

THE REAL ESTATE REALITY FOR BC'S SOCIAL PURPOSE SECTOR

Space for Community helps not-for-profits, social enterprises and artists with their real estate needs.

IDEAS FOR ACTION!

BIGGEST CHALLENGES

LACK OF AFFORDABLE SPACES

62% can't find affordable space

58% of artists spend over 30% of their operating budget on their spaces

Up to 35% increases in office rents in past 8 years with Surrey, Richmond, downtown Vancouver, Burnaby and Vancouver Broadway Corridor hardest hit

77% increase in property taxes for Vancouver based artist studios in five years leading up to 2019



INCREASE THE SUPPLY OF AFFORDABLE, SECURE SPACE

~50% note subsidized/donated space is key to their survival; these spaces are generally 2x larger than market spaces

Whether owned by not-for-profits, land trusts, coops, foundations or government, the top reported solution focuses on secure affordable non-market space

94% of places of worship provide space and 80% house 1-5 organizations

NOT SUITABLE SPACE

93% proximity to transit, clients/audiences, and to other affiliated agencies—is important. It is not as simple as moving to cheaper digs

80% of community services and artists indicate cost, security, accessibility, amenities, amount and layout of space does not meet needs

58% of social purpose organizations report a need to move, up from 43% in 2013 Rent Lease Own sister study



ADVOCATE FOR THE SECTOR

Incentivize private and public sector to see the economic and social value of making space available

Supportive policies to ease development, business licensing, permitting fees, regulations and navigating city halls

Changing the property tax context to an enabling environment that recognizes social value as part of highest and best use of space

NO LONG TERM SECURITY

40% of space is owned by private sector, ~40% public sector and 20% by not-for-profit/foundations

48% have lease contracts expiring within 1 year; 1 in 5 on month-month rental affecting sustainability of programs and services

50% + of evictions due to space being redeveloped or demolished

53% of facilities lack rental security to meet needs



FUNDING AND FINANCING OPPORTUNITIES

Increase grants that are specific to operating spaces and capital for acquisition, renovation and (re)development

Opportunities for traditional and non traditional funding tools exist with all levels of government, foundations, investors, financial institutions--from grants to loan guarantees, leveraging foundation capital investments, community bonds, community contribution companies and more

POOR FUNDING FOR SPACE MAINTENANCE AND CAPITAL

52% cite lack of funding for real estate operations, maintenance, renovations, development or acquisition of space

30% of Victoria/CRD social purpose orgs. need serious repairs, renovations, or building upgrades



DESIGN SPACES FOR SHARING

~21% of Canada's total flex office space is in Vancouver

75% are already sharing or interested in collocating space

Serving 1-500 groups: Community/social service and other social purpose orgs at ~33% each, arts & culture 24% and artists 8%

Municipalities with the highest interest in sharing space: Victoria, City North Vancouver, Vancouver, Surrey, Richmond and Nanaimo

HOW DOES THIS REAL ESTATE REALITY AFFECT BRITISH COLUMBIANS?

Who is Affected?

Everyone! If you love the arts, access recreation, have children, youth, seniors, low income, newcomers, or others needing help or support amongst your family and friends.

The BIG Impact

Not-for-profits, social enterprises and artists provide the 'glue' that helps build individual and community strength and resilience. When there is no space for community—we all suffer. Our society, our culture, our environment.

BC is home to 25,000 not-for-profits societies engaging 62% of British Columbians as volunteers

Space for Community participants alone, employ 11,000 people, with over 6M per year attending or participating in programs and services

Space for Community participants occupy 3.9M sqft in real estate assets

BC Economy

With \$6.4B in GDP, the not-for-profit sector alone (not including arts & culture and social enterprises) is larger than BC's agriculture, forestry, fishing and hunting sectors combined.

IMPACT OF THE PANDEMIC

On Organizations:

Uncertainty, financial strain and reductions in funding, while costs ongoing

Massive increase in demand for services, revealing the vital role of not-for-profits in a crisis

On Space:

Increased need for space due to massive increase in demand for services + physical distancing requirements

Need for different types of space – adaptable, flexible to changing needs

Increase in space costs - cleaning and sanitization, renovations to meet pandemic guidelines

Increase in sharing of space

Increase in digital infrastructure

Decreased need for space due to reductions in employees/volunteers, shift to home-based work, closure of programs where distancing not possible, funding redirected or reduced

Capital projects halted in mid-stream or no longer viable

Closure of community spaces for gathering, socializing, exchange, learning, with small orgs/renters most vulnerable to losing space

Changes in the social purpose space ecosystem with temporary and permanent closures

THE STUDY

The 2021 Space for Community: Understanding the Real Estate Challenges Affecting the Social Purpose Sector in BC, builds on the landmark 2013 Study, RENT – LEASE – OWN.

Together they represent close to a decade of research invested in supporting not-for-profits, social enterprises and artists with their real estate needs. While improvements have been made, the crisis in affordable, suitable space continues—made worse by the 2020 Covid-19 Pandemic and ongoing issues of racism and discrimination.

WHO PARTICIPATED?

632 facilities and spaces owned by:

64% registered charities
15% not-for-profits (not registered charities)
14% independent artists
3% for profit social enterprise
2% not-for-profit social enterprise
1% coops

WHERE?

Across BC—in particular the 'affordability challenged' areas of Vancouver, Richmond, Surrey, City of North Vancouver, Victoria/CRD, Metro Vancouver and regions around Nanaimo, the Sunshine Coast, and Okanagan.

SPACE FOR COMMUNITY FUNDERS

Real Estate Foundation of BC, BC Housing, Real Estate Institute of BC, Vancity Community Foundation & Vancity Credit Union, Community Impact Real Estate Society, the Land Economics Society – Vancouver Chapter, Central City Foundation, City of Victoria and Social Purpose Real Estate Collaborative members.

COMMISSIONED BY

Social Purpose Real Estate Collaborative (SPRE)

Social Purpose
REAL ESTATE 
COLLABORATIVE

Real Estate Institute of BC (REIBC)

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Access the 2021 Space for Community Report [HERE](#)
Access the 2013 Rent Lease Own Report [HERE](#)