

# Case Studies in Social Purpose Real Estate

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# Acknowledgements

This report is submitted to the School of Community and Regional Planning at the University of British Columbia in fulfilment of the Capstone requirement of the Master of Community and Regional Planning Degree. The case studies in the report were written for the Social Purpose Real Estate Collaborative (SPRE). I would like to acknowledge my supervisors at UBC and SPRE, Dr. Maged Senbel and Jacqueline Gijssen for their support.



I acknowledge that the research and writing of these case studies and this report have taken place on the traditional, ancestral, and unceded territory of the Coast Salish Peoples. The majority of this work has taken place on the territory of the Musqueam, Squamish, and Tsleil-Waututh First Nations. The interviews and site visits for two of the case studies also took place on the territories of the Katzie, Semiahmoo, and Kwantlen First Nations, and of the Lkwungen People of the Songhees and Esquimalt First Nations.

I am grateful to have spent most of my life on these lands. I look forward to finding meaningful ways to uphold this acknowledgement as I work toward planning for justice in an inherently land use- focused profession.

Last but certainly not least, I would like to thank those I interviewed for the case studies. Thank you to the following people for sharing your time, expertise, and memories with me:

#### **Broadway Youth Resource Centre**

- Calum Scott: Director of Operations-Vancouver, at Pacific Community Resources Society (PCRS)
- Allison Parker: Manager, Broadway Youth Resource Centre at PCRS
- Zach Batalden: Manager, Vancouver Housing and Transition Programs at PCRS
- David Eddy: CEO of Vancouver Native Housing Society
- Ingrid Kastens: former CEO of PCRS (responses provided to select questions by email)
- Debbie Anderson Eng: current CEO of PCRS, Senior Social Planner at the City of Vancouver at the time of the redevelopment

#### **Semiahmoo House Society**

- Paul Wheeler: Executive Director of Semiahmoo House Society (1998 - 2013)
- Ellen Powell: Director of Finance of UNITI partner societies
- Doug Tennant: Chief Executive Officer (CEO) of UNITI partner societies
- Marie Sabine: UNITI Board member, Chorus tenant's parent
- Jasper Macabulos: Chorus Apartments Building Manager and tenant
- Cam Groves: Tenant at Chorus Apartments and UNITI employee

#### **Dave Pranteau Aboriginal Children's Village**

- Marcel Swain, CEO of Lu'ma Native Housing Society and sister societies
- Andrea Foster, Project Manager at Lu'ma Native Housing Society
- Jennifer Loh, Controller at Lu'ma
- Simon Davie, Principal and Chief Operating Officer at Terra Housing
- Patrick Stewart, Architect, Patrick Stewart Architects

#### **Victoria Social Innovation Centre**

- Jane Taylor Lee: Executive and Clinical Director of Family Services of Greater Victoria (Family Services)
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- Mark Fulmer: Community Business Account Manager at Vancity Credit Union
- Bruce McGuigan: Past ED of Family Services of Greater Victoria, Founding Director of the Victoria Social Innovation Centre (VSIC). Current Director, Board of Victoria Immigrant and Refugee Centre Society
- David Lau: ED of Victoria Immigrant and Refugee Centre Society, Founding Director of VSIC

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# Introduction

Social Purpose Real Estate, the Social Purpose Real Estate Collaborative, & This Document



# Background

## Social Purpose Real Estate

Social purpose real estate is real estate owned and operated by mission-based organizations for the purpose of community benefit.<sup>1</sup> There is endless variation in the forms these spaces take, including program spaces, mixed-use community service spaces, non-market residential, office spaces, and more. Not-for-profits and social enterprises, collectively referred to as social purpose organizations, are hard hit by today’s affordability challenges, making the spaces they own and operate a valuable subject of study and advocacy in order for the blended value returns they provide to society to be maintained.

## The Social Purpose Real Estate Collaborative

The Social Purpose Real Estate Collaborative (SPRE) is made up of 19 organizational funders and investors in social purpose real estate. Based in Vancouver, SPRE’s members work together to build awareness and capacity across the social purpose sector and its partners to help ensure safe, suitable, and sustainable spaces for not-for-profits and social enterprises across British Columbia.<sup>2</sup>

In addition to the work SPRE members do in the field individually, the Collaborative conducts a range of activities including leading capacity building workshops, providing policy advice, and developing ground breaking research on the issues and opportunities facing social purpose real estate. Case studies, one element of SPRE’s research work, are rigorous, deep dives into successful examples of social purpose real estate projects. SPRE uses case studies for two main aims: to celebrate and amplify the incredible work done by non-profits in British Columbia in the area of real estate, and to create thorough documentation of the processes that made these examples possible as resources for other organizations considering similar projects. There are eight case studies on SPRE’s website written in 2017 and 2018, and through my Mitacs internships and capstone work with SPRE, those written in 2019 and 2020 will bring the total to 12.



Cultural Services  
Social Policy & Projects  
Affordable Housing



Government of Canada

Gouvernement du Canada

# This Document

## Reading Case Studies

This document includes four case studies, researched and written between September 2019 and April 2020 that, in another format, are shared on SPRE's website, which can be accessed at <https://www.socialpurposerealestate.net/case-studies-list>.

The case studies offer an indepth account of the process and factors that went into realizing a given social purpose real estate project. Each case study is organized according to the following key areas:

### SYNOPSIS

- Provides an overview of the real estate project, emphasizing the ways it is unique and inspiring

### CONCEPT & NEED

- Gives an account of the narrative of the project's beginnings, with particular emphasis placed on how the concept originated, what the vision for the space encompassed, and what needs the project was created to address

### PARTNERSHIPS & PEOPLE

- Acknowledges the various individuals, organizations, and funders who partnered to make the project happen

### PLANNING, FEASIBILITY, ACQUISITION & (RE)DEVELOPMENT

- Outlines the project timeline and highlights any key elements of the planning and development process

### BUSINESS MODELS & OPERATIONS

- Discusses the business and operational models of the space or facility, emphasizes any key or unique features

### FUNDING & FINANCING

- Shares the key financial steps and elements of the project and a summary of the project expenses and revenue

### IMPACT & LESSONS LEARNED

- Summarizes the key takeaways of those involved in the project

## Methodology

The data collection for this research consisted of 13 one-on-one interviews and two focus groups (involving a total of 7 people), supplemented by informal follow-up discussions and desk-top research. The interviews and focus group participants were selected to provide a holistic perspective on the projects in question, and interviewees therefore included staff of all levels and representatives from partner organizations including financial institutions and development management firms.

# Broadway Youth Resource Centre & Kwayatsut

Case Study

## Space Profile

**Space/Facility Name:** Broadway Youth Resource Centre (BYRC) and Kwayatsut Housing

**Name of the Tenant:** Pacific Community Resources Society (PCRS) and Vancouver Native Housing Society (VNHS)

**Society Mission – PCRS:** Inspiring healthy and inclusive communities through leadership and collaboration.

**Society Mission – VNHS:** Vancouver Native Housing Society's mission is to provide safe, secure and affordable housing for low income Indigenous and non-Indigenous individuals and families in Vancouver.

**Organizational Type—PCRS:** Registered non-profit and charity

**Organizational Type—VNHS:** Registered non-profit and charity

**Owner – Land:** City of Vancouver

**Owner – Building/Improvements:** BC Housing owns the building, and VNHS is responsible for tenant improvements

**Rent/Lease/Own:** Vancouver Native Housing Society holds a head lease from the City, and Pacific Community Resource Society sub-leases the BYRC from them

**Address:** 2455 Fraser St, Vancouver, BC V5T 0E5

**Square Footage/ Size:** BYRC is 14,000 sf, and Kwayatsut is 103 units

**Year Opened:** BYRC originally opened in 1999, Kwayatsut and the redeveloped BYRC opened in November 2014

**Space/Facility Type:** community facility, multi-purpose, non-market residential

### Programs/Services:

- PCRS partners with a variety of community, health, social service and educational organizations at the BYRC to deliver a wide range of programs and services for youth aged 13 to 25. These include mentorship, leadership, and skills programs; high school education through an alternative school; and counselling, housing, food, and medical services. BYRC gives youth access to basic needs such as showers, laundry, and food, and access to other PCRS services including substance use support, the Vancouver Youth Housing Program to support youth at risk of homelessness, the Youth to Adult Transition Program to support youth transitioning from foster care to independence, SHIFT Employment Program to help youth develop culinary skills for employment, and a number of youth and family support programs
- VNHS manages Kwayatsut, which includes 103 supportive housing units. Thirty of these units are operated collaboratively with PCRS, and are designated for youth, with 10 each reserved for LGBTQ2S+ youth, Indigenous youth, and youth in government care.

**Website – PCRS:** <https://pcrs.ca/>

**Website – VNHS:** <https://vnhs.ca/>

## Synopsis



BYRC and Kwayatsut as seen from Fraser St.<sup>3</sup>

Pacific Community Resources Society has operated the Broadway Youth Resource Centre (BYRC) on the corner of Broadway and Fraser in Vancouver since 1999, providing a wide range of services to at risk youth and youth experiencing homelessness. The City of Vancouver bought the site to preserve it for the BYRC in 2007 and in 2011, the City, in partnership with BC Housing, identified it as one of 14 City-owned sites they would redevelop in order to increase the number of social housing units in the city, while preserving BYRC on the site. Between 2011 and 2014, the site was redeveloped to include a new, purpose-built space for BYRC, and 100 units of social housing, which included 30 units for youth. The Youth Resource Centre includes a medical clinic, counselling services, an alternative school, a commercial kitchen, and access to basic services like showers and laundry for youth in the community—all in a purpose-built space. The housing side of the site is operated by Vancouver Native Housing Society, in a partnership created to enable and support the redevelopment. BYRC and Kwayatsut are an inspiring example of multiple levels of government coming together with established non-profit organizations to create a truly collaborative, multi-faceted model for service and program delivery for at risk youth and those experiencing homelessness.



## Concept & Need

**“The concept/idea of the BYRC is an ‘ungated,’ accessible one stop service hub, including attached housing, targeting local Mt. Pleasant / Midtown Vancouver youth with barriers (and of course endless potential), in order to keep our local young people from drifting to the Downtown Eastside, which can become a one way street.”**

– Ingrid Kastens, former CEO, PCRS

The Broadway Youth Resource Centre (BYRC) first opened its doors at the corner of Fraser and Broadway in Vancouver in 1999. Its opening represented the culmination of a partnership between British Columbia’s Ministry of Child and Family Development (MCFD), the City of Vancouver, and Pacific Community Resources (then called Nisha Children’s Society). In the late 1990s, MCFD was restructuring a number of its contracts, and was looking for ways to improve service delivery for youth through collaboration and colocation.

MCFD, the City, and Nisha were aware of the issues facing a growing number of youth in Vancouver’s Mt. Pleasant neighbourhood. The neighbourhood’s demographics were made up of many renters, low-income households, newcomers to Canada, and a large population of vulnerable youth who had nowhere to go to access the services they needed. Once the space at Fraser and Broadway, then run by a private landlord, had been identified and leased, the result was the first BYRC, envisioned as a one-stop shop for youth ages 16 to 24 to access multiple services. The space, one of six commercial rental units (CRUs) on the site, was 7,005 square feet in size, and offered services including healthcare, alternative schools, and basic needs such as laundry, showers, and food. BYRC was one of four youth hubs created across Vancouver by this intergovernmental initiative around the same time.

Roughly a decade after it opened, the BYRC’s landlord decided to sell the property. Seeing this as an opportunity to secure the site, then manager of BYRC Robert Wilmot approached the



**“Lots of youth were not accessing some of the more traditional places where youth could go like community centres. A lot of them were a little bit older so they weren’t welcome in places like the Boys and Girls club because they were over 18 or 19, so there just was really nowhere for these young people to go, so that’s where the idea of having a youth hub really [came from]... It was a combination of need for the youth community and an interest from funders, particularly the Ministry of Child and Family Development, to create these hubs where they could co-locate and have multiple services operating in a one-stop shop,”**

– Debbie Anderson Eng, CEO, PCRS

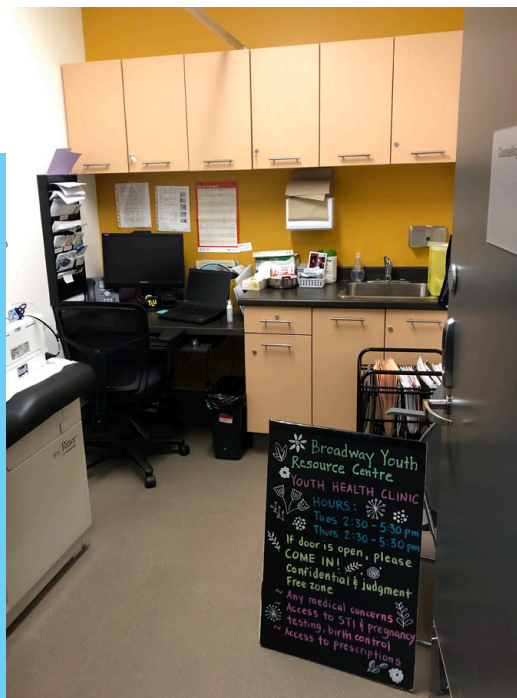
City of Vancouver about the possibility of them buying the site to preserve it for BYRC in perpetuity. The request came to Debbie Anderson Eng, who was then a Senior Planner at the City. Anderson Eng instigated the internal discussions that resulted in the City buying the site, ensuring that PCRS could continue to run BYRC there.

A few years later, the City once again partnered with the provincial government, although this time through BC Housing, to tackle the growing challenges around homelessness in the province. Part of the impetus for the partnership at the time was the 2010 Olympics, which created an opportunity for the City to showcase their approach to housing vulnerable people to the world. They identified 14 City-owned sites to redevelop in order to provide supportive and affordable rental housing, of which the BYRC site was one. The plan was to redevelop the site to create a purpose-built space for the BYRC, while adding 103 units of affordable housing and several CRUs along Broadway. In order to do this, the City facilitated the creation of a partnership between PCRS and Vancouver Native Housing Society (VNHS), as PCRS had little experience operating housing directly at the time, and the two organizations had worked together successfully in the past.

**“We house members of the urban Indigenous population, Broadway Youth’s clientele was at least 50%, and I think close to 60%, Indigenous. We have buildings for seniors, we have buildings for families, and we have building specifically for women, and one of the groups we didn’t have a building for was youth, and so this really helped fulfil our mandate on the youth end of things.”**

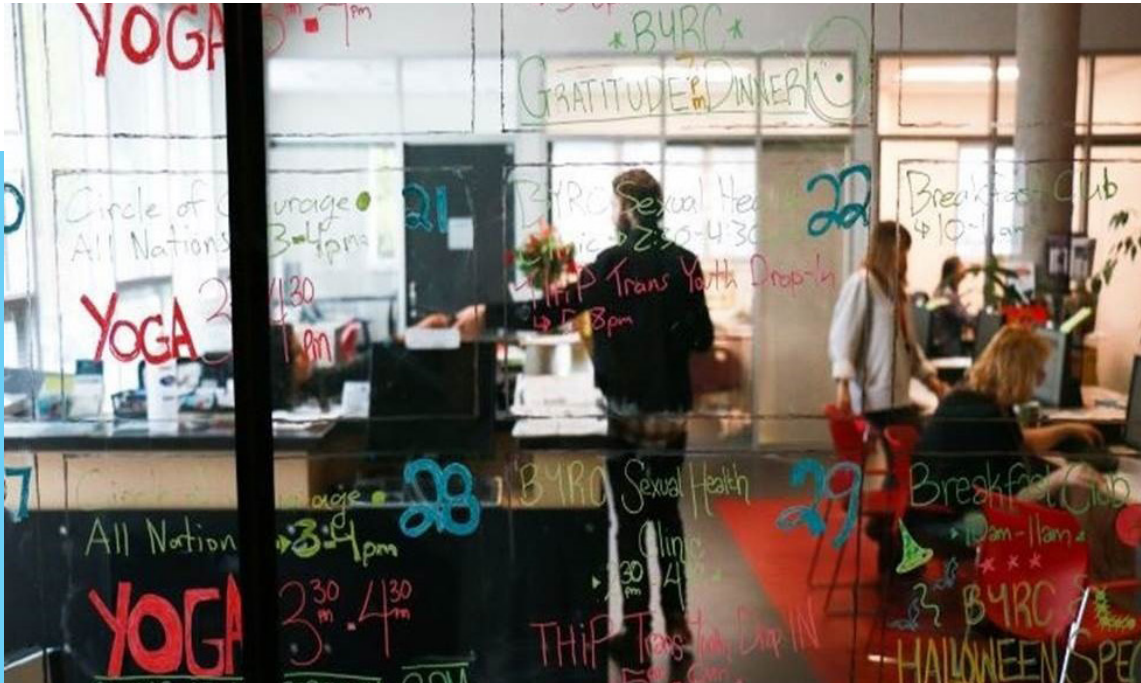
– David Eddy, CEO, VNHS

The newly purpose-built BYRC opened in November 2014, along with the attached housing, Kwayatsut. In terms of strategic direction, the BYRC site’s earlier purchase by the City and subsequent redevelopment also aligned well with PCRS’s interest in either owning or more directly managing their spaces moving forward. The addition of social housing units and the partnership with VNHS allowed PCRS to offer safe, secure housing to their program participants, representing an expansion of the on-site support they are able to provide. Prior to the redevelopment, the PCRS Housing and Transition Programs team helped youth secure housing in the private rental market. This had always been difficult to achieve with highly variable levels of quality in the private stock and increasing issues of affordability as the cost of living in Vancouver began to soar. The partnership with VNHS was the beginning of PCRS being able to offer secure housing directly to their clients. This was matched with VNHS’s mission to “provide safe, secure and affordable housing for low income Indigenous and non-Indigenous individuals and families in Vancouver.” Together PCRS and VNHS added tremendous value to the city’s social services and housing stock with the 103 units at Kwayatsut and the new Broadway Youth Resource Centre.



