go.

*Many issues affect the success of CCIs, but two matters crop up again & again: how community groups define & implement the concept of “comprehensive action,” & how accurately & thoroughly they articulate the process of change they are trying to co-ordinate.*

While compelling, this approach comes with serious challenges. It is extraordinarily difficult to support and make progress on multiple fronts simultaneously. This is particularly true when the groups involved are limited in funds and in their experience of managing complex initiatives. As the implementation of a comprehensive plan begins in earnest, many groups collapse under the weight of the work. Those that do manage to “keep the wheels on the bus” are likely instead to see a decline in participation as members drift away, frustrated at the low scale and the pace of change that results from doing a little bit in a lot of different areas.

\* The Aspen Institute Roundtable on Community Change (established in 1992 as the Roundtable on Comprehensive Community Initiatives for Children and Families) has published or sponsored a roster of research concerning CCIs. A recent study is Anne Kubisch, *Building Knowledge About Community Change: Moving Beyond Evaluations* (November 2004). Download it from [www.aspenroundtable.org](http://www.aspenroundtable.org).

These troubling experiences are hardly unique. In order to make the comprehensive approach more manageable, therefore, some groups choose one sector of activity as a “strategic driver” (e.g., housing, employer practices, or crime). While participants continue to be comprehensive in their analysis of issues and solutions, the driver becomes the focal point of their work. Over time, as the initiative matures and the participants increase their capacity in management and co-ordination, they can build in other drivers.

Quality of Life Challenge, a CCI in B.C.’s capital region, is an example. There, it was becoming increasingly difficult to mobilize support to tackle tough community problems. QoL members decided to devote their energies to engaging and cultivating local leadership from the average person on the street to the most

powerful CEO. This serves as a basis for citizen-driven initiatives to improve household incomes, to build affordable housing, and to address social isolation and exclusion across the region.

Vibrant Communities Calgary offers another example of the strategic driver. Its members have chosen to target the policy barriers that hamper citizens when they try to exit poverty. They have also identified a number of initiatives to address specific policy areas: improvements to a provincial income support program for people with disabilities; reduced fares for the city’s public transit system; and living wages for employees in notoriously low wage sectors.

The selection of a strategic driver helps a group to concentrate its efforts and avoid distraction by a myriad of issues and

## Vibrant Communities

Launched in 2002, Vibrant Communities is a pan-Canadian effort to explore the potential of community-based initiatives to reduce poverty: specifically, initiatives distinguished by their comprehensive field of action, intersectoral collaboration, a use of local assets, and commitment to systematically learn as they do.

Tamarack – An Institute for Community Engagement coaches the participants and the Caledon Institute of Social Policy supports them with policy research and discussion. The J.W. McConnell Family Foundation provides essential financial assistance and heads up much of the work on disseminating the learnings.

Thousands of projects the world over are tackling poverty with these approaches in mind. What distinguishes Vibrant Communities is an architecture that comprises three major elements: *learning*, *local experimentation*, and *policy*.

At the heart of Vibrant Communities is a learning community of 14 cities and regions. Representatives of Victoria, Surrey, Edmonton, Calgary, Saskatoon, Winnipeg, Niagara, Waterloo, Saint-Michel neighbourhood (in Montréal), Trois-Rivières, Saint John, Halifax, Cape Breton, and St. John’s meet monthly (typically by teleconference) to develop and share practices in poverty reduction. Learning from each other, they raise the bar of practice for all. Simultaneously, they increase public awareness of poverty and their own profile as poverty fighters.

The learning community’s work is rooted real local experimentation, embodied in the Trail Builders. Six

communities (Victoria, Niagara, Saint John, Edmonton, Saint-Michel, and Calgary) receive special financing and technical support to pursue intensive poverty reduction strategies. In exchange they agree to evaluate their experience and share it with other Vibrant Communities members. Each Trail Builder initiative is governed by representatives from at least four key sectors (business, government, the voluntary sector, and people living in poverty) who are responsible for planning, implementation, and evaluation, and the overall management of the work.


Caledon’s policy work adds weight to community practice, which can be so wide-ranging and diverse that there appears to be no clear underlying methodology. Research and documentation describe CCI in terms of general principles and the details and sequence of its application.

In addition, Caledon articulates policies related to child development, training and employment,

and income security that seek to reduce the overall burden of disadvantage by tackling structural sources of inequality. This informs and reinforces participants’ efforts to turn “private troubles” into public issues (with living wage initiatives, for example). Conversely, it brings the efforts of the participants to provincial and federal levels of attention. Caledon has hosted an 18-month policy dialogue involving representatives of ten federal departments as well as all 14 members of the learning community.

Vibrant Communities is striving to root a body of analysis and public policy right in the CCI experience, so it is easier for others to go on the same journey. For more details, visit [www.vibrantcommunities.ca](http://www.vibrantcommunities.ca). ■

Photo: Vibrant Communities meeting in Guelph, Ontario, 2002. Courtesy of Tamarack Institute.



*“No one can argue with the idea of a comprehensive approach to reducing poverty. But, while I hear people talk about it, I can’t say I see it very often.”*  
(Vibrant Communities participant)



opportunities. The danger is that they may become so pre-occupied with the driver, even ideological about it, that they completely overlook other ways to bring about real change.

A third option taken by CCI participants is to seek out and respond to opportunities as they emerge. Given their thorough understanding of the community's dynamics, these groups are confident that they will be able to assess the value of such opportunities to the CCI's goal on a case-by-case basis and develop a comprehensive program over time.

This is the approach that Opportunities Niagara is taking in southern Ontario. Poverty reduction is their aim, and a community meeting established the priority areas to be workforce development, housing, and mental health. But within these guidelines, Opportunities Niagara is happy to "play the field," as one participant put it, and throw their weight behind actions that display the potential to significantly reduce poverty, given additional support.

The advantage of this approach is flexibility. Its disadvantage may be the same. This very flexibility can result in a portfolio of activities, many of which have limited strategic value.

These three approaches to comprehensive action are not mutually exclusive. After a year of analysis and evaluation, for example, the members of Opportunities Waterloo (formerly Opportunities 2000 or "OP2000") decided to change their purely "opportunity-driven" approach, to one that allowed them to focus on certain areas of concern – in this case at-risk youth and the working poor – yet still able to respond to spontaneous opportunities regardless of the group or the issue concerned.

The decision soon paid off. While Opportunities Waterloo was busy developing incentive programs for high school graduation and a living wage campaign, they learned that 3,000 low-income seniors, although eligible for the federal Guaranteed Income Supplement (a tax-free income support program providing up to \$5,000 per applicant), were not receiving it. They did not know about it or how to apply. Thanks to the decision to keep some capacity in reserve, Opportunities Waterloo had the time and energy to facilitate a combination of community research, outreach, and training that resulted in over 600 seniors receiving \$2.3 million in benefits. This one initiative affected over a third as many households as the whole of Opportunities Waterloo had in the previous four years.

## Theory of Change

Getting a diverse group of citizens to agree on a comprehensive approach to reduce poverty is one thing. Getting them to hammer out a rigorous set of strategies and activities to make it happen is quite another.

Many CCI participants have a strong sense of where they want to start – wage rates or career prospects for youth, say. They may also be agreed about where they want to end up, like a 10% reduction in violent crime.

The CCI experience to date indicates that groups are frequently unclear about how to get from "A" to "Z," however. They pay little attention to the early to mid-term changes that set the stage for the achievement of the longer term goal, and hope that somehow "it will all work out."

As a result, they are not always as strategic as they might be in selecting initiatives. They choose instead the ones that are championed by a charismatic personality or that are receiving the most attention in the news media or that the most participants can live with. Once the choice is made, they may have great difficulty working out the details of a strategy and even more difficulty documenting the progress they are making towards their ultimate goal.

The Theory of Change (TOC) is meant to help with that. An idea that popped up in the mid-1990s, the TOC details the connections between the long-term, intermediate, and early outcomes of an initiative, and the capacities that a group requires to achieve each. Application of the TOC helps community groups to construct a "chain of results": actual changes that a CCI is intended to bring to the life and ways of a community.

This is not the same as the "logic model" that community development veterans and civil servants may know from the design of programs and services. The logic model merely requires that a group clarify a sequence of changes. The TOC requires the group to provide a convincing rationale for approaching a problem in one way, rather than some other way, in order to help achieve a long-term and ambitious goal.

There is no magic involved in creating a TOC, just a lot of hard work. In the case of Vibrant Communities, CCI participants and Tamarack staff work through a series of simple questions that clarify the major features of the community's approach: how they define poverty; where the systemic causes of poverty in their community are; where the group feels it have the most positive impact; and what specific value their participation will add so that the desired change actually happens.

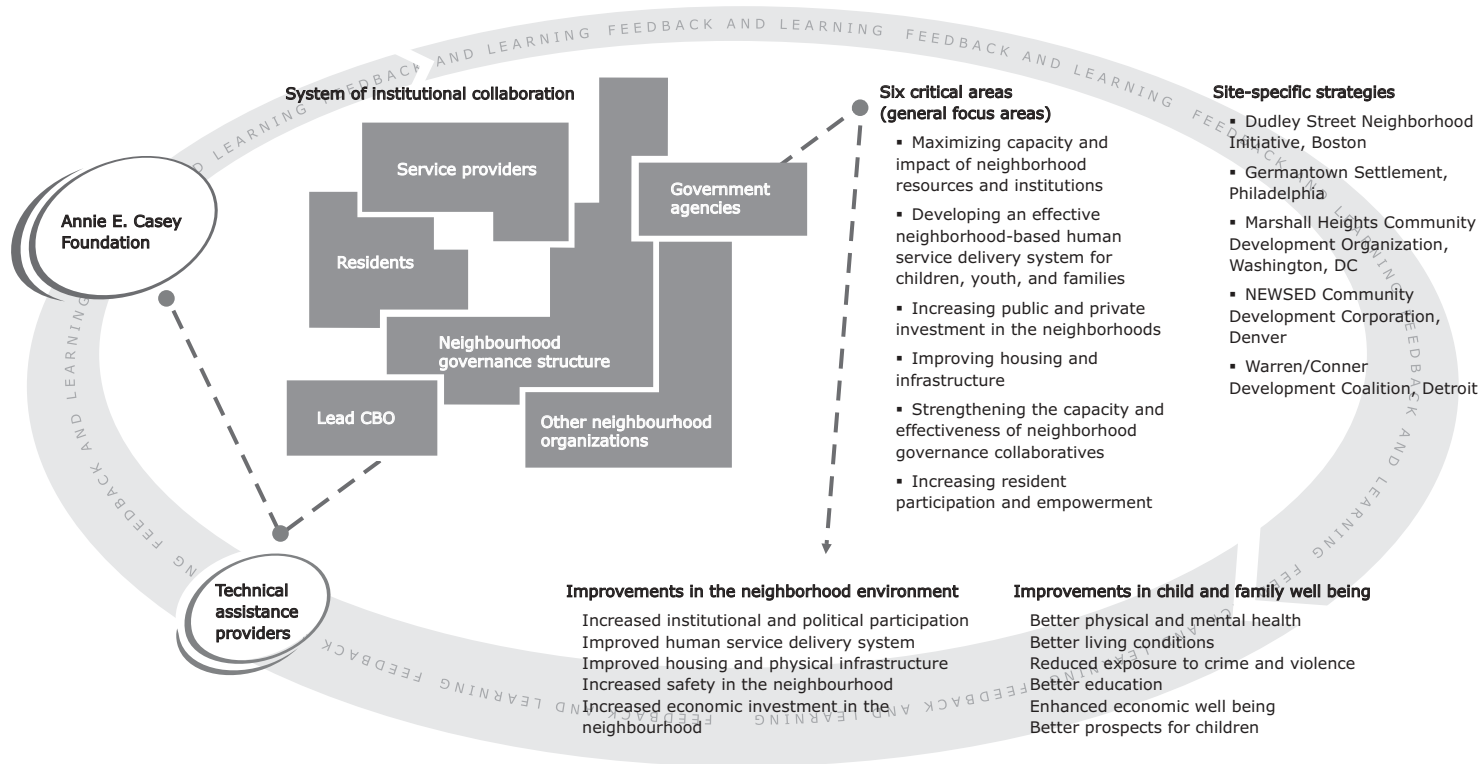
The results have been interesting.

Take the case of Vibrant Saint John (New Brunswick). Its participants determined that one of the biggest barriers to a better life for people living in "deep poverty" was the community's often fragmented, under-resourced human services system. They wanted to turn it into something more robust and integrated. How to do it?

They decided to create an infrastructure of "coach-mentors" to assist people in navigating the tangle of local programs and services. The coach-mentors document these journeys. A leadership group then uses these accounts and additional research to develop proposals for changes to public policy and for capacity-building measures in the nonprofit sector.

Vibrant Saint John has demonstrated the capacity to use this information. The Business Community Anti-Poverty Initiative (BCAPI), already has been able to improve public programs and

## Rebuilding Communities Initiative



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services in regards to young parents living in poverty (parenting programs, education initiatives, housing facilities). The TOC will enable BCAPI and its partners to take rhythmic, strategic action in response to reliable information about one cause of poverty in Saint John.

The TOC also supports a well-informed public debate over the strengths and weaknesses of the Vibrant Saint John approach – something that a simple review of activities could not. A better human services system – can that alone help the group achieve its goal of reducing local poverty from 24.5% to 16% in ten years? What have similar strategies achieved in other places? What does it take to set up coach-mentoring programs? Is ten years a realistic time frame in which to expect such a system to make a significant contribution to the greater strategy?

The TOC doesn't have to be a complicated affair. Opportunities Niagara offers a great example of this. It noted how many organizations and residents in the region had useful strategies for reducing poverty. What was lacking were the resources, information, networking, or skills necessary to get them off the ground. Opportunities Niagara decided to create a small body of well-connected, representative leaders to "untie the knots" that were getting in the way in various localities.

That's all there is to it: create a community resource that can untie knots so change can happen. Yet this TOC has served

Niagara well. The leadership group has taken action that has helped nonprofits secure land, facilities, and resources for 75 units of affordable housing. They also have cleared a path for initiatives that will enable 500 or more long-term unemployed residents to secure good paying jobs and training for another 90 laid-off workers. Without the Niagara group "untying the knots," these initiatives may not have happened on the scale, had the same impact, or even got off the ground at all.

Though primarily intended to help groups make choices about strategies and projects, TOCs are useful in other ways as well.

They can provide a framework for the selection of indicators of progress. This is essential for initiatives whose ultimate success will be a long time in coming. For example, a CCI that aims to eliminate poverty may choose to encourage private sector employers to adopt progressive employment practices. Their TOC states that once more employers know about these practices, more will adopt them. So one interim indicator of progress will be the number of employers to whom CCI representatives have made their case.

A TOC can be a great way to explain a group's comprehensive program to others, too. Members of more than one Vibrant Communities project have found it difficult to explain their work to others without referring to a shopping list of activities and initiatives. A well-written TOC can capture the essence of what a

group is trying to do and turn bewildered or skeptical observers into active participants. “Untying Local Knots” has been a great way for Opportunities Niagara to summarize its role in reducing poverty in the region. “Scaling Up What Works” puts it all in a nutshell for Vibrant Communities Edmonton, which is facilitating initiatives to help people take advantage of underutilized income support programs, and to encourage employers in low-wage sectors to implement progressive human resource practices. (The “Rebuilding Communities Initiative” on the previous page is essentially a TOC, rendered as a diagram in order to explain an approach taken in American cities by the Annie E. Casey Foundation.)

Perhaps most importantly, however, TOCs support on-going and critical reflection on a CCI. Participants can get together to review their progress, identify things that they have learned, and ask themselves: Is our TOC still appropriate? Does it need upgrading? Does it require a complete overhaul?

*What’s novel about CCIs is that meaningful changes are being achieved by a diverse group of stakeholders who have together devised a large-scale initiative to tackle a complex problem – & have the skills, knowledge, & networks to make it real. Usually, it’s one or the other.*

And change it likely will. Over the history of OP2000 in Ontario’s Waterloo Region (1997-2000), the TOC evolved continuously as the participants grew, changed, and learned more about the nature of the systems underlying poverty and the strategies they could use to overcome them.

The group’s original TOC was rooted in a feeling that if they could encourage enough local nonprofits to shift their focus from “alleviating poverty” (through counselling and food baskets, for example) to “reducing poverty” (employment programs, links with employers, business development), the net effect would be a drastic reduction in the number of under- and unemployed residents in the region. OP2000 asked local groups to commit to making this shift. In exchange, the OP2000 network would supply them with learning opportunities, technical assistance, and better access to the necessary financial resources.

The response from the community was good (over 30 nonprofits helped 1100 residents in just over 2 years), but not good enough. OP2000 leaders concluded that the nonprofit

sector alone, no matter how well supported, could not bear the burden of reducing poverty. The public and private sectors would have to play a more prominent role. Soon after, working groups from each of these sectors were exploring ways to encourage employers to improve wages and working conditions, and to advocate change in the provincial welfare reform program.

TOCs have their dangers. They can end up taking a lot of time to develop. They can raise conflicting points of view that CCI participants are not ready to grapple with. They can appear academic at times and alienate the much needed “doers” in a collaboration. These dangers aside, the experience of Vibrant Communities with TOCs has been positive. They offer the possibility of making a complex agenda more coherent, and that does wonders for communication, evaluation, and learning.

## **Messy & Hard – But Worth It**

The push behind every CCI is the hope that it might generate the scale, the depth, and the durable results that conventional, fragmented approaches to complex issues cannot. Yet, the very fact that it weaves together such diverse players and actions means that the journey of each CCI is unpredictable and risky.

Some, like those in Saskatoon and Halifax, have stalled in their efforts to move past the intensive start-up phase, humbled by the awesome technical and political tasks of a comprehensive campaign, or simply unable to secure sufficient resources to keep it going. Once a CCI leaves the ground, it’s common for participants to invest a lot of time and energy in a particular project, only to see it stopped cold or derailed due to factors beyond their control.

Finally, even groups experienced and competent in CCIs struggle to maintain the momentum and strategic focus of their work. Opportunities Waterloo continues to weather “campaign fatigue,” changes in leadership, and the challenges of securing multi-year funding while trying to regain the enthusiasm and widespread support it enjoyed in its early years.

Tough going and no guarantees – yes. Yet CCIs also demonstrate that, armed with a comprehensive analysis, a considered TOC, and the diverse skills and political clout of a growing membership, people can start undermining some of the structural reasons for poverty.

Vibrant Communities Trail Builders have been able to shape more productive public policies. Vibrant Communities Calgary helped nonprofit organizations to bring about an increase in provincial income support for persons with disabilities. Then it deftly shifted focus and worked with other groups to encourage the City to *reduce* the monthly public transit pass fare for the same group, when all the other rates were to increase. These two initiatives alone will put \$2-4,000 more dollars in the pockets of up to 10,000 Calgarians annually.

QoL played an important role in encouraging local municipalities to create a regional housing trust that will help build 30-80

housing units a year. Vibrant Saint John convinced the provincial government to strengthen certain features of childcare policy in order to assist young parents trying to finish school.

Some CCIs are also demonstrating how they can help the private sector take a role in innovative responses to poverty. Opportunities Niagara helped a cluster of private employers, local governments, community organizations, and the regional college to prepare long-term unemployed residents for some well-paying positions in the tourism industry that weren't getting filled. This training program also will work hand in glove with a project that will reduce the barriers to employment posed by the region's fragmented public transportation system.

In the mean time, groups in Surrey, Victoria, Calgary, Waterloo, and Edmonton are playing key roles in the establishment of regional social purchasing portals. These systems link local businesses as employers, suppliers, and/or purchasers to the nonprofit organizations that train long-term unemployed residents. (See article this edition, pp. 13-16.) Many of the same communities are working on initiatives to encourage regional employers to improve income and benefits for underemployed and low-wage staff.

For sure, there's nothing new about such local interventions, in and of themselves. What's novel is that meaningful changes are being achieved in people's lives by a diverse group of stakeholders

who have together devised a large-scale initiative to tackle a complex problem *and* have the skills, knowledge, and networks to make it real.

Usually, it's one or the other. Diverse participants agree to a simple, low-impact approach to a dilemma (better skill development as a way to reduce poverty, for example). Alternatively, participants of like mind lack the capacity to carry out their high-impact intentions.

To avoid this dichotomy, CCI participants have to figure out how to handle two major difficulties: defining comprehensive action, and clarifying how they intend to pursue such substantial change. The record shows that people are up to that learning curve, and as a consequence, can put into effect initiatives far larger in scale and far more likely to succeed than has been possible in the past. And that must surely give us hope that we can make headway on our most pressing problems and build the communities we want.



MARK CABAJ is a principal in Tamarack – An Institute for Community Engagement and past chair of CCEDNet's Practitioner Development Committee. Contact him at 780-451-8984 or mark@tamarackcommunity.ca. Subsequent installments under the theme of "What We Know about CCIs" will concern the identification of local dilemmas ("Wicked Problems"), collaborative governance, and the capacity required to sustain such broad-based, long-term initiatives. For more information about Tamarack, visit [www.tamarackcommunity.ca](http://www.tamarackcommunity.ca).



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CAPE BRETON  
UNIVERSITY



# Common Ground

*CED & the Social Economy – Sorting out the Basics*

BY MIKE LEWIS

**S**ocial economy? Community economic development? Social entrepreneurship? The corridors of power may not yet echo with such questions, but at least a faint hum is discernible as a small but growing number of federal civil servants puzzle over the lexicon introduced by the new Prime Minister, Paul Martin. What is the man talking about?

Even this scratching of heads is a big step forward, however. For years, the success that citizens have had in reshaping the economic and social circumstances of their communities has escaped the attention of most politicians and policy-makers.

As much as this new attentiveness is a cause for celebration, however, let's be sure our federal friends get it right. The challenge is to translate welcome political attention into supportive, well-structured federal policy and investment. To accomplish this requires understanding the basic concepts and scope that constitute each of these burgeoning arenas of community-based action.

## Territory & Enterprise

Even in times of prosperity, Canada experiences a dual economy of mainstream growth and chronic pockets of poverty. Bypassed by the regional or national economy, some places and citizens experience a vicious cycle of social and economic decay that consigns them to unemployment, business failure, family stress, crime, deteriorated housing, and poor health, among other ills.

Despite all this, people have found ways to reverse destructive processes and create a healthier setting for life and work.

One way is community economic development. CED is rooted in the struggle of citizens living in disadvantaged communities to reinvigorate the places they call home. For that reason, Québécois and Europeans often refer to CED as a *territorial* approach to community revitalization. Communities bypassed or marginalized by the ordinary processes of regional or national economies get caught in a vicious cycle of social and economic forces that can lead to a chronic outflow of capital and people. RESO, a CED corporation in Montréal is one of many CED organizations

social economy has a primary focus on enterprise development that aids the achievement of social goals.

## An Analytical Prism

Let's explore the points of convergence and divergence between the territorial approach of CED and enterprise focus of the social economy. To do so, it is useful to determine the key social and economic tasks to which we must attend when building more inclusive and sustainable local economies. Here is my list of ten.

*CED & the social economy together constitute one purposeful movement. Each places a different emphasis on the scope & focus of development action. By combining our efforts to build a development system, we can map & clarify the ways in which our common vision of a more just & sustainable economy can be realized.*

working in various parts of Canada to create a durable basis for hope in neglected and despairing "territories." (See "Transformed by CED," p. 21.)

A second response is the social economy. Like CED, actors in the social economy endeavour to organize citizens to become agents of their own development, primarily through enterprises that embed social goals in their business operations. The Social Economy engages an array of communities of interest that undertake collectively-owned enterprises founded on values of solidarity, autonomy, democratic decision-making, and the individual and collective exercise of citizenship.

Herein lies the most basic distinction: CED has a primary focus on territory; the

## The Social Tasks

- Provision of quality education.
- House people affordably.
- Enable people to live healthy, secure lives.
- Ensure that citizens can be active culturally and recreationally.
- Support persons' efforts to engage fully in the life of the community.

## The Economic Tasks

- Build local equity and ownership.
  - Make credit accessible.
  - Prepare people for employment.
  - Plan, research, and advocate on behalf of the community.
  - Supply adequate physical infrastructure.
- (See diagram, p. 8.)

## 10 Key Tasks

What must we do, have, or create if communities are to thrive?

**Affordable Housing & Food Security** are basic to human physical, emotional, and social functioning.

**Social Supports** strengthen the connection between citizens, foster inclusion, facilitate participation in community life, strengthen families, and encourage the realization of individual and collective goals.

### The Social Tasks

**Health & Safety** are essential to our willingness and ability to participate in community life as parents, employees, business-owners, voters, and investors.

Access to quality **Education** will determine much of what people do with their lives and the contribution they make to the lives of others.

**Culture & Recreation** reinforce the physical and emotional health of citizens and communities. Opportunities for leisure and reflection broaden and deepen people's participation in other aspects of community life.



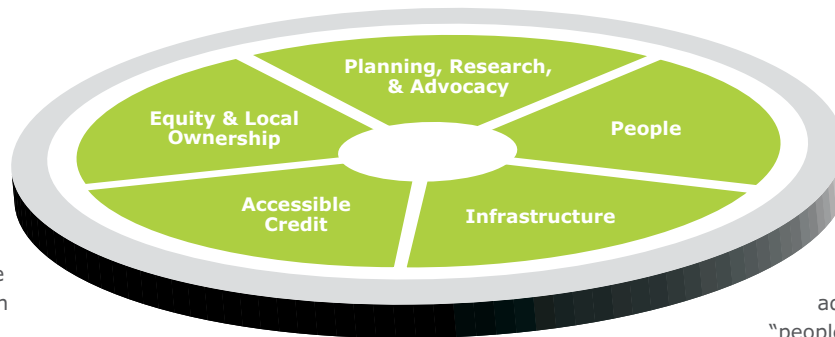
### The Economic Tasks

**Local Equity & Ownership** ensure that local interests influence business decisions and that the resulting capital is reinvested in local development.

**Accessible Credit** focusses on extending loans to people marginalized from conventional financing.

**Planning, Research, & Advocacy** enable people to make good decisions about what to do, when to do it, with whom and with what.

Physical **infrastructure** is the array of public and private installations that undergird public health, mobility, and communication.

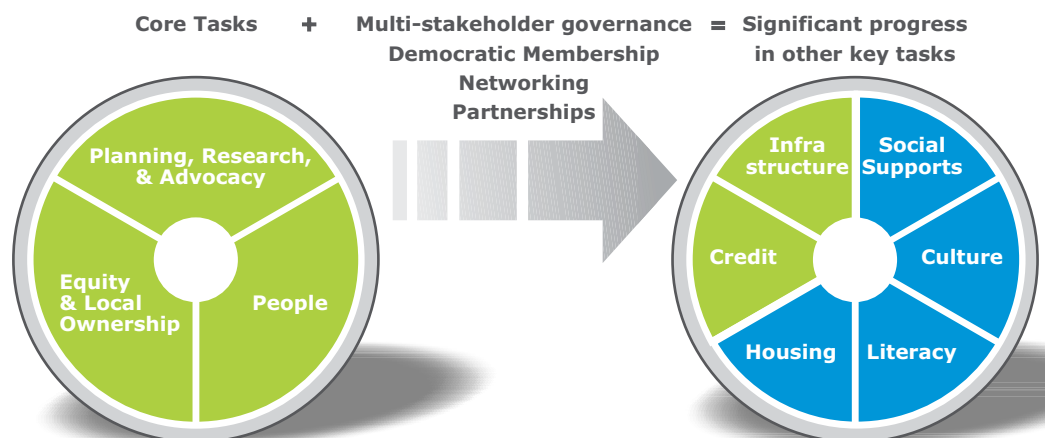


Preparing **People** to become competent employees, employers, organizers, co-ordinators, administrators is what fuses the "people supply" to "people demand."

Distressed communities lack resources and capacity to address these 10 tasks adequately. To reverse the cycle of decline, a strategic array of initiatives is required that addresses several key tasks over many years. Integrated into this comprehensive, long-term approach, programs and enterprises can achieve synergies and results that would not otherwise be possible. They become part of a **development system**.

RESO has built such a system in southwest Montréal. A strategic approach to three core tasks plus extensive partnership-building in relation to six others have made RESO an engine of community revitalization.

### RESO's DEVELOPMENT SYSTEM



These are the tasks that shape our social and economic landscape. CED organizations weave several of these tasks into an ensemble of strategic action aimed at stemming the outflow of capital and people from a geographic community. Building on existing strengths, CED organizations create and leverage new resources for the development of the community as a whole.

The more comprehensive, systematic, and sustained the approach, the more effective it is likely to be, research has revealed. In her study of the revitalization of devastated inner cities in the United States, Lisbeth Schorr of Harvard University discovered that the most successful initiatives had four things in common.

1. *They combine action in a number of domains.*

Successful initiatives for community change all possess a “comprehensive mindset” that forms the lens through which they survey problems, opportunities, and solutions. They understand the necessity and the effectiveness of working at the same time on economic and physical development, service and educational reform, as well as community building. But they are strategic in choosing where to begin, in sequencing their activities, and how much they take on at once.

2. *They rely on a community's own resources and strengths as the foundation for designing change.*

Successful initiatives reflect the specific assets, needs, institutional relationships, and power structures of individual communities. Community-building is more their orientation or mission than a technique, activity, or program, and grows out of the conviction that inner-city residents and institutions can and must be primary actors in the resolution of their neighbourhood's problems. Thus successful initiatives essentially change the nature of the relationship between the community and the systems outside its boundaries.

3. *They draw extensively on outside resources, including public and private funds, professional*

*expertise, and new partnerships that bring clout and influence.*

While this may seem to contradict the second conclusion, it does not. Many of the problems faced by inner-city residents arise from powerful economic forces and from deficiencies in public systems that originate far beyond the borders of the distressed community. The new relationship between insiders and outsiders alluded to above must allow for a flow of information and wisdom in both directions. In successful community-based initiatives outsiders perform three roles. They provide

- *funding.* They make their money available in amounts and under conditions that are related to the objectives to be achieved. Funding is structured to be predictable over periods long enough to get results.
- *clout* that can help remove or reduce political, bureaucratic, and regulatory obstacles that interfere with a coherent approach to interventions.

*The local or regional situation needs to be understood as a development system in disrepair, not a collection of loosely related problems & needs. The most effective interventions build the capacity of distressed communities to marshal resources & apply them in a more integrated & strategic way.*

- *technical assistance.* They can mobilize and broker expertise that may not be readily available otherwise but is crucial to ongoing development and to the effectiveness of community-based initiatives.

4. *They focus on long-term outcomes.*

Successful initiatives are oriented towards achieving long-term, durable outcomes even while recognizing that, from a community mobilization point of view, short-term results are also important.

In short, the local or regional situation needs to be understood as a *development system* in disrepair, not a collection of

loosely related problems and needs. The most effective interventions build the capacity of the distressed community to marshal resources and apply them in a more integrated and strategic way, particularly in long-term action relevant to several of the ten key tasks. (Research into the characteristics of successful Canadian CED initiatives has come to conclusions very similar to Schorr's.)<sup>1</sup>

## The Linkage to the Social Economy

Integral to any CED strategy in a particular locale is enterprise development. It can involve a range of tools and techniques, including entrepreneur development, business incubators, services aimed at business retention and expansion, and social enterprises. The development of social enterprises (or *social economy* enterprises as they are often called in Québec), is a particularly important arena of strategic action for several reasons.

- Social economy enterprises are locally owned, thus creating new equity resources that can be reinvested into the ongoing process of development.
- Social economy enterprises often engage as workers and owners specific sub-populations that have difficulty finding employment – for example, single parents, cultural workers, and the physically or mentally challenged. They combine business development with people development to reduce marginalization within a community and to expand democratic ownership.

- Many social economy enterprises perform key social tasks, for example, care of children, cultural and recreational activities, community health clinics, recycling of waste, environmental restoration, and housing alternatives.

But this is just one of the ways in which CED and the social economy are inextricably linked. If they are to scale up their activities and their impacts, these two dynamic approaches to development action also have some common needs to meet.

Think about the upsurge in Québec's social economy in the last seven years. Well over 4,000 of these businesses have emerged in Québec, practicing democratic forms of participation and ownership and engaging communities of interest, including people with disabilities and single parents living on low income. They employ 65,000 people, generate sales of over \$4 billion, and encompass a remarkable range of sectors: recycling, cultural businesses, alternative media, forestry, child care, manufacturing, transport, health, funeral services, technology businesses, and ecological and cultural tourism.

What has caused this explosion of activity? There are several factors, but among the most important are the institutions that have been established since 1996 to address three of the key economic tasks. (For more details, see "The Political Imperative," p. 26.)

- *Planning, Research, & Advocacy:* The *Chantier de l'économie sociale*, launched in 1996, is a network of networks that embrace hundreds of organizations committed to the social economy and CED. Through a community-university research alliance, university researchers partner with practitioners to create knowledge and tools that advance the social economy. Complementing this at the local level in Québec are 111 *centres local de développement* (local development centres, or CLDs) that help support the planning and launching of social enterprises as part of their development action.
- *Credit:* The *Réseau d'investissement social du Québec* (RISQ), created by the Chantier in 1997, makes capital and loans accessible to social enterprises and CEDO ventures across Québec. RISQ's \$10 million in investment capital is leveraging other sources of participation, including loan funds run by CLDs and, to a lesser extent, Community Futures Development Corporations.
- *People Development:* RISQ provides technical assistance to social enterprises as do a range of CED organizations and CLDs across Quebec. There are also initiatives to improve management capacity among businesses working in the same sector, as well as work focussed on improving the skills of workers in different sectors.

In short, a province-wide development system is emerging in Québec to grow the social economy. CED organizations are part of this system, supporting and fostering social enterprises and helping to access the new credit resources managed by RISQ. Likewise, the accelerated growth of social economy enterprises is crucial to revitalizing the territories that are the primary concern of CED organizations. Just in the years 1997-2002, the support that RESO, the Chantier, and RISQ rendered to the social economy sector helped create over 500 jobs.

Québecers have been smart. They have included the CED sector as an integral partner in advancing the social economy. They have built on the strengths of the co-operative sector. Also, by ensuring that other key social movements and networks (e.g., women and labour) are around the Chantier board table, they have succeeded in mobilizing a broad array of political and economic resources.

Imagine what we could do if we followed that example and reconfigured the way members of the community sector relate to each other? Can we imagine a "communities agenda"?

I think we can. Elements of it are already in play in the policy agenda advanced jointly by the Canadian CED Network and the Chantier. The conference upcoming in May 2004 in Trois-Rivières is another amazing opportunity for us to work together to articulate a strong communities agenda in which

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CED and the social economy will play vital roles.

CED and the social economy occupy common ground. Together they constitute one purposeful movement. Each places a different emphasis on the scope and focus of development action. By combining our efforts to build a development system, we can map and clarify the multiple ways in which our common vision of a more just and sustainable economy can be realized. The result can only be a more vibrant, sustainable, and dynamic society.

## References

<sup>1</sup> Lisbeth Schorr, *Common Purpose: Strengthening Families and Neighborhoods to Rebuild America* (New York: Doubleday Anchor Books, 1997). For the results of Canadian research into the characteristics of the most effective CEDOs in Canada, and the policy environment that can foster such characteristics see chapters 12 and 13 of *Reinventing the Local Economy: What 10 Canadian Initiatives Can Teach Us About Building Creative, Inclusive, and Sustainable Communities* (Port Alberni, B.C.: Centre for Community Enterprise, 1994) by Mike Lewis and Stewart E. Perry, and "The Ecology of Success: The Problem of Scaling Up What Works in CED," by Mike Lewis, in *Making Waves*, 10:1 (Spring 1999), 12-16. Both are available on-line in portable document format (PDF) from the CED Digital Bookshop [www.cedworks.com](http://www.cedworks.com).



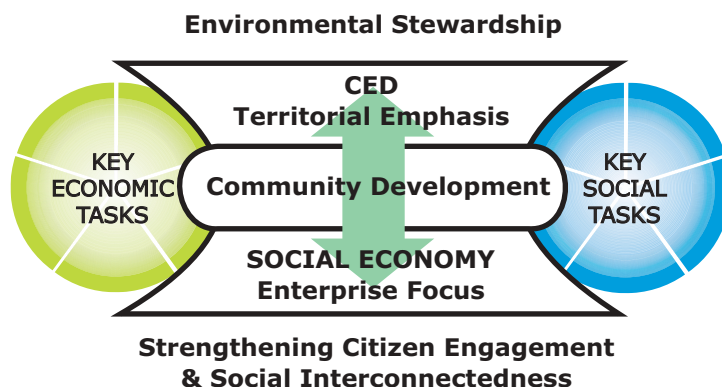
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## Naming the Links

Social economy, social enterprise, social economy enterprise, community enterprise, CED enterprise ... in our urge to describe our experiences in the community sector, we sometimes serve up more terminological soup than substance. When it comes to policy-making, unfortunately, inaccuracy is a recipe for ineffectiveness.

Just ask the Canadian CED Network (CCEDNet). The early drafts of its national policy framework defined "community" almost exclusively in geographical terms. This drew fire immediately. How could CCEDNet ignore enterprises established to empower or support communities of interest, like marginalized youth, children, the disabled, and the homeless?

Take for example an enterprise owned by a nonprofit and employing people with disabilities. It does not have "territorial focus" nor does it undertake many of the tasks required to turn around a declining neighbourhood. Yet in its commitment to inclusion, citizen engagement, and solidarity, the enterprise is clearly on the same wavelength as CED organizations. Indeed, many CED organizations promote and establish such enterprises. So CCEDNet drafted a more inclusive definition. After all, nobody questions the importance of communities of interest or identity.



However, the attempt to be inclusive can also obscure important distinctions. The neat conceptual clarification used in Québec is one we should take up in the rest of Canada. As depicted in the diagram above, the focus of the social economy is on a particular genre of enterprise, while the focus of CED is on a specific territory. By working in collaboration, they address and interconnect social and economic tasks key to the well-being of geographical communities and communities of interest. CED and social economy are not mutually exclusive; they are complementary approaches to strengthening communities.

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# From High School Leaver to High Tech Worker

*Preparing a disadvantaged workforce for the New Economy*

BY GARY LOEWEN & JIM SILVER

The global economy is shifting, and Canada's economy is shifting with it. That's not news. Wherever we look, we find governments and industry eager to embrace the knowledge economy and to increase their competitiveness in high technology sectors.

What does this do for workers who were already having a hard time finding employment in the Old Economy, especially those who did not finish high school and now lack the educational qualifications that many high tech jobs require?

That was the question asked by the Manitoba Research Alliance on CED in the New Economy (MRA), a coalition of academics from three Manitoba universities, practitioners from 21 CED organizations, and federal and provincial government representatives. In 2004 the Manitoba government announced its "Innovation Framework," essentially its industrial development strategy. The Province wanted to devote its resources primarily to support six industrial sectors, mostly high tech. Knowing that the Province is committed to a social inclusion agenda, the MRA decided to research ways to enhance social inclusion within an economic development agenda that is shifting toward a high tech emphasis.

## What did we do?

We started by researching how this is being achieved elsewhere. We focussed on two industrial sectors – information technology and advanced manufacturing. Our research included an extensive review of the literature on employment development, and a review of about two dozen programs that create bridges into high tech jobs for people with employment barriers. The programs we looked at were located in the United States, Ireland, Europe, and Australia. (Two are profiled on page 14.)

After identifying a body of "best practice" for getting employment barriered people into high tech jobs, we interviewed about three dozen Manitoba employers from the two industrial sectors to test the potential for replication of those programs and practices here. We asked employers what they are already doing to create employment bridges, what possibilities they see for replicating other (global) programs locally, and what would make it attractive for them to participate in those replications. We then developed some recommendations.

## What did we find?

The most encouraging thing we found is that there are many programs around the world that are successfully creating the bridge between high school leavers and high tech jobs. And it is possible to discern a set of "best practice" principles for how that is done (see diagram, next page). Five of them bear a little more elaboration.

First, it is important to set your sights on *good jobs* before you even begin to plan your employment development program. If an employment development program defines "success" as helping a person with a long unemployment record to simply get a job, the long-term results are likely to be marginal. But if the focus from the outset is to provide the kinds of support that move people into skilled positions that provide a living wage, benefits, and opportunities for advancement, there is a better chance of success.

*What can the shift to a new, knowledge-based & global economy do for workers who are already having a hard time finding employment in the Old Economy?*

Second, the best results are likely to be achieved if employers are engaged at every stage of the process. The programs that work best are more "demand driven" than "supply driven." This means more than simply being connected to employers. It means starting by having employers identify the positions for which they need workers, and the skills and attributes that are required to fill those positions. It includes having employers help to design the employment programs, possibly release some of their supervisors to assist in some of the training, offer work experiences and internships to trainees, and commit to hiring job seekers who eventually graduate.

Third, it is helpful if programs are comprehensive in the supports they provide. Many programs across the country provide only a portion of the supports that a job seeker needs to become competitive for employment. Programs typically offer

*Many programs around the world are successfully creating the bridge between high school leavers & high tech jobs. It is possible to discern five “best practice” principles for how that is done.*

## Employment Interventions

### Comprehensive, Networked, & Interventionist Approaches

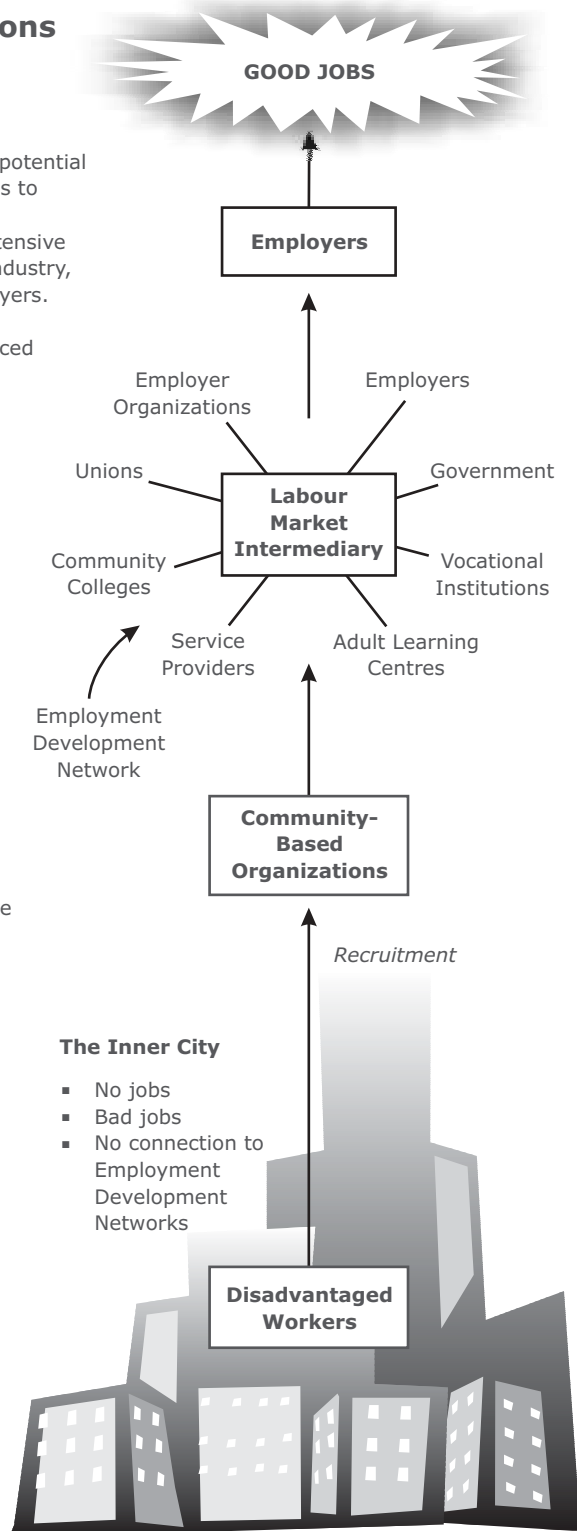
- Sectoral Approaches: Target a high potential industry and intervene in its practices to benefit disadvantaged job-seekers.
- Customized Training: Short-term, intensive training for specific jobs in a given industry, designed in collaboration with employers.
- Bridge Programs: Training for disadvantaged adults to enter advanced technology trades.
- Apprenticeship Programs

### Traditional Community Development Approach

Delivering a comprehensive array of needed resources to disadvantaged people.

### Stand-Alone Programs

- Technical (Hard Skills) Training programs: Technical skill training at a college or vocational school.
- Basic Education Programs: Teaching math, writing, and reading.
- Soft Skills Training (Job Readiness): Teaching job-seekers to adapt to the norms of the workplace looking at punctuality, proper dress, appropriate language, etc.
- Support services: Offered by service agencies, job-seekers receive supports to help them overcome their barriers to employment (e.g., childcare; drug, alcohol, or abuse counselling; financial assistance for housing, transportation, health care, phone, etc.).
- Job Search Activities: Resumé-writing, interview skills, access to employment kiosks, help with job search, work experience placements.
- Post-Employment Counselling or Mentoring
- Motivation and Advocacy programs: Campaigns/career fairs to introduce job-seekers to opportunities and motivate them to find work.
- Job Placement Activities: Job developers match job-seekers with employment.



## Best Practices

### Focus on High Quality Jobs

Jobs alone will not help disadvantaged people out of poverty. They must offer benefits, opportunities for advancement, and good pay.

### Engage the Employer

Involve employers from beginning to end in designing the initiative. They can identify jobs, identify desired skills, help design training curricula, offer jobs to participants.

### Build Networks & Create Partnerships

No group can do workforce development alone. Neighbourhood community-based organizations, community colleges and vocational institutions, government, unions, and especially employers need to collaborate to get people into jobs. A *labour market intermediary* works to bring these diverse stakeholders together.

### Enlist stakeholders with clout

### Offer comprehensive training with supports

The best initiatives combine not only technical (hard skill) training and basic education, but also soft skills (“job readiness”) training and job search/placement assistance. Furthermore, they provide a range of support services (childcare, transportation and financial assistance, drug/substance abuse counselling, etc.) to help clients overcome their barriers to employment.

### Create training environments that simulate the real work place

### Provide Post-Employment Support

Successful initiatives provide supports, mentoring, and/or follow-up counselling after a client is working to increase job retention.

### Promote “cultural competence” for both employers & job-seekers

### Alter the structure of the labour market

Promote changes in the local employment system that will benefit disadvantaged job-seekers.

## Best Practice I: Centre for Employment Training

Many of the people with whom the Centre for Employment Training in San Jose, California works are Hispanic farmworkers or dependents of farm workers. Over half of CET's students are school leavers. Over half cannot speak English or have limited English skills.

CET provides a wide range of supports, including vocational guidance, job preparation, educational upgrading, financial assistance, specific job skill training, and job placement services. They are known, among other things, for developing training that simulates real workplaces – they call it the “contextual learning model” – and they try to duplicate the “rhythms of industry” in their training.

They are also known for working very closely with employers. They train people for entry-level high tech positions like computer support specialist, computer systems hardware specialist, computer operator, electronic assembler, and printer. They experience placement rates as high as 75% of all graduates. In 2003, the average income of those who completed CET training tripled after graduation.

## Best Practice II: Jane Adams Resource Corporation

The Jane Adams Resource Corporation in Chicago works primarily with participants who are living at or below the poverty line of US\$8,900 per year. It sets the participation bar low. Participants are required to have a minimum of Grade 6 math, to be drug free for the past six months, not to have been incarcerated in the last six months, and to have no history of violent or sexual crimes.

They are provided with educational upgrading through one-on-one tutoring, basic computer skills, financial management training, conflict resolution training, specific job skill training, and job placement and internship possibilities. Graduates of their Careers in Metalworking program get jobs as Computer Numerically Controlled Machine Operators, Welders, Punch Press Die Setter Trainees, Quality Control inspectors, and the like.■

some job readiness training, or job placement assistance, or job skill training, but seldom all of these. Each of these supports by themselves is helpful, and usually results in some success. But the success is greater when programs offer all of these supports, along with basic education upgrading, financial assistance, and post-employment counselling or mentoring.

Fourth, it is important that programs be networked. One particularly helpful institution in that regard is something called a “workforce intermediary.” The most successful programs we looked at are made up of networks comprised of employers, community-based employment development organizations, unions, governments, and educational institutions, all co-ordinated by an intermediary.

Typically the intermediary is led by a champion who is well regarded within the employer community. The role of the intermediary is to provide a place for employers to identify their needs, and for each of the other representatives to agree about the part they will play in meeting those needs. The networks that work best are highly formalized. Members around the table make formal commitments as to the role they will play, and are held accountable for the standard to which they play that role.