The concept of a youth hub includes access to key services, including the youth primary health care and sexual health clinics (operated in partnership with Vancouver Coastal Health).

## Partnerships & People

BYRC Resource Room<sup>4</sup>

Throughout BYRC's over-20-year history, a number of people and organizations have been involved. In its current form, the two major players organizationally are Pacific Community Resources Society and Vancouver Native Housing Society, who operate the Broadway Youth Resource Centre and Kwayatsut respectively. The Ministry of Child and Family Development were a major funder of the original BYRC's creation and continue to provide the majority of the staffing dollars required to operate. BC Housing largely funded the redevelopment and the housing operations, and the City of Vancouver has also been a key partner, as the owner of the site.

On an individual level, Ingrid Kastens, past Executive Director and CEO of PCRS championed the project from the BYRC side, and David Eddy, CEO of VNHS, was an equal champion of the project from the Kwayatsut side. Debbie Anderson Eng worked in her role at the City of Vancouver to help establish the original BYRC in 1999, then again with the City's purchase of the site. She is now PCRS's CEO. Leading up to the site's redevelopment, BYRC's manager Robert Wilmot was a champion of the project and the key contact person in setting up the partnership with VNHS. During the redevelopment, Jocelyn Helland took over as manager of the BYRC, and her clear vision for the space has had a lasting impact on its ultimate layout and use.

**"Well, there's a number of stars that had to align for this to happen, and one of them was the partnership to be created on this particular building... The site was owned by the City of Vancouver and [they made it] available... to BC Housing, as sites where social housing and other social purpose real estate could be built, so because BYRC were there originally and they had this great relationship with the City and they needed a social housing partner to make their housing work, and because they'd worked with us in the past we had a great relationship with them, they asked us if we would partner with them and we said yes. We needed all those things to put it together."**

- David Eddy, CEO, VNHS

Other key players in BYRC are the organizations PCRS partners with to provide services. As the diverse services it provides are central to the BYRC's purpose, the organizations that work together to provide them are invaluable. These organizations and programs include:

- **The Vancouver School Board**, in partnership with PCRS and Vancouver Coastal Health, operates the East Van Education Centre at BYRC. The East Van Education Centre is an alternative school that offers a supportive environment with a high staff-to-student ratio for students working to complete Grades 8-12 who experience difficulties in a regular school environment.<sup>5</sup>
- **Vancouver Community College** operates their Adult Basic Education Program out of the BYRC, which helps youth 15-18 complete Grade 10, and certain Grades 11 and 12 courses, in a supportive learning environment.<sup>6</sup>
- **Vancouver Coastal Health** operates a Youth Clinic that provides free, drop-in services provided by trained health care professionals to address sexual health, contraception, and general counselling; a primary health youth clinic; and a Substance Use Day Treatment program out of BYRC.<sup>7</sup>
- **Leave Out Violence (LOVE) BC** runs youth-driven, arts and skills-based programs to end the cycle of violence experienced by youth. To achieve this, LOVE BC works with youth to build their emotional intelligence and leadership skills through strong relationships. The programs they offer at BYRC include a weekly art drop-in night, a leadership program, and special events like art shows.<sup>8</sup>
- **Check Your Head** is a non-profit that works to educate, activate, and empower youth to create change and get involved in community movements through opportunities including workshops, mentorship, and leadership skills training. Their administration and programs are based out of BYRC.<sup>9</sup>
- **City University of Seattle in Canada (CityU)** is a not-for-profit post-secondary institution that operates the City University Community Clinic at BYRC, where Master of Counselling students provide free counselling to youth. CityU has been partnering with BYRC since it first opened in 1999.<sup>10</sup>
- Other partners in BYRC include **Boys & Girls Clubs of Canada, Urban Native Youth Association, Adler University, Aunt Leah's Place, Vancouver Aboriginal Children and Family Services, and Mount Pleasant Neighbourhood House (MPNH)**.<sup>11</sup>



Leave Out Violence BC (LOVE BC)  
bc.leaveoutviolence.org



ABE Program, Vancouver Community College (VCC)  
www.vcc.ca



Boys and Girls Clubs of Canada  
www.bgebc.ca



Urban Native Youth Association (UNYA)  
unya.bc.ca



Vancouver Coastal Health (VCH)  
vch.ca



City University (CityU)  
cityuniversity.ca



Adler University  
www.adler.edu



Aunt Leah's Place  
auntleahs.org



Vancouver School Board  
www.vsb.bc.ca



Vancouver Native Housing Society (VNHS)  
vnhs.ca



Vancouver Aboriginal Children and Family Services Society (VACFSS)  
www.vacfss.com

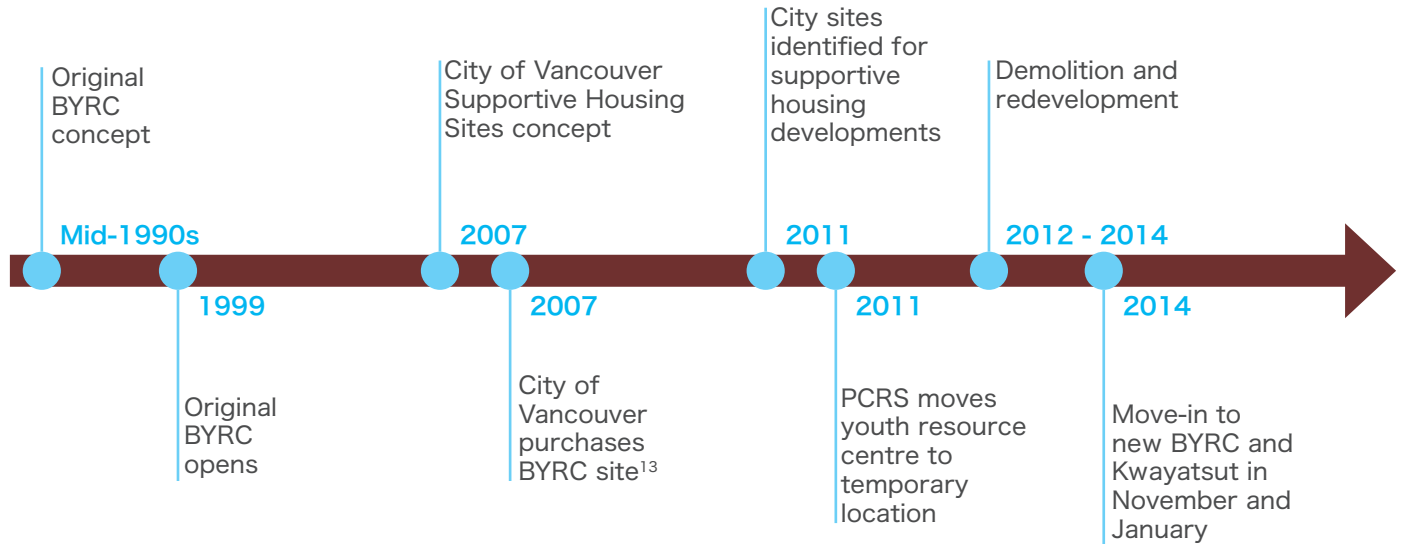


MPNH  
Mount Pleasant Neighbourhood House (MPNH)  
www.mpnh.org

BYRC partners' logos<sup>12</sup>

# Planning, Feasibility, Acquisition & (Re)Development

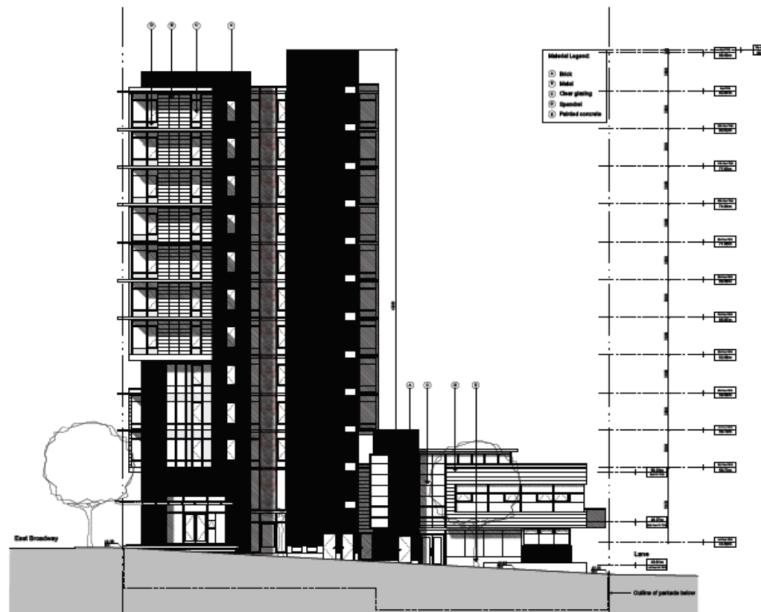
## Project Timeline



**“In many ways the history/reputation/everything we had done to date over the prior decade since opening the Broadway Youth Centre was part of the "timeline"/reason we were able get support for our social purpose real estate project.”**

- Ingrid Kastens, former CEO, PCRS

Generally, in social purpose real estate projects, owners and operators—be they not-for-profit, government, or a mix including private sector—will undertake a variety of feasibility analyses before redevelopment. However, because BYRC was a well-established program, run by a long-standing, successful organization (PCRS was founded in 1984), and because the non-market housing partner, VNHS, was also a long-standing, successful provider/operator, no feasibility studies were deemed necessary for the redevelopment. The need for both the BYRC and housing programs were clearly evidenced through their prior operations. In addition, the City of Vancouver had done significant research into tackling homelessness, through their 2007 Supportive Housing Strategy, and understood the need for sites like Kwayatsut and the BYRC.<sup>14</sup> The fact that PCRS had ongoing operating dollars secured and committed contributed to getting funders on board with the project.

Fraser Street Elevation<sup>15</sup>

With regards to community engagement, prior to the original BYRC's establishment, 100 residents, youth and parents helped create a vision document which guided BYRC for its first decade of operation. During the redevelopment, public hearings were held, and at that time some community opposition emerged. However, since the Centre had already been operating in the neighbourhood for over a decade, by the time the redevelopment occurred, the main concern of nearby residents was really only the height of the Kwayatsut residential tower, which was decreased by two storeys as a result.

**"There was very little pushback about there being a youth centre there because the youth centre had already been there for at least a decade and had operated really well in collaboration with the local neighbours and businesses, so it wasn't a concern about the youth, it was concern about the building form and scale."**

- Debbie Anderson Eng, CEO, PCRS

Once BYRC opened in 2014, a Community Advisory Committee was established to resolve possible issues. Made up of half community members and half BYRC partner organizations, the Committee met over the first few years with decreasing frequency. As issues did not emerge, existing tensions dissipated, and the Committee has now disbanded.

**"That's been probably the biggest victory of all of this is that it's really been a shining example of how bringing in this kind of purpose-built site for people who are at risk or people who are dealing with all sorts of issues that surround homelessness don't bring negative things to the community in terms of impact, in fact housing stabilizes it."**

- Calum Scott, Director Operations - Vancouver, PCRS

## Business Models & Operations

Clearly, the idea of partnerships is key to the operational model of BYRC. The City of Vancouver owns the site at Broadway and Fraser, and VNHS holds the head lease for the building. PCRS holds a sublease from VNHS for the BYRC side of the building, and the two organizations have a clear understanding of their joint and separate responsibilities. Within BYRC, PCRS partners with other organizations to provide services. Several of these organizations hold formal memoranda of understanding with PCRS that dictate their terms of use. On the Broadway-facing side of the building, the City of Vancouver manages commercial leases directly, and is careful to select tenants that are suitable to be in proximity to the youth next door.

On the main floor of BYRC there are several PCRS administrative and program offices, and a large Resource Room with computers and comfortable seating for youth to come to connect with each other and the available services. There are also administrative spaces for partner organizations, the Youth Health Clinic exam rooms, counselling spaces, a dining room, and a commercial kitchen where the culinary employment skills program takes place. On the second floor, there are several classrooms for the alternative school operated by VCC and the Vancouver School Board, a staff lunchroom, and several meeting and programming spaces used by the various partner organizations. These organizations and the programs and services they deliver are essential to the BYRC model. On the Kwayatsut side, shared spaces include a large computer lab, a lounge, and a rooftop terrace and garden.

**“One of the intangibles of a space like this is for somebody to walk in who’s having a rough day or month or year, to come into a space where they’re being welcomed, and... as they get to understand that this was a space that was built for them, there’s something about that that’s hard to measure, but I have true belief that that does make a difference for people to feel that.”**

– Calum Scott, Director of Operations - Vancouver, PCRS



BYRC Mainfloor Hallway

The Kwayatsut residential tower contains 103 units with the majority of these apartments dedicated to adults from BC Housing's Supportive Housing Registry. Each of these tenants is identified through a Vulnerability Assessment Test. VNHS is their property manager and landlord. The remaining 30 units in Kwayatsut are designated for youth: 10 for LGBTQ2S+ youth, 10 for Indigenous youth, and 10 for youth in government care. These populations are overrepresented among youth experiencing homelessness. When Kwayatsut and the new BYRC opened, they were the first social housing development in Canada to have units designated specifically for LGBTQ2S+ youth.

Of the 30 youth units, 20 are for youth 19-24 years old. These tenants are selected from PCRS's Housing waitlist, which the organization updates constantly. The other 10 units are for youth under 19 years of age, and these tenants are referred to PCRS by the Ministry of Child and Family Development and Vancouver Aboriginal Child and Family Services Society. While VNHS is the landlord and property manager for all tenants in Kwayatsut, the youth tenants hold program agreements with PCRS to help them manage this relationship and to provide them support as needed.

While BYRC is operationally stable and sustainable, PCRS has learned a few lessons and had to fill a few gaps since moving into their purpose-built space. Striking the right balance of funding and staff to take full advantage of the doubled space available to them has been an adjustment for PCRS as they expand and work to optimize the space. A key part of making this work is being able to communicate what is needed operationally, in order to create the best supports possible for the youth using the space, to funders so sufficient levels of funding are provided to hire the people they need. As it currently stands, the average annual operating budget of BYRC is approximately \$2.3 million.

One of the adjustments PCRS has had to make as a result of BYRC's increased size and evolving programming was to the supervisory structure of the Centre. Additionally, they did not receive enough funding immediately after the new site opened to hire enough youth workers. After they had a few years of data on critical incidents in the Centre, they were able to increase the youth worker-to-youth ratio, and the number of incidents dropped immediately. This structure represents an important element of the BYRC: rather than installing cameras to ensure safety, PCRS made the choice to have more staff, and to encourage safety through relationships and connection.

**"You can't be doing social service work in Vancouver and not have some at least connection to housing... it's just such a central piece of the need of the people in Vancouver that you can't avoid it."**

- Zach Batalden, Vancouver Housing and Transition Programs Manager, PCRS



East Van Education Centre Reception



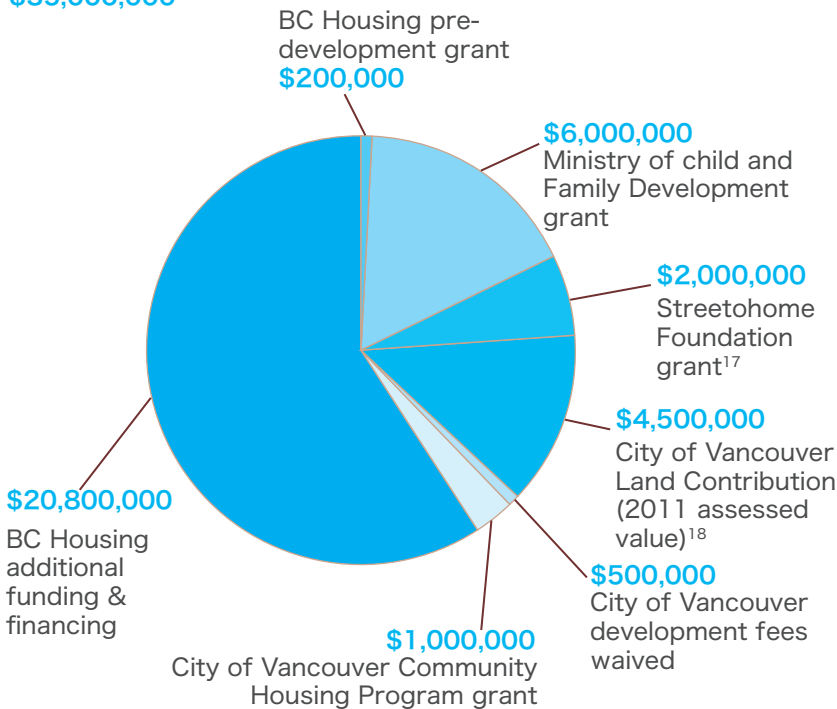
## Funding & Financing

A unique element of this redevelopment project is that there was no capital campaign in order for it to be completed. Calum Scott calls it a “shining example” of when different levels of government work effectively together: the City of Vancouver owns the land and has leased it for a nominal pre-paid amount to VNHS and waived property taxes for a 60-year term, BC Housing owns and provided funds for the building, and MCFD funded the building envelope of the Resource Centre side. Ingrid Kastens, formerly of PCRS, emphasizes that this commitment from MCFD took “leadership, creativity and courage” on the part of the Vancouver Coastal Region leader of MCFD. Coast Capital Savings and the Streetohome Society also contributed \$20,000 per housing unit to the redevelopment.

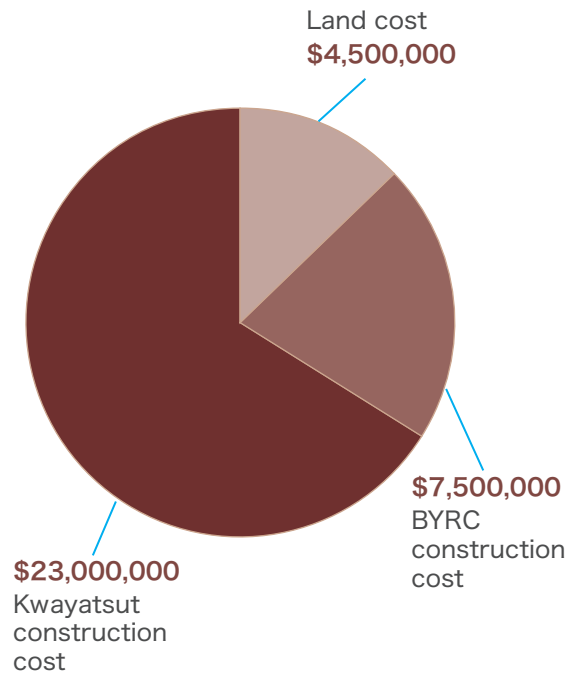
Gaining the confidence of funding partners in this manner takes a strong and financially stable partnership. The partnership between PCRS and VNHS, noting their existing, ongoing funding for their own programs, was key to securing funding and managing the redevelopment. PCRS’s commitments to market rent dollars for their program spaces (paid by their various program partners), gave funders further security to commit to the project. It was also essential that the Board of Directors of both organizations fully understood and supported the project.

All capital funds for the project were secured in full, allowing the redevelopment to be completed without loans or debt. The Memorandum of Understanding between the City of Vancouver and BC Housing that led to the redevelopment of the City-owned sites for social housing specified that the City would provide the land and BC Housing would provide the pre-development and construction funds in partnership with other funders.<sup>16</sup> In total, the cost of the BYRC portion of the building was roughly \$7.5 million and the total cost of the overall project including the housing was approximately \$35 million dollars. BC Housing also committed \$18.8 million to BYRC and Kwayatsut longterm operations.

**Total project revenue: \$35,000,000**



**Total project Expenses: \$35,000,000**



## Impact & Lessons Learned

**“The redevelopment project enabled the Youth Resource Centre to have a permanent home that was purpose-built for having a youth centre. And it’s a really nice space. A lot of times youth get crappy spaces to have to come to, so this was really providing young people a brand new, very nice space where they could access their health needs, education needs, substance use needs, housing, social, and recreational [needs].”**

– Debbie Anderson Eng, CEO, PCRS

The Broadway Youth Resource Centre redevelopment project has surpassed the expectations of all those involved. Zach Batalden from PCRS points to the fact that the redevelopment project and the new space opened doors for PCRS and helped them build new partnerships and increased momentum in the sector, saying, “we used to be a tiny player in Vancouver, and we’ve become one of the biggest youth housing providers.” The project has made PCRS a national leader in youth housing and service delivery.

With the facility also providing space for other agencies and community groups to rent after hours, it is achieving both VNHS and PCRS’s goal of being a community hub through all the services they provide. David Eddy of VNHS comments that the space is very welcoming and comfortable, and that the community garden is well used. There is a vibrant community within the building, and the programs and services offered complement each other successfully. Allison Parker, BYRC’s manager, comments that one of the space’s successes is that youth come in “not just as recipients of a service, but real participants in a community space.”

**“The intent of this building from PCRS’s end was really about building a purpose-built space for youth where they can be housed and we can provide excellent service... and it’s really inspired positive change in the neighbourhood, which is great.”**

– Calum Scott, Director of Operations - Vancouver, PCRS



East Van Education Centre classroom

The impact on staff of the new space has been positive as well. For the most part, they do not spend much time thinking about the space: which is an unlikely marker of its success. The purpose-built nature of the building, and its superior quality to the previous space and the temporary one used during the redevelopment, make service delivery and management easy in comparison. Without surprise, there are some operational hiccups. While the site was purpose-built for PCRS's uses, because it was part of a larger, City-led initiative involving multiple sites, the design process and resulting layout are not as flexible as they might have been otherwise.

Perhaps the central takeaway from this project is ensuring the compatibility of partner organizations involved. In such a close partnership, it is essential that the organizations' values, missions, and visions for the space are well aligned. Ideally, this should be established at the ideation stage, to avoid tensions or conflict down the line. Staff from both VNHS and PCRS highlight the success of their partnership, and the ways it has allowed their organization to grow and learn. Funding partners are also essential, and this project highlights the necessity of having these lined up, and the incredible outcomes possible when major funders are fully on board with a project.

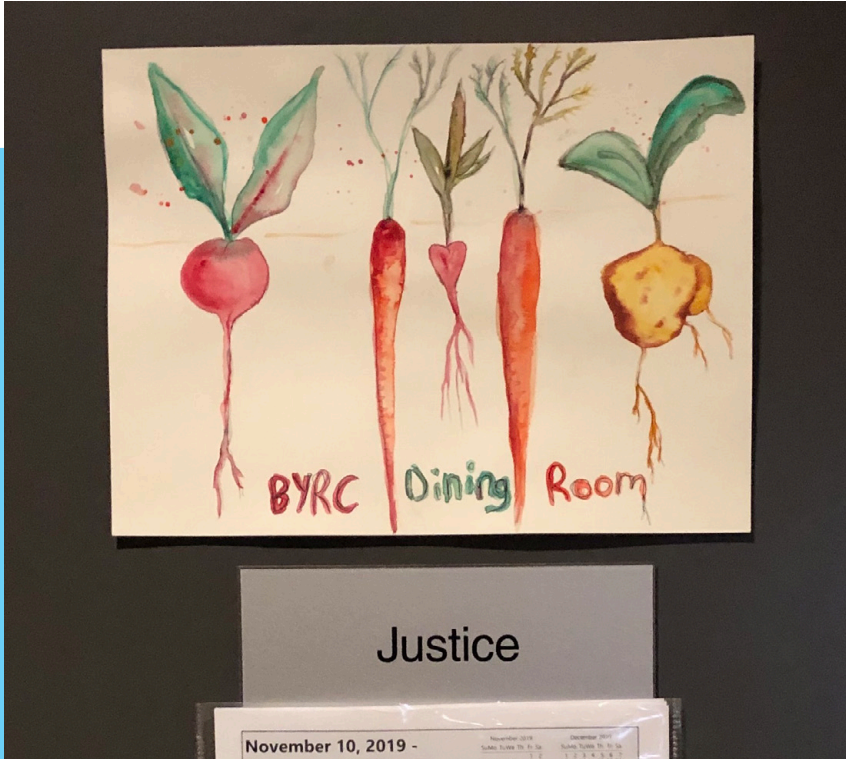
Another major takeaway from the redevelopment of BYRC is around the importance of the intentionality of designing a purpose-built space. This includes gathering feedback from the people it will affect the most: users of the space and the frontline staff delivering services to ensure it will truly meet their needs. This includes understanding the programs that will take place in the space before the design is completed, thus ensuring each is accounted for within the resulting building. Working with design professionals who already have experience with clients in the same field and delivering similar services makes communicating the vision and needs of the space easier and more effective. The design of a space like BYRC also needs to balance beauty and practicality. While top quality features may seem attractive, in some cases they have ended up being too fragile for BYRC's uses, or very expensive to replace.

**"It really did take many, many partners having that common vision and it took pretty extensive resources to get it done, so having all those resources in place was really important."**

- Debbie Anderson Eng, CEO, PCRS

**"Knowing that we have this space is just one less thing to worry about. The year we were having to worry about moving, or that we might lose our lease, [if we still had to worry about] all those things, it would be a different community."**

- Allison Parker, BYRC Manager, PCRS



Program spaces at BYRC have names that align with the values of its partner organizations, like this one on the door to the dining room.

In addition to gathering input on what the space needs to include from frontline staff and program participants, Calum Scott, Debbie Anderson Eng, and David Eddy all emphasize the importance of looking to the work done by other organizations to gain inspiration. They advise seeking advice directly and going to visit as many potentially inspiring facilities as possible: there's no use trying to reinvent the wheel, and there is a lot of knowledge to be gained from others' experiences.

**"Really do [your] homework and understand the process. Be fearless, don't be intimidated by so many things you could be intimidated by, bureaucracy being one of them. Dream big... Look at it from what it could look like 20 years from now to have created this entity and how many people could be helped along the way, so go forth and really with confidence and assurance that you're doing the right thing."**

- David Eddy, CEO, VNHS

Moving forward and with the knowledge and expertise gained from the Broadway Youth Resource Centre redevelopment, PCRS is planning to develop additional, similar sites. A lot of institutional knowledge was gained through the redevelopment process, including the importance of owning or at least managing land. Since this project occurred, PCRS has acquired several properties, and they are committed to taking this approach forward into their future projects. The services within BYRC will continue to grow and expand, and as Allison Parker puts it, PCRS is now looking to the future to be able to turn what they've learned outward, "to continue learning from our projects and to share our learnings and our services whenever we have the opportunity to do that."

# Dave Pranteau Aboriginal Children's Village

Case Study

## Space Profile

**Name of Space:** Dave Pranteau Aboriginal Children's Village

**Name of Organizational Occupants:** Lu'ma Native Housing Society, Lu'ma Medical Centre Society

**Organization Type:** Registered Non-Profits

**Society Objectives:** To ensure a continued supply of adequate housing at a modest cost to Aboriginal people with low and moderate incomes;

- To provide an excellent vehicle for the construction of new projects, to the purchase, repair and renovations of older homes in a market area which otherwise would rapidly deteriorate and eventually lead to slum housing;
- To encourage lending institutions to take more of a responsibility for provision of funds for housing needs by Aboriginal people;
- To protect the rights of Aboriginal tenants;
- To educate the community in regards to the housing problems of Aboriginal families, singles and elders in the urban community; and
- To create the conditions necessary for urban Aboriginal peoples in Vancouver to improve health & wellness outcomes and disparities.<sup>19</sup>

**Owner – Land:** Lu'ma Native BCH<sup>20</sup> Housing Society

**Owner - Building/Improvements:** Lu'ma native BCH Housing Society

**Rent/Lease/Own:** Own

**Address:** 2980 Nanaimo Street, Vancouver, BC, V5N 5G3

**Square Footage:** approximately 27,000 square feet

**Year Opened:** 2012

**Space/Facility Type:** Non-market residential, office, multi-functional, community facility

**Services/Programs:** Lu'ma head offices; Lu'ma Medical Centre; Lu'ma Youth Mentorship Program; Aboriginal Housing Outreach Program; Community Voicemail Program; and workshops, meetings and gatherings led by community groups in the amenity space.

## Synopsis



Children's Village as seen from the corner of Nanaimo and Grandview<sup>21</sup>

The Dave Pranteau Aboriginal Children's Village sits at the corner of Nanaimo St. and the Grandview Highway in East Vancouver and is owned and operated by Lu'ma Native BCH Housing Society. The building serves multiple purposes, all centred around Lu'ma's goal to end the cycle of youth homelessness and poverty by providing a stable living environment to children and youth living in or transitioning out of foster care. To that aim, 10 of its 24 housing units are assigned to children and youth in foster care directly, rather than to their foster parents to create permanency in the lives of those children even if their foster placement doesn't work out. The Children's Village also includes a medical centre providing culturally appropriate care; youth mentorship program, community voicemail, and housing outreach programs; Lu'ma's head offices; and space for additional programming. The redevelopment project to create the Children's Village took place between 2005 and 2012, with the first youth and families moving into the building in the fall of 2012. It is a remarkable site where a vision for stable, culturally appropriate housing and supports live and are realized through physical spaces, programs, operations and partnerships.

## Concept & Need

In 2018, 63% of the 6,698 children and youth in foster care in British Columbia, were Indigenous.<sup>22</sup> That 63% is despite Indigenous youth making up only 7% of young people in Canada.<sup>23</sup> When Lu'ma began the Children's Village project in 2006, the numbers were much the same. The link between involvement with child welfare services and youth homelessness is well established, for example the 2016 study, "Without a Home: The National Youth Homelessness Survey," found that 58% of youth experiencing homelessness had had some involvement with child protection services in the past, and that Indigenous youth experiencing homelessness were more likely to report past involvement with child protection services than white youth or youth from racialized communities.<sup>24</sup> It is in this context that the Dave Pranteau Aboriginal Children's Village came to be: a place committed to changing these realities for Indigenous youth.

The vision for the Aboriginal Children's Village is to break the cycle of homelessness and to provide permanency in the lives of children growing up in government care, by providing them a stable, culturally welcoming living environment. This vision falls well within Lu'ma Native Housing Society's mandate to address and alleviate poverty and homelessness by tackling some of the upstream causes of these outcomes, such as involvement with child welfare services, or lack of support upon aging out of such services. For some of the people most closely involved in the project, the motivation behind the Children's Village was personal: Marcel Swain, Lu'ma's CEO; Patrick Stewart, architect; and Dave Pranteau, board member and the building's namesake, all grew up in care and knew what it felt like to not have a place to call home. For them, Marcel shares, "the aim was to champion the cause for children, first and foremost."

In practice, the housing and programming concepts born from this vision are unique: ten of the 24 residential units in the Children's Village are assigned to a child in government care, not to their foster parents. If a foster family placement does not work out, it is the foster family that moves on, and the child is able to keep living in the same building with a new foster family. In addition, three of the residential units are reserved for youth aging out of government care. The program spaces on the ground floor of the Children's Village support the housing residents and members of the broader community by providing space for Lu'ma Native Housing Society's youth mentorship program, the Lu'ma Medical Centre, and Lu'ma's Community Voicemail and Housing Outreach programs. There is also a 2,100 sf amenity room,<sup>25</sup> which can be rented by residential tenants of the building and community groups alike for meetings and events.

**"In [our model] it's the kids who become a permanent part of the building and a permanent part of the community, so they get to attach themselves to social workers, teachers, friends, all the necessary infrastructure to support them to grow up and have a stable life."**

-Marcel Swain, CEO, Lu'ma

The concept for the Children's Village first emerged in 2005. At that time, the vision was for an even larger hub of housing and services for youth, including sports fields and programming, plus music programming provided by high profile partner organizations. Although the proposed site for this larger Village fell through, and those potential partners moved on, Lu'ma forged ahead to make the vision a reality on their own. Lu'ma optioned the current site of the Children's Village in 2007 and were eventually able to redevelop it into what it is today— a home and place of community for many.

At the new site, the goal at first was to have commercial tenants in the main floor units as income-generators for the project and for Lu'ma. Over the first few years of the building's operations, however, it became evident that the spaces would be better used for Lu'ma's own programming and offices, and the Youth Mentorship Program and Medical Centre opened in 2014 and 2016 respectively. Despite these changes to the physical size, location, and commercial tenancing of the building, the fundamental goals of the project never changed.