Fifth, the results will be strongest if the employment development program is “interventionist,” that is, if it actually changes the local employment system to benefit disadvantaged workers. The establishment of a workforce intermediary is in itself an “intervention.” It changes the process by which companies in a particular sector recruit their workforce. Another common type of intervention is to change employment

*Employers in New Economy industries are already experiencing skills shortages & are prepared to participate in programs directed at disadvantaged workers. Models of best practice are available. They have been tested in many jurisdictions & have a proven track record. With thought & care, we can replicate that success.*

qualifications. Many employers have indicated that when they name educational qualifications as threshold levels for employment, those minimum educational levels don't really relate to what is required to do the work. Employers name educational qualifications as proxy indicators for the kind of person they are looking for. When this becomes a needless barrier for disadvantaged workers, it can be helpful to focus instead on required competencies (e.g., ability to read at a certain grade level). Changing the actual structure of the job can also be an effective intervention.

“Best practice” language is always a little tricky. It assumes that one can generalize across all contexts, and that what works best in one context will necessarily work best in every context. We all know that isn't necessarily true. We also know that many employment development programs across the country get really good results without embodying all of the best practice features that we have articulated above. So it is important not to overstate the importance of the principles that emerged in our research. But it is also true that the principles we have stated here are commonly found in programs that assist high school leavers to make the jump to good high tech jobs.



## What did employers say?

We were amazed at how open employers were. Employers in the advanced manufacturing sector told us they are desperate for skilled workers. Of manufacturers recently surveyed by the Canadian Manufacturer's Association, 94% indicate a concern about having enough skilled workers to remain competitive. While employers in the IT sector are not experiencing skills shortages currently (at least, not within the positions that disadvantaged workers can be readily trained for), they were projecting shortages in the next five years as their workforce ages. Many of the employers we interviewed, whether or not they were experiencing skills shortages, concurred with the need to create bridges for disadvantaged workers, and indicated a willingness to play a role in that.

A range of factors increases the likelihood that employers will participate in programs to build such bridges. A program is more likely to be attractive to employers if it is led by a champion whom they respect. It will address some of their human resource issues and bring some additional training and HR development resources to the table. It will create some positive profile for employers in the community, but will allow their commitments to be tentative until results are proven (i.e., internships/co-operative work experiences). Finally, the programs most appealing to employers don't take huge amounts of their planning time.

## Conclusion

The New Economy is not exactly a good news story for disadvantaged workers. They face multiple barriers that are difficult to overcome. But it doesn't all have to be a bad news story.

Employers in New Economy industries are already experiencing skills shortages and are prepared to participate in programs directed at disadvantaged workers. Models of best practice are available. They have been tested in many jurisdictions and have a proven track record of success.

With thought and care, we can replicate that success. Community-based practitioners are needed who link their practical knowledge of disadvantaged workers with strategies that are comprehensive, networked, and interventionist. Governments must be prepared to provide funding. Champions must be ready to pull together the major players – employers, unions, community-based organizations, governments, and educational institutions – by means of a workforce intermediary. When we apply models of best practice in combination with these additional factors, there is hope for high school leavers who aspire to good jobs in the New Economy.



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# THE POWER OF INTEGRATED SERVICES

THE LEARNING ENRICHMENT FOUNDATION

by Eunice Grayson

**A**part from some basic word-processing, Aida Eshetu knew nothing about computers three years ago. A traumatized refugee from Ethiopia's civil war, she had finally come to rest in York, Ontario in 1996. To find work she enrolled in a training program entitled "Windows NT and Hardware" offered by a local charity, the Learning Enrichment Foundation (LEF).

Swamped at first, within a fortnight she could strip down and reassemble a PC into working order. The 4-month course equipped her to pass the Microsoft Certified Professional examinations. But she was ready for more. With LEF assistance, she went on to complete three correspondence courses and become a Microsoft Certified Systems Engineer.

Aida now works as an instructor in a private vocational school. Astonished at how far she has come, she credits LEF staff not just for their technical skill, but for their generosity of spirit. "Their love and care boosted my energy," she recalls, "For the first time I recognized my emptiness and how hungry I was."

"Windows NT" is just one of the 32 programs that LEF currently manages. Serving 7000 people a year on a budget of \$16 million, it is the largest nonprofit training agency in Metro Toronto. Like Aida Eshetu, the majority of the adults among them are social assistance or employment insurance recipients. And of them, eight out of ten generally find jobs once they graduate from LEF's computer courses, self-employment training, construction, or childcare programs. It is a singular example of how much a community service organization can achieve when it chooses to pursue a creative, activist agenda of human resource development.

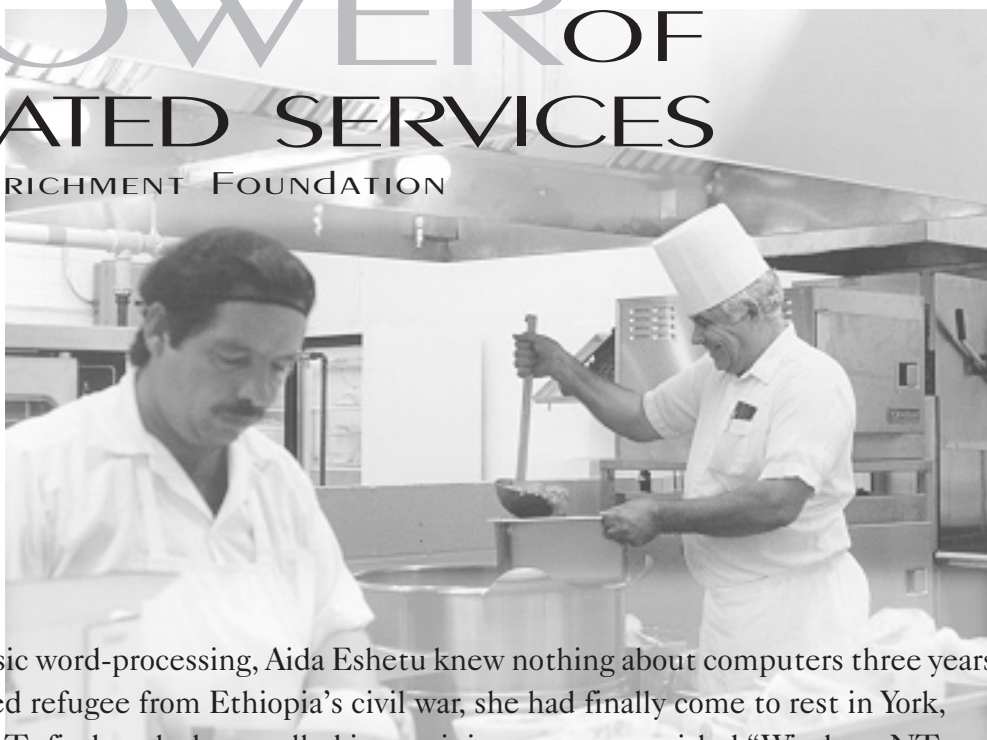
## DIVERSIFICATION

The City of York was a municipality in what was formerly known as Metropolitan Toronto. The 1970s hit York hard. Manufacturers started moving out. Unemployment rose. Of the entire Metro region, York had the lowest incomes, highest illiteracy rate, highest infant mortality rate, and many other indicators of poverty. The area was (and remains) a reception area for consecutive waves of immigration from all corners of the globe.

The most pressing issue was unemployment, especially youth unemployment. That much was apparent to LEF, which had been launched in 1978 with the assistance of the

York Board of Education. To date, LEF's experience had been limited to providing school children with multicultural theatre and other types of cultural enrichment. Undeterred, LEF launched a construction and renovations training program for the children's teenaged siblings.

Another nagging problem was quality childcare. Child-raising responsibilities kept many students and other community residents from acting on training or job opportunities. In 1981, LEF launched the first of a network of affordable, high-quality childcare centres in what was to be the organization's toehold in the realm of community revitalization.



LEF's functions quickly diversified in the mid-'80s. With financial assistance from Employment & Immigration Canada, LEF initiated a youth employment counselling centre in 1985. Then came employer outreach, self-employment training, and English as a second

employment equation. In 1994, LEF took on the demand side, and since then has grown into one of Canada's pre-eminent practitioners of labour market integration.

The trigger was an unmistakable dislocation between labour supply and demand. While recording alarming levels of unem-

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**"JOINT OCCUPANCY & CLOSE PROXIMITY CREATED A DYNAMIC SYNERGY WHICH EXPONENTIALLY INCREASED THE SUCCESS & PRODUCTIVITY OF ALL PROGRAMS - & ATTRACTED MORE "**

language. The list grew longer and longer. In 1986, the Ontario Ministry of Industry & Trade supplied start-up funds for a business incubator, the York Business Opportunities Centre. A commercial kitchen and training program was installed in yet another building. (See photo p.13).

This diversification was matched by a second, equally significant process of service integration, both structural and physical. In 1991, LEF leased a vacant, 73,200 square foot industrial warehouse. Into this vast, ramshackle facility the business incubator and LEF's other initiatives began to concentrate.

Low and behold, joint occupancy and close proximity created a dynamic synergy which exponentially increased the success and productivity of all programs - and attracted more.

The construction students assisted with the renovations to the building. English language training was available to the young people, who were of course clients of the youth counselling centre. The kitchen provided high-quality, low-cost meals to these trainees as well as the self-employment candidates and daycare children, while functioning as a catering training facility.

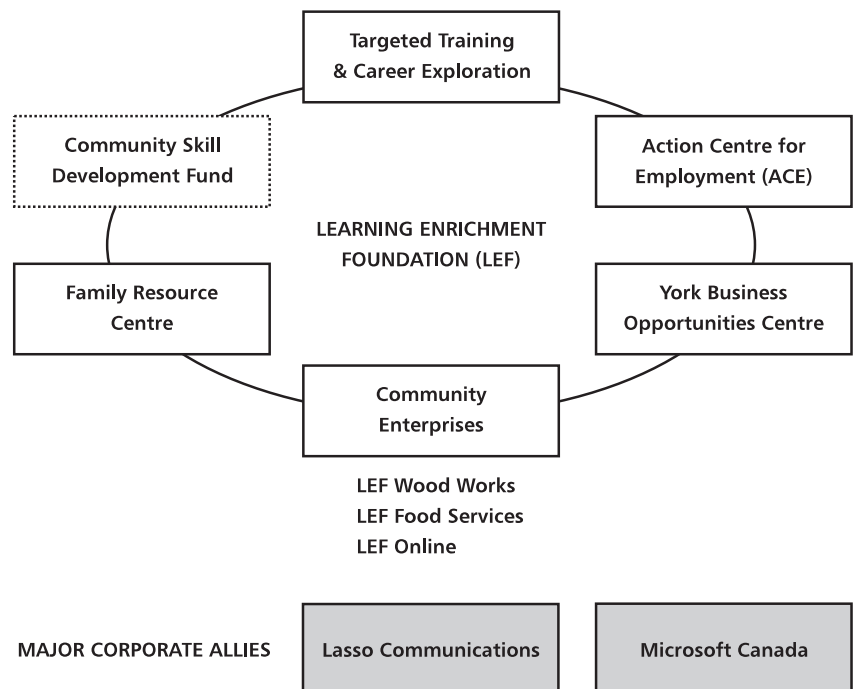
But what is childcare without trained supervision? So LEF also began to train early childhood assistants in a course combining practical experience with studies in the areas of child development, curriculum planning, and safety and nutrition.

## LABOUR MARKET INTEGRATION

By the early 1990s, LEF had set new standards in the supply side of the labour-em-

ployment among LEF constituents, staff members were receiving an increasing number of employer requests for trained workers. LEF therefore launched the Action Centre for Employment (ACE) as an experiment in "customized training" - a systematic, information-rich process of marrying specific jobs (current and prospective) with individual job-seekers.

Customized training places heavy empha-



LEF's system of integrated employment & human services, reinforced by partnerships with significant outside expertise, creates a training environment with minimal "cracks" through which people - including the hard to employ - can fall.

five of those participants remain in their jobs for a minimum 6-month period - the success criterion.

The training itself follows four major streams: computer applications, industrial skills, childcare, and English language skills. All the computer courses are Microsoft Authorized; as of 1994, LEF became the first nonprofit Microsoft Solution Provider in Canada.

Industrial training focusses on the logistics, warehousing and maintenance fields. For example, a 7-week forklift training course offers, in addition to theory, first aid, WHMIS (Workplace Hazardous Materials Information System) certification, computer training, and 28 hours of "road experience" in a section of the LEF warehouse. (Holes in the walls testify to the challenge of "hands-on" training.) The final two weeks of the course are spent in job search.

LEF scored another major coup in the fall of 1998. Ontario Works, the provincial welfare-to-work program, relaxed funding criteria which (in the view of Toronto municipality) had recognized skill development, volunteer internship, and job search services as mutually exclusive initiatives. LEF pounced on the opportunity to secure a major contract for its integrated approach to "workfare." Staff drafted a proposal that would annually have assessed, counselled, trained, and helped 2000 social assistance recipients to find a job. If fully 80% did not keep that job for six months, LEF would not get paid its per capita payment of \$1200 for any unsuccessful clients.

Despite LEF's record, that concept put more eggs in one basket than Toronto's department of Social Services (the administrator of the provincial monies) was willing to risk. Municipal officials instead approved a 6-month pilot project serving 500 referrals (at a per capita price tag of \$2,928).

The people in question are particularly hard to employ, out of work an average of 4.7 years (as many as 20 years in some cases) and often with health problems to boot. Most can be said to represent the "structurally unemployed" who would likely remain unemployed even in times of growth. In this, the clients differ significantly from any other group which LEF skill training programs have

## STRATEGIC ALLIANCE

LEF and Lasso Communications first met about a year ago, the result of a chance referral by a mutual contact. A blind date from hell, you might think, the one being a specialist in labour market integration for the marginalized and the other a division of a major international marketing agency (Grey Canada). But the two organizations share an interest in community responsive models of development. With Lasso's assistance, LEF has been able to develop, implement, and market its learning initiatives using interactive technology.

One result of this collaboration has been the leveraging of LEF On-Line, an internet service provider that offers e-mail, shareware, web design, and hosting to all comers, as well as technical assistance - from LEF-trained Microsoft Certified Systems Engineers.

More significant, however, are specific training instruments which LEF and Lasso have re-deployed together, especially the Life Learning System, a software suite that helps organizations to deliver, track, and manage training with customized "learning paths."

Imagine someone in your neighbourhood who wants to work in an office, but doesn't know the variety of

office jobs there are, nor the skills each requires, nor even if any local employer is looking to fill such a position.

What if that person could visit a website which permitted a systematic examination of office work (and any other job that will exist in the next 6-9 months)? Each job is described in terms of its core skill, position skills, and personal development qualifications. In addition, attached to each specified skill is the program through which the job-seeker can acquire the skill - and an electronic link by means of which this person can sign up for the next course. Now imagine such a system informed by a process of labour market data gathering as sustained and comprehensive as that of LEF. Finally, consider the implications of sharing such a learning infrastructure across training organizations and small- and medium-sized businesses in a community or region.

That is sort of all-encompassing linkage of learning and job opportunities which the Life Learning System is creating in York. (The community model so impressed Lasso that it donated a copy of the software to LEF.) Brilliant in its simplicity and its employee-client focus, the Life Learning System is a remarkable example of the synergy achieved by a pair of unlikely strategic partners.

served. That being said, LEF has been able to bring a wealth of expertise and infrastructure to bear on the dilemma. To date, 500 people have been served (virtually all who expressed an interest in participating). Although people are still in the program, 175 already have jobs, proving that the issue of structural unemployment can be addressed successfully through support strategies fully attuned to the individuals' needs.\* For the first time, municipal social workers have had a holistic or comprehensive program to which they can confidently refer their most challenging clients.

## THE FUNDING DILEMMA

A variety of agents refer people to LEF for skill training. Because clients can seldom afford to pay from their own limited resources, funding is a constant issue. Block purchases and grant structures are on the way out; partnerships and fee-for-service arrangements with government and the private sector are on the way in. Federal funds for employment insurance recipients and provincial funds are not always available. Just this year, a petition for additional Ontario Works funding for LEF's welfare-to-work



initiative bogged down. The municipality refused to budge without the Province's full approval (pending a project evaluation later this year), lest the City find itself footing the entire bill.

However, the real challenge is helping those who do not have access to either government source: the under-employed, immigrants, and youth with no work history and re-entry women.

**"IN 1994, LEF TOOK ON THE DEMAND SIDE OF THE LABOUR-EMPLOYMENT EQUATION, AND HAS SINCE GROWN INTO ONE OF CANADA'S PRE-EMINENT PRACTITIONERS OF LABOUR MARKET INTEGRATION."**

"Community enterprise" presents one partial solution here. When enrollment (and funding) to its Metro Youth Job Corps was frozen, LEF elected to give up funding in return for freedom from government selection criteria. The Job Corps woodworking shop re-opened in 1997 as LEF Wood Works, funded through sales of furniture crafted by street kids and other marginalized youth people. Of 124 program participants since 1997, 108 have graduated, most to full-time (51%) or part-time (11%) jobs located through ACE. Another 25% returned to school full time. Currently, Wood Works' proceeds amount to 30% of its operating costs, LEF absorbs the remainder through charitable donations.

Individual Development Accounts, which multiply every dollar a poor person spends on training, are another good concept. They present a wonderful opportunity for financing the career advancement of people with entry-level jobs, but will not assist the structurally unemployed.

The real answer to the funding problem, LEF believes, is a "Community Skill Development Fund," financially assisted by large donor corporations or foundations and by contributions from satisfied employers. The idea would be for LEF to provide training "up front," for which clients will pay once they are employed. A repayment agreement would be concluded with each client, which would take into consideration his/her eventual wages and living expenses.

LEF has experimented with this approach, but hasn't the resources to sustain it for very long or with many individuals. We hope, however, this exercise will inform a broader process of consultation with parties interested in a larger initiative. These "learning circles" will engage representatives of business and foundations in the design of a skill development fund - essentially, many of the organizations which would eventually

be asked to support it. An additional series of consultations will involve representatives from communities that may wish to emulate the model.

#### MEMBERSHIP


Structurally, too, LEF has altered to meet new requirements. In the mid-'90s, many board members, staff, and supporters perceived the need to develop a new governance structure. A dozen dedicated board members and over 200 employees - but no membership base - were no longer sufficient to the tasks at hand.

The transition was turbulent. Could the work and assets of a by now multimillion dollar "enterprise" be entrusted to the uncertainties of the democratic process? In LEF's early years, the stability and the continuity of limited membership made decision-making easier. The organization prospered. By the mid-90s, however, the magnitude of operations made real or perceived conflicts of interest in LEF's decision-making a dangerous possibility.

A consulting specialist in non-profit governance was hired to assist in the transition. Focus groups helped to clarify strengths and weaknesses. It was not easy, but in the end good will and determination won out. A board policy book was written, policy defined, the mission statement confirmed, principles and values stated, and strategic priorities articulated. The board was recast

to comprise 15 people (five of whom are replaced annually) whose role it is to set policy. The executive director manages the organization, within pre-set limits.

The turbulence over, LEF has never looked back. Since 1995, concerted recruitment has increased membership to over 1000, made of up clients, employers, daycare parents, interested community members, donors, and employees. One of the most advantageous aspects of such a broad membership base for an organization like LEF is the empowerment that membership symbolizes. Membership, voting rights and the opportunity to govern are attainable. Inclusion, not exclusion, is the rule for a change. LEF is now often described as a "caring family."

At LEF, the changing circumstances within the community and government, as well as innovative ideas, entrepreneurial inclinations, and an empowering atmosphere make even inevitable change exciting. 

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EUNICE GRAYSON is the executive director of the Learning Enrichment Foundation. Contact her at (tel) 416-769-0830, (fax) 416-769-9912, (e-mail) [egrayson@lefca.org](mailto:egrayson@lefca.org). LEF's website is located at <http://www.lefca.org>

\*An interim research document assessing this Ontario Works program will be available by October 1999. While the evaluation process will not be complete for a number of months, it would appear that significant progress has been made in addressing structural unemployment. For further information, contact LEF.



## Growing brighter futures for people and communities



SEED Winnipeg Inc. is a non-profit agency that works to combat poverty and assists in the renewal of Winnipeg's inner city. We do this by helping individuals and groups start small businesses and save money for future goals. We offer business management training and individual consulting, access to micro-enterprise loans, asset building programs, and more.

### **OUR MISSION STATEMENT**

*To combat poverty and increase the social and economic vitality of low-income individuals, groups, organizations and economically distressed communities, primarily in the Winnipeg area.*

SEED fulfills its mission by delivering programs and services that help low-income individuals, groups and organizations to start businesses and save money for future goals. SEED also conducts CED-related research, and consults with other CED organizations and community groups at the local, regional and national levels in an effort to expand the adoption of CED methods as the normative approach to economic development in Canada.

SEED programs are designed to assist in the start-up or expansion of sole proprietorships, partnerships, social enterprises and worker co-operatives. Business consulting and training, access to financing, and resource referrals are some of the services offered to business clients. SEED also provides expanded opportunities for marginalized individuals and communities to acquire economic assets towards home ownership, education, and business start-up or expansion. These opportunities include expanded cash savings, financial management skills, and personal savings matched by other sources.



*Pictured here from left are SEED's Elaine Palson, Business Counsellor, Shirley Forsyth, Board Member, and Brad Franck, CWOP Manager, putting the finishing touches on the artwork seen at the top of this page and currently displayed in our reception area.*

For more information about our programs and services, click on the links to the left, call us at **(204) 927-9935**, or [click here to email us](#).

## Programs

Our programs are based on the idea that every person has incredible potential: potential to learn, potential to share, and potential to create a better economic future for themselves and others.

We offer the following programs, free of charge, for business development and individual asset building.

- [Asset Building Programs](#)
- [Build a Business Programs](#)
- [Community Worker and Ownership Program](#)

Please click on the links above for details and information on how to apply to each program.



### **Program development:**

SEED Winnipeg continues to conduct research into the economic needs of low-income persons in Winnipeg with new programs under development to help address those needs.

## Services

In addition to helping low income individuals to start small businesses or save for long-term assets, SEED also provides a variety of technical assistance services to organizations engaged in community economic development work.



We have in-house expertise in social research, program development, marketing, proposal writing and more. If your organization is new to CED, we can deliver seminars, "Train the Trainer" sessions and consulting to help you move forward, and to minimize many common challenges in applying CED principles.

### **CED Technical Assistance Service (CEDTAS):**

Short term consulting and brokering services, in areas such as program development, training, partnership building, planning and research, to groups and organizations working with marginalized communities. Visit [this link](#) for more information.



The Winnipeg Social Purchasing Portal enables business and non-profit organizations to work together to create meaningful employment opportunities while also building stronger and healthier communities. Visit [www.sppwinnipeg.org](http://www.sppwinnipeg.org) to find out more

## History

SEED Winnipeg was formed in the late 1980s as a result of a major study into the economic development needs of Winnipeg's inner city. After a number of years of searching for resources, SEED Winnipeg opened its doors in January 1993 with two staff on Ellice Avenue in the West End.

SEED eventually grew into two offices with twenty staff, one on Logan Avenue in the Exchange District, and one on Selkirk Avenue in the North End.

In April 2006, SEED rejoined its forces into our current offices at 80 Salter Street in the North End. SEED is now the proud owner of this beautifully renovated building which will enable SEED to continue to grow and develop both its staff and its programs.



*Ellice Avenue*

## Impact

SEED has helped hundreds of people start their own businesses and save money for a better future. To learn more about our most recently published results, please [click here to view our 2006/2007 Annual Report](#).

## What is CEDTAS?

CEDTAS is an effective technical assistance matching service that connects volunteer professionals to a broad array of Community Economic Development (CED) projects. Clients range from emerging community based groups with good ideas to well established organizations.

### **What are the advantages to using CEDTAS?**

CEDTAS can make the entire process of matching volunteer professionals (Providers) with community-based CED projects smoother, faster and more effective for everyone.

### **How does it work?**

Community groups and CED organizations with specific projects apply to become Clients, and supply information about themselves and their projects.

Volunteer professionals apply to become Providers, and offer some information about themselves and the types of work they do.

CEDTAS arranges a matching process between Clients and Providers. When a mutual match is found, the Client and Provider meet and, if agreeable, an agreement is drawn up specifying what services the volunteer professional will donate to the particular project. CEDTAS then provides ongoing support during the technical assistance delivery.

### **Getting involved**

CEDTAS is always interested in what you are doing and what you may have to offer.

#### **To contact us:**

CEDTAS  
80 Salter Street  
Winnipeg, Manitoba R2W 4J6  
Phone: (204) 927-9921  
Fax: (204) 927-9930

or email [Kerniel Aasland](mailto:Kerniel.Aasland@cedtas@seedwinnipeg.ca) at [cedtas@seedwinnipeg.ca](mailto:cedtas@seedwinnipeg.ca).



### **More Information**

[Provider Overview](#)  
[Provider Profile & Application Information](#)  
[Client Overview](#)  
[Client Profile & Application Information](#)  
[Definitions](#)  
[What is Community Economic Development \(CED\)?](#)  
[Privacy & Information](#)  
[Expectations](#)  
[Conflict Resolution](#)

### **Funders**

SEED Winnipeg is a registered non-profit organization, and as such depends on the generous support of a variety of public- and private-sector funding partners. We are deeply grateful for the generous support of the following government departments, private sector organizations, and individuals:

[Province of Manitoba, Intergovernmental Affairs](#)  
[Neighbourhoods Alive!](#)  
[Service Canada](#)  
[United Way of Winnipeg](#)  
[The Winnipeg Foundation](#)  
[Thomas Sill Foundation](#)  
[Investors Group](#)  
[Canadian Women's Foundation](#)  
[L.I.T.E. Local Investment Towards Employment](#)  
[Manitoba Advanced Education and Training](#)



## News

SEED Winnipeg is a dynamic organization. Check back here often for news about our latest projects and initiatives.

By the workers, for the workers - April 26, 2007

Program to help Metis entrepreneurs - Grassroots News - February 6, 2007

Survey highlights differences in inner-city, suburban life - CBC.ca - June 15, 2006

Survey finds it safer to live in Winnipeg's suburbs - Winnipeg Free Press - June 19, 2006

Media Release for the Winnipeg Quality of Life Report - June 9, 2006

Pictures from our Open House May 2006

From SEED to Tree - the Metro - May 18, 2006

SEED Puts Down Deep Roots - Winnipeg Free Press - May 13, 2006

Agency sows seeds for business growth - Winnipeg Free Press - March 6, 2006

Community Garden Preserves - West Central Streets - Nov/Dec 2005

Neighbourhoods Alive! Supports Aboriginal-focused Projects - May 9, 2005

## Research and Development

SEED develops pilot programs and continues its research related to improving or expanding presently offered services and/or related to issues affecting community economic development for marginalized populations and neighborhoods.

- **The Winnipeg Quality of Life Report**, the result of a Winnipeg Inner-City Research Alliance (WIRA) project, which Seed coordinated, launched its final report in June 2006.

Media Release

Introduction and Appendices

Final Complete Report

- **"Young Women Work"** is a report towards which SEED contributed research, in partnership with three other organizations.

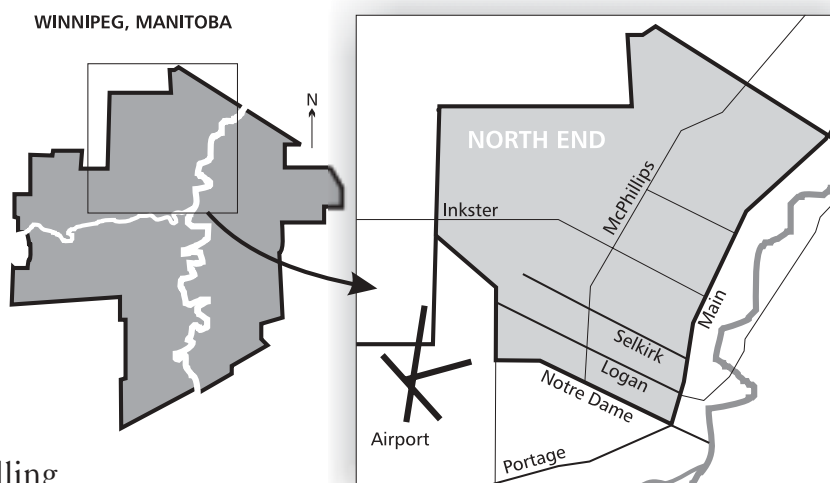
View Report

<http://www.seedwinnipeg.ca/>

The steady progress since 1998<sup>1</sup> of Winnipeg's North End Renewal Corporation (NECRC) makes this organization seem like a textbook example of the successful evolution of a community development corporation, or CDC. The story is not yet complete – full maturity has yet to be attained. Nevertheless, the story deserves telling now for it describes the early stages of a likely path to effective maturity. Moreover, NECRC illustrates one powerful structure for implementing community economic development (CED).<sup>2</sup>

Today, NECRC has established itself as a distinctly credible, action-oriented organization, driven by the residents of the area who have given it a broad mandate for a comprehensive and systematic program. It now has a budget of over \$500,000 and has mobilized over 200 working volunteers. Securely positioned with five years of core operating funding that began in April 2001, it routinely levers ever more financial support for its endeavours. Among the highlights of its work to date are commercial and housing development, training and employment services, tax reduction on local properties, community safety provisions, and a solid base of business and resident associations.

How has it managed to do all this and more in such a short time? Let's begin with its home in the neighbourhood.



## from *this* EARTH

**NECRC  
& the evolution  
of a development system  
in Winnipeg's North End**

**by Michelle Colussi & Stewart E. Perry,  
with Mike Lewis & Garry Loewen**

The vacant shops on Selkirk Avenue, in the heart of Winnipeg's North End, are emblematic of the deterioration which many residents & organizations wish to reverse. Their instrument of choice to co-ordinate resources and initiatives: the community development corporation.



NECRC represents the application of the best of what we have learned in the CED field in Canada over the last 25 years. Indeed, some of the lessons applied to its development reach back even further.

## THE NEIGHBOURHOOD

Winnipeg's North End takes its name for lying north of the Canadian Pacific Railway tracks, which run through the city as a dividing line between the haves and the have-nots. The North End, while it has an overall identity, is made up of perhaps 11 sub-neighbourhoods, home to about 38,000 residents, including many Aboriginal people and immigrants. It is largely a poor population with a struggling working class sector.

Although rich in the industrial history that built Winnipeg, the North End is a physically impoverished district. As the city expanded, the old factory and other historic buildings of the area were deserted. Current estimates suggest that over 40% of the buildings on one of the two main commercial strips, Selkirk Avenue, are boarded up and vacant. In spite of the industrial land and excellent transportation links, there had been no development plans for the district.

The average household income in the neighbourhood in 1996 was \$28,649, comparing with \$44,937 for the rest of the city of Winnipeg. In that year over half the North End households lived below the poverty line, and the rate of unemployment was more than double that of Winnipeg generally. Crime rates were two and three times the number for the city as a whole, with prostitution charges in the area accounting for 73% of all criminal charges in the city. An arson epidemic in the mid-1990s reinforced its reputation among outsiders as a tough neighbourhood. It was fast becoming known as Canada's arson capital.

In spite of this depleted environment, there were enduring qualities of community and a sense of neighbourhood. The same pride and strength that was behind events like the Winnipeg General Strike in 1919, which ushered in the modern Canadian labour movement, remains evident in the residents. Newcomers continue adding to the cultural diversity of the area. Social agencies, while admittedly an indicator of the degree of poverty and need, are also a measure of local values and commitment. For example, the community supports 67 neighbourhood watch programs, 55 religious institutions, and 6 vocational training programs.

These assets, combined with the residents' strong sense of attachment to the sub-neighbourhoods of the North End, were the earth from which the actors in this remarkable story coaxed a process and a plan to renew one of Western Canada's oldest and poorest neighbourhoods.

## THE BEGINNINGS

The actual stages of evolution of a CDC are preceded by a period in which the vision and leadership of a few good people – and the commitment and capacity of their organizations – play a critical role. The beginnings of NECRC may be found in the collaboration and commitment of two Winnipeg organizations whose respective leaders had a crucial relationship.

Since 1979, the Community Education Association (CEDA) had undertaken a range of human resource support and development initiatives in Winnipeg, with a lot of emphasis also on the housing sector. Through its executive director, Tom Simms, CEDA was instrumental in establishing SEED (Supporting Employment and Economic Development), a nonprofit organization intended to supply business support services to low-income people.





Garry Loewen explains the mission of the NECRC to William Whyte Residents Association, and how they can help renew Winnipeg's North End.

The actual stages of evolution of a CDC are preceded by a period in which the vision & leadership of a few good people – & the commitment & capacity of their organizations – play a critical role.

Although incorporated in 1988, SEED remained dormant until 1993, when the Mennonite Central Committee (MCC) of Manitoba lent a hand. SEED was of particular interest to MCC staff member Garry Loewen. A former administrator of Toronto International Airport, Loewen had become an ordained minister in the United Church of Canada, and then came to work at the MCC on the problem of generating jobs for Winnipeg's poor. After helping to activate SEED, he was seconded to become its first director. SEED has since evolved into a leader in creating the training, credit, and legislative resources needed to make microenterprise and small business development into a community-building tool.

Simms and Loewen shared a basic understanding of the need to go deeper into community issues. They both came to conclude that they needed to do something more than their isolated programs, to do something more comprehensive. They recognized that the North End lacked necessary planning, research, co-ordination, and even communication resources (among the local agencies and with funders and other outsiders). It seemed to them that although the community was served by many organizations, most were working in isolation and some were struggling to keep going. There was no community plan to guide resource allocation or to provide a common basis for collaboration. It was also apparent that residents needed a vision of their future that went beyond doing something about the fires and the vacant buildings. Permanent changes would require a long term, comprehensive approach to development. There was no single program or project that could do what was necessary.

Simms and Loewen began to meet monthly over a brown-bag lunch to discuss CED topics; it focussed their attention on the idea of a more comprehensive approach. Late in 1997 Tom went on a tour of CED groups in eastern Canada. He returned home especially impressed with RÉSO, the highly successful CDC that was revitalizing an area in southwest Montréal. Like the North End, southwest Montréal included a number of different sub-neighbourhoods where there were lots of organizations, but little co-ordination or comprehensive effort until RÉSO began its work.

Loewen too had been following the story of RÉSO.<sup>3</sup> Simms and Loewen talked and talked about RÉSO (they were always comparing notes anyway) and concluded that the North End really needed such an organization. In January 1998, they decided to gather a few community and organi-

zational leaders at another setting, the Indian Family Centre, in order to broaden support for the idea. This group agreed with Tom and Garry's analysis and favoured convening a wider range of organizations concerned with the North End to consider the RÉSO model. They formed an ad hoc co-ordinating committee of residents and organizational leaders to plan the event. They knew that they did not fully represent the area. Unlike other community organizers, however, they did not get bogged down in efforts to assure full representation from the very start. With a firm commitment to strengthening local input and ownership, they forged ahead.

To this point, some key conditions were now in place to begin developing the CDC:

- The recognition that just another program was not the answer.
- An awareness of CED in other settings, an awareness that a comprehensive approach could indeed address problems systematically and successfully over time through a broadly based community-controlled organization.
- Awareness of a model organization (RÉSO) that spoke directly to the particular local situation.
- A high level of vision, skills, and commitment in the founder organizations and their key staff members.
- Early engagement of some local residents and local organizations.
- A willingness to exercise leadership, with a commitment to ongoing expansion of neighbourhood participation.

From this point on, then, the local leaders began what now can be seen as the first three stages in the evolution of a CDC and its program:

- Building a community base of support.
- Constructing the CDC itself.
- Designing and carrying out the initial concrete programs and projects that can prove the organization's potential.

Typically, these stages are not neatly compartmentalized. The characteristic events blur into adjoining stages, although the general pattern is apparent. The same is true for the story of NECRC.

## **STAGE 1: BUILDING THE BASE OF SUPPORT**

The initial stage in the evolution of a CDC is that in which the community residents and their leading representatives specifically stop to consider their situation. They go through a period of systematic self-examination and self-education that brings about a shared analysis and community dialogue for consensus on the first steps toward renewal. All this has the effect of creating a readiness in the community for a CED effort and specifically for a CDC.

There are three common benchmarks in this process: a visioning event or events; the enlistment of all the sectors; and some sort of express intent or plan, together with some resources to go further. This entire process may take only two or

three months or perhaps it will require as much as two years. The North End achieved all three benchmarks in a year or less.

In March 1998 at a second, larger meeting, Loewen and Simms presented the story of RÉSO as a possible model. Some 30 different leaders had been invited to this second meeting, but these brought others to send the total to over 40 participants. The outcome was strong support for exploring further the potential for adapting the RÉSO model to Winnipeg. Again, in spite of this strong support, the working group knew it needed to build additional community awareness and involvement.

They decided to bring in RÉSO's executive director, Nancy Neamtan, to help build this involvement and give a fuller sense of CED possibilities. SEED had recently received an unrestricted \$5,000 grant from the Community Economic Development Technical Assistance Program (CEDTAP),<sup>4</sup> and applied this to the costs of a whirlwind tour by Neamtan that April. Her trip involved meetings with all three levels of government, with representatives of North End businesses, and with a wide range of residents and North End organizations. Of particular importance was a meeting with 25 leading corporations arranged by United Way.

Neamtan's passion and competence brought a whole new level of credibility to the idea. In addition, this series of events helped ground everyone in a common understanding of what a community-based development group is and what CED is all about. Nancy was especially able to help residents picture what a community-based corporation might do for their neighbourhood, based on actual results in Montréal.<sup>5</sup> Building this initial sense of hope, understanding, and support in both the private and public sectors was critical to the CDC's evolution.

The next step in the organizing process involved expanding the co-ordinating committee so it could start setting up the corporation. Up to this point, SEED and CEDA had certainly gained substantial local support, but sponsorship had to be taken up by the wider community. In May specific representatives were recruited from community organizations, labour, business, service groups, residents' associations, Aboriginal organizations, and the religious community. It signalled the beginning of a formal shift in ownership from the founding organizations to the community. (Loewen also began negotiating with the Western Diversification Agency to underwrite some of this work through a grant to SEED.)

The transfer of control to the community continued through the development of a corporate constitution based on representation of community sectors (similar to the RÉSO structure), and through constant networking. Ultimately the formal corporation papers were filed in July 1998, pending a formal definition of its community purpose.

With some money left over after Neamtan's trip the committee decided in the meantime to bring in more CED leaders that summer. They arranged for David Pell, president of the Canadian CED Network (CCEDNet), to present the work of his community group in Toronto. Then Mike Lewis of the Centre

for Community Enterprise (CCE), a technical assistance group in British Columbia, came to discuss the specific process for establishing and launching a CDC.

These visits raised the level of confidence that the idea was right, but also suggested that the Winnipeg committee needed to mobilize a systematic program of technical assistance to help them along the way. To that end, Loewen managed to obtain a \$25,000 technical assistance grant from CEDTAP, and the committee hired CCE for a sustained effort over the next three years. In the meantime Loewen recruited Derek Pachal to succeed him at SEED and moved back to MCC.

In September staff from CEDA and SEED were seconded to work intensively in the North End to animate and offer support to the different sectors as a base for the new organization, the NECRC. Throughout that fall a recruitment drive brought in 70 businesses and other organizations as members. Each of the various sectors met and elected their own representatives to the NECRC board, with the hope that a general community meeting could be held to launch the corporation formally as a real endeavour before the end of the year.

During the period leading up to what would be NECRC's first annual general meeting, the organizing committee began to deal with a number of fundamental issues:

- Where could immediate funding come from?
- How to extend the base of community support?
- Who was going to provide technical assistance to the planning and development process and how would that assistance be used?
- What more information was needed on key trends, issues, and sectors operating in the North End?
- How could membership and board structure maximize local participation and accountability, ground the corporation in local priorities and constituencies, and still result in a reasonably sized board of directors?

All these are issues that any CDC must resolve in order to get off the ground. It will be useful at this point to review some of these issues in more detail, as NECRC addressed them.

### **Initial Funding**

The funding history of NECRC more or less parallels that of RÉSO. Initially, financial support for work in RÉSO's territory had come from outside the community. The Montréal YMCA had for two years subsidized and seconded two community organizers for one RÉSO neighbourhood, Point St. Charles. That experience became the basis for the community organization that later evolved into RÉSO. In Winnipeg the same sort of thing occurred. CEDA and SEED seconded their key staff to animate the community, and their efforts gave rise to NECRC.

This strategic re-direction of existing resources from the founding organizations is an example of co-operative leadership at its best. Not one, but two organizations put their efforts into the North End. Practically speaking, that represented in finan-

cial terms probably well over \$100,000 in 1998 alone, and in about two years totalled more than \$300,000 (apart from in-kind assistance) until NECRC obtained its own financing directly.

It takes time for a new entity to raise money on its own, and indeed NECRC did not have any of its own funding resources until the fall of 2000. And only later did it have enough money to hire an executive officer. Ultimately, basic core funding was obtained only in April 2001. Thus the financial in-kind support of others was crucial for some years. Probably no CDC has arisen outside of this kind of history of finance – that is, a subsidy through the seconded efforts of some interested organization(s) within or close to the community or (less frequently) subvention by a public agency.

### **Extending the Base**

The process of connecting with residents, business owners, government, and the full range of organizations and groups working in the North End characterized the organizing drive from the outset.

The early decision to model the governance structure on RÉSO led to a membership recruitment effort that was organizationally rather than individually focussed. There were lots of organizations in the North End. The challenge was to build a common agenda and design a development corporation that fostered co-operation to address the gaps between what was being done by each group, as well as to utilize existing community resources more effectively.

In the period leading up to NECRC's first annual general meeting in November 1998, the sector meetings made a significant contribution to the initial situational analysis. They had still another benefit: to set the stage for each sector to elect its own representatives to sit on the first board. But the main result was to mobilize support and understanding in the neighbourhood.

However, to explain the success of these early stages, it is important to acknowledge that the founding organizations supplied more than staff; they came with established relationships with a fairly diverse base of organizations, businesses, and government agencies. They marshalled these relationship assets to secure internal and external support for the new initiative and to pave the way in establishing a range of new contacts.

For example, as a result of its credit arrangements for financing microenterprises, SEED had a good relationship with the Assiniboine Credit Union. The manager of the Credit Union introduced Derek Pachal, SEED's executive director, to a variety of small business owners in the North End. Not only did the manager open doors, but his presence also lent a degree of credibility to the project for those who otherwise may have been skeptical.

"We did a lot of door knocking," says Pachal, <sup>6</sup> "and we wouldn't have reached as many people without the support of those connections." Levering connections was also a task of the co-ordinating committee formed in May 1998. All were involved in this kind of networking on behalf of the proposed CDC.

The co-ordinating group determined that understanding and

support from municipal, provincial, and federal governments would be important over the long term. So they took every opportunity to share information and to invite them to events, beginning with the Neamtan tour. They continuously used outside expertise to articulate the rationale for CED and to tell about the results being achieved in other parts of the country. Mike Lewis said, "They took full advantage of every visit I made to Winnipeg to have me meet with decision makers and funders to educate, inform, inspire, and prod on their behalf."

To build a base in the community and its environment that understands and supports a comprehensive approach will ordinarily be a prerequisite to launching an effective CDC. Sometimes a small group will try to start a CDC without such an effort, and depend upon gaining support at a later date. That is very risky. In Winnipeg the leg-work was done first.

There were other benefits achieved during 1998 as a result of taking this sectoral organizing approach. It got leaders of different sectors talking to each other. It served to initiate new relationships with a broad range of interests in the North End. Contacts and intelligence relevant to the start-up stages of the organization were assembled. And, not to be discounted, sectors began to evolve a better understanding of the interconnectedness of issues and interests in the North End and to believe that the decline of their neighbourhoods could be reversed through a more co-ordinated and strategic approach.

### Local Information Gathering & Research

A major theme in the organizing year was to initiate a situational analysis of the North End neighbourhoods. Leaders understood the importance of a broader and deeper understanding of neighbourhood issues and dynamics to any planning and decision-making around local priorities. Some of the data gathered during this process could also provide a baseline for measuring progress in the first years of the corporation's activities.

While much of the information could have been obtained through statistical sources of one kind or another, it also required a series of narrative descriptions of the role of the largest employers, the place of the larger commercial renters in the area, and similar qualitative topics. This information could only be obtained through interviews. Getting interviews depends upon connections. Interviews are more costly than statistical sources in terms of both time and money. So the staff and time contributed by the founding organizations were critical to this part of the organizing process too, as was their ability to access additional resources (a grant to pay students to complete some data gathering, for example).

Of course, part of the information gathering concerned where they could find money to support the initiative. Loewen made some initial contacts with Western Economic Diversification (WED), for instance. But the only real outside support at the time came from CEDTAP for technical assistance. Only later was Pachal able to clinch funding from WED.

### Accessing & Using Technical Assistance

The knowledge, experience, and leadership ability among the staff of the founding organizations were clearly considerable, even though outside sources were required to supplement them. However, linkages to these sources were among the staff's own strengths. Simms had visited RÉSO and Neamtan, for example. Through CCEDNet, Garry had gained access to the CEDTAP funding. Each used his own leads to assess and access technical assistance sources.

Lewis, who became the primary provider of technical assistance, testified to the

**TABLE 1: NECRC BOARD**

Sectors represented:	
Business (both small & large)	4
Residents' groups (incl. housing associations)	4
Aboriginal organizations	2
Community service organizations	2
Religious & fraternal organizations	1
Labour organizations	1
Individuals chosen for special backgrounds	2
Total board membership	16

**TABLE 2: THE AGM VISION & PRIORITY THEMES**

What participants loved about the North End:

- cultural diversity (57%)
- friendly people
- old historic places
- central location
- sense of community
- social agencies/diverse business sector/affordable housing

What they would change:

- housing (70%)
- crime
- social problems
- business district
- reputation/dirtiness/youth opportunities

What they wanted to see in ten years:

- more locally owned business (44%)
- better housing
- safe, clean, vibrant surroundings
- employment/recreation opportunities



This strategic re-direction of existing resources from CEDA & SEED is an example of co-operative leadership at its best.... But the founding organizations supplied more than staff; they came with established relationships with a fairly diverse base of organizations, businesses, & government agencies. They marshalled these relationship assets to secure support for the new initiative & to pave the way for new contacts.

To assist people facing multiple barriers to achievement, NECRC's Resource Centre uses the PATH – Planning Alternative Tomorrows with Hope (Inclusion Press, Toronto). Working with personal coaches, PATH participants learn how to express their hopes in terms of goals they can realize within one year.



solid understanding the core leadership had achieved:

“This group managed me, as opposed to me having to manage the process. They provided me with very clear priorities as to what they wanted me to help them achieve, and we worked as a team to achieve them. This very high quality of leadership was able to access the best of what I had to give, which made working with them quite a pleasure.”

To take one example, his session with the co-ordinating committee in June 1998 concerned translating RÉSO's sector governance model into an organizing strategy for building an initial vision. So Lewis' assistance guided the process of organizing in each sector, the primary method for deepening the participation in the community during the five months leading up to the first AGM.

Selecting and using consultants for technical assistance provides a local group with essential background and information that they would rarely have available in the community itself. Bringing in outsiders who are specialists in the CED process, however, is not enough. The specialists must be guided to the issues and tasks that the local group are struggling with. In Winnipeg, the leadership knew what direction they wanted to take; they sought people who could give them the practical maps.

## STAGE 2: ORGANIZATIONAL DEVELOPMENT OF THE CDC

In the second stage of the evolution of a CDC, a stage that may take 6-12 months, another group of benchmarks can be discerned:

- creating a constitution and bylaws that provide for democratic local accountability and for conflict of interest provisions that make the organization credibly public-minded.
- a workable format for community action that is broadly accepted.
- a consensus on a set of concrete objectives that become embodied in a strategic plan.

The practical start-up of the corporation dates from the first AGM. It was at this point that the structure of the organization, its constitution and bylaws, were essentially ratified. More than 90 organizations were represented at that meeting. A 16-member board of directors was installed, confirming the representatives chosen at earlier sectoral meetings. The bylaws also designated two additional seats for individual community members.<sup>7</sup> Table 1 (p. 25) summarizes the results.

Membership fees were set at \$1 per year merely to ensure some form of formal commitment. But by the next year it was apparent that collecting this cost more in staff time, etc., than it was worth, so the board set the fee for a lifetime membership. Such flexibility was a feature of the on-going evolution.

There remained the task of clarifying just what this governance structure was intended to address. With Lewis' assistance, the co-ordinating committee had designed a visioning process based on a publication of the Rocky Mountain Institute.<sup>8</sup> Within the reasonable space of three hours, AGM participants were to answer three questions:

- What do you love about the North End?
- What do you want to change?
- What would you like to see ten years from now?

With Lewis' facilitation, people used their answers to define a set of priorities. Table 2 presents them in order of their importance to participants. (Percentages are given only for the top priorities.)

The level of dialogue and animated engagement among almost 100 people representing a wide variety of interests was a crowning achievement for all the work that had gone into building a base for the organization. Community-owned priorities were hereby established, and they could be examined in light of the initial situational analysis. In the coming year they would help focus additional research and ultimately feed the crafting of concrete goals and a strategic plan for presentation at the next AGM.

Ultimately, four overriding areas of emphasis for NECRC were extracted from the process:

- Affordable housing
- Community safety
- Cultural diversity
- Economic development/employment creation (with a strong component of small business renewal)

The first part of 1999 was consumed by research, dialogue, and analysis aimed at producing a SWOT analysis<sup>9</sup> relevant to each of the four priority areas. Member working groups were established to get the more detailed research and planning work underway. The earlier sectoral meetings had unearthed specific concerns that the working groups could pick up and consult further on, with other residents. A flurry of activity produced a lot of specific ideas and relevant information, and even some clear action to be taken, but it was not easy to see exactly how to move from this point.

Loewen's return in March from a sabbatical in Australia gave the organization a boost. As MCC's community development officer, he would be able to dedicate fully half his time to the fledgling organization. By April a "leadership team" of seconded staff, comprising Simms, Pachal, and Loewen, agreed to share responsibility until there was funding for a full-time director. Loewen acted as the team's co-ordinator.

In June the United Way matched WED's grant to SEED. SEED then hired and seconded a full-time employment development director, Donna May Morin. She surveyed employment programs in the North End and brought together the program leaders to determine where the gaps were and how they should be filled.

Morin was a welcome addition to staff resources, but her work also made the question NECRC's priorities more urgent. A plan had to be formulated that would provide strategic direction. (It is worth pointing out that NECRC did not draft a strategic plan and then begin to carry it out. Rather, the process was interactive. Goals and activity areas guided exploratory action that in turn created a demand for more systematic objectives and projects.)

At this point, Lewis was asked to come in again. His first task was to work with the board to help establish their priorities from a very long list of issues and opportunities. The group used a priority-setting method developed by Mount Allison University's Rural and Small Town Program.<sup>10</sup> Each board member scored each issue and opportunity in the following terms: first, how effectively action on it might contribute to the vision; and second, how difficult it would be to take such action.

In addition, issues were divided into two categories. "Policy issues" could be resolved only by convincing others to change; on "program and project issues" NECRC could take direct action. Sixteen action targets (see sidebar, "Plan for Community Renewal," this page.) emerged in relation to the four areas of concern articulated earlier in the visioning process.

## PLAN FOR COMMUNITY RENEWAL

**GOAL 1:** To improve the quality and accessibility of housing to North End residents.

Plans:

- The CRC will promote and acquire financing for housing renovations.
- The CRC will assist and promote an inner city home ownership investment fund.
- The CRC will promote and assist North End residents in appealing their tax assessments.

**GOAL 2:** To improve the safety and image of the North End community.

Plans:

- To gain acceptance for community priorities with respect to community policing.
- To organize to conduct safety audits.
- To facilitate youth participation in organizing a conference concerning youth involvement in policing and recreation programs.
- To lobby for the closure of the Merchants Hotel.

**GOAL 3:** To promote the cultural diversity of the North End and strengthen relationships and understanding between cultural groups.

Plans:

- To facilitate the organization of an annual food fair/cultural event in the North End.
- To develop a pro-active program to promote inter-cultural dialogue, understanding, and relationship building in the North End.

**GOAL 4:** To stimulate economic development in the North End and increase the accessibility of North End residents to jobs in their community and surrounding areas.

Plans:

- The CRC will provide leadership for the redevelopment of the North End "Y."
- To set up a North End apprenticeship program linked to long-term housing stock renovation.
- To develop an effective program to attract business to the North End.
- To develop a produce/farmers/flea market in the North End.
- To attract or put in place a business incubator for the North End.
- To develop an effective capacity to place North End residents in the local and surrounding labour market.
- To develop and implement a business retention strategy for the North End.



Coaches and participants at work at the PATH Resource Centre, NECRC's employment development component.

The critical characteristic of NECRC's approach to employment development, as in other areas, was to animate & organize a process among the relevant organizations in the neighbourhood. Thereby the existing actors in the sector could together identify the gaps in service.

Ultimately the board consolidated the visioning work into goal statements:

- To improve the quality and accessibility of housing for North End residents.
- To improve the safety and image of the North End community.
- To promote the cultural diversity of the North End and strengthen relationships and understanding between cultural groups.
- To stimulate economic development in the North End and increase the accessibility of jobs in the community and surrounding areas.

These goals became the building blocks for the entire planning effort. Now the issues and opportunities had a framework that was consistent with the vision and with the priorities established by the community. They provided a focus for detailed action planning, as well as project and program development. The results became integrated into an overall Renewal Plan that could be presented at the next AGM.

It is important to note at this juncture how technical assistance was carefully tailored to NECRC's development process. Thus, for example, Lewis' June visit focussed on using the results of the working groups to formalize a strategic plan. In addition, he worked with the staff to establish a conceptual framework for employment development, based upon the idea of a continuum of the variety of services necessary for local job creation and employment resources. On this matter he recommended they bring in Cathy Harrington from Lutherwood-CODA,<sup>11</sup> a community economic development organization in Waterloo, Ontario with an outstanding record in employment development. In short, technical assistance was not offered in disembodied training or workshops, but rather, was designed to maximize its relevance to priorities and issues that naturally emerged.

Six months later a business development director, Marty Donkervoort, was brought into play, seconded full-time for more than two years from the Crocus Investment Fund. (Based in Winnipeg, Crocus is one of Canada's most innovative labour-sponsored investment groups.<sup>12</sup>) He and Morin began in earnest to give the neighbourhood what the NECRC had projected – attention to its problems in a comprehensive framework. In the meantime, the board of directors worked with the entire seconded staff team to establish the intermediate jobs to be accomplished: to seek direct funding, to identify a home space for the organization; to work through a number of policy issues related to governance; and finally to design a process for creating an overall strategic plan.

On the matter of space, they were swiftly blessed when MCC purchased and renovated a vacant building on Selkirk Avenue, a rundown commercial strip in the North End. The premises were spacious enough to accommodate both the NECRC and CEDA, so that close collaboration be-

came even closer. But what was especially helpful was that CEDA's rent was enough to cover the building's operating costs (taxes, heat, etc.), so NECRC did not have to pay any rent!

### **The Search for Core Funding**

SEED had begun the task of seeking core operational funding for the NECRC even before it was incorporated. By the end of 1998 after the AGM, that need became even more pressing.

They had a constitution and a new board. There was community support. There was a basic vision and broad priorities. Early on they had received temporary support for technical assistance and later on for employment development and business development; they even had free space. However, even in the middle of an active program in the year 2000 they still had no funding for permanent staff or for any expenses of new program development. The entire staff was seconded, supported by the funds of other organizations.

By mid-2000 a new provincial government, which had been exploring the ideas of CED, was taking notice of NECRC. A positive attitude toward the new organization and its swift progress to date led the province to underwrite NECRC's career resource centre (see below). This was the first time NECRC received dollars directly for its program. When the province found ways to define further support in terms of short-term research and community organizing 'projects,' additional direct funds became available to cover core costs. With that encouragement, the board hired Garry full time as its executive director.

### **STAGE 3: INITIAL FULL OPERATIONS**

In the third stage of its evolution a CDC tests its capacity to co-ordinate a nascent development system. It needs to secure core funding to reach toward its objectives. There will be benchmarks and subsidiary milestones in the course of pursuing social projects, venture development, housing, or other sorts of initiatives. Other benchmarks will apply in such matters as increasing the modes of community participation, refining the procedures and structures of the CDC itself, and, especially, creating long-term partnerships.

NECRC's entry into this stage of its development probably dates from its move into its own offices (the same day Donkervoort started work as business development director). From then on, the organization gathered momentum. As it progressed, its 4-point program became differentiated projects in employment development and business renewal (two aspects of its goal of job development) and housing, as well as community safety and diversity.

A general strategy of promoting collaboration to lever a range of community resources into a systematic or comprehensive approach for the community characterized NECRC's revitalization process. Another central aspect of its activities is that services are provided only when they are not (or cannot) be pro-

vided by existing organizations in the community. While this principle is not expressed in the NECRC's constitution or its explicit policies, it became a significant factor in the ability of the organization to bring the community together and to gain support. NECRC's role is to fill gaps and foster co-ordinated collaboration, not to compete.

### **Designing an Employment Development System**

The early work on employment development aimed to identify gaps in services for those needing jobs or better jobs, to bring service providers together for increased co-operation, and to build a comprehensive and integrated system to facilitate the participation of North End residents in the labour market.

The critical characteristic of NECRC's approach to employment development, as in other areas, was to animate and organize a process among the relevant organizations in the neighbourhood. Thereby the existing actors in the sector could together identify the gaps in service. Morin had primary responsibility for mapping, organizing, and animating this process. Lewis provided early conceptual assistance and guidance and Harrington built up local knowledge, commitment, and excitement about what could be accomplished.

The group of service providers that Morin organized became the Employment Development System Committee and continues to meet regularly. As a result of their early discussions in 2000, the need emerged for a service to help with in-depth career and life path assessments. Committee members agreed that the NECRC should establish such a centre. NECRC successfully petitioned the province for support and the PATH Resource Centre opened in October 2000. It specifically aimed to provide a wide range of career-oriented assistance to North End residents facing multiple barriers to employment. This assistance, of course, could involve referral to the specialized service providers, both in the North End and elsewhere in Winnipeg.

Over 500 people have been assisted since PATH began operations. Twenty-six organizations have accepted referrals for their services in this co-ordinated, person-centred approach. Several other accomplishments demonstrate the comprehensiveness of NECRC's efforts in employment development:

- It designed and regularly offers a series of pre-employment workshops to North End residents.
- It has established six formal partnerships with employment support organizations.
- NECRC convened meetings with North End employers and training organizations to discuss how they could collaborate to enhance employment prospects.
- A job postings system has provided as many as 20 North End employers with recruitment assistance.
- Technical assistance to several organizations has improved their capacity to put together programs that benefit residents.
- NECRC delivered "Literacy With an Employment Focus" in partnership with a local school.



- A “Community Connections” program now provides North End residents with access to computers and the internet.
- NERC produced a series of training sessions for paraprofessionals in career counselling. Staff from a variety of North End human resource organizations (such as women’s support groups) have attended.

This impressive range of results has been achieved in just two years from the time Morin was hired as employment development director. Key to this progress has been the engagement of stakeholders, encouraging them to identify service gaps, and evolving a more integrated person-centred approach to support people in their efforts to move into jobs.

**“This group managed me, as opposed to me having to manage the process. They provided me with very clear priorities as to what they wanted me to help them achieve, & we worked as a team to achieve them.”**

**Mike Lewis, CCE**

### **Renewing the Business Sector**

The other side of fostering jobs for residents, as NECRC’s board well understood, is a strong business sector. As in the employment development arena, so too in the business development field, NECRC had to bring together the stakeholders to consider what to do about their concerns, and how. When Donkervoort came on board, his first task was to convene business leaders and create a business support plan. In consultation with members of the business community, he established a North End Business Revitalization Committee to provide intensive and ongoing leadership. By November of 2000 they had developed a business renewal plan that received endorsement at a public meeting.

Through this planning process it became obvious that NECRC could not possibly tackle the whole commercial area at once – they would need to focus on one street at a time. Selkirk Avenue (where 40% of the buildings were empty) became the first target. The approach to revitalization included identifying and promoting the use of the existing, viable commercial space and revitalizing or demolishing the run-down space. NECRC provided a range of research, promotion, co-ordination, and brokering assistance, working especially closely with local busi-

nesses in the Selkirk Avenue Business Improvement Zone (BIZ).

For this task, the CCE technical assistance contract was again used – to bring in expertise that could help sort out the steps for comprehensive revitalization. A representative of a CDC from the East Side of St. Paul, Minneapolis, came to share lessons and successes.

To date, five properties have been redeveloped on Selkirk Avenue. One building is the NECRC headquarters; the PATH Career Centre occupies another; NECRC helped a charitable organization buy a third to house a Thrift Store. NECRC has purchased and renovated still another building that it rents to SEED and some other organizations that provide a variety of financial services.

In addition, NECRC played an important role in the purchase of a structure in another part of the North End. After a million-dollar renovation, the building will become a Native American training centre. In this kind of renewal activity, boards come off the buildings, properties are cleaned up, and the lights go on behind the windows. Soon there are people on the streets again – streets that are becoming safer.

One of the difficulties in commercial strip revitalization is finding the credit to finance the purchase and renovation of buildings for business and community purposes. NECRC hoped to create two Grow Bond Corporations (provincially supported corporations for credit resources) to finance businesses that want to expand in two North End areas. Here, through no lack of effort or efficiency on its part, NECRC has met one of its few failures. The provincial government recently decided to continue to restrict such corporations to rural areas. Now NECRC must consider other ways to bring capital into the business renewal process.

Other accomplishments of note round out the picture of NECRC actions in this arena:

- NECRC assisted the North End business community in achieving major reductions in their commercial property tax assessments. NECRC sponsored information events, put business owners in touch with specialists in the field, prepared community profile information packets, and represented businesses at appeal hearings.
- It helped organize the Sutherland Avenue Business Association in the Point Douglas sub-neighbourhood.
- It established an inventory of North End properties for sale or lease in order to assist organizations looking for premises.

Beyond the retention or recruitment of businesses is the attempt to create or expand local enterprises to strengthen the business sector and create jobs. Donkervoort worked vigorously on this dimension too. He helped undertake feasibility studies and business plans, most notably with a housing development venture that CEDA sponsored. Another business plan will help 11 inner-city social service agencies that work with abused women. The venture will centralize and systematize the collection, sorting, cleaning, storage, and distribution of household goods and furniture for women who must start up a new household.

In addition Donkervoort found the building on Selkirk Avenue for the Thrift Shop and prepared the purchase offer. While the Thrift Shop does not involve paid work, it does provide a much needed service for the North End. He was also involved in surveying a number of possible business opportunities with substantial potential for job creation. In every case, unfortunately, feasibility study has indicated that the prospects were not good enough to pursue. Nevertheless, by the time Donkervoort's successor was to be hired in early 2002, business development was solidly established as a process by which NECRC can hope to make a strong impact in job creation.

### **Fostering Affordable Housing**

NECRC has achieved other successes on the housing front. Taking a networking approach to build co-operation and a common strategy, the CDC plays a key role in building the capacity of the affordable housing sector. This manifests itself in many ways. NECRC helps housing organizations to access resources and scale up projects. It links training programs to employment in the rehabilitation of housing stock. It assists block and neighbourhood groups in the development of housing plans, and provides training and capacity-building resources for housing organizations. Finally, NECRC ensures co-ordination among a range of housing interests and efforts throughout the North End.

NECRC also finds ways to help existing programs to dovetail. It helped bring together the City of Winnipeg and SEED in a common program for home ownership, for example. SEED established a branch office in the North End where, amongst other programs, it runs an Individual Development Account (IDA) project. Through matching funds, IDAs help low-income persons save towards some major asset – like their own home. A community housing plan for one North End neighbourhood (a plan developed by residents with significant support from the City) will help guide the creation of affordable housing there and link it to IDA purchases.<sup>13</sup>

The level of NECRC activity is in part due to the innovative role CEDA had already played for several years in the housing sector as an organizer and animator. CEDA's work under-girded and deepened the effects of NECRC's effort. For example, after NERC approved the idea, CEDA undertook and financed in NECRC's name the Self-Help Alliance for Fair Taxes. SHAFT distributed literature on tax abatement procedures and directly advised and helped over 300 residents to appeal and reduce their property taxes. Thus NECRC established an early presence in a field that residents had singled out as critical to renewal.

However, NECRC has used its position as a comprehensive development organization to accelerate and scale up the level of activity. For example, CEDA had long fostered the development of affordable housing through what was known as The North End Housing Project. It had been able to create perhaps ten affordable housing units annually for several years. But NECRC helped draw up a plan to triple the Project's capacity, ultimately looking toward 100 or more units per year; and has helped to find government funds to underwrite this leap forward.

At one point, Donkervoort helped set up a long-term business plan for another CEDA initiative, the North End Community Renovation Enterprise. This company creates jobs by providing housing rehabilitation services on contract with, for example, the North End Housing Project. Should NECRC adopt the renovation company as a program activity? No, the board eventually decided; the company would divert too much attention too early from NECRC's broader work. So the relationship is structured more as a partnership, with NECRC still assisting on common tasks when appropriate.

The integration in CEDA activities appears in still another arena. Just Housing is a CEDA program in which training and employment are linked. Just Housing joins literacy and numeracy instruction with training in residential renovation. The North End Community Renovation Enterprise hires many Just Housing graduates for work on the homes

Ultimately, technical assistance is probably more than the application of expertise garnered from outsiders. It is also the application of some expertise that is readily available locally, but has not hitherto been recognized or mobilized.

being developed by the North End Housing Project.

It is clear that the base for results in this dimension of renewal is the careful cultivation of collaboration among the many actors in the housing arena. Whoever is concerned with NECRC's housing initiatives must concentrate on bringing together housing agencies and other stakeholders. The North End Housing Network and a statistical database are the initial results of this kind of effort.

NECRC secured a grant from the City of Winnipeg for two people on a 14-month contract to share the work on a far-reaching housing-related project. They work with a new residents' association fostered by the City in the William Whyte sub-

for community outreach. Here are some of the results of this effort:

- NECRC organized a televised town-hall meeting of more than 100 people to discuss community policing. It then developed a 5-point plan to improve policing in the North End and presented it to the Police Chief. A working group was formed with the school division of the police department to plan the use of police officers as community service representatives in the high schools. Beginning with the 2002 school year, police department staff will be on hand as "School Resource Officers" in the schools to counsel and help the students.



**In spite of a depleted environment, there are enduring qualities of community and a sense of neighbourhood in the North End. The same pride and strength that was behind events like the Winnipeg General Strike in 1919 remains evident in the residents.**

A victim of the arson epidemic in the mid-'90s

neighbourhood. Housing improvement was the residents' major interest. NECRC's contractor staff assisted them in creating a community housing plan. The plan began with an assessment of the quality of housing and its general characteristics as single/multiple units, rental/owner-occupied, etc. Exterior improvements were costed and slated, some of which have already been implemented. In concert, the City has instituted a graffiti removal project for boarded up houses.

NECRC has fostered other accomplishments in this sector, among them:

- One of the community groups has created a community garden.
- Foundation funds support the major renovation of 20 buildings and other exterior fix-up for 30 more in the Point Douglas area, to be done over an 18-month period. In most of this sort of work, the North End Community Renovation Enterprise provides the rehabilitation services, and North End residents get the jobs.
- With NECRC help several Aboriginal housing organizations have received funding to improve their housing stock.

### **Building a Safer Community that Celebrates Its Diversity**

From the beginning, residents identified safety issues and a desire to strengthen the cultural aspects of the community as priorities for NECRC. So from early on, a diverse set of tasks relating to safety were addressed, first by seconded staff, then part-time by NECRC staff, and finally, in July 2001, by a dedicated staff person, Janice Goodman. NECRC hired her explicitly

- In the spring of 2000 NECRC co-sponsored a community workshop on safety involving 120 people.
- NECRC is assisting the Mosaic Market BIZ and the Selkirk Avenue BIZ to think through and plan a commercial safety patrol. College students from a criminal justice program will be hired for the summer of 2002 to provide patrol services.
- Currently, NECRC is organizing a major consultation process with the aim of preparing an overall community safety plan.

Other community-building efforts were also important:

- Using perhaps 300 hours of staff and volunteer time, NECRC organized a community celebration in a local park in August 2000. About 400 people attended. About 800 people attended a second festival in 2001.
- A NECRC staff member chairs a steering committee to plan for government assistance for a youth program. This will bridge a substantial gap left by the closing of the North End YMCA in 1995. NECRC has worked with other local groups to keep this issue on the public agenda. Government has indicated a willingness to fund public consultation and planning and will provide up to \$1 million once a business plan is complete.
- The CDC has assisted a women's empowerment group in the preparation of a funding proposal for buying a building for a major expansion of their programming.
- Newsletters go out four times a year, delivered now to approximately 4000 North End households.
- Two very active residents' associations were born with assistance from NECRC, and others are being given support and encouragement in NECRC's outreach activities.

## UNFINISHED BUSINESS

NECRC is approaching the fourth stage in its evolution: status as a mature and sustainable force for local revitalization. Quite apart from pursuing its program goals with increasing variation and impact, there are some other tasks to which NECRC will be devoting time and effort. They include the continued generation of financial resources, improving NECRC's internal operations, enhancing the participation of residents (and local organizations) in the work and governance of the CDC, and contributing to the increasing impact of like-minded organizations in the North End. The organization has already taken action on some of these concerns.

In April 2001 NECRC finally obtained a provincial commitment to cover core expenses and core staff – \$200,000 a year for five years. While getting such substantial

Employees of North End Community Enterprise carry out renovations on houses on Alfred Street and Powers Avenue. All these premises are now occupied.



support was an achievement in itself, actually a more far-reaching result was involved. As Loewen says,

"We know we have had an impact on [provincial] policy, because their original support was only available as project funds. Now they have a new program that has allowed them to provide operating funds. While we are not the only development corporation in the city, we are making an important contribution to raising the profile and credibility of this approach to revitalization."

What made the big difference in the development of the provincial program was the CCEDNet policy agenda statement. The Winnipeg contingent of CCEDNet members – NECRC, SEED, and others – brought it to the attention of cabinet policy staff. The province has specifically used the CCEDNet principles<sup>14</sup> and in fact now has representation in the CCEDNet membership.

Despite its successes here, NECRC is well aware of the necessity for any mature CDC to diversify its sources of support. As Loewen put it, "We got what we asked for [from the province]. [But] we didn't want to rely on any one source for 100% funding, so we are still working on a daily basis to build relationships and sell benefits [to other potential funders]."

The most recent efforts have been focussed on the City of Winnipeg. The City has been a financial sponsor of the festival events and has contributed a share of the salary of Lisa Chornenki, the housing outreach worker hired in May 2001. It is now consider-

These assets, combined with the residents' strong sense of attachment to the sub-neighbourhoods of the North End, were the earth from which the actors in this remarkable story coaxed a process & a plan to renew one of Western Canada's oldest & poorest neighbourhoods.

ing the possibility of donating a piece of property on which NECRC would put a new commercial building. This could have substantial long-term effects for the North End, including a revenue stream for NECRC.

Lobby efforts continue on this opportunity, and Loewen is hopeful that the City will come through. But he says, “While we are thankful for the support to date, we are a long way off from realizing the kind of contributions that rebuild communities.” Another staff person put it this way,

“The city recently contributed to a new arena in Winnipeg to the tune of \$10 million. When that kind of money is available to support community revitalization and poverty reduction we will have been successful.”

Diversification of financial support for NECRC is to be seen also in additional relationships with the faith-based sector. With Donkervoort’s encouragement, the Jubilee Fund provided the down payment that made possible the mortgage on the Path Centre building. Loewen has been able to get support from the Thomas Sill Foundation for the housing staff position.

But grant support cannot be the sole source of revenue for a mature CDC. It must build financial assets and generate dollars from the services it provides and from the commercial ventures or property development (including housing) that it sponsors. This is surely a major challenge for any community-based development organization. On the horizon for NECRC is the commercial building it hopes to develop on property granted from the City.

From the standpoint of its internal operations, NECRC is discovering that its sectoral structure has some disadvantages. While the formal links to organizations serve to reinforce the co-ordinating and support functions of NECRC, it does exclude some people. There is no direct link to residents who are not connected to an organization (yet may be significant local activists), nor to residents who are clients of the service organizations.

How can NECRC improve the participation and contribution of all residents? As community liaison director, Goodman is responsible for strengthening residents’ associations, but she (or somebody else) needs to address the place of the great majority of residents who are not and probably never will be members of the associations.

As to organizational representation, board members say that it is sometimes difficult to think about the good of the whole community if in fact that good differs from what is best for their own sector. Some sectors, say staff, continue to require a great deal of support. Participation in sector meetings is sometimes inadequate for a credible expression of goals and general concerns. Moreover, the board structure, even in terms of sectoral representation, has not adequately recognized the importance of the North End human resource groups. Training institutions, for example, are not currently represented on the board. Still further, as is often the case with such organizations, some sectors have board members whose commitment and representation leave something to be

desired. All of these concerns are and must be a topic of board attention.

Moreover, working with the other North End groups is not always smooth. For example, even though the sector-based governance structure permits the integration of other organizations into the definition and program of NECRC, “competition for turf” still occurs. Relationships with other local organizations bring a degree of tension to the NECRC. This will have to be regularly addressed, even if it can never be dealt with routinely.

And there is also always the task of appropriately distinguishing the roles and responsibilities of staff in relation to those of board members. NECRC recognized this problem early on, and hired Lewis in part to help sort some difficulties. But such concerns are endemic to an organization; they are never solved for all time. So, on occasion, this issue too will have to be revisited.

**NECRC is discovering that its sectoral structure has some disadvantages.**

**While the formal links to organizations serve to reinforce NECRC’s co-ordinating & support functions, it does exclude some residents.**

### **Working with the Founding Organizations**

The efforts of the NECRC over the last few years have had a distinctly positive impact on many other organizations, and ultimately on the kind of services available to residents. The goals of the Renewal Plan and the way in which they are systematically linked and approached have captured the interest and commitment of other organizations. With its networking strategy, NECRC is weaving together a development system that engages the broader organizational community serving the North End.

SEED Winnipeg itself has been affected. The influence of the NECRC has allowed SEED to have a physical presence in the North End that they would not have risked previously. “There is an environment of hope there now that makes our services feasible where they would have failed before,” says Pachal. SEED’s site in the North End allows them to deliver more intense services to residents. Certainly from SEED’s perspective, the investment in the development of the NECRC has paid off – both for their own purposes and for the benefit of residents.



However, because of the closeness of the relationship of SEED, CEDA, and MCC as the crucial founders of NECRC, attention will particularly have to be paid to the changing structures of those relationships as NECRC grows and evolves. For example, instead of serving as NECRC advisory staff, Pachal and Simms have taken on an ex officio relationship to the board. At the end of February 2002 they will no longer even have that sort of close relationship.

Already CEDA and NECRC have tried to establish a division of labour. At least for the time being, NECRC will concentrate on economic development activities and CEDA will focus on those issues that might be called community development. The two organizations constructed a sort of Memorandum of Understanding to that effect early in 2001. The agreement outlines a dozen projects and the specific roles that each organization will play in their implementation. For example, CEDA had been representing NECRC on the Inner City Housing Coalition. The agreement specifies the date at which the NECRC's housing outreach worker will assume this function. Much of CEDA's staff work has been and will continue to be undertaken in the name of NECRC. The process of backing away from such close, complex relationships will take some time.

The same sort of understanding has been reached with SEED. Although the details differ, one objective is the same: to phase out the intensive staff support that has been available to the NECRC and move the founders to an arms-length advisory function. Both SEED and CEDA continue to have a vested interest in ensuring the ongoing viability and integrity of the NECRC. Both organizations need to reposition themselves as working partners on an equal footing with NECRC, as opposed to benevolent founders.

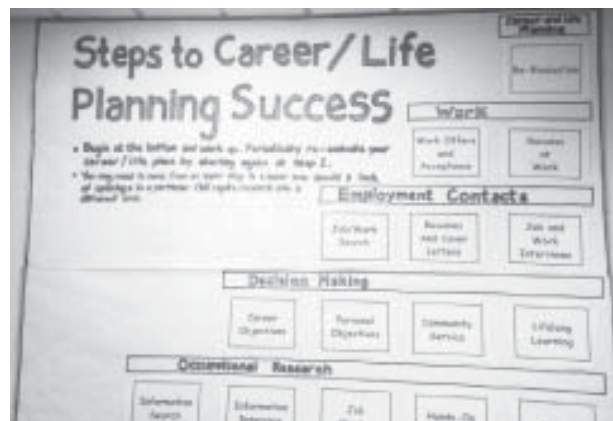
Pachal has been explicit about backing off. "Letting go is easier because I know they have the experience, the credibility, and the profile to do the work they need to do," he says. One of the details in the agreement with SEED deals with the dollars that come to NECRC through SEED. The Crocus and United Way contributions for staff phased out at the end of 2001, and these now go directly to NECRC. The agreement also outlines the way in which both organizations will work with small business to avoid duplication.

So far, so good. The marvellously productive and mutually trusting collaboration of the leadership in these interdependent organizations has proved capable and nimble enough to accommodate the necessary changes in their relationships. Nevertheless, all concerned are aware that this will bear continued attention for a long time as circumstances continue to change.

## Staff

Another transition looming on the horizon concerns changing staff responsibilities, relationships, and incumbencies. In the beginning staff members had very flexible responsibilities. In his first year, for example, Donkervoort was also the bookkeeper and published the newsletter. Without exception, all staff have believed passionately that the work they are doing is important. For that reason they have been willing to go "above and beyond." NECRC has been a place where everyone pitches in to get the job done.

Staff will tell an outsider that working as a team is critical, and they all express a sense of joy or fun about their work. They also suggest that the role



The PATH Resource Centre acts as a hub and mentor of personal development, including finding work and a career. As much as possible, personal coaches refer PATH participants to existing organizations that specialize in the services a person requires.

**"The most significant factor in our success was hiring the executive director. He has been able to pull all the pieces together, take responsibility, & provide focus & consistency within the organization."**

**Stan Scoble, board chair, NECRC**

played by the executive director as a coach and sounding board has been essential to their success. Stan Scoble, the board chair agreed, saying, “The most significant factor in our success was hiring the executive director. He has been able to pull all the pieces together, take responsibility, and provide focus and consistency within the organization.”

But no organization can thrive forever being dependent upon one person, and eventually NECRC will probably seek a resident of the North End as its chief staff officer. That transition will be fraught with opportunities for problems and will be a major task for the organization.

**In the third stage of its evolution a CDC tests its capacity to co-ordinate a nascent development system. It needs to secure core funding to reach toward its objectives. There will be benchmarks & subsidiary milestones in the course of pursuing social projects, venture development, housing, or other sorts of initiatives.**

## CONCLUDING REFLECTIONS

Scoble, a business executive and chair of the Mosaic Market BIZ as well as NECRC chair, sums up the remarkable progress of NECRC in these terms: “Even we don’t really understand how successful we have been.”

Putting aside its projects and their outcomes for a moment, the organization is already a stabilizing influence on the landscape of the North End community. It has generated a different orientation to local development. It has created and is supporting a development system within the community that is strategic and comprehensive in approach. It is successfully mobilizing community resources and is leveraging external financial and institutional resources to address community-defined priorities.

NECRC is constantly expanding the base of resident support and participation from a broad cross-section of the community. It has ensured its continued presence with core operating funds and a variety of other revenues. It has developed value-

added relationships that have resulted in investments coming into the community and into the organization. It is imbuing the development effort with a long-term perspective while continuously forming projects and initiatives that take manageable steps towards the overall vision. Without question, there is a tremendous array of learning, as well as excitement about the fact that although people know they are achieving success, they also know they are still just getting out of the starting gates.

While organizational success is essential, ultimately the outcomes of the organization’s efforts for revitalization must be visible in the community as a whole. They must be apparent in a neighbourhood whose residents see a future for their children. Results must show up in good jobs and new businesses and in community resilience in the face of changes and threats to its future. NECRC still has the challenge of producing substantial change. As it moves into maturity, its organizational progress to date is a good predictor that it will achieve the necessary broader, concrete results.

There are many lessons to be learned from this outstanding CDC, and surely there will be many more in the years to come. In summary here are six to reflect upon:

1. This is a story about three closely-knit organizations that together supported the creation of a CDC as the most effective means for revitalizing a neighbourhood they all served. In all too many communities the costs and the duplication/competition factors seem to prevent the local organizations from considering this option, even while they yearn for a way to address their common problems: gaps in community-wide planning, research, brokering, facilitation, communication, and advocacy.
2. Putting a new CDC in place requires financial and human resources over a substantial period of time. It takes years – and it did take years for NECRC – to get fully established. This process is not something for a 1- or 2-year grant!
3. The evolution of the group will go through many common steps: community animation, organizing, research and priority setting, early organizational development, planning, and implementation. All these form part of a broad mobilization of resources and talent that, in the early years, puts legs under a table of projects and programs designed to achieve specific results. In the case of NECRC the founding organizations showed exemplary leadership and commitment for supporting this critical work.
4. Technical assistance will be essential. Outside experience and knowledge brought to bear at critical points can save time, energy, and money. Outside assistance must be selected carefully and will include a range of providers. Ultimately, however, technical assistance is probably more than the application of expertise garnered from outsiders. It is also the application of some expertise that is readily available locally, but has not hitherto been recognized or mobilized.
5. The benefits of a sector- and organization-based approach to membership and governance (and thus to the task of com-

munity organizing) can, in some communities, outweigh the challenges it poses. In the North End it has resulted in stronger organizations, stronger links between organizations, and the beginnings of a common agenda on which all organizations have begun to focus their efforts.

6. Providing a CED policy orientation for municipal and provincial government representatives can promote a broad set of new resources for one's own community and others'. Thus, new resources can come into play as the province or municipality governments begin to recognize the contribution that community economic development can make.

The evolution of the North End Renewal Corporation represents the application of the best of what we have learned in the CED field in Canada over the last 25 years. Indeed, some of the lessons applied to its development reach back even further, well into the North American experience of the 1960s, the War on Poverty, and the emergence of Community Development Corporations as a self-directed strategy for the economic and social revitalization of distressed communities. But it also represents what is best in neighbours who commit themselves to the renewal of their own communities.<sup>8</sup>

<sup>1</sup> Formally incorporated in July 1998, NECRC was not practically launched until November 1998. An account of some early history may be found in Tom Simms and Derek Pachal, "The Birth of the North End Development Corporation," *Making Waves* (Spring 1999) 10,1: 5-7.

<sup>2</sup> A description of the progressive stages of a CED group's evolution and its potential structures may be found in "Investing in Canada's Communities: The CCEDNet Policy Agenda," Canadian CED Network, 2001.

<sup>3</sup> Since June 1997 Loewen had also been active in the founding of the Canadian CED Network (CCEDNet). He would later serve part-time as its executive director until CCEDNet could recruit someone full-time.

<sup>4</sup> CEDTAP is a fund established by the J.W. McConnell Foundation and administered by the Centre for Training, Investment and Economic Restructuring at Carleton University.

<sup>5</sup> For background information on RÉSO, see Nancy Neamtan, "Full Partners," *Making Waves* (2001) 12,2: 35-40. See also "RÉSO: Fighting Back in Montreal's Southwest Neighbourhoods," *Making Waves* (1999) 10,4: 29-30; S.E. Perry, "Nancy Neamtan," *Making Waves* (1997) 8,4: 19-21; Nancy Neamtan, "CDC Innovations in Montréal," *Making Waves* (1995) 6,2: 8; and "RÉSO: Partnership Building, Montréal Style," *Making Waves* (1994) 5,4: 35.

<sup>6</sup> In addition to the door-knocking, Pachal obtained funding from WED and CEDTAP, organized the first annual general meeting of NECRC, and directed the necessary informational scan.

<sup>7</sup> Later NECRC would recruit a representative from the Filipino sector for a 1-year term, and still later a school principal and a youth program representative, both of whom remain active.

<sup>8</sup> See Michael J. Kinsley, *Economic Renewal Guide* (Snowmass, CO: Rocky Mountain Institute, 1997), Chapter 8. Note that for NECRC formal visioning actually took place *after* the corporation was organized.

<sup>9</sup> SWOT refers to strengths, weaknesses, opportunities, and threats. It is a common organizational development tool. One explanation of it is found in *Community Strategic Planning: The Workbook (Stepping Forward Guidebook Kit 3)*, p. 13, published by Rural and Small Town Programme, Mount Allison University, Sackville, NB E4L 1E9.

<sup>10</sup> See *Community Strategic Planning: The Workbook*, p.17.

<sup>11</sup> See John Jacobs, "Reinventing Community Economies In The Industrial Heartland," *Making Waves* (1994), Vol. 5,4: 21-24. Since that article was published, Lutherwood-CODA has played a pivotal role in an unprecedented, community-wide strategy of poverty reduction. See Don McNair and Eric Leviten-Reid, *Opportunities 2000: Creating Pathways Out of Poverty* (Kitchener, ON: Lutherwood-CODA Publications, 2002).

<sup>12</sup> See Sherman Kreiner, "Engaging the Labour Funds," *Making Waves* (1998) 9,3: 28-30.

<sup>13</sup> For an update on IDAs, see p. 16, this issue.

<sup>14</sup> Among other actions, the government has asked a half-dozen departments to review and evaluate all their programs and policies through a "CED lens" to see how they should be shaped to promote CED in the province.

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MICHELLE COLUSSI and STEWART E. PERRY are principals at the Centre for Community Enterprise and members of the Canadian CED Network. MIKE LEWIS and GARRY LOEWEN were also major contributors to this case study, which was made possible through funding from the Community Economic Development Technical Assistance Program (CEDTAP). All photos courtesy of the North End Community Renewal Corporation. The NECRC is located at 509 Selkirk Avenue, Winnipeg, MB R2W 2M6, (tel) 204-261-8757, [www.north-endrenewal.org](http://www.north-endrenewal.org). For more information, contact Garry at [garry@north-endrenewal.org](mailto:garry@north-endrenewal.org) or Michelle at [colussi@shaw.ca](mailto:colussi@shaw.ca)



# ASSETS, EQUITY, & EMPOWERMENT

**At Quint, housing is one part of the community development equation**

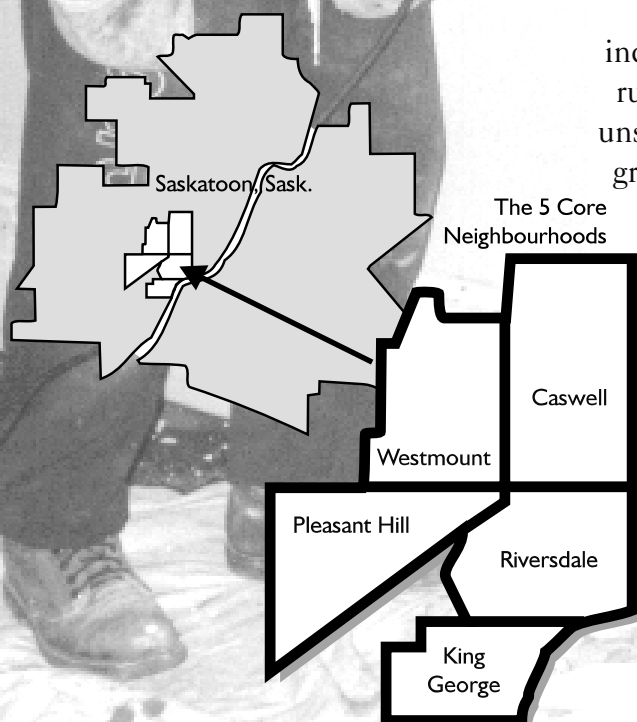
Gary Wilson

**T**he inner city of Saskatoon, Saskatchewan comprises five neighbourhoods: Pleasant Hill, Westmount, King George, Riversdale, and Caswell. They encompass most of the city's original development, and contain many beautiful older homes and well-treed, mature green spaces.

Unfortunately, they also encompass the highest levels of unemployment, crime, and social assistance in the city and the province.

The movement of businesses to peripheral industrial parks and suburban centres; the influx of rural folk to the city; the displacement of low- and unskilled labour by machines - all have resulted in a great discrepancy between work opportunities and potential workers in the core area.

Traditionally, lower income urban neighbourhoods like these are seen as "environments of service." Most of the residents are seen as more or less "deserving clients." But despite real social problems in these neighbourhoods, there are also substantial assets. In Saskatoon's inner city, residents have recognized the need to address community concerns and to establish an organization which could utilize local assets, leverage others, and begin to realize some solutions.



## FOUNDING AN ORGANIZATION

Residents of the core neighbourhoods don't have to be told that quality of their housing is fundamental to quality of life. They already know.

In the Riversdale area 65% of the housing stock is owned by absentee landlords. Many rental homes need to be brought up to safety and health code. Overcrowding is of serious concern. The movement of residents within the core neighbourhoods in search of suitable accommodation is also disruptive. The yearly mobility rate in the area is 31% (and tops 35% in Pleasant Hill), while the average for Saskatoon as a whole is 22%.

This has created a situation where the social and physical fabric and stability of

- To create job opportunities through investing in new business and to support viable existing businesses.
- To facilitate and provide loans to small business from funds derived from federal or provincial government loan programs.
- To build community participation and to facilitate socio-economic and cultural understanding.
- To improve the quality and availability of housing for community residents.
- To provide training opportunities which will lead to sustainable employment.
- To develop an effective board with the capacity to make informed decisions in all aspects of Quint's operations and development.

and School Associations of the five neighbourhoods. There is also strong representation from the aboriginal and low-income residents of these neighbourhoods.

The board also receives advisory support from the "Friends of Quint" - outside agencies who attend meetings. They are Saskatchewan New Careers Corporation (a Saskatchewan Crown Corporation created to help social aid recipients to re-enter the workforce), Saskatoon District Health, Saskatchewan Social Services, and Saskatchewan Economic Development.

Committees are also struck to handle specific initiatives, and may include other residents of Saskatoon with the experience and the desire to assist Quint. Bringing together people who were willing to work towards a common goal has been found not only to create a more cohesive front, but to inject into "project development" far greater life and commitment.

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*As a single organization, Quint  
would simply have been the latest  
approach to issues of poverty.  
But by amassing allies, Quint  
positioned itself to set the agenda.*

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## THE AFFORDABLE HOUSING INITIATIVE

### Timing

From the beginning, it has been the intention of Quint to undertake a comprehensive strategy in the core neighbourhoods: to improve the quality and availability of housing for community residents, and in so doing, to incorporate Quint's other objectives.

In the early winter of 1996, Quint organized a gathering of Saskatchewan Social Services, the City of Saskatoon, and several community-based groups to discuss programs to provide secure, affordable housing for low-income households. Various circumstances made it an opportune time to pursue an affordable housing initiative:

- Low real estate values and interest rates reduced the level of assistance required to bring good housing within reach of low-income households.
- Activity under previous social housing programs had ended, reducing the access of low-income households to improved housing.
- Workshops sponsored by Saskatchewan Municipal Government Housing

the core neighbourhoods are deteriorating rapidly.

In February 1995 a weekend community workshop was held to talk about poverty and regeneration of the community. Nearly 150 residents and representatives of government and nonprofit organizations came - and stayed. On the final day of the event, the participants clearly expressed their desire to create a community economic development organization. That was the beginning of Quint Development Corporation.

## MISSION & OBJECTIVES

Quint exists to create employment and opportunities that strengthen the economic and social well-being of Saskatoon's inner city:

- To become a self-sustaining community development corporation.

## STRUCTURE

This is an extensive development agenda. To accomplish it, the corporation has been structured to foster local capacity by recruiting outside expertise while maintaining control over the final decisions by representatives of the core neighbourhoods.

The board of directors represents a range of community members, all of whom have been involved in community development initiatives in Saskatoon for many years. Of the total board, 75% of members must reside in the core neighbourhoods. Of these residents, five are appointed directly by the Community

Division (SMGHD) and Saskatchewan Social Services were being held with representation from the municipality, community development groups, community housing advocates, and financial institutions. These workshops identified housing issues and solutions, and impediments to the creation of affordable housing programs.

- Community pressure at various discussions and workshops had confirmed the need for a home ownership program for low-income families.

### Design

Quint proposed to the City of Saskatoon and the SMGHD a concept that would provide home ownership at carrying costs that are lower than rental market value.

A separate structure, Quint Housing Co-operative (QHC), was to hold the individual titles and mortgages pending the member families' assumption of full ownership. Each resident would have a "housing agreement" with Quint Housing Co-operative for the first five years. At that point the project would be refinanced and the resident would have the option to become sole owner.

Agreements authorized by the member families would also allow Quint to administer the co-operative for the duration of the housing program and enforce program guidelines. This included the facilitation or co-ordination of mentorship programs, inspection services, and all other matters required to ensure long-term success.

### Financing

To help establish equity, SMGHD provided 25% of the appraised value of each house. These loans are interest free and will be forgiven upon the member family satisfying all conditions of the co-operative agreement with QHC. These loans are secured by a promissory note and/or a caveat registered against the property. Upon transfer of title to the member family, the Province will discharge the loan-related encumbrances against the property.

The City of Saskatoon provided a 5% capital grant. Quint secured the commitment of both the Saskatoon and St. Mary's credit unions to providing the remaining 70% of the mortgage. QHC holds mortgages on specific properties, not a "blanket" mortgage; residents are responsible for paying financing costs on their own units only.

### Purchasing

Quint worked with a real estate company and private owners to obtain ten homes. Through promotion of the program, many private homeowners contacted Quint about selling properties.

Over 200 properties were reviewed for purchase. A number of properties were eliminated due to price or to the amount of renovation required. Once properties were short-listed, they were then matched with family needs (size, school proximity, bus routes). Once a listing of appropriate homes were created for the individual family needs, participants viewed them for purchase. This allowed participants to have a choice in their future home.

An arrangement with the real estate company secured a brokerage fee on their commission on all the houses purchased. This fee was contributed to establish a maintenance fund for the co-operative.

New Careers Corporation, along with SMGHD, provided building inspections for the units under consideration. Supportive local companies provided housing appraisals and legal services at an extensive discount.

### Renovations

In partnership with New Careers Corporation and Kelsey/Saskatchewan Insti-

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*The co-operative is a mechanism to assist in the transition of renters to homeowners .... [it] serves as a network of skills & "sweat equity," & reassures lenders that properties will not fall into arrears or be neglected.*

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Priority was given to young families with children, and particularly to tenants with a proven rental track record who wished to move to an ownership position.

The proposed concept was accepted and implemented in partnership with SMGHD, the City of Saskatoon, and the inner-city communities themselves.

This is how it was to work. Ten homes were to be purchased for ten low-income families. The houses purchased would be located within the core neighbourhoods. The program was directed at families with children, where the family earned less than \$25,000 per annum in gross household income at the time of application. Target price for houses to be purchased was \$45,000 maximum, including any required repairs.

The co-operative is a mechanism to assist in the transition of renters to homeowners, and may or may not be a lasting entity. It provides a framework for mutual support, through building reserves for maintenance, for example. But it also serves as a network of skills and "sweat equity," and reassures lenders that properties will not fall into arrears or be neglected. During the first five years, the co-operative has the power to replace residents in cases of default or lack of maintenance. The presence of co-operative systems help to prevent the development of such problems.

It can, for example, organize maintenance intervention or cover for a few months if a household is temporarily unable to afford mortgage payments.

tute of Applied Science and Technology, Quint developed an Adult Basic Education Apprenticeship Training Program. The work experience component of the training program is the renovation of the houses purchased by QHC. Building supplies were provided at preferred rates by The Saskatoon Co-operative Association Limited. Repairs and renovation expenditures have ranged from \$200-\$9,000, with the average being \$1,500-\$2,000 per house.

#### Application Process

During the summer of 1997, the Quint Housing Committee sponsored five community meetings, one in each of the core neighbourhoods, to disseminate information on the housing program. Applications were only available to those that attended one of the meetings (about 100 people in all). Families on social assistance were eligible to apply, providing that the shelter component of social assistance was sufficient to meet the required payments, given the provincial assistance available.

Housing committee members and staff developed selection criteria for the program. Eligible applicants were to

- have a household income less than \$25,000.
- be ineligible for regular mortgage financing.
- have a good landlord reference and rent payment history for the past three years.
- have stable income for the past two years and/or good employment references.
- complete a home budget (with the assistance of the committee, if necessary). The purpose of the budget was to review the applicant's current income and actual expenditures, and to determine if the applicant is in the financial position to become a homeowner.
- have a good credit rating for the past three years, based on Credit Bureau information.
- be 18 years or older and have no outstanding judgments (writs).

Upon acceptance, applicants were ranked according to another five criteria:

- their commitment to the neighbourhood

- their striving for self-reliance
- their contribution to the co-operative
- their homeownership skills
- their demonstrated need

#### Support

Purchasing a house and becoming a homeowner can be a scary move. Quint committed itself to provide on-going support for the people making this transition. The co-operative philosophy and structure were seen as a way to supply more than just "four walls."

The Core Neighbourhood Home Improvement Co-operative and the Mentorship Program were launched to help families identify and develop homeownership skills. A grant from Homegrown Solutions will help set up and purchase tools for the co-op. It too will be open to specific groups of people:

- Those already involved in Quint projects.
- Other low-income homeowners with little experience or access to renovation equipment.
- Tenants who, in partnership with their landlords, would like to make improvements in their living conditions.

This last element is seen as a way to enable other low-income tenants to move into affordable homeownership programs.

#### CONCLUDING REMARKS

Since its launch, Quint had developed a strong conceptual foundation and community base. The organization has been involved in several initiatives apart from the housing project. Some of these have supported the housing initiative, but all of them demanded time. Core funding for the organization has yet to be confirmed, but assurances have been given that it will be forthcoming.

All of these different elements are vital to a functioning CEDC; but organizing, co-ordinating, and undertaking working projects that involve financing, legal issues, etc., constitutes a pragmatic but often scary shift in how an organization functions and perceives itself. All together these issues were positive in nature but it still propagates a general feel-

## FINDINGS

Quint's experience to date offers a number of insights to CED organizations. Here are the eight most prominent.

### FINDING #1: STRATEGIC POSITIONING

For any fledgling community-based organization like Quint to have impact, a strategic approach to the issue was essential.

For the past 30 years, the governments of Saskatchewan and Canada have defined social housing programs into which communities have attempted to fit. Meeting housing needs by developing a program at the community level did not fall into "traditional process," to say the least. As a newcomer, Quint also had to convince financial groups to finance a project that is being promoted by a community-based organization without a track record or guaranteed core funding.

As a single organization, Quint would simply have been the latest approach to issues of poverty. But by amassing allies, Quint positioned itself to set the agenda. The organization and formation of a variety of groups within the province to speak as one cohesive voice helped to ensure that concerns were addressed within a community-based context.

### FINDING #2: COMPREHENSIVE DESIGN

You have to bring to the table a project that has all the elements of success.

Quint proposed a program structure that was fair and equitable. This structure considered both administrative aspects of the program and needs of the participants. It defined the structure in which properties were to be held, reflecting the best alternative for financing and administration of the project.

It was paramount that the structure ensure a level of input from project participants from the beginning, with progressively greater control as they de-

veloped stronger equity positions in their homes. This would also allow participants to accept responsibility and help develop pride and satisfaction in home ownership.

On the one hand, the program dealt with government concerns that the program move participants into a home ownership position in a timely fashion. On the other hand, flexible time lines allowed for the differences in individual abilities to become independent home owners.

### FINDING #3: PARTNERSHIP IN IMPLEMENTATION

Part of the process of developing the housing program was to foster an array of partnerships to support its implementation. They enabled the project to be more cost effective, bringing outside expertise to bear on project co-ordination, management and mentorship, purchases, construction and renovation, and financing.

One partnership that was at first perused was with Canadian Mortgage and Housing Corporation (CMHC). CMHC had eliminated support to social housing projects. Quint felt this was an opportunity for them to become involved in a innovative project that could carry its own maintenance and capital costs after an initial infusion of equity from municipal and provincial governments.

As it turned out, Quint Affordable Housing Program was developed without support from CMHC. Given the rather inflexible and unwieldy federal process, CMHC could not respond in time to take part. Apart from provincial and municipal government equity infusion, no guarantees have been provided to secure the mortgages.

### FINDING #4: ADJUSTING THE POLICY CONTEXT

In order to make it possible for this program to meet community needs, social assistance policy changes were required. The Saskatchewan Social Services Shelter Allowance Policy was defined in a manner that could have jeopardized the participation of social assistance recipients over the length of the project. Quint had to put forward a strong case that there would be

substantial cost savings in the long run if Social Services supported an alternative to the existing policy. The provincial government showed itself a true partner by making an exception to the policy for community-based affordable housing projects.

The choice of a co-operative structure presented additional legal challenges. Philosophically, a co-operative was the most effective way to provide support for the participants while giving them some control over their own futures.




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*Quint board members & advisors formed the founding board of the QHC, not the actual participants.... This built in a mentorship process that was strongly rooted in a process of community development.*

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Unfortunately, there were several road blocks on the way to incorporation. Traditional housing co-operatives hold a blanket mortgage for all units and collectively everyone pays on this mortgage. Quint wanted to structure the co-operative more as a holding company in which properties had individual mortgages. Participants paid down their home in order that the co-operative could transfer title to that participant. Prior to Quint's program, no model existed of a housing co-operative that transfers title or relinquishes equity to the individual.

Traditionally, housing co-operatives have been formed by the actual participants of a program. In this case Quint board members and advisors formed the founding board of the QHC, not the actual participants. Quint felt that this was necessary to ensure initial control with participants becoming involved over a period of time. This built in a mentorship process that was strongly rooted in a process of community development.

In brief, the QHC did not meet the requirements of a traditional legal co-operative. With the assistance of Saskatoon Housing Authority and SMGHD, the Saskatchewan Department of Justice agreed to register the program as a co-operative. This emphasizes the necessity to revisit housing policy and legislation at all levels to reflect the current social housing needs.

### FINDING #5: INDIVIDUALS

The selection process was difficult for Quint staff and committee members. Many candidates attached stories about themselves and their families to the applications. With only ten houses available, many worthy candidates were not accepted. While working with the participants to view homes, it became obvious that one family did not give credence to the co-operative beliefs that would foster the success of the project. Staff and the Housing Committee had to review the circumstances and information that led to this conclusion, in order to make a decision about expelling the family from the QHC.

### FINDING #6: THE MARKET

The project was restricted by financial constraints on individual homes and also the availability and ability of the New Careers Corporation renovation crew. Real estate prices increased 18% between the beginning of the project in April 1997 until QHC started to purchase homes that August. This issue was quickly dealt with by a vigorous review process that Quint undertook before purchasing commenced. Quint managed to find appropriate units within the proper program cap and the budget constraints of the participants.



## FINDING #7: PROJECT EVALUATION

Quint is undertaking an extensive evaluation of the process and project parameters with recommendations on changes that will help facilitate more affordable housing in the core neighbourhoods. All partners and participants will be involved in the evaluation to encapsulate the issues that are important to community, government, and business.

This is one of the essential ingredients to the on-going success of housing rejuvenation projects. It validates the partnerships that were built and ensures that both negative and positive aspects of the development are addressed by all involved parties. This inclusive process builds strong organizational credibility in the community.

## FINDING #8: ORGANIZATION SUSTAINABILITY

Issues that reflect on organizational goals and objectives always arise in the course of the development of a project. They have to be addressed.

In Quint's case, two objectives are particularly evident: to improve the quality and availability of housing for community residents, and to be self-sufficient CEDO. In this project there was no consideration of equity retention by the co-operative to continue the on-going development of housing

or to cover the cost of the management and development agency. In order for a program and the organization that administers it to become more self-sustaining, the taxpayers' investment must be utilized as prudently as possible.

There is great interest in expanding this project so that other families realize the

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*It is necessary to leverage  
all available financial  
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benefits of home ownership. But resources are limited. Therefore it is in the interest of the community to examine alternatives that enable greater participation of families in the co-operative model.

The following principles are offered to assist in evaluating these alternatives:

- Minimize the impact of equity leveraging on participants, to ensure continued affordability.
- Leverage any excess equity from both contributions by funders and from the appreciation in the value of the property.
- In leveraging this equity recognize the contributions that the participants may have made.
- Structure agreements with participants to promote self-sufficiency and to reduce dependency upon the co-operative.

It is necessary to leverage all available financial resources, with the intent of increasing the positive impact to the community of each dollar contributed by funders. Only when looking at the individual, community and organizational needs in a holistic manner, will you be able to maximize the benefits to the community. ❧

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All photos courtesy of Quint Development Corporation and Bill Holden, Planning Department, City of Saskatoon.

Former community economic development manager at Quint, GARY WILSON has also served as general manager of Chief Isaac Incorporated, a First Nation development corporation in Dawson City, Yukon. (His article "Anatomy of a Joint Venture," in the Winter 1996 issue of *Making Waves*, explains the negotiation and co-ordination of a socio-economic accord with a mining corporation in Chief Isaac's Traditional Territory.)

Currently, Gary works for The Communitas Group, a Washington State-based not-for-profit holding company that has an active portfolio of non-governmental organizations and business entities with business interests in both the U.S. and Canada. This includes the Washington State trade organization for community develop-

ment professionals, Social Capital Investment (a venture capital fund providing equity investments in community-based businesses), and Syndetica (a professional services group assisting non-governmental and quasi-governmental organizations concerned with issues of profit-making social venture development).

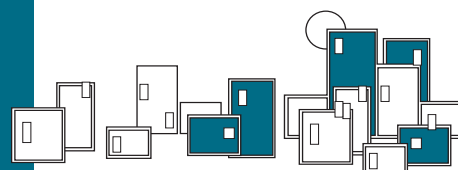
Gary is also an active community volunteer. He sat as a direc-

tor of the Yukon Literacy Board and was involved in the development of the Yukon Literacy Coalition. He was on the executive committee of the Yukon Conservation Society and has sat on the board of directors of the Canadian Cycling Association.

Gary's educational background is in Environmental Studies (Simon Fraser University) and Regional and Economic Development (University of Saskatchewan).



# Revitalizing Canada's Neighbourhoods



## The Urban CED Research Project

by Mike Lewis and Stewart Perry

**G**lobalization, free trade, budget deficits—these issues have cornered research and debate in Canada over the last decade. Little time, energy, and treasure has been made available to consider the increase in human suffering and distress in our towns and cities in the same period of time. While the human face of urban distress is nakedly apparent, its statistical face is not so widely known.

- ❑ In Canada as a whole, poverty is concentrating increasingly in urban areas. Depending on the statistical source, between 58.5% and 69.2% of the poor live in cities of 100,000 or more.
- ❑ The poverty rate in cities rose from 13.5% in 1989 to 16% in 1991. In Toronto the poverty rate in 1990 was 15.2%, and in Montreal, 22.2%—almost one in four.
- ❑ In 1990, 17% of the children of Calgary and 26% of the children of Winnipeg lived below the poverty line.
- ❑ Statistics Canada estimated the school drop-out rate in Canada to be 32.1% in 1990-91. The Canadian Council on Social Development (1991) notes “the drop-out rate is twice as high among youth from low-income groups as it is among youth from other income groups.”

These numbers represent an everyday reality for millions of our neighbours. How to address this challenge is an issue which is only beginning to be debated at the level of public policy. However, at the grassroots level a wide variety of CED efforts have been undertaken with the intention of linking social and economic development. They are attempts to create alternatives to trends which, if unchecked, will create a permanent and intractable class of Canadians trapped in poverty.

### The Urban CED Research Project

What is the range of organizations engaged in CED in urban Canada? What strategies do they employ? What can they teach us about the elements which must be in place, if CED is to meet both social and economic objectives? What are the major policy and practice issues that arise from the last decade of urban CED initiatives?

These are the main questions our research team set out to explore in a 15-month project. Forty-four initiatives were selected for review; of these, ten were studied intensively.

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***Each community can and will, if permitted, create its own effective responses to local problems and opportunities. Unlocking this potential requires openness and innovation—from our neighbourhoods, and from our governments.***

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Even though we deliberately sought to gain access to as wide a range of projects as possible, we did not anticipate their sheer diversity and inventiveness. Disadvantaged communities, their leadership, and the working staff on local projects have produced an incredibly rich array of human efforts to bring marginalized people and their communities into the mainstream. The innovative approaches and the determined pursuit of practical results are heartening evidence that something indeed can be done to make a difference.

### 6 Major Findings & Their Policy Implications

Six of our research findings, we feel, deserve the utmost attention and visibility.

#### ***Finding #1***

The most successful urban CED initiatives have the following features:

- ❑ They embody a multi-functional approach. By this we mean they will pursue more than one of the key activities of local CED projects: equity investment; lending accompanied by technical assistance to borrowers; human resource development; and research, planning, advisory, and advocacy services.
- ❑ This multi-functional approach is critical to the merging of economic and social goals. It tends to stress the *empowerment* of the marginalized populations and communities, especially in terms of human resource development.
- ❑ Through strategic planning or similar efforts, the successful projects become focused and specific in their intent, even though they use many means to achieve their objectives. Energetic mobilization of key sectors of the community (i.e., the organization of a community base) is crucial to attaining the objectives.
- ❑ Successful projects are sustained through effective use of public finance sources and through asset-building, particularly in housing and other real property. Their larger scale of operation, thus, is in itself one reason for their effectiveness and longevity.

*Policy recommendation:* Government support programs must (a) recognize and appreciate a multi-functional approach, rather than limit grantees to a single specific function or project; (b) offer multi-year support for organizational development, internal planning, and self-education (i.e., for local capacity-building for the CED group); and (c) create the opportunities for asset-building that will help underwrite the organization's future and leverage further support.

### **Finding #2**

Urban CED groups make excellent use of equity and debt capital when it is available to them. Yet, despite the concentration of Canadian poverty in urban settings, government support of equity and debt financing for urban CED is so much less than that for aboriginal and rural CED as to be virtually nonexistent.

*Policy recommendation:* New government programs for equity and debt financing for local urban initiatives should be designed, launched, and tested, using the experience guidelines from current CED successes. Two of the best examples are the Human Resources Development Association of Halifax and its novel use of welfare transfer funds (see *Making Waves*, vol. 4, no. 1, January 1993, pp. 10-16), and the Cape Breton Labourers Development Company and its innovative self-financing design (*Making Waves*, vol. 3, no. 4, October 1992, pp. 12-16).

### **Finding #3**

Where government does supply capital for local economic development, it is efficiently dispensed by "intermediaries"—local or regional nonprofit organizations like CEIC's Business Development Centres or Saskatchewan's Community Bond Corporations (see *Making Waves*, vol. 4, no. 2, May 1993, pp. 12-16). That efficiency contrasts with the controversial results of direct attempts by government agencies to invest in individual development projects.

*Policy recommendation:* Government should "wholesale" rather than "retail" its development finance resources: it should use local or regional CED development finance intermediaries, which are closer to and better aware of CED opportunities and risks. In effect, these

## **LEARNING ENRICHMENT FOUNDATION (LEF)**

LEF's original mandate (1979) was quite restricted: to promote programs for benefit of community, especially multicultural arts, job training, and child care services in the municipality of York. Since then its scope has expanded to include many different community-building activities. LEF's umbrella now includes the following: a business incubator; business consulting service; training in childcare, cooking, construction, and industry (LEF operates 13 childcare centres, serving 500 children); literacy and ESL programs; job search counseling; and immigrant services. In addition, these programs are integrated to foster community economic and social development (e.g., the cooking courses prepare food for childcare centres). The overall budget is about \$14 million. The organization's staff totals 177.

Despite many resemblances to a community development corporation, LEF has not designed its mission or format to that end. It successfully co-ordinates a very decentralized and diverse family of projects, but (unlike a CDC), has not taken community empowerment as a central theme.

For further information, contact Eunice M. Grayson or Dale Shuttleworth at the Learning Enrichment Foundation, 116 Industry Street, Toronto, Ontario M6M 4L8, Tel. (416) 769-0830.

intermediaries would become delegate agents. As a condition of the delegation of responsibility, government should require the development finance intermediaries to meet mutually-recognized performance goals.

### **Finding #4**

Many projects suffer from the government expectation that they will become self-financing simply because they are running an income-generating business or are developing such businesses. But CED organizations and businesses (unlike conventional businesses) attempt to meet social needs in the context of their business activity. Governments must learn not to confuse the economic costs of business with the social costs of trying to meet social needs in the process of running a business.

*Policy recommendation:* Government support of CED must carefully separate and subsidize the social costs that CED business projects bear. Here are a few examples: the costs of training marginalized and previously unemployable residents; transaction costs in dealing with the smaller businesses that conventional banks avoid; the research and development costs for ventures appropriate to marginalized communities and groups. Government should link the financial support for such costs to the reasonable

expectation that economic costs be borne by CED businesses which participate effectively and efficiently in the market economy.

### **Finding #5**

Local CED groups cannot within themselves embody all the training and technical assistance resources they require. Thus they look to intermediaries to provide specialized CED skills. However, such intermediaries are few. When they are not subsidized, they must try to meet expenses by fees-for-service. This means

- ❑ some CED groups cannot afford critical services.
- ❑ some intermediaries will eventually disappear due to their clients' inability to afford the services offered.

*Policy recommendation:* Government support should underwrite at least part of the expenses (and transaction costs) of private, nonprofit CED technical assistance intermediaries to assure that their services are maintained and more widely available to those CED groups that need subsidized assistance. This support can be justified both as a means to protect the public investment in CED initiatives, and as a way to accelerate building the capacity of CED organizations to generate substantial economic and social benefits.

## Finding #6

Certain current government policies and practices are counter-productive for CED efforts with marginalized groups. For example, social assistance recipients may lose benefits by accepting employment in CED ventures. Yet their earnings may not compensate for their loss in benefits or for work-related expenses. Re-qualifying for benefits upon temporary joblessness often means living without income for many weeks. Such disincentives handicap CED groups trying to work with such populations.

*Policy recommendation:* Welfare policies and the administration of benefits and social assistance must be re-designed to end disincentives for those starting down the long road toward self-reliance. Government agencies would do well to refer to CED practitioners for information about other program disincentives to community revitalization.

## Relating Government to CED

There are three important national objectives to which we believe CED is relevant:

1. jobs and businesses that pay taxes, reduce the need for transfer payments, and raise human productivity
2. nongovernmental organizations and institutions that deliberately create jobs and businesses, instead of waiting for government or someone else to do so
3. improved access to job and business opportunities for the citizens and communities that are particularly at risk economically and socially

To help achieve these objectives, a support program for CED can indeed be effective and efficient. There is already enough evidence of the cost-effectiveness of the CED strategy in both the Canadian and American experience. Further research may pin down the details more firmly and precisely, but in the meantime governments have to begin to take action.

In order to design the best program at this time, the designers themselves (government officers) need to gain a better grasp of the fundamental processes involved in CED. This will entail a rather thorough re-orientation of conventional government program administration:

- away from a framework of aiding clients and toward one which emphasizes partnership with local groups and the practitioners in the field.
- away from a framework involving detailed application of government programs and toward one which offers flexibility for local strategies.

prove the entire process of CED, all the way from its roots in the community to its supportive relations in government agencies.

We have not tried to specify the features of an appropriate program of CED support (in any case, there can be no single appropriate program). But from

## CO-OP ATLANTIC

The evolution of the co-op movement has increasingly linked local groups into wider networks of mutual support and services. This has also been the case for Co-op Atlantic, a mammoth second-level co-operative on the eastern seaboard embracing retail and housing co-operatives. Two years ago it radically re-shaped its mission to include the development of the co-op sector, particularly worker co-ops.

Traditionally, Co-op Atlantic has focused on the development of retail consumer co-operatives. It is the major wholesaler for the Atlantic retail co-op network (\$400 million in sales, 1991) and has provided a range of services to its retail members, including training for co-op board and staff members, assistance in the development of new stores and advocacy of co-op interests in the public sector.

A resolution of the 1991 annual general meeting added to these conventional practices a whole new level of responsibility. Co-op Atlantic was authorized to complete a 5-year business plan to strengthen and develop the co-operative approach throughout the region, using a stakeholder concept for communities and employees as well as the conventional members. Apart from its conventional economic role, Co-op Atlantic was to provide leadership in the development and growth of new and existing co-ops. It was to focus particularly on stronger local control processes, increased financial capital, better management, and the promotion of community values.

Since 1991, 16 local co-op development councils have been at various stages of development. Some are already helping to organize worker co-ops. Co-op Atlantic has also acted successfully to shape a provincial tax credit which encourages workers to invest in their own company/co-op.

For further information, contact Tom Webb at Co-op Atlantic, Box 750, Moncton, N.B. E1C 8N5, Tel. (506) 858-6000.

- away from a framework of evaluating projects and toward a framework in which performance evaluation includes the government program itself and its administrators as well as the local projects and their administrators.
- away from a framework in which assessment is a government task for improving supported projects and toward a framework of partnered activity aimed at self-improvement for each partner in order to achieve mutually-defined results.

By these re-orientations, government and communities together can im-

prove the entire process of CED, all the way from its roots in the community to its supportive relations in government agencies.

our knowledge of the urban CED experience in Canada, we can outline the preliminary measures that can be taken to design a growing range of effective programs. As we have implied already, the first step is self-education for a re-orientation of government perspectives for CED programming. For this self-education process, CED groups and practitioners can be called upon as resources. In fact, without their insights and knowledge, any program design will be off on the wrong foot.

After such self-preparation, policy-makers and administrators will need to carry out exactly what local CED prac-



## Regroupement pour la Relance Économique et Social du Sud-ouest de Montréal (RÉSO)

RÉSO's origins lie in the last 20 years of industrial decline in Point St. Charles neighbourhood of Montreal. Program Économique de Pointe St-Charles (PEP), established by community organizations in 1984, led grassroots action to turn around an increasingly desperate trend. It eventually culminated in a broadly-based coalition for local development that encompassed all of southwest Montreal. PEP was succeeded by RÉSO in 1990. The new organization diversified its board to include representatives of the area's large and small business, finance, and community organizations.

With a budget of \$1.8 million and 36 staff, RÉSO has been offering a wide range of services, especially in human resource and business development. It aims to ensure that the community maintains control of revitalization planning and initiatives; to improve quality of life and image of the district; to protect and create jobs for residents; and, generally, to assist the unemployed.

To that end, it has developed at least 20 different programs: a job support centre; job search and placement assistance; occupational training; promotion of local initiatives (e.g., daycare centre, community caterer, furniture

refinishing co-op); and business technical assistance, including preliminary development funding and an early warning system to detect businesses in trouble in time to maximize the chance of turning them around and saving jobs. In the process, RÉSO has undertaken many collaborative relationships with organizations inside and outside the district.

As RÉSO has evolved, so have the opportunities for direct involvement in asset-building strategies, an area that thus far has been beyond the scope of RÉSO activities. Direct ownership of economic assets is being considered as well as alternative approaches to developing financing.

The success of RÉSO in mobilizing a broad cross section of interests into action within and on behalf of the neighbourhoods of the southwest is leading to recognition from a number of quarters. Paul Martin, the new Finance Minister of the federal government, encouraged many when he acknowledged RÉSO as an initiative that "could be a model for all of Canada."

For more information, contact: RESO, 1001 Lenoir Street, Montreal, Québec H4C 2Z6, Tel. (514) 931-5737, Nancy Neamtan, Director General.

tioners and citizen board members do for their own programs—that is, engage in some type of strategic planning. The planning will have to pay attention to harmonizing the many programs that affect CED objectives and methods; it will mean examining cultural gaps that obstruct communication between government and local communities; and, again, it will mean forging a partnership with communities in the design of the government programs.

We will not pre-empt the shaping and results of such a strategic planning effort. But we believe the following ideas should at least be considered in any government strategic planning for CED and may in fact be ultimately adopted as guidelines for an evolving government policy on CED.

**A.** *A government program to support CED should concentrate on comprehensive and individualized local capacity-building.*

That is, programs must make it their business to strengthen the local institutions that carry out CED in its most powerful format, the multi-purpose development organization. The merging of social and economic goals—e.g., human resource development and business ac-

tivity—will happen most effectively within the comprehensive perspective of multi-purpose development. Capacity-building must be directed to achieve that powerful strategy.

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***Government programs must make it their business to strengthen the local institutions that carry out CED in its most powerful format, the multi-purpose development organization.***

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Two points in the growth of a local institution are particularly amenable to capacity-building: the initial stage of mobilizing local leadership and ideas (a visioning and planning effort); and the later stage of on-going R&D, liaison, evaluation, re-planning, and other general administrative chores. These two stages are rarely, if ever, underwritten by the project funding that is usually available to community groups. Yet support for this sort of local capacity-building is

essential if community resources are going to be mobilized and maintained in the service of a broad national economic revitalization.

**B.** *Any government agency may use an established and capable CED group for its own program purposes by funding a specialized project—but only when the specialized project is not intended as the sole activity of the group and is not shaped to ignore the more comprehensive aims of local CED.*

City, provincial, or federal agencies should not attempt to take over the local citizen group for their own objectives. Of course, each agency has its own objectives, and these can be fostered by CED groups. For example, Health and Welfare Canada may want to field projects that aim at inter-generational welfare dependency. A project like that can properly induce a CED group into wider and more integrated techniques to address the central issues of the marginalized community and its residents.

The point here is that the core organization is strengthened in its reach by carrying out a specialized project. But that element of new capacity must not distract the organization from its broader mission.



*C. A government program in CED should include support for intermediary organizations in addition to the local groups.*

The rationale for supporting intermediary organizations is to provide the support services and resources that the government itself cannot appropriately supply. Two sorts of intermediaries will be crucial to local success, those for technical services and those for development finance. Tax legislation can also be designed to encourage individual investors to partner with local CED groups on specific housing or other development projects.

*D. Any government agency that adopts a CED program must assure that other sources of assistance for local groups and their projects are accessible; this implies advocacy with other agencies and levels of government, as well as partnerships with the private sector.*

No one agency can be the sole source or perhaps even the primary source of CED funding or other assistance. Just as the local CED group searches out a variety of resources, both local and outside, so too must a government CED program reach for partnerships with other sources inside and outside government. Particularly important would be a

*end unintended negative consequences for CED activities.*

Among these are business assistance and services that are accessible to conventional private business through provincial departments, the Atlantic Canada Opportunities Agency, the Western Diversification Fund, and the like, but are not accessible to community-based ventures like co-ops or the ventures of nonprofit CED organizations.

## A Parting Note

Only recently the United Nations Committee on Economic, Social and Cultural Rights rebuked Canada for failing its responsibilities for reducing the impact of poverty. "There seems to have been no measurable progress in alleviating poverty over the last decade, nor in alleviating the severity of poverty among a number of particularly vulnerable groups," the Committee reported. The U.N. committee's remarks were considered to be unusually harsh to be directed against an affluent western country. The same report also commented acidly that families are "being forced to relinquish their children because of inability to provide adequate housing or other necessities."

Some parts of our cities flourish while others decay or are threatened with deterioration. This disparity—and the dismal failure of government programs to correct it—makes CED all the more important. What CED teaches us is that collective action and collective responsibility at the local level can make a difference. A major reason why it can make a difference is that each community can and will, if permitted, create its own effective pattern of responses to local problems and opportunities. Unlocking this potential requires openness and innovation not only in our neighbourhoods, but also within our governments.

Concerted action is essential to create the commitment, policies, and resources appropriate to the challenge of reversing the growth of urban poverty. Revitalizing our urban neighbourhoods—places in which the large majority of Canadians live out their lives—is an agenda whose time has come.✍

*Mike Lewis is a director of the Centre for Community Enterprise and editor of Making Waves.*

## HUMAN RESOURCES DEVELOPMENT ASSOCIATION (HRDA)

One of the most remarkable success stories in urban CED, the HRDA is only now beginning to receive serious attention in economic development circles.

HRDA originated in 1978 when the director of Halifax's social assistance program recruited a board of citizens to confront rising joblessness in the city. HRDA receives social assistance monies as a "fee-for-service" for each Halifax welfare recipient it helps to steer into gainful employment. Initiated by the municipal social planning department, equipped with an entrepreneurial social worker, and capitalized with an precedent-setting diversion of \$275,000 from the welfare budget, HRDA has concentrated on developing profitable businesses. These enterprises have become the hub of a training/development system that has successfully hired over 1000 social assistance recipients since 1978. In addition, HRDA provides training and other human resource development services which have led to another 800 individuals being trained and placed in jobs. Lastly, HRDA has established a small revolving loan fund to assist small business in the Gottingen district of Halifax.

HRDA has developed 13 businesses over the years, everything from a bakery to a major recycling business joint venture. Many have been spun off. The six businesses for which HRDA is currently responsible employ about 150 people and generated revenues of about \$4.2 million in 1991.

HRDA's innovative use of welfare funds to create real jobs for welfare recipients has now led to a policy that enables any private Halifax employer to get the same "fee-for-service" for hiring such a recipient to fill a permanent position. The policy innovation pioneered by HRDA is currently under consideration for replication in Massachusetts.

For more information, contact: HRDA, 5571 Cunard Street, Halifax, N.S. B3K 1C5, Tel. (902) 453-2982, Doreen Parsons, General Manager.

Finally, to this point the conventional banking sector has not participated actively in CED in Canada. Attention should be paid to legislative and regulatory changes which encourage such participation after the model of the U.S. Community Reinvestment Act.

partnership between Health and Welfare Canada and Employment and Immigration Canada, and between government programs and conventional banking institutions.

*E. Existing policies and programs must be examined and re-examined to*



# Cutting Loose

*Swift Current uses BR&E to turn the corner*

BY DOUG HOWORKO

Swift Current lies in the heart of Saskatchewan's great southwest. Home to just over 16,000 residents, it serves a regional population of 55,000. Fully six million people live within a 500-mile radius of the city. Traditionally, the Swift Current economy has been driven by the agriculture industry: cereal and specialty crops, and livestock. Oil and gas exploration and recovery also provide significant economic spin-off.

Yet 25 years ago Swift Current *stopped growing*. Our neighbour and one-time junior, Medicine Hat in Alberta, overtook us. (It now boasts 55,000 people.) Swift Current, the "Frontier City," was starting to look more like a pit stop on the Trans-Canada.

What happened here? Why did we grow only so far and then stop? Certainly, you can point to external factors. The agriculture sector went into a prolonged downswing. Job opportunities in the energy sector have been cyclical. Manufacturing and diversification stalled.

But in my view, most of our difficulties were on the inside. We had become a community that was stubborn, sleepy, and stuck.

We *stubbornly* denied that the stagnation of our population and lack of business development was a problem. We did not understand our real market and development opportunities, and instead fancied that the attraction of international corporate investment was our key strategy for growth. Personifying this attitude was a group we called the "CAVEmen" (Citizens Against Virtually Everything) whose negative assessment of local innovation carried a lot of weight in local circles.

We were *sleepy*. There was no common vision of what the city should become. Our expressed community development goals were uninspiring – investments in roads, sidewalks, and park maintenance. Businesses had lost their enterprise mentality; they were unwilling to challenge themselves with higher standards for success.

Finally, we were *stuck*. A fear of failure prevented us from considering innovative or alternative development opportunities. Well-meaning municipal and civic leaders and economic development practitioners were busy, rowing hard and fast; but they were not rowing in unison and had a very modest idea of what could be accomplished.

## Business Not As Usual

Yet here Swift Current is at the start of 2005, winning awards for innovative economic performance. We're No. 1 among small Canadian cities in creating small business (Bank of Montréal, 2003). We received the "Home Based Business Friendly Community Award" (Toronto, 2003), the "Outstanding Economic Development Achievement of the Year" (Economic Developers Association of Canada, 2004), and "Economic Development Initiative of the Year" (Saskatchewan Economic Developers Association, 2004). Swift Current's dramatic progress was also recognized by Business Retention and Expansion International (BREI) last May in Halifax.

How did we come to see the rut we were in, and then start to climb out of it?

It was about three years ago that the light bulb went on. Many residents understood that our population and economic base had not grown for over 25 years. Some understood how stagnation put the investments of every resident at risk, not just those of business owners. If the private sector actually began to shrink, people would seek employment elsewhere or relocate altogether. This exodus would reduce the value of every home in the community.

What people needed to learn was that conventional ideas of business develop-

ment were no solution to the problem. If we kept doing what we had been doing we would keep getting what we had been getting: an underdeveloped wealth-generating sector, growing dependency on outside investors, and a population tilting into decline.

In January 2002 community leaders from the city and surrounding rural municipality decided Swift Current should focus on creating an environment where our existing private sector could survive and thrive in the “new economy”: one of diminishing tariffs and government regulation (but growing concerns about health and disease), hot competition, and globalized markets. They formed Action Swift Current, a substratum of community leaders who, equipped with new information, have moved business owners and business development organizations from holding and controlling information, to sharing it; from a dependence on experts, to a commitment to building the capacity of local citizens; and from a uni-dimensional notion of community revitalization, to a multi-dimensional one.

What Action Swift Current implemented was a project management tool called Business Retention and Expansion. The BR&E philosophy is that if your community has a healthy, growing business base, investment and new entrepreneurs will follow of their own accord. They are actually *bi-products* of a healthy business climate.

Conventionally, too much emphasis in local economic development is placed on attracting new firms. Local, provincial

*Master the Fear of Failure. Communities progress by acting, making mistakes, & correcting course. In Swift Current we could not correct our community's course if we were standing still. So we got moving on the basis of the best evidence & best analysis available.*

and federal officials often ignore existing businesses and their problems in the course of going after “bigger fish,” offering more jobs and tax revenue.

Yet communities can achieve a much greater economic impact if they take care of their home-grown businesses:

- Generally, 60%-70% of new jobs originate in existing businesses.
- It is less costly to retain existing businesses and jobs than to attract new ones.
- Programs to attract outside business are more likely to succeed when existing firms are successful and happy.

The churning of business creation, expansion, contraction, and dissolution is a natural part of a local economy. The challenge to Swift Current and other communities is to capture the expansions while taking preventive action to reduce the number of dissolutions and diminish the contractions.

In brief, our focus had to move from attracting investors to building the businesses in our own backyard. And who should spearhead such an approach but the people who know those businesses best – local business owners?

Some might worry that this would lead to more of the same narrow, unimaginative

outlook on local development that we had seen in the past. But that has not been the case.

Actually, once business owners were invited to assume the role of economic leader, civic leaders and economic development practitioners were no longer flying solo. People came to have a deeper appreciation of the challenges that businesses face. The general public began to understand that ultimately it is businesses (not government) that undertake the expansions and new initiatives that create jobs, wealth, and community growth.

Viewing one another as teammates rather than opponents, business owners, bureaucrats, and other groups and organizations managed to agree on how the community must grow and to co-ordinate their actions to that end. A true community movement has taken shape around local revitalization.

## BR&E's 7-Stage Process

The BR&E program is community-based and volunteer-driven. Local business leaders are its cornerstone. But federal and provincial business service providers, municipal officials, representatives from

(previous page) A Swift Current industrial area, off Highway 4; (right) demolition downtown to make way for a outdoor patio café; (below) Best Western's third expansion in as many years.





*Grasp “Low-hanging Fruit.” We first undertook initiatives requiring little capital investment in order to begin building momentum & excitement.*

community and business development organizations, utilities, education, and labour also provide guidance and oversight in developing and implementing a framework for improving the local or regional economy.

In addition to retained businesses and jobs, business expansions, and new jobs, BR&E measures success in terms of increased tax assessments, export contracts, import replacement, and increased regional capacity for business and industry development.

Perhaps the most important goal, however, is to *build community capacity*. BR&E aims to strengthen collaboration between all community leaders, increase understanding of the strengths and weaknesses of the business climate, and create better linkages between local leaders and provincial and federal business development support. More and better information is shared, analyzed, and put to work in a planning process on which more players are determined to follow through.

Here is how Swift Current experienced the 7-stage BR&E process.

### 1. Gauging Community Readiness

(2-3 months)

Prior to undertaking the BR&E Visitation Program, it was extremely important to

determine whether or not Swift Current was ready to commit the time and resources necessary to see the process through. Gauging community readiness required numerous “back door” discussions amongst key economic development professionals and community leaders.

Rather just than an *endorsement* of the initiative, a *commitment* was sought. People had to affirm that they would make BR&E a priority within their organization and (preferably) indicate financial and/or in-kind support.

Endorsement and commitment was sought from the Chamber of Commerce, City of Swift Current, the Rural Municipality of Swift Current, the Regional Economic Development Authority, Community Futures Development Corporation, Saskatchewan Industry and Resources, and the Entrepreneurial Center. These were the local organizations best suited to sponsor and implement a BR&E program. Each had a community economic development focus, a business and strategic economic development mandate, and a well-developed organizational infrastructure. Each represented a large stakeholder group, a partnership mindset, and had made effective use of local volunteers in the past.

These organizations were to provide the overall co-ordination in building community readiness. They formed the strong strategic alliance that could explain and recommend the initiative to the community and enable other community leaders to be recruited to the BR&E leadership team.

### 2. Leadership Team Recruitment

(2-3 months)

Great care was taken in the selection of the leadership team. To ensure a breadth and depth of community perspective, a wide range of key stakeholders was sought: business owners, city councillors and employees, financial and legal institutions, provincial and federal government agencies, crown corporations, education officials, and representatives of major industrial sectors (agriculture, oil and gas, manufacturing, tourism), and environmental, social, and religious groups.

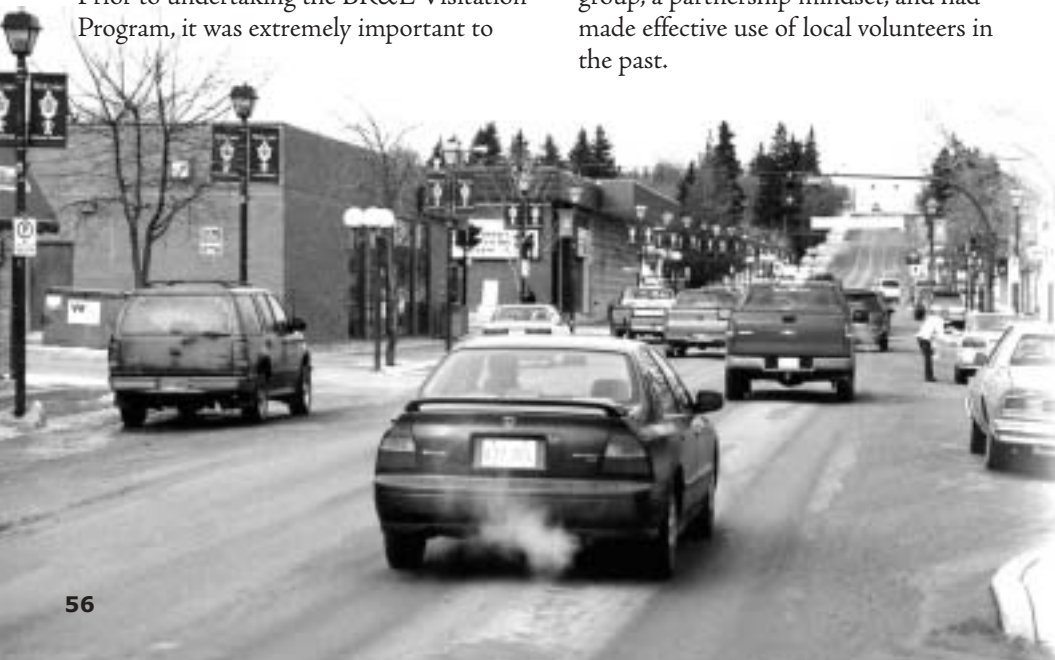
The initial leadership team began to connect with people they knew within these target groups. Soon over 20 stakeholders were participating on the BR&E leadership team and championing the process.

There is no shortage of people wanting to get involved and making a difference in Swift Current. The leadership team has evolved and made way for new leaders to inject fresh ideas and energy and keep the movement going.

### 3. Project Planning (2-3 months)

The next task was to strike a number of committees. (See diagram, next page.)

(left) Banners on Central Avenue; (below) through WindowWorks, local artisans beautify shopfronts that are currently vacant.



The *Visitation Committee* recruited 150 volunteers to survey businesses of all sectors (including retail, wholesale, service and manufacturing) to ensure validity of the survey results. The committee helped train volunteers to conduct surveys, co-ordinate the visits, and set up survey teams.

The *Media & Milestone Committee* kept all the media (radio, television, and newspaper) informed of project results. The committee also arranged celebrations as we achieved milestones in the BR&E process. This ongoing communication, acknowledgement, and celebration of successes helped build trust in the leadership team and BR&E process, and to maintain the project's momentum.

The *Survey Committee* developed the survey itself on the basis of surveys used by other communities engaged in BR&E.

Wherever possible, the *Red Flag Committee* addressed urgent concerns or requests voiced by survey participants so they could see that this long-term process also offered short-term results.

By means of sponsorship luncheons the *Finance Committee* raised \$30,000 in corporate donations and funds from various federal, provincial, and municipal government groups. Over the last three years it estimates that various community partners have contributed \$400,000 in in-kind co-ordination, administration, marketing, printing, photocopying, and office supplies. To this date an additional \$310,000 in funding to implement two of the chosen priority projects (Community Branding, Marketing, & Profile and the Regional Cluster Initiative) has been contributed by Western Economic Diversification Canada, and by the City of Swift

(below, left to right) Survey volunteer training, the downtown's new credit union building, and the launch of Swift Current's Brand.



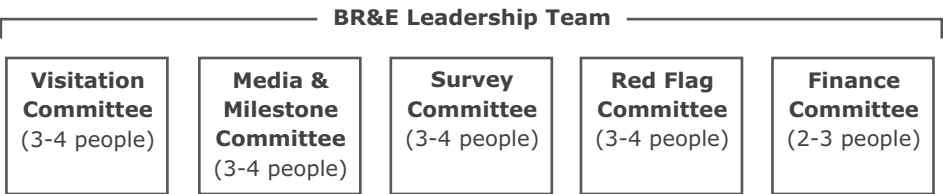
Current, the Southwest and Cypress Hills regional economic development authorities, International Trade Canada, and Canada-Saskatchewan Career and Employment Services.

#### 4. Business Visits & Follow-Up (3-4 months)

Working in teams of two, the survey volunteers each visited 1-4 businesses randomly selected from a list of registered businesses in the city and surrounding rural municipality. In the end, 498 out of 1000 businesses were approached, and 200 participated – a very high response rate.

business retention and expansion *per se*, they involved local housing and health and employment services, regional partnerships, joint marketing and information initiatives – and more information gathering.

Upwards of 70 local leaders, including people from the health, education, business, enforcement, and financial sectors, as well as the federal, provincial, and regional governments, then reviewed the report. They made additions, changes, and finally rated the projects as to their priority for the business sector.





## STAGES OF A BR&E VISITATION PROGRAM

### 1. Gauging Community Readiness

Do we have the dedicated core group, resources, & commitment?

### 2. Leadership Team Recruitment

Course Registration  
Informational Meetings

### 3. Project Planning

Begin Leadership Team Meetings & Orientation  
Volunteer Visitor Recruiting & Training  
Survey Development

### 4. Business Visits & Immediate Follow-up

Business Visits & Red Flag Response  
Volunteer Visitor & Business  
Appreciation Event

### 5. Research Report Review & Prioritizing

Data Tabulation  
Research Report & Research Review  
Meeting

### 6. Community Commencement Meeting

### 7. Implementation of Priority Projects



### 6. Community Commencement Meeting (2 months)

This was a community-wide event to celebrate the end of the visitation and strategic planning phase and the beginning of the implementation phase. All the leadership team members, volunteer visitors, and firms were invited as well as other local government, business, and community leaders, regional and provincial agency representatives, and citizens of Swift Current.

The meeting helped inform the entire community on the survey findings and the top ten projects. It also served to recruit more leaders to volunteer for a project that engaged their passion and expertise. Of the 200 people who attended, 50 more champions signed up and joined a project team. A committee of at least 10 committed volunteers was subsequently set up for each project.

### 7. Implementation of Priority Projects (1-3 years)

Project committees get to work, reporting their progress to the leadership team on a monthly basis.

## Results To Date

#### Business/Service Retention & Expansion

Swift Current's downtown has witnessed some dramatic improvement already: an \$8 million credit union building, two new restaurants, and a \$2 million, 20,000 square foot Myers Norris Penny accounting firm expansion. A number of independent stores have filled vacant buildings and old buildings have been demolished to make way for the new.

The City has implemented a property tax incentive policy for new and expand-

ing businesses (0% year 1, 0% year 2, 25% year 3, 50% year 4, 100% year 5) proposed by Action Swift Current. Since the tax incentive program came into effect 12 months ago, about 15 businesses have made use of it, resulting in over \$20 million of commercial construction. They are expected to create close to 80 new jobs, apart from those in the construction trades.

All City-owned highway commercial properties have recently been sold for commercial development. City Hall has also approved borrowing the largest sum of money in the city's history to help pay for numerous infrastructure projects. Prominent among these are a \$15 million wastewater treatment plant, a \$6 million civic centre expansion, relocation of City Hall, and a skate board park.

There are also some new information services to advance business development. To help businesses investigate start-up, expansion, and investor opportunities, the Chamber of Commerce, the Southwest Regional Economic Development Authority, Southwest Community Futures, City Hall, the Entrepreneurial Center, and Saskatchewan Industry and Resources have together launched a toll-free hotline, the "GROW Line For Business."

Finally, an Employer Apprenticeship Registry has been established to connect students with employers in the trade sector and reduce the "brain drain" of young people away from Swift Current after high school graduation. The premise of this initiative is to create more student awareness and interest in the trades sector. If the interest and demand for specific trades training increases, the College along with other private institutions are prepared to respond and provide more trades programs.

*Learn from Others. Some of the best (& worst) thinking, strategizing, & actions has already been done by other communities. So why do it all over? Swift Current took pains to find out what other places had done, & modeled its actions after their successes.*

(left, top to bottom) One of three new residential areas; a local manufacturer expands operations.

## 9Housing & Health Services

The Doctor Noble Irwin Foundation, Cypress Health Region, rural communities, and the City of Swift Current have been working to see a new hospital built, the Cypress Regional Hospital. Construction is slated to begin in April 2005 at an estimated cost of \$35 million. With the new hospital, Swift Current can meet the future health requirements of residents of the entire southwest region. This new state-of-the-art hospital will draw professional healthcare individuals to our community and ensure that health care – essential to quality of life – is available. This will play a key role in ensuring Swift Current remains a great place for future business investment and attraction.

We have also seen a tremendous increase in housing and condominium starts and renovations, including a new \$2 million seniors' residential condominium downtown. Housing prices increased approximately 10% in 2004.

### Regional Initiatives/Partnerships

A regional cluster initiative has been established, initiated by a broad range of leaders. The purpose of this initiative is to work on and support the formation of strategic alliances among small and medium-sized businesses and foster a climate in which these networks can grow and flourish. This project will ultimately see the development of four regional business networks involving the key industry sectors of the region: agribusiness, energy, manufacturing, and tourism.

A key relationship is emerging between Swift Current, First Nations, and the provincial government. The community has worked with the File Hills Qu'Appelle Tribal Council and the Saskatchewan Indian Gaming Authority to plan a \$23 million entertainment complex involving a casino, hotel, performing arts, and convention centre. It is projected to create over 200 full-time jobs, \$4.8 million annually in local salaries and wages, \$1 million in government revenues, and \$1.5 million for community development initiatives.

Another project, currently at the pre-feasibility stage, is the Southwest Beef Initiative. SBI is bringing together



*Act Now. Since we set the community goal of growth, there has not been a day on which we have not taken some action that moves our community towards that goal.*

stakeholders from across the southwest including the Rural Municipality of Swift Current, the City, First Nations, the cattle industry, research and financial institutions, and economic development organizations to explore the development of a beef processing plant that would test 100% of animals processed.

### Tourism/Marketing

A committee worked with the City to develop a “brand” to market Swift Current as a place to do business, live, and visit. The community has remolded its image to emphasize what Swift Current has to offer in terms of accessibility, affordability, culture, education, environment, health, recreation, and security.

“Experience This” is a project that is conceived as a way to turn Swift Current into a tourist experience economy by helping business owners get passionate about tourism and lead the way by creating unique and fun visitor experiences. In that vein, a Petroleum Park Interpretive Center is currently at the pre-feasibility stage. It is projected to require \$2.5 million for capital construction costs and to attract 40,000 tourists annually.

## A Community on the Move

Over the next years, the primary task of Action Swift Current is to keep on doing what it has been doing for the last three:

- Continued local leadership through dedicated volunteers, project committees, and an effective leadership team.
- Continued local commitment to the idea of community growth, and trust in the BR&E process as the way to accomplish it.
- Continued information gathering, and marketing and celebrating of successes.
- Continued progress on projects, old and new.

Action Swift Current has become a true community movement where individuals, businesses, and organizations are sharing ownership in the work and resulting successes of building a thriving community. This win-win situation for everybody is what sustains momentum. Three years into its life, Action Swift Current is not understood as a narrow, short-term project. Rather, people know it to be a long-term, complex, and community-driven strategy, informed, explained, and championed by local citizens.



DOUG HOWORKO is BR&E consultant for Saskatchewan Industry and Resources in Swift Current. Contact him at 306-778-8416 or dhoworko@ir.gov.sk.ca. Action Swift Current extends sincere thanks to all levels of government, business, and private citizens for their help in making this movement a success. All photos courtesy of Action Swift Current. To learn more about this initiative, visit [www.actionswiftcurrent.com](http://www.actionswiftcurrent.com).

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