**"The goals change? Never. No, we very much knew exactly what we were doing and what the goalpost was and why we were doing this. The issues of children being removed from their parents are still very much a relevant outcome of residential schools and ... a continuation of that colonialization and devastation and genocide. So, it's really important for first nations and aboriginal communities to try to do everything they can to create solutions. We never wavered from that; we couldn't."**

-Andrea Foster, Project Manager, Lu'ma



Children's Village entrance and poles<sup>26</sup>



## Partnerships & People

Key players in the project's development included Marcel Swain, Lu'ma CEO; Dave Pranteau, board member at Lu'ma; Patrick Stewart, project architect; Marjorie White, Vice President of Lu'ma and community leader; Bernadette Spence, the then Executive Director of Vancouver Aboriginal Child and Family Services Society (VACFSS); Andrea Foster, Project Manager at Lu'ma; and Simon Davie, project development consultant. Marcel Swain and Patrick Stewart stand out as champions of the project for their longstanding commitment and big picture vision. The partnership with VACFSS has also been crucial to the project's success, operationally and because having the market rents they provide for 13 of the units committed helped Lu'ma secure additional financing for the project.

**"...you know developing real estate is never straightforward and easy and you need champions ... to drive projects; ...Marcel is certainly a champion. And for the Non-Profit clients, they want to trust and rely upon their consultants—[we] certainly, with Lu'ma, [were] there... filling in the gaps."**

-Simon Davie, Principal, Terra Housing

Financially, Vancity Credit Union was instrumental in securing the project site through their then development-arm, Vancity Enterprises. They held the option on the land and then bought and held the site for Lu'ma, thus becoming involved on the design and development team. BC Housing (BCH) was also a key financial partner and provided the mortgage. Marcel credits their and Vancity's flexibility with the dollars they provided, and their ability to be 'out of the box' thinkers with the particular success of their support. Other financial partners included Canada Housing and Mortgage Corporation (CMHC); and the City of Vancouver, who aided with the necessary land assembly. The Vancouver Foundation, who approached Lu'ma in 2012 to expand their programming for youth aging out of foster care, also became a partner with the Children's Village Youth Mentorship Program being an outcome of this partnership.

Terra Housing, were the development consultants on the project--with Marcel Swain and others at Lu'ma holding the big picture vision, and Simon Davie at Terra leading the day to day development of the project. This relationship has been so successful that since 2017,<sup>27</sup> Lu'ma and Terra have partnered to create Lu'ma Development Management, a social purpose development management firm owned and staffed by Indigenous people.

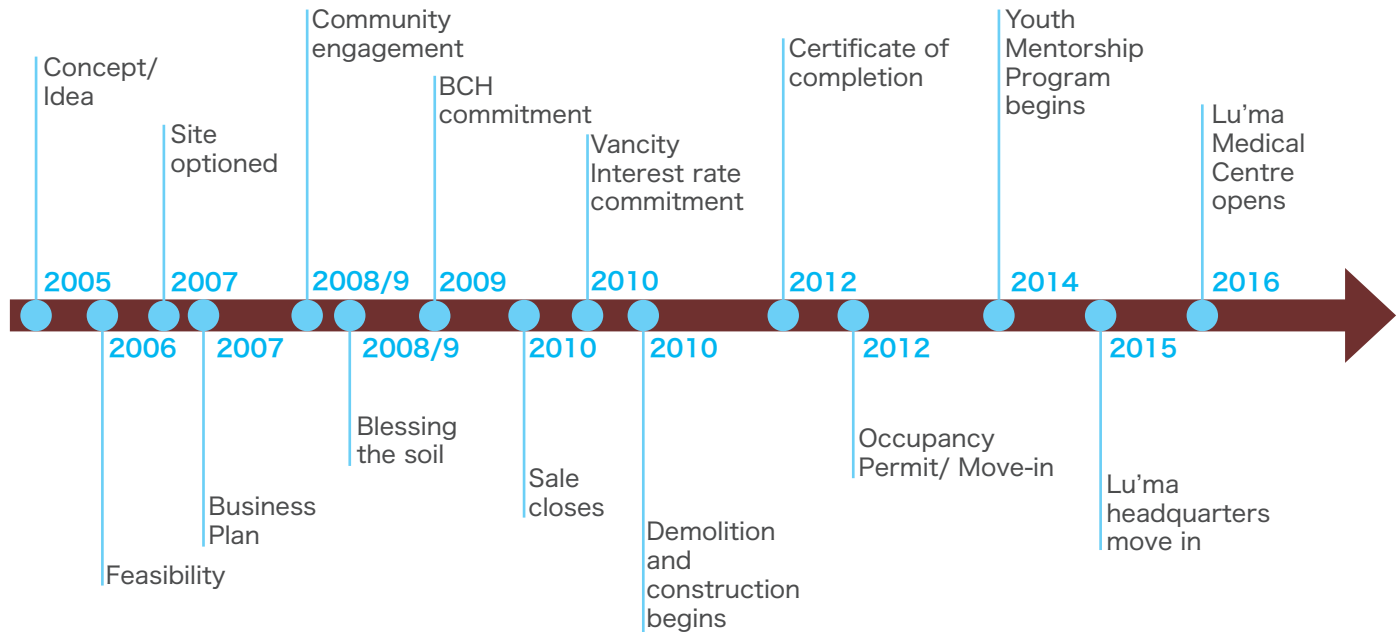
Lu'ma's Dave Pranteau Aboriginal Children's Village story highlights the importance of finding appropriate operating partners. When asked if colocation was considered, Andrea Foster, Project Manager at Lu'ma, commented on the importance of partner organizations' compatibility: if they aren't a perfect match, time spent managing the partnership can take focus away from delivering services. Marcel also commented that it was considered for the site, but they couldn't find the right fit. Especially for a place like the Children's Village, where ensuring any colocation would be culturally appropriate is an essential part of the vision.

**"...you know it's not an issue that we don't want to partner ..., it's just that we don't know how [another organization] would solve some of the cultural differences... [one example] ... if someone dies in the building, ... one of our practices is to spread cornmeal on all the floors of the building, and not to walk on those floors for... four days. We're not sure that [a] non-native community would appreciate the fact that they couldn't go in their hall for four days, or leave their home for four days. That would be a really difficult thing for non-Indigenous partner agencies, ... their families and others to ... accept that tradition and custom when it has nothing to do with what they practice."**

- Marcel Swain, CEO, Lu'ma

# Planning, Feasibility, Acquisition and (Re)Development

## Project Timeline



From concept to move-in, the Children’s Village took from 2005 to September 2012. One of the key steps in this process was securing the site at Grandview and Nanaimo where it now sits. Vancity helped option the site in 2007 and hold it until the sale closed in 2010. During this time, there was a moratorium on new development permits in the City, so the site sat waiting, and Lu’ma had to bear the cost of holding off on development. Once it was possible, demolition of the existing structure took place in 2010, and construction began in November 2010.

**“We don’t spend a great deal of time assessing whether or not the project is a good idea. Every one of the projects we do are outside of the box thinking. They’re projects that nobody else has done before... So, we’re constantly doing things that are outside the box and if you were to sit back and look at them as a feasibility, you’d probably say they wouldn’t work.”**

-Marcel Swain, CEO, Lu’ma

## Business Models & Operations

A key component of the Children's Village operational model is the 10 residential units it includes for children in government care, and the three additional units for youth transitioning out of care. These 13 units are rented by VACFSS from Lu'ma at low-end market rates, and the residents pay a portion of that rent (determined based on their income) to VACFSS, with VACFSS providing a subsidy for the balance. An essential element of the units available for kids in care is that they are large: up to four-bedrooms. This means that foster parents who already have children are able to move in and have space for the whole family, or that siblings in care are able to stay together. The remaining 11 units in the building are rented at affordable rates to households on Lu'ma Native Housing Society's housing waitlist, which totals roughly 5,000 people.

The other element that makes up the building are the commercial rental units (CRUs) on the ground floor. While these were originally intended to be rented out to other organizations or businesses, it eventually made more sense for Lu'ma to occupy them themselves. The building is owned by Lu'ma Native BCH Housing Society, a sister society of Lu'ma Native Housing Society. The programs in the building's CRUs, even though mostly operated by Lu'ma Native Housing Society and its other sister societies, all pay rent to Lu'ma Native BCH Housing Society.

These programs include the Aboriginal Youth Mentorship Program, which provides programming and support for youth living in the building and in the broader community. Programming includes one-on-one mentoring sessions with a Lu'ma staff member, community meals, seminars on important life skills and opportunities, and field trips to a wide range of places from setting up bank accounts together to touring post-secondary places of learning. There are approximately 30 youth participating in the program at any given time, and graduates of the program can and do return at any time.

The Lu'ma Medical Centre is also located in one of the Children's Village CRUs. Operated by one of the sister societies, Lu'ma Medical Centre Society, it provides culturally safe healthcare that incorporates cultural knowledge and access to elders for families in the community. The Medical Centre includes seven medical exam rooms, three counselling rooms, and one healing room, which is a sacred space. When it first opened in 2016, the Medical Centre operated with just one doctor, and one medical office assistant. Now, the Society employs 12 people directly, and is served by three doctors who make up 1.1 full time equivalent (FTE) doctor, and 1.5 FTE nurse practitioners. An exciting new partnership between the First Nations Health Authority (FNHA) and BC Ministry of Health, announced in the fall of 2019, will provide 2 million dollars in funding to the Medical Centre,<sup>28</sup> allowing them to hire 12 more FTE health care practitioners and increase the number of patients they serve from 1,400 to almost 3,000.

**"We've been able to broaden the scope of our impact from this building from just providing a safe permanent place for kids to be raised in foster care and providing other social determinants of health, to actually being able to help and enable people to completely change and improve their health outcomes... [With the Medical Centre] we wanted to change the way healthcare is delivered. I mean health disparities were so horrific... We can't allow those inequities of service provision to persist."**

-Andrea Foster, Project Manager, Lu'ma

Several other programs and services are operated out of the building. Lu'ma Native Housing Society runs a Community Voicemail program out of the Children's Village. This program provides free, individual phone numbers with local area codes to people experiencing housing instability, who don't have a phone, or who can't afford to add minutes to their phone plan. Having access to an individual phone number and voicemail helps alleviate stigma and ensures that important opportunities like job offers aren't missed. The Community Voicemail program was launched in 2010 and provides 1,700 phone numbers in the Lower Mainland. Lu'ma also operates a Housing Outreach program that helps community members navigate available funding and programming related to housing when they can't provide them housing directly. Finally, a community amenity space is available to be rented out by residents of the Children's Village and by community groups for a fee. Altogether, there are currently roughly 100 staff working in the building to make Lu'ma's programs possible.



The decision to move these programs and Lu'ma's operations into the CRUs in the Children's Village was key to making the overall project operationally stable and sustainable. After a few years of trying to find the right tenants, Lu'ma decided it would be most beneficial to use the spaces themselves. This allowed them to sell their previous office space, which they had owned, and consolidate programs, administration and associated expenses on the one site. From the beginning, another key component of this project and its operational model was Lu'ma's emphasis on owning their own land. While they have leased City land to make projects work before, they prefer to own in order to build equity and leverage it into further projects.



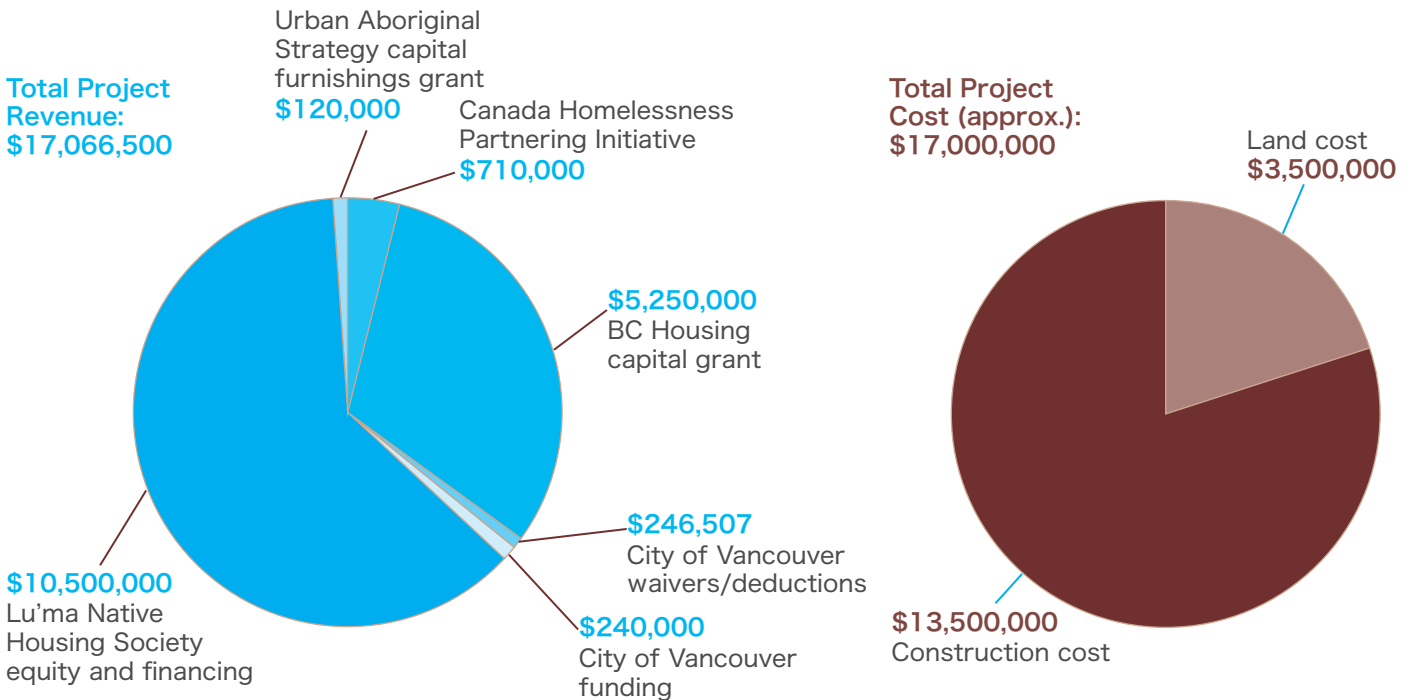
Top: Lu'ma Medical Centre reception  
Bottom: Youth Mentorship Program participants<sup>29</sup>

## Funding & Financing

In terms of funding and financing, this project is defined by Lu'ma's commitment to owning their own land, supplying a large amount of their own capital and carrying mortgage financing, as well as creativity and flexibility by all partners involved.

Lu'ma first optioned the site, then a strip mall that had had various uses over the years, for sixty days in 2007. At that point, they had only \$5,000 and no funding lined up for the project. After the sixty days went by, they were able to option the land for another sixty days by adding an additional \$1,500 deposit. After this time period came and went without the necessary funding, Lu'ma approached BC Housing, who provided a \$50,000 non-refundable deposit. This gave Lu'ma the time they needed to approach Vancity and Vancity Enterprises and look for other creative ways to secure the site. Vancity Enterprises ultimately created a numbered company with Lu'ma and bought the site for them. This numbered company allowed Lu'ma and Vancity Enterprises to hold the site in trust for the approximately two years it took to get all the necessary permits they needed to start building. In this time frame, a Request for Proposals came out from BC Housing for affordable housing projects, and Lu'ma was successful in securing funding because they owned the land and were shovel ready. As Marcel puts it, "If you don't have land, you're just not going to get a project."

Negotiating with Vancity to lock in the interest rate at 5.1% on their loan was another key financial step. While this did not ultimately save Lu'ma money because interest rates stayed low throughout the project, having the rate locked in early on helped them plan and budget throughout. Vancity Credit Union was also a key financial partner by providing a construction loan and the mortgage needed to complete the project. The partnership with VACFSS was also a crucial financial step as well as an operational one: having the guaranteed market rates secured on 13 units gave Lu'ma financial security to be able to prove they could service their mortgage. The final key financial step came when Lu'ma sold their old office space and moved into the Children's Village. This gave them the remaining equity needed toward the building costs. Commercial Unit Tenant Improvement costs are in addition to the costs included below.



## Impact & Lessons Learned

As of April 2020, Lu'ma's Dave Pranteau Aboriginal Children's Village has been home to approximately thirty children in foster care since it first opened. Children in the building are able to experience permanency in their housing and in the relationships they form, which was the primary focus of the project all along. For Lu'ma itself, the project has also delivered above and beyond its initial promise. The organization has been able to expand its programming and occupy space as its own landlord, with the project providing a platform for Lu'ma to grow and build their organizational sustainability. The space is consistently used, there are families benefiting from the housing and programming it provides, and Lu'ma is paying down their mortgage. As Andrea Foster succinctly put it, "people are able to build community here, that's really neat."

The building is also a great resource to the broader community: in its first year of operation, the amenity space was rented out 340 times for community gatherings, meetings and workshops. The Children's Village has therefore become a hub for the local community and for businesses and government meetings as well. Perceptions of the Children's Village are extremely positive, and it is recognized as a place of safety because it is run by an urban Indigenous organization, as opposed to being a government facility.

**"This is just a project of reconciliation. It's an example of what reconciliation should look like."**

-Marcel Swain, CEO, Lu'ma

Some of the key takeaways from this project might be summarized as follows: the value of owning land and securing compatible partners early on cannot be overstated. While certain elements of the project changed throughout, the strong core vision Lu'ma and their partners brought to the project, saw it successfully through to completion. They never gave up, and they weren't afraid to take risks. The importance of being able to be creative in seeking funding also comes through, as an underlying component of the Children's Village's success.



**"You know, a bank can't sign off a loan that doesn't work and you can't do that [either], but there's a band of risk that stakeholders are willing to take ... if they really like the story and what your goal end result is trying to get to; they're more willing to push a little bit into that red zone of risk. ...I think one lesson is ... if you have a great story and a great product and a business plan that's sensible then people will come and make it happen."**

-Simon Davie, Principle, Terra Housing

Despite its overall success, the Children's Village was not without challenges. During the two years the land was held in trust, legislation changed requiring more extensive soil remediation on the site than had been anticipated. The cost of this extra work drained the project's contingency budget. Another challenge came in the form of opposition from the community and the City to the overall appearance of the Children's Village during the early design stages. The Children's Village is an architectural statement, located in what was an otherwise homogeneous residential area at the time of its construction. As the architect, Patrick Stewart, put it, attempting to achieve such a feat resulted in some "trials and tribulations."

**"I think it's perceived as a very good asset and is valued highly by the community just by the work that goes on in there and even as a physical statement on the street... My design work is ... very overt... and I don't apologize for it. I say, 'well, our villages were violently taken away from us, our poles were cut down and floated away to museums, our long houses were burned, our villages were relocated... That was done violently, so when I do a façade like the children's village... I violently put that back on the street so everybody can see.' Not a lot of people also know the history... So, if there's people taking the time to understand what and why the building is the way it is, there's a lot of knowledge transfer. People gain an appreciation for what the building stands for."**

- Patrick Stewart, Architect

Moving forward, Lu'ma is looking to do more projects like the Children's Village. The challenges of homelessness and youth in care are too big for one building to address, and Lu'ma wants to engage in more partnerships with governments, foundations, and other organizations to make safe, affordable places for people to live and access services. In order to achieve this, Lu'ma is working with Terra Housing to form the new entity, Lu'ma Development Management, which is a development management firm with the goal of being fully staffed and owned by Indigenous people and is well on its way to being there. This has been a major outcome of the Children's Village project (and others Lu'ma and Terra have partnered on) organizationally and is another of its considerable impacts in addition to the stable living environment it provides for children in government care.

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# Semiahmoo House Society Treehouse & Chorus Apartments

Case Study

## Space Profile

### The Treehouse

**Name of Organization:** Semiahmoo House Society, with some administrative space used by Semiahmoo Foundation and Peninsula Estates Housing Society

**Organization Type:** registered non-profit

**Owner – Land:** Semiahmoo Foundation

**Owner – Building/Improvements:** Semiahmoo Foundation

**Rent/Lease/Own:** Semiahmoo Foundation owns the Treehouse and leases it to Semiahmoo House Society

**Address:** 15306 24th Avenue, Surrey, BC V4A 2J1

**Square Footage:** Approximately 21,000

**Year Opened:** 2003

**Space/Facility Type:** multi-purpose, office, community facility

**Services/Programs:** Community inclusion and support programs for people with developmental disabilities, fee-based recreation and leisure program, and meetings and events led by organizations using the space.

**Society Mission:** UNITI is the partnership of three affiliated non-profit organizations that have been part of our community for decades:

- Semiahmoo House Society, a registered charity provides quality services and supports to people with disabilities and their families in Surrey and White Rock.
- Peninsula Estates Housing Society, a BC non-profit organization, provides affordable and inclusive housing that reflects the diversity of our community.
- The Semiahmoo Foundation, a public foundation, assures that UNITI has the recognition, relationships and resources to support an inclusive community.<sup>31</sup>

### Chorus Apartments

**Name of Organization:** UNITI

**Organization Type:** facility formed by a partnership of the affiliated registered non-profit and charities that make up UNITI

**Society Mission:** see mission in Treehouse Space Profile

**Owner – Land:** Peninsula Estates Housing Society

**Owner- Building/Improvements:** Peninsula Estates Housing Society

**Rent/Lease/Own:** Own

**Address:** 2358 153 Street, Surrey, BC

**Size:** 71 self-contained residential apartments

**Year Opened:** 2016

**Space/Facility Type:** non-market residential

**Services/Programs:** 20 residential units for people with developmental disabilities, 51 units for the general public. All units are rented at below-market rates.



## Synopsis



The Treehouse as seen from 24th Avenue<sup>32</sup>

Semiahmoo House Society (SHS) and its affiliated societies, which collectively go by the name UNITI, offer services and programs to support people with developmental disabilities in Surrey and White Rock, BC. In the early 1980s, SHS purchased an old firehall and converted it into a program space. When that building reached the end of its life in the late '90s, they redeveloped the site to create the Treehouse, an integrated program and administration space. The Treehouse redevelopment model was based on strong relationships, a focus on client needs and preferences, exceptional financial planning, and leveraging the not-for-profits' existing equity. The redevelopment process strengthened SHS's organizational and financial capacity, which enabled them to move confidently into other real estate activities supporting the community they serve.

At the time of the Treehouse redevelopment, the seeds of a plan for a housing development to meet the needs of the community SHS serves were sown, and following over a decade of community input, planning, and hard work, UNITI opened Chorus Apartments on four residential lots located behind the Treehouse. Chorus contains 71 units, 20 of which are reserved for residents with developmental disabilities. The other 51 units rented at below market rates to members of the general public. The paradigm-shifting vision for Chorus was that of an apartment building like any other that creates opportunities for people with developmental disabilities to live their lives as independently as they choose in housing that reflects their broader community. Both the Treehouse and Chorus are inspiring examples of social purpose real estate projects that seek to represent a 'new normal' for spaces built to serve people with disabilities.

## Concept & Need

The Treehouse, the administrative and day-program space for Semiahmoo House Society (SHS), is a beautiful, mountain-lodge style building on 24th Avenue in Surrey, BC. Just behind it, is Chorus Apartments, built by SHS, which opened in 2016. Both buildings exist to support people with developmental disabilities, through programming and housing, respectively.

SHS has worked in the White Rock/ Surrey community in various forms since 1958. In the late 1990s, the then newly appointed Executive Director (ED), Paul Wheeler sought to understand the needs of SHS clients and staff and their dreams for the organization by meeting with them one-on-one. One of the people he met with was Dorothy Gurney, parent to a SHS program participant and Volunteer Coordinator for the organization. Dorothy told Paul that she dreamed of a building “that would just belong to people with developmental disabilities where they could come for programs, [with] spaces that they could ...hang out ... somewhere they could just be in the community—somewhere that’s theirs, rather than...using other people’s spaces.”<sup>33</sup> With this idea, the seed for the Treehouse was planted.

The vision Dorothy shared with Paul was well aligned with SHS’s space needs at the time: their existing space for day programs, an old firehall the organization had purchased from the City of Surrey in 1983,<sup>34</sup> was in disrepair and was no longer safe or healthy to operate from. In addition to this, SHS’s administrative offices were on the second floor of a strip mall down the street from the firehall: inaccessible to their clients with mobility challenges. The specific vision of the Treehouse, an integrated administrative and programming space on the site of the old firehall, was born from the combination of these three elements.

**“We believe people with disabilities should have every bit as good a quality of life as anybody else in the community, ... They have a right to top quality facilities in which to receive their programs ... [the Treehouse] was about making that statement to the community, but also making a welcoming place for people who use the building itself.”**

– Paul Wheeler, former ED of Semiahmoo House Society



The Treehouse opened in 2003 and continues to operate in much the same way to this day. It is made up of program spaces, computer banks, lounge areas, a commercial kitchen, administrative offices, and meeting rooms, all interspersed throughout the building. There is no designated administrative wing, nor programming corridor—rather, these spaces are integrated, mixing staff, volunteers and program participants. The ED’s office is right next to the main entrance, and its door opens onto the Great Room, a communal dining and program space. SHS believes their society exists to serve the community they support, and the best way to know how to do that is for their staff to be right in the thick of the action, with senior staff, frontline staff and participants alike having access to one another. Every inch of the Treehouse’s design is intentional, designed with its users in mind.

In redeveloping the Treehouse site, SHS considered sharing the space formally with other organizations serving similar populations. Ultimately, however, they could not find a partner whose timeline and needs were a good enough fit. Even without a partner, the idea of creating a shared space for the community remained because SHS often worked collaboratively with other social purpose organizations and knew well the need for such spaces in the community. As a result, part of the vision for the Treehouse was that its program and meeting spaces would be available to people and organizations from the broader community. These spaces are rented to social purpose, non-profit organizations free of charge, and to for-profit organizations and private events for a fee. The frequency of these rentals has had to diminish as SHS and its programming have expanded over the years, but there are still some social purpose organizations who use the meeting spaces regularly.

**“We sort of saw ourselves as stewards of that building. We owned it, but it was the community that made it possible for us to do so, so we thought we should provide it back to the community.”**

– Paul Wheeler, former ED, Semiahmoo House Society





Chorus Apartments<sup>35</sup>

Even as they were building the Treehouse, Semiahmoo House Society was aware of the need for more housing, and greater variety of housing options, for people with developmental disabilities. Until relatively recently, people with disabilities were most often forced to live in institutions, often in terrible conditions. More recently still, the model of group homes emerged, and while it can work very well for some, it is not the solution for all those who seek greater independence and face significantly fewer housing options than are available for the general public.

Chorus Apartments exists to fill this gap. It is an apartment building like any other, where 20 of 71 units are designated for people with developmental disabilities. The vision for Chorus was to create a place where people with developmental disabilities can live how they choose, with as little support as is necessary for them to enjoy a good life.

**“What really led to Chorus was us saying ..., at the same time as we were building the Treehouse, we also desperately needed new residential options for folks.”**

– Paul Wheeler, former ED, Semiahmoo House Society

**“One thing we need to continue to work on is having the same choices for housing for people with disabilities as for the rest of us.”**

– Doug Tennant, CEO, UNITI

The specific vision for Chorus emerged in approximately 2004, when SHS invited program participants and their families to the Treehouse to have a discussion about the types of housing options they would like to see and how they would like to live. The participants were taken to one room, and their parents to another, so that each group could speak freely about their desires and concerns. When the groups came back together, they discovered the parents' and the participants' goals were almost identical—to be able to live in their own homes, close to their families, friends, jobs, and services. In short, they wanted what most people want.

Another key element of the vision for Chorus was that it would not ghettoize people with developmental disabilities like the institutions of the past had done. This is the main reason it contains 51 units in addition to those reserved for people with developmental disabilities: it is representative and inclusive of the larger community. Central to this element of Chorus's design is UNITI's commitment to shifting the paradigm that people with disabilities must always receive support from others. In this case, Chorus is built for people with developmental disabilities who are choosing to share their building with others. It puts them in a position of leadership in the community.

After the initial vision was formed, SHS got to work on making the project a reality as quickly as possible. For 10 years they consulted with program participants and their families at least once a year to make sure the project was staying on track. In that time period, they bought up four residential lots directly behind the Treehouse, demolished the houses, and built Chorus. Opened in 2016, the building contains 71 residential units.

**“[Chorus] actually gives people with disabilities social power because traditionally the way it works if people with disabilities want to live in an apartment, is that either they or organizations like mine will go to developers or apartments already completed and sort of ask or beg [to be included]... By building this apartment ourselves, with the purpose being housing for people with disabilities, and the people with disabilities choosing their apartments first, it shifts that power. It exists because of people with disabilities, and they welcome the whole community in.”**

**– Doug Tennant, CEO, UNITI**

## Partnerships & People

Paul Wheeler, then ED, and Ellen Powell, Financial Director of SHS, were integral to the Treehouse redevelopment project. They both, however, stress that, while there may have been few organizational partners involved in the project, it was a very collaborative effort and that no one person was the sole driver of the project. The Treehouse and Chorus are built on the belief that the most important people involved are the ones the projects exist to support. Next are the frontline workers. Administrative leaders, which other organizations might place at the top of the structural pyramid, support from the bottom up— at SHS they exist to serve the others.

**“In that consultative process, people with disabilities [were] the most important people in the creation of Chorus because it was them telling us, as experts in their own lives, what was needed, and then us just making that happen.”**

– Doug Tennant, CEO, UNITI

While no particular individual was more important than any other, there were key individuals who aided the Treehouse project. Dorothy Gurney, the Volunteer Coordinator who had so informed the vision for the redevelopment, found a volunteer who had experience with interior design and space planning. This volunteer spent a year meeting with people in the community who would use the space, including program participants and their families, all levels of staff, and other organizations to inform its design. Another individual who played a significant role was Larry Shareski, a program participant at the time. Larry was hired to help keep the Treehouse site clean during construction, and because of his social connections and community involvement he became a real ambassador for the Treehouse. Larry has worked with the UNITI organizations in several capacities over the years and is still involved today. Both Paul Wheeler and Doug Tenant, former and current ED/CEO’s, also recognize SHS’s board for their courage and vision and their confidence and risk tolerance—qualities that were needed to support such big steps and financial commitments.

**“To make it work we were really fortunate to have an exceptional board, right down to where we actually did personality testing with all the board members and discovered that we’re missing type-A personality and we went out and actively found type A personality.”**

– Doug Tennant, CEO, UNITI



UNITI’s Board of Directors in 2018. Doug Tennant and Marie Sabine are second and third from the right in the back row, respectively.<sup>36</sup>

When it came to building Chorus Apartments, the same core beliefs about relationships and people's inherent value held true. The people it was being built to house were the central players in its development, providing the vision. Doug Tennant, who became CEO of SHS in 2013, joined Paul and Ellen as a champion of the project. Other champions for Chorus also emerged, including Marie Sabine, who was the contracted Board Administrative Assistant during the pre-development phase of Chorus. Marie left that position to become a volunteer, keeping the Chorus project organized and on track. Marie also organized the families of potential residents to advocate for portable rental supplements for Chorus tenants (which was not successful, but BC Housing did ensure more funding was made available for the overall affordability of the apartment later on).

Where SHS did not have the expertise internally, they sought outside help on both the Treehouse and Chorus projects. Ankenman Associates Architects Inc. designed the Treehouse. Having worked with other community groups and non-profits, they were experienced with creating spaces that work for social service delivery. This outside expertise, combined with the community needs compiled by SHS's interior design volunteer, made the Treehouse as 'purpose-built' a project as they come. Another essential external partner was Coast Capital Credit Union for their contributions to funding and financing the redevelopment.

For Chorus, SHS once again contracted Ankenman Associates Architects Inc. to design the building, and they hired Marcon Developers to build it. As Chorus was a larger real estate endeavour, SHS sought additional external guidance. After the SHS team met Kira Gerwing, from Vancity Credit Union, and Robert Brown, now from Catalyst Community Developments, at a Social Purpose Real Estate Collaborative event, Vancity became a key financial partner, and Robert signed on to assist with the project. One additional key financial partner was BC Housing who provided a capital grant of \$1.1 million for Chorus.

**"We were fortunate ... we had such good people involved who were our safety net in a lot of ways. I think that when you're working in social services, it's not just about the dollars and the cents and the expertise, you also need to partner with people who have the same philosophy and vision, or at least they learn about your vision and they buy into it, and then that mission becomes part of their mission."**

- Ellen Powell, Director of Finance, UNITI



(left to right) Cam Groves, Doug Tennant, Jasper Macabulos

**"When you think about who was involved in the process, it was kind of everybody... It was just people meeting with people and talking about their dreams for their future, so it was built around everybody's cumulative dreams, if you will."**

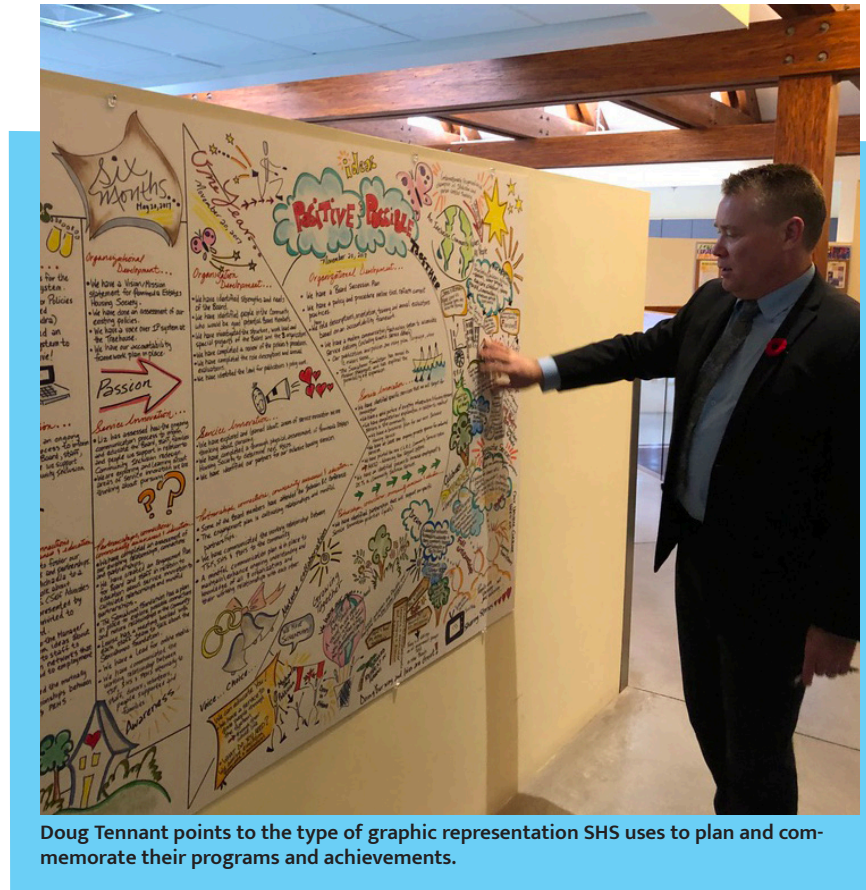
-Paul Wheeler, former ED, Semiahmoo House Society

# Planning, Feasibility, Acquisition & (Re)Development

After the initial Treehouse idea emerged in 1998 and the board had approved the necessary steps to proceed with the redevelopment, SHS shut down the old firehall and moved its programs to a temporary location.

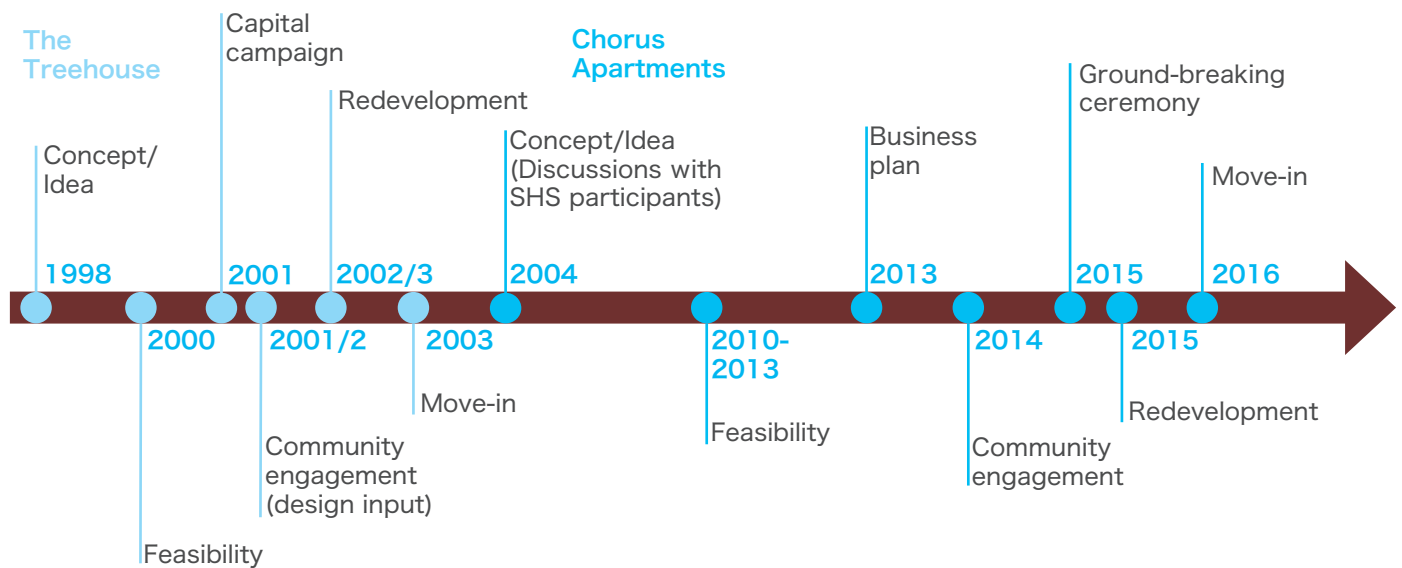
Because the project was a self-build on land the organization already owned and they were planning to continue their existing programming in it once opened with already-secured funding, no consultants were hired to do business plans or feasibility studies. SHS worked out projections in terms of contracts and increased overhead in the new space, representing the financial analysis and documentation that would normally go into a business plan. SHS did their due diligence in this regard, but through a less formal process.

When it came to Chorus, a number of studies were completed between 2010 and 2014 to ensure the feasibility of the project. These included a report of development options for the property, a rental housing needs assessment for the area, and a geotechnical survey. Internally, a number of budgets, proformas and progress reports were completed along the way as well.



Doug Tennant points to the type of graphic representation SHS uses to plan and commemorate their programs and achievements.

## Project Timeline





## Business Models & Operations

SHS and its affiliated societies, the Semiahmoo Foundation and Peninsula Estates Housing Society (PEHS), came together under the umbrella term UNITI in 2017. The three societies share the same board of directors, and their different structures and missions allow them to collaborate on projects and support their community more than they could alone. SHS and PEHS's main aims are that people with disabilities live self-directed lives in the community; and that people live in inclusive, affordable housing that reflects their community, respectively. The Foundation exists to ensure SHS and PEHS can achieve these aims and supports them through various fundraising efforts. UNITI is built on the foundation that the people supported by its affiliated societies are their owners, and that the work of all three organizations is therefore to serve this community.

Operationally, the integration of administrative space and program space is essential to the Treehouse's model. The programs offered there include day programs for people with developmental disabilities, community inclusion programs, such as the culinary arts jobs skills training in the commercial kitchen, and recreation programs. Many of these programs are funded by Community Living BC, a crown corporation that uses government funding to support services for British Columbians with developmental disabilities, Autism Spectrum Disorder, or Fetal Alcohol Spectrum Disorder.<sup>37</sup> Because the programs in the Treehouse were much the same as the ones that had operated in the old firehall before it, it was only a matter of a few months before operations were running smoothly in the new space.



Participants in the Culinary Arts Program using the Treehouse's Commercial Kitchen<sup>38</sup>

Treehouse spaces are available for use by other non-profits free of charge and for-profits through a fee-based rental agreement. Offering space for free for community use represents the philosophical approach that SHS takes to create and make available space for the community, while inviting the community in to engage and learn about SHS and the people they serve.

**“You know, sort of that old traditional thing of... if you want to make a friend, you invite them over, ... it was a real opportunity for us to invite the community in and give back, but also to educate them and really do a lot of community awareness.”**

- Ellen Powell, Director of Finance, UNITI

At Chorus, there are supports available through SHS as needed for the tenants with disabilities. These supports are the basics required for the tenants to be able to live independently, noting that for many, moving into Chorus was the first time they had moved away from their parents. As such, staff are available to help tenants with their specific needs one-on-one, like learning how to cook or how to use the washing machine and dryer. Orientations to the building were offered when the tenants first moved in, and SHS does a check in with them after six months, a year, and then annually to make sure the housing is working well for them.

There are two types of tenure models at Chorus Apartments. 17 of the 20 residents with developmental disabilities hold typical lease agreements, and 3 have 60-year leases. The latter option was to create a more ownership-like opportunity for the tenants. The 60-year leases were ultimately less popular than imagined, though, largely because tenants and their families wanted to be sure they liked living alone before making such long-term commitments.

The other 51 units, open to members of the broader community, are also held through typical lease agreements. All units in the building are rented at below-market rates, and as funding is provided by BC Housing, eligible tenants are identified using their designated median income levels.

All residents in the building have access to an amenity room for gatherings and events. It is free for residents to use, provided they pay a \$30 deposit and leave it clean after they have used it. The property manager also hosts occasional barbecues to help all the residents get to know each other.



These computers on the second floor of the Treehouse are used by program participants and staff members alike

## Funding & Financing

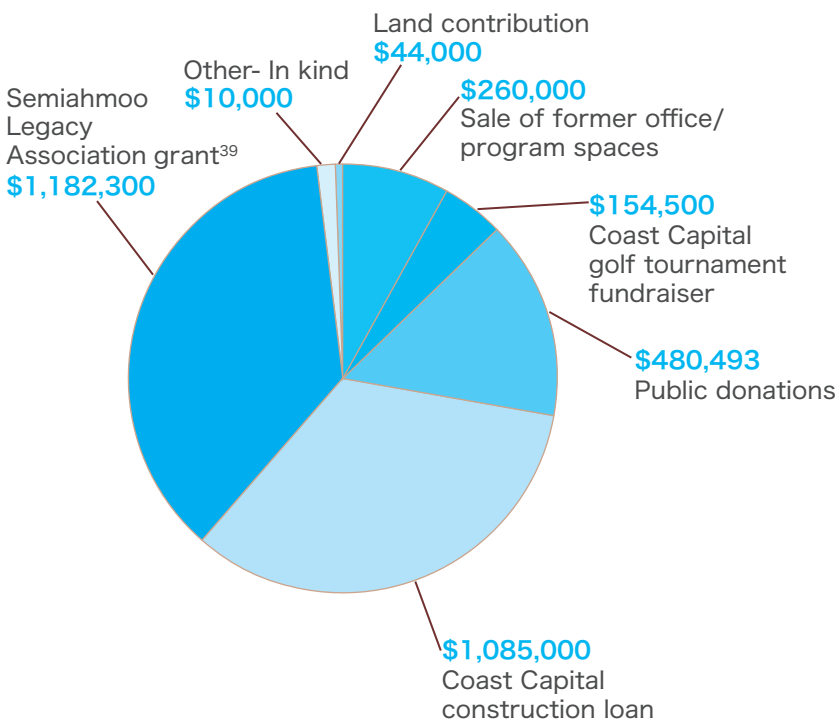
For the entirety of its long history, SHS has been a well-managed organization that used its financial and capital assets to not only deliver vital programs and services, but also leverage improvements in its real estate position. SHS believes that land ownership is key, and from the outset its boards of directors and staff have taken a proactive approach to securing land in order to support the organization. All of this put SHS in an advantageous position when it came time for both the Treehouse and Chorus Apartments redevelopments.

For instance, SHS owned the land the Treehouse sits on outright, so they were able to take out a mortgage on it to help finance the project. They also owned three commercial units in the strip mall down the street where they had their previous administrative offices. They were able to sell those units and put the funds toward the redevelopment. In 2001, they launched a capital campaign to raise funds for the Treehouse project, and to these, they added community contributions from past years that had been consolidated in a legacy fund. The project also received a grant from Coast Capital Credit Union.

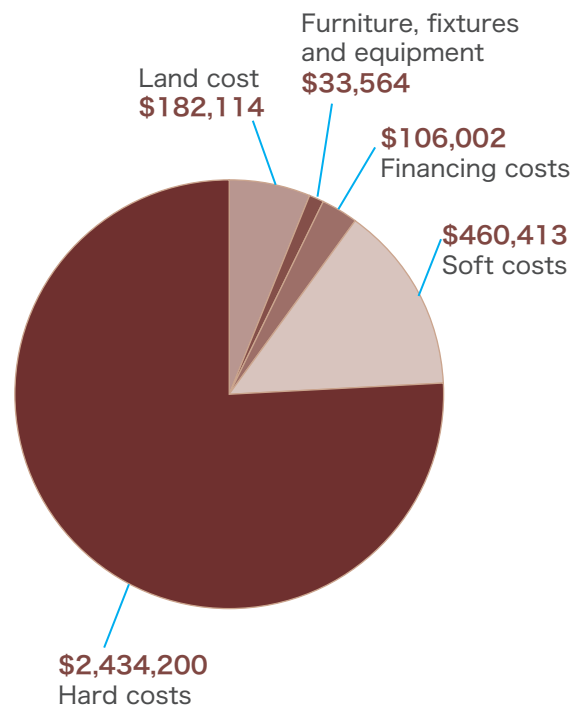
**“[We were] able to capitalize on an asset that a Board from [1960] started by bake sales and kewpie dolls, and we were able to take that land and build on it and create an asset that we were then able to lever and buy another three properties... [This is] something for non-profits and charities, ... if they can try to build their equity. Because more and more we need to establish our ability to be self-sufficient and to have that capacity financially and then that capacity to build and grow and support ourselves, and real estate is one of the ways to do it.”**

- Ellen Powell, Director of Finance, UNITI

**Total Project Revenue (Treehouse):  
\$3,216,293**



**Total Project Expenses (Treehouse):  
\$3,216,293**

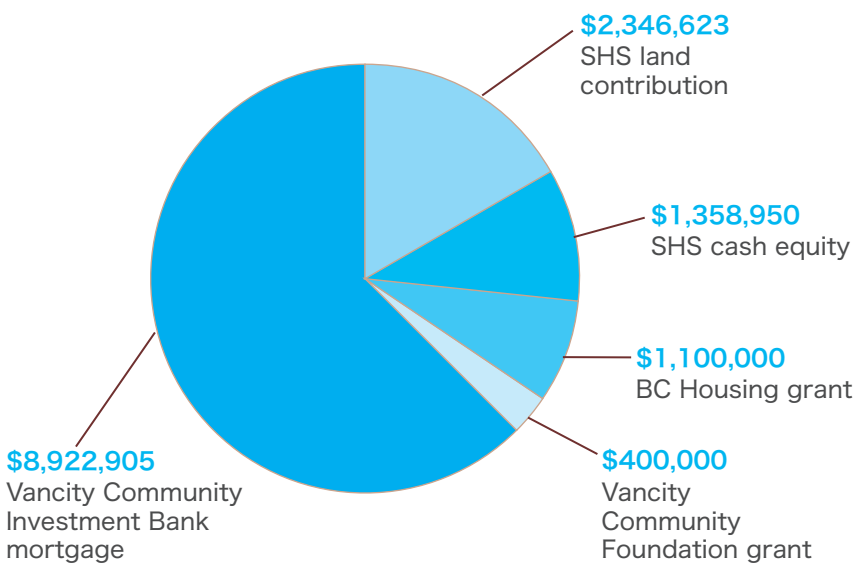


The same thoughtful and independent approach went into funding and financing Chorus Apartments. Again, owning land was a key financial step that allowed UNITI to move forward: they used the Treehouse land and improvements and other properties they owned to secure financing for Chorus. Additional funding and financing came from Vancity Community Foundation and Vancity Credit Union. In 2017, BC Housing committed \$75,000 annually for 10 years to increase the affordability of Chorus’s rents.

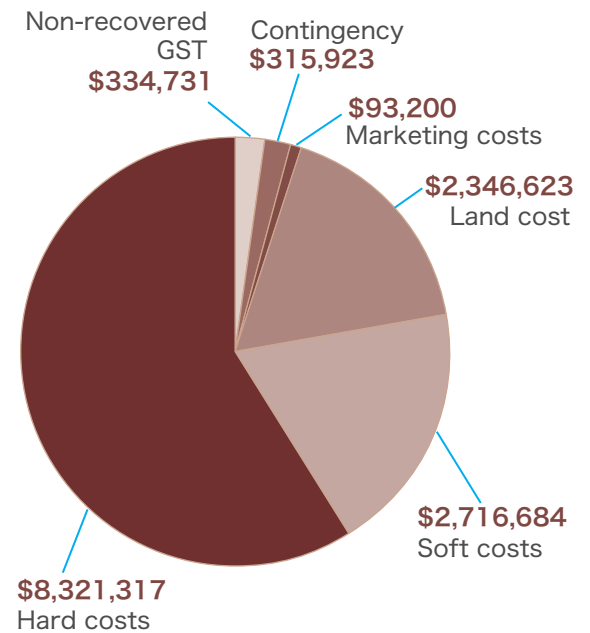
**“Have you read the apprenticeship of Duddy Kravitz? Mordecai Richler. Great novel. ... there’s a quote where Duddy Kravitz’s grandfather says to him, ‘without land you are nothing.’ Fortunately, through the years we’ve had some very visionary leadership here who has always understood that you need to have your own land if you want to control your own future.”**

- Doug Tennant, CEO, UNITI

**Total Project Revenue (Chorus):  
\$14,128,478**



**Total Project Expenses (Chorus):  
\$14,128,478**



## Impact & Lessons Learned



St. Patrick's Day event in the Treehouse Great Room.<sup>40</sup>

The Treehouse has now been home to SHS for nearly 17 years. Participants in SHS's programs have a space in the community that belongs to them, and they truly feel this ownership. This is a direct result of SHS having listened to their participants' needs and making them their vision. SHS's staff has also experienced great impacts from the new space. For many of the administrative staff, moving into the Treehouse provided an opportunity to really get to know the people they were doing all their work for. This made the experiences livelier and more meaningful, and it has created lasting relationships.

Beyond its walls, the Treehouse has contributed to changes in the community at large as well. It is a beautiful, welcoming building that generates interest and curiosity from the broader community. This invites them into the space and creates opportunities for them to learn about SHS and the people they support.

***"That sense of collaboration, that sense of people coming together and we're all in this together, that sense of being a family, that sense of being supported and supporting at the same time, all those kind of things are the kind of things new staff would say to me and if I would talk to the same staff five years later, they would still be saying the same thing... the Treehouse is the physical expression of that kind of thinking.."***

*- Paul Wheeler, former ED, Semiahmoo House Society*

In addition to the impacts on individuals, the Treehouse has had a great impact on SHS and UNITI organizationally. They owned their spaces prior to the Treehouse, so security of tenure in particular was never in question; but redeveloping the Treehouse did create an opportunity for UNITI to grow and to expand their real estate holdings. It also gave them the capacity, organizationally and financially, to embark on larger real estate endeavours addressing different needs in the community, like building Chorus Apartments.

The Treehouse also demonstrates where a sharp clarity of vision for the space can help with funding opportunities and finding appropriate partners. Achieving the vision also included building to a high standard of quality. SHS staff didn't aim for the Treehouse to be fancy, but they did ensure it was built to a standard that would meet SHS's needs and last a long time. They demonstrated their belief that a good quality building reflects and communicates the inherent value of the people it serves.

Another lesson from both projects was to be patient and persistent and to be ready to capitalize on opportunities when they emerge. Part of being able to do this, is finding the right people—including board members, volunteers, architects, staff, and community leaders. SHS recognized the areas where they needed external support and they sought partnerships to fill those gaps. For the Treehouse, seeking an architect with experience in the field was critical to the project. Later, Vancity and Robert Brown proved to be key advisors and partners in the Chorus project.

Similar to the Treehouse, Chorus Apartments has been a resounding success—winning various real estate awards—but more importantly, providing a welcoming and stable home for its residents. Since opening, only one of the original 20 tenants with disabilities has left, and that was because his family moved to Vancouver Island. The opportunity to live independently has proven to them that they can do it. It has also given them something they can share with others: for the first time, they can invite their parents and friends over to their place.

The biggest challenge, Marie Sabine (who has been involved with the project all the way along as a board member, volunteer, and parent of a Chorus tenant) shares has been for the parents to adjust to their adult children's increased independence. Once they adjust, the housing arrangement brings peace of mind that their children have a place they want to live in and will be able to take care of themselves as they age.

**"[Chorus] feels like a community within the community, so I'd say it's really delivered on that area so that our sons and daughters feel pretty much included, and I think all of them are pretty darn happy to be there."**

- Marie Sabine, UNITI Board Member and Chorus resident's parent



Chorus Apartments<sup>41</sup>

**“They don’t need us fussing over them and doing their laundry for them, so this is, I hope, the new normal. Like, let’s keep the home shares and the group homes for people who really need it, and let’s have this kind of life for people who are able to do this, and I think we’d be surprised at how many are able. I think we make huge assumptions that our sons and daughters couldn’t possibly live independently and that’s not so.”**

- Marie Sabine, UNITI Board Member and Chorus resident’s parent

One of the challenges the Chorus project encountered was the regulations that govern what different types of legal entities such as charities and what they are permitted to do in terms of ownership and rental of affordable housing. Fortunately, UNITI was set up in a manner that it was merely a question of working within their existing structure. During the ten years it took to acquire the four adjacent properties that became the site of Chorus, they were purchased and held by the Semiahmoo Foundation. Because charities, like the Foundation, are subject to narrower restrictions housing and revenue operations, the Foundation transferred ownership of the property to Peninsula Estates Housing Society prior to beginning development.

An additional challenge for both projects was not receiving significant financial support from the City of Surrey, unlike that provided in some municipalities in the form of tax breaks or development cost charge waivers for not-for-profit developments. The City was supportive of the project ideologically and was easy to work with in terms of permits and public processes, but the financial considerations put additional pressures on the project.

Early on in the process of embarking on the Chorus development, the board of UNITI had some concerns about the risks involved. Low risk tolerance is common in non-profit boards, especially when they have not had much experience with real estate development. To address this, they created a Risk Registry, which allowed the board to work through the root causes of their hesitation, the possible outcomes of their fears materializing, and the steps they would be able to take to overcome these challenges. The Risk Registry was an invaluable tool in helping UNITI’s board take the big steps necessary to complete the project.



The Treehouse and its parking lot, as seen from Chorus



Cam, Chorus tenant and avid sports fan (with the décor to prove it) in his apartment in Chorus

For UNITI, many of the takeaways and lessons from Chorus are similar to what they were with the Treehouse redevelopment: find good partners to share your mission and their expertise, be patient and persistent, own land whenever possible, and ensure the project is in alignment with the desires of the people it serves. Both projects increased SHS's organizational capacity and resulted in them owning additional land to leverage going forward.

UNITI plans to continue to support people in the community with disabilities by listening to their needs and dreams. One of the goals that has come out of this work is to continue to build similar housing projects. UNITI is working to find ways of doing this without being dependent on government funding, in the interest of having the flexibility to fully carry out the visions of the people they support and create long-term community assets.

**"We always want our [projects] to reflect the value of the people who are using the building. So it's helped, I think, shift the perspective of our community that people with disabilities don't have to be in a lousy strip mall with really old furniture and that stereotype of what it looks like. We do want to shift that paradigm, and part of it is by saying 'no, we're here, we have assets, we have a bounty that we want to share with the community.'"**

- Doug Tennant, CEO, UNITI



# Victoria Social Innovation Centre

Case Study

## Space Profile

**Space Name:** Victoria Social Innovation Centre

**Name of Occupants:** Family Services of Greater Victoria (Family Services), Victoria Immigrant and Refugee Centre Society (VIRCS), Oasis Society for Spiritual Health, Programme d'immigration francophone de la Colombie-Britannique, Mosqoy

**Organization Type:** Registered Non-Profit

**Society Mission:**

- **Family Services:** Family Services of Greater Victoria helps children, youth, and adults manage the challenges of separation, divorce, or transition to a new family structure. Our highly qualified staff, working with other community agencies, provide information and practical or emotional support so people facing these challenges can make the decisions that are best for everyone. FSGV believes all individuals can find ways to move forward in their lives when family relationships have changed or are changing.<sup>42</sup>
- **Victoria Immigrant and Refugee Centre Society:** To assist in the settlement and adjustment of immigrants and refugees in Canada, and to provide services designed to increase the newcomer's participation in Canadian society, by assisting the newcomer to overcome barriers.<sup>43</sup>

**Owner – Land:** Victoria Social Innovation Centre Society

**Owner- Building/Improvements:** Victoria Social Innovation Centre Society

**Rent/Lease/Own:** Own and Lease

**Address:** 1004 North Park Street, Victoria, BC V8T 1C6

**Square Footage:** Approximately 17,000 sf

**Year Opened:** 2017/2018

**Space/Facility Type:** multi-purpose, office, community facility

**Services/Programs:**

- **VIRCS-** federal settlement program, provincial settlement program, child and youth programs, community garden project, youth newcomer employment program, language learning and testing programs, newcomer volunteer coordination with other organizations, women's development project, provincial anti-racism program
- **Family Services-** Separation resource services; parenting after separation and decision making skills classes; meditation for couples; counselling for youth, adults and couples; support for grandparents; group support programs; and facilitated parent-child connections
- **Oasis-** Integrated Recovery and Holistic Wellness, weekly community meals, nature retreats, and family connections for people experiencing homelessness
- **Mosqoy-** office space for their fair-trade textiles, travel and education programs in Peru
- **Programme d'immigration francophone de la Colombie-Britannique** provides employment services for francophone new arrivals in British Columbia

## Synopsis

VSIC sign<sup>44</sup>

The Victoria Social Innovation Centre (VSIC) opened in the North Park neighbourhood of Victoria, BC in 2017. It is a non-profit owned and occupied community services hub, currently home to five non-profits delivering a range of services to individuals and families. VSIC's creation is due in large part to an exceptional partnership between Family Services of Greater Victoria and Victoria Immigrant and Refugee Centre Society, whose Executive Directors envisioned a co-location /shared space beginning in 2015. Working with partners like Vancity Credit Union and the other non-profits that have come to fill the space, brought it to reality. The VSIC project was built around rigorous financial planning and leveraging existing operating budgets and facilities expenses into an innovative, sustainable ownership model. This has resulted in a long-term, secure space that is an asset to the community. The impacts on both of the lead organizations and the tenants who share the space with them has delivered value for the organizations and their clients.

## Concept & Need

The sequence of events that led to the creation of the Victoria Social Innovation Centre (VSIC) was set in motion in 2015, when the Victoria Immigrant and Refugee Centre Society's (VIRCS) Board of Directors asked David Lau, the Executive Director, to find a long term solution to the real estate challenges the organization had been facing. Over the last several years, VIRCS had been struggling to pay rent for a space that was not ideally suited to their needs. In the short term, their landlord had halved their rent to allow them to remain in the space, but this was not a sustainable solution.

David started considering VIRCS's strengths in order to determine a direction, and he landed on one in particular: collaboration. At that point, VIRCS had a 25-year history of working closely with other organizations to connect newcomers to the programs and services they needed. This established model of partnerships and collaboration led David to think about co-location as a potential solution to VIRCS's space needs. He reached out to all of the organizations they worked closely with, and a few others, to see who would be interested in co-locating with the Immigrant and Refugee Centre. During this time, he also reached out to Vancity Credit Union to learn about possible financing options for such a project. Mark Fulmer from Vancity alerted David to the fact that Big Brothers Big Sisters Victoria was leaving the fifty-year lease they had held with the City of Victoria on an old firehall they had converted into a social purpose space, and the City was accepting proposals for new tenants. By this time, David had assembled a group of four organizations interested in co-locating, including Family Services of Greater Victoria (Family Services). At first the City was encouraging of the proposal, but eventually went in another direction. When this opportunity fell through, two of the potential partners backed away, leaving VIRCS and Family Services to forge ahead.

By this time, Bruce McGuigan, the ED of Family Services, had become passionate about the co-location/shared space concept that ultimately led to the Victoria Social Innovation Centre. Family Services had also faced a variety of space-related challenges in past years, and, like VIRCS, their survival as an organization was on the line. Both organizations were well established, VIRCS was established in 1989 and Family Services in 1978, and even despite their proven longevity, both organizations struggled from year to year, largely due to the high cost of rent-- Family Services was paying more than their annual budget could sustain, and only using a very small percentage of the space on a regular basis. VIRCS was in a similar place with rental costs eating up too much of their annual operating budget. Both organizations had identified co-location as a way to share less-frequently used spaces like board rooms, and to maximize use of spaces like kitchens and washroom. In addition, both organizations stood to benefit from client referrals between their organizations, facilitated by their locational proximity. They also saw a need for secure space—space that wasn't subject to changes in the real estate market—for the broader social purpose sector in Victoria. Creating space that would benefit more than just their organizations was key to the VSIC concept.

**“We were renovicted from our previous space, rents were going up across the area... we had already as an organization faced one move as a consequence of this and now we were facing another, so we were looking for alternatives to have a permanent home.”**

– Bruce McGuigan, former ED, Family Services



A portion of the VSIC exterior<sup>45</sup>

Given their past experiences of the challenges and uncertainty of leasing space, Bruce and David decided their way forward would be ownership. They came up with an organizational structure that would allow VIRCS and Family Services to jointly own the building, while ensuring it would remain a social purpose space in the community in perpetuity. To do this, they created the Victoria Social Innovation Centre Society, a legal entity whose board is made up of the Board presidents and EDs of VIRCS and Family Services. This innovative structure allows VIRCS and Family Services to partner in the organization that owns VSIC, while simultaneously protecting it and their organizations from the ups and downs of the real estate market and non-profit funding cycles (as explained in more detail in the “Business Models & Operations” section below).

**“Our intention [was] to create a space of collaboration where economic necessity is not our only interest but, mutual intents and collaborative benefits are shared by all participating organizations. Now that we are all together, we are starting to look at how we can solve problems mutually. We have turned the corner and are utilizing each organization’s strengths when we find solutions and new programming outcomes. Our boards, executives and operational staff are starting to strategize with each other, and we are truly finding new ways of supporting one another as we serve our mandates. It’s a very useful thing.”**

- David Lau, ED, VIRCS

VIRCS and Family Services spent some time looking at spaces available on the commercial real estate market to house the VSIC, but couldn’t find the right fit. Eventually, Mark Fulmer heard about 1004 North Park Street, which was being sold by the Multiple Sclerosis Society of Canada and told David and Bruce about it. The building needed some renovations, but since it was already set up for a social purpose organization, the zoning was right and it was a better fit than many others.

David and Bruce had run the numbers to know that they could purchase and renovate the building. Additional help came in the form of Owen Matthews, Chairman of the Alacrity Foundation. Matthews is an experienced investor in tech real estate in Victoria, and used his negotiation skills, pro bono, to get a good price on the site. He purchased the building and signed it over to the Victoria Social Innovation Centre Society, and VIRCS and Family Services paid back this cost. Family Services moved into their portion of the space in the summer of 2017, and after the necessary renovations were complete, VIRCS moved in in January 2018.

**“When you think about it, it’s so progressive, and yet it’s a fairly simple concept, if you’re prepared to collaborate... really be invested in the community, not just in terms of your own agency but the overall benefit of the community... and just really be ready to roll up your sleeves and say, what can we do to help?... The concept is brilliant, and I really hope that as a result of what we’re able to do here, and what people see that we’re doing and learn about what we’re doing... that it simply becomes how non-profits operate.”**

– Jane Taylor Lee, ED, Family Services

Since it opened, VIRCS and Family Services have been joined in the Innovation Centre by three tenants: Mosqoy, Oasis, and Programme d’immigration francophone de la Colombie-Britannique. Over 8,000 remaining square feet of space is being renovated to create additional suitable space for social purpose organizational tenants. Half of that remaining space will become the first trauma-informed daycare in North America, built by the Victoria Social Innovation Centre. The daycare will provide designated spots for children who have experienced trauma, and its programming will incorporate trauma counselling. It will be an independent, revenue-generating social enterprise: a project of VSIC Society and an important part of the VSIC vision.



Family Services Reception

## Partnerships & People

David Lau and Bruce McGuigan, the EDs of VIRCS and Family Services at the time, were clearly the champions of and driving force behind creating the VSIC. Both were determined, optimistic and creative, and they worked well together and trusted each other throughout the project. They also brought a financial rigor and acumen to the project that enabled their Boards to move forward with the co-location/shared space and creation of VSIC. Their financial analysis proved the organizations would benefit and the move from renting to owning would work. They both also put an enormous amount of time and energy into the project—by all accounts, VSIC would not have happened without them.

The Boards of both organizations also played a large role, in fact Bruce describes them as “heroes.” Both organizational Boards, and then ultimately the VSIC Board, had to get behind the vision, and reach consensus on the steps along the way. A Memorandum of Understanding was drafted and signed between the boards to give David and Bruce the green light to look for space together, and the boards have continued to work collaboratively ever since. Now that VSIC is in operation, the boards have shared bylaws for how the space will operate, and board members can be traded between the two partner organizations to increase collaboration and transparency.



David Lau (left) and Bruce McGuigan (Right) outside the VSIC<sup>46</sup>

**“The idea of taking a bold risk, especially for the board of Family Services, was ... bold but it was also a mature recognition of the circumstances under which we survived: ... yeah it might kill us, but every year might kill us. As long as we’ve done the numbers, done the work, and it looks okay, let’s just do it.”**

– Bruce McGuigan, former ED, Family Services

Mark Fulmer from Vancity was also a “core believer,” as David puts it, in the concept from the beginning. He provided help both looking for real estate and securing the necessary financing. Financially, Vancity was an invaluable institutional partner. The United Way, who provided some pre-development funding, and Owen Matthews from Alacrity Foundation, who negotiated the price of and purchased/held the site for VSIC, were also essential partners.

Rupert Downing, who was the ED of the Community Social Planning Council, one of the four organizations that were part of the original firehall proposal, also played an important role. While his organization did not ultimately end up partnering in the VSIC, Rupert contributed to developing and refining the concept of what such a shared space would look like.

When Bruce left Family Services and was replaced as ED by Jane Taylor Lee, she took up responsibility of navigating operations within this new VSIC structure, and considering ways to improve it moving forward. Jane is a firm believer in the model and sees it as crucial to Family Services’ survival.

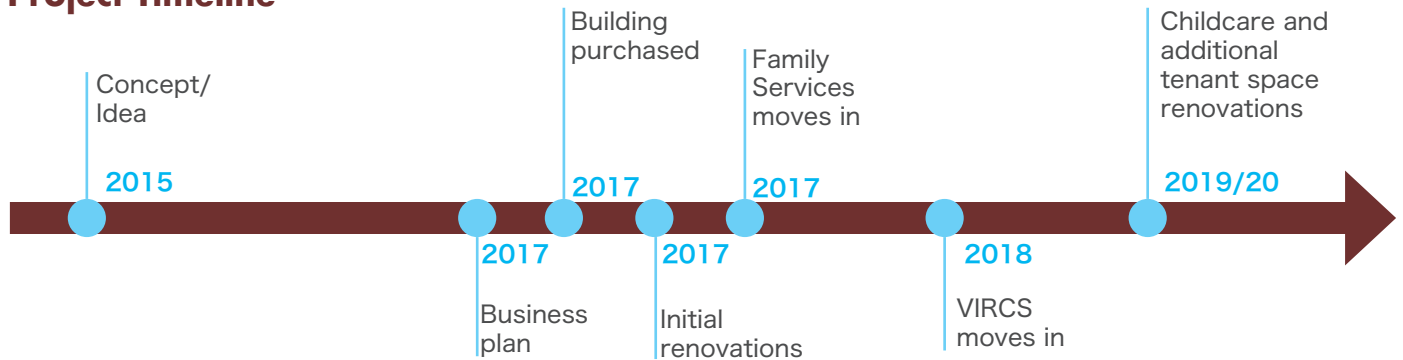
**“Clearly VIRCS and Family Services are [a] pretty terrific partnership, and most of that is the result of David and Bruce connecting and talking about their respective agencies and the challenges those agencies faced and then saying, you know, there’s got to be something to this.”**

– Jane Taylor Lee, ED, Family Services

In hindsight, there were some partnerships that did not work out, but did help VSIC take its current form, so are worth noting. The City of Victoria did not end up being able to provide the firehall space, but City Council ultimately voted unanimously to ease land tax obligations as long as all VSIC operations are non-profit. David and Bruce could not find other suitable partners to commit to the VSIC vision as equity partners. While many other organizations found it interesting, when it came time to join, the leadership teams or Boards were not able to make the move. In order to embark on a co-location/shared space project like this, an organization needs to be very well managed, both financially and operationally, and be confident in collaborating with other, possibly very different, organizations. A shared set of values and operating principles are essential.

# Planning, Feasibility, Acquisition & (Re)Development

## Project Timeline



Planning for the VSIC began when David knocked on Bruce’s door in the summer of 2015. Together they began building increasingly detailed plans, from what co-location could look like to assessing the financial feasibility of buying the site at 1004 North Park Street. This step also included a business plan, used to secure funding from Vancity, explaining how every square foot of the building would be monetized, and what operating and other capital the two organizations would bring to the project. Since this project involved renovating an existing building that had been in use for similar community social services, zoning and code issues were minimal and there was no requirement for community engagement on the renovation project.

Once purchased, VIRCS and Family Services set out on the necessary renovations to improve the space. One wing of the building was set up for Family Services’ needs, with a private entrance, which is essential given the nature of the services they provide. All they had to change was the placement of one wall, and to paint the space. The shared spaces and VIRCS’ spaces required further renovations, which accounts for their later move-in to the building. Those renovations included redesigning the lobby; creating a boardroom, storage spaces, sound-proof interview rooms, and a computer lab; finishing and painting; and installing ventilation. One challenge the project encountered in this process was the unavailability of contractors to do the finishing touches on the renovations because of the construction boom in Victoria at the time. David and Bruce spent the last three weeks of 2017 doing this work themselves-- tiling and painting to make the space ready for VIRCS to move in in early 2018.



Renovations to the 4,500 sf daycare on the second floor and the 4,000 sf below it are expected to be completed in 2020.<sup>47</sup>



## Business Models & Operations

**“We incorporated a separate non-profit [VSIC Society] that owns the building so that the building, as a community resource, is protected from potential problems that may occur in any of the non-profits that are partners in the organization, so the building can’t be incumbered by the debt of any of the non-profits and nor do any of the non-profits get any money back if they leave.”**

-Bruce McGuigan, former ED, Family Services

The unique and innovative ownership and operational model of the Victoria Social Innovation Centre is central to its exceptional nature. VIRCS and Family Services created the VSIC Society, the non-profit entity that owns the building, and each organization appoints members to the Board of VSIC. Originally, VIRCS and Family Services had hoped to find additional organizations to become equity partners in the Innovation Centre, however at this time it remains the two lead organizations. Although they invested significant equity to secure the space, VIRCS and Family Services are tenants in the building; they pay rent to the Innovation Centre Society. Because they also appoint members to the Board of the Innovation Centre, however, they cross over between the roles of “landlord” and “tenant.” Another tenant-organization could become this type of partner by contributing to paying back the equity VIRCS and Family Services invested in establishing VSIC.

A second occupancy model exists for not-for-profits who do not wish to be part of the equity partnership. These organizations, currently Mosqoy, Oasis, and Programme d’immigration francophone de la Colombie-Britannique (a program of la Fédération des francophones de la Colombie-Britannique), are tenants at VSIC and hold lease agreements with the Society.

Each partner/tenant has their own designated office and program spaces for services that require security and confidentiality of the clients. In addition, there are two types of shared spaces in the building: common space like the lobby/reception, atrium, hallways, bathrooms, kitchens, and stairwells; and bookable shared spaces including a multi-purpose room, board room, interview rooms, and the computer lab.



VIRCS Children’s Winter Celebration at VSIC<sup>48</sup>

In terms of its financial operations, VSIC Society collects rent from all organizations. For the time being, these rents go toward paying VSIC's mortgage. Once the mortgage is paid off, however, the surplus from the rents will be put toward VSIC programming or redistributed to the equity partners in the form of grants. Bruce estimates that when the VSIC is fully leased out, it will bring in between \$300,000 and \$350,000 a year in revenue from rents, while operating costs will add up to roughly \$220,000. This means that as the mortgage payments decrease and then disappear over the next 20 years, that positive cashflow will pay for VSIC's programs, with any surplus netted back into the partner organizations. The other tenants benefit financially from this structure as well: while they do not stand to get any surplus dollars back, they have long-term, secure space, and their rent is below market rates.

**"This is a society owned by member societies, which can grow, and if a member society steps away, they don't get any equity out... so it's in their best interest to stay."**

- Mark Fulmer, Vancity

VSIC became financially stable the moment VIRCS moved in, as even without the rest of the space being filled by other organizations, their monthly payments to pay off VSIC's mortgage were already lower than what they had each been paying in rent in their previous spaces. In order for the space to be optimized, however, all remaining space is to be leased by additional organizations. The primary example of this is the 4,500 square feet for the daycare and the 4,000 square feet below it that are currently being renovated. Once these are running and occupied they will both bring in revenue, and no longer be costs borne by VIRCS and Family Services.

**"What's cool about the Social Innovation Centre, [is that] we are tenants here, and we're building equity in the building, but if Family Services were to leave, we [wouldn't] take a portion of [that equity], so any equity that's been built up is there as a legacy... So, regardless of who comes into the building they will benefit from the fact that we set it up the way we did. We're going to get everybody's operating costs down, which means that the moneys that are freed up can then go back into programs and services."**

- Jane Taylor Lee, ED, Family Services



Top: The ground floor atrium, one of VSIC's common spaces  
 Middle: Group counselling space  
 Bottom: Interview room created during the initial renovations in 2017

Ideally, to optimize the model further, there would be more than just two partner organizations, and VIRCS and Family Services are hopeful to add a third partner when they find the right organization. One of the reasons this will be beneficial, and that David and Bruce worked so hard to try to find a third partner in the beginning, is that having three, or any un-even number, of partners, provides for a better governance system. Currently, because VIRCS is responsible for roughly 60% of the space, and Family Services for 40%, with Board members' votes allocated proportionately to their share of the space, there is a slight imbalance of power that could skew decisions in tough situations.

Beyond the legal and financial operations of the space, however, the VSIC model also encourages and creates opportunities for collaboration between organizations. The services provided by the various organizations are in some cases very compatible, and they are able to refer clients between them with ease. The organizations can also support each other's services. If Family Services needs a translator, for example, they can walk down the hall to VIRCS and ask if someone there speaks the language they need. In addition to these day to day supports, the organizations have also started to seek and apply for funding together.



VIRCS programming taking place in the VSIC multipurpose room<sup>49</sup>

**“Being in this little building of community, we can easily ask each other, ‘hey, what do you feel about this? Or, do you want to collaborate on this?’ ... I think in each of our personal lives we have that sense of collaboration and family and building one another up, not silo-ing each other ... [Here] we’re going to uplift one another and see how we can help one another.”**

– Brianna Bear, ED, Oasis

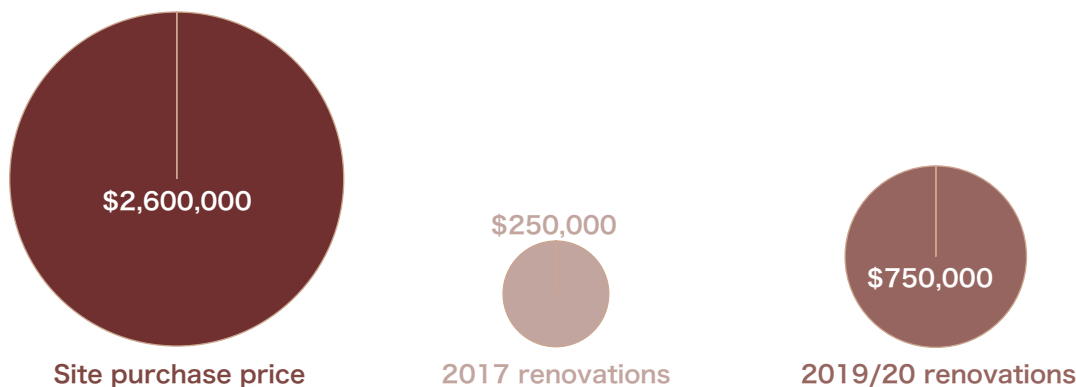
## Funding & Financing

Key financial steps to realizing the project included securing financing from Vancity Credit Union, Owen Matthews' help to negotiate the sale price and assist with sale completion and transference to VSIC, and the financial rigor with which VIRCS and Family Services approached the entire process. The financing from Vancity Credit Union was slightly more complicated than some social purpose real estate purchases because VIRCS and Family Services did not have 25% for a down payment. Normally, a financial institution will only finance a project like this up to 75%, but one of Vancity's unique features is that they have loan pools that they can use to set aside additional funds to secure loans to not-for-profit organizations, as they did in this case. While it included more steps to secure the funding because of this, the project's aims were well within Vancity's Community Impact Investing goals, so it was more a matter of finding the exact dollars needed to fund the project, rather than of convincing anyone at Vancity of VSIC's worth.

Internally at VIRCS and Family Services, while both organizations had had their financial struggles, they were well managed and able to do the necessary planning to figure out that creating VSIC and purchasing the space made sense for both of them. Between 2017 and 2020, VIRCS and Family Services put roughly \$300,000 into the building in the form of the deposit, a portion of the renovation costs, and the transactional costs of purchasing the real estate. The one financial hiccup in the process was that the transactional costs of purchasing the building were higher than VIRCS and Family Services anticipated. However, because of their otherwise solid budgeting, they had the contingency funds necessary to cover the additional cost.

VIRCS paid many of the initial costs of the project (including the deposit and legal fees) up front because they had non-designated reserve funds that allowed them to do so. Family Services contributed what they could and then paid VIRCS back proportionately over the first six months of operations. VIRCS also paid rent for their space while it was being renovated before they could move in in order to make the VSIC feasible. This arrangement set the precedent for the flexible and collaborative approach that is expected of all organizations that join the Innovation Centre and that ultimately makes them and the facility stronger together.

### Project Expenses Summary



In addition to VIRCS' and Family Services' cash and in-kind contributions, funding and financing for the project were provided by Vancity Credit Union, a pre-development grant from the United Way, and a Gaming renovation grant. The Innovation Centre site was appraised in March 2020 at \$4.35 million, representing a significant return on investment for the VSIC. If the social and organizational benefits of colocation weren't already enough to convince potential adopters of this model of its success, surely the numbers will prove convincing.

## Impact & Lessons Learned

Overall, VSIC was an immediate success, and because it was set up to be a long-term community asset its impact should only continue to grow, especially as more organizations move in and the daycare is completed. For now, certainly, the space meets the needs of the organizations it houses by providing secure, welcoming and suitable spaces. An essential part of its success is that it is already meeting one of David and Bruce's original goals: to provide secure space to smaller, more vulnerable non-profits, in addition to meeting their organizations' needs. Beyond this, the organizations are able to support one another by making referrals and collaborating on applications and programming.

As for the users of the space, they mostly seem appreciative of the services they receive at VSIC, rather than of the space itself. But, a large part of this is the warm reception people receive when entering the building: VIRCS's reception desk is in the main lobby, and welcomes participants and clients from all the tenant-organizations, not just VIRCS. This shared service is one of the benefits of co-location, and creates a warm atmosphere for visitors. In the broader community, VSIC has a low profile, largely because North Park is a relatively quiet street. The Innovation Centre's notoriety is expected to increase in the general community once the daycare opens and starts bringing new people to the space.

**"So far we have family services, newcomer services, indigenous health and culture activities, francophone employment and international development in one location. Even at this early point, it is terribly exciting for me to walk down the hall and smell sweetgrass burning in a room where Syrian women are learning from Coast Salish artists how to make traditional drums in the context of an ESL class. This is Canada. This is how great things can be when you get really intentional about them; it is only going to get better when we add a specialized daycare and more exciting, curated partner organizations."**

- David Lau, ED, VIRCS

The security of tenure has had huge impacts on the organizations involved. The piece of mind that comes from not having to worry about where they will be a year from now, or even five, alleviates stress and creates opportunities to focus elsewhere. This is not to say there haven't been challenges. In the early stages, overcoming the negativity and doubts of other organizations and possible partners took grit and determination from David and Bruce and their respective boards. Once the Innovation Centre was up and running, figuring out the day to day elements of managing the space, and the partnerships involved has been a steep and on-going learning curve. The long-term commitment as well, while providing security, maybe eventually come to be a limiting factor as the organizations look to expand their programming. Overall, though, everyone agrees the net benefits have been positive, and things are working very well.

**"I think everyone's pretty happy. There was a real effort made to create welcoming spaces, and create sort of a relaxed, welcoming, easy space, where there's adequate room for everyone."**

- David Lau, ED, VIRCS

**"Yes, [it has delivered on its promise] completely. We have a secure space that is immune to the real estate market. A forever home."**

- Bruce McGuigan, former ED, Family Services

**“This idea of a hub and a place where non-profits can go and seek refuge in a way, is such a progressive, visionary, exciting prospect, I mean we’re really thrilled to be in it, we really are. And it really has ensured our survival.”**

- Jane Taylor Lee, ED, Family Services

Some of the positive impacts of the space on its tenant organizations have yet to be realized. As discussed in “Business Models & Operations,” the ownership structure of VSIC will eventually generate positive cash flow that will be put back toward programming in the space and net surplus back to the two lead organizations. What this means on an individual organizational level will vary from tenant to tenant. For Family Services, for example, once the space is fully occupied by tenant organizations, their portion of the rent will go down to approximately \$32,000 a year. Compared to their rent in their previous space, which was \$94,000 a year, that will leave them with an additional \$60,000 dollars a year to address key needs. Once this comes to be, Family Services will be able to increase the wages they pay their staff, or make other internal improvements, as well as improvements in their programming.

**“The reality is, we knew when we got in here that we were now finally in a position where we could ensure the sustainability of the organization... we know now that we’re here, we’re not going anywhere, there’s a sense that we can lay down roots.”**

- Jane Taylor Lee, ED, Family Services

The innovative partnership and legal structure that made this space possible is a highlight and key takeaway from the project. It is essential to the existence and success of VSIC, and hopefully can act as a model for other organizations considering co-location. The security of tenure and potential for long term financial benefits are unique and exciting.

Another key takeaway from this project is the importance of finding compatible partners to share your vision and then to be willing to

put in the work. David and Bruce worked very well together, as do VIRCS and Family Services and their Boards within the Innovation Centre Society governance and tenancing structures. Other organizations considering similar projects should very thoughtfully consider their potential partners, as well as their own strengths and weaknesses.

**“[Focus] on what your strengths are. If your strengths are collaborating, well then this model might work for you. If your strengths are not collaborating, then this is not going to be the solution.”**

- David Lau, ED, VIRCS



Celebrating the completion of a VIRCS' entrepreneurship skills training program<sup>50</sup>



Halloween activities in the multipurpose room<sup>51</sup>

Even for organizations looking to rent, rather than to create a whole new model of social purpose real estate, like the non-partner tenants of VSIC, for example, the importance of partnerships is paramount. It allows organizations to collaborate and opens doors to new opportunities, including helping find space and building long term relationships.

Bruce and David both also highlight the importance of organizations being well managed operationally and financially, warning that if this is not the case, a project like setting up VSIC could ruin them. A key part of this is to plan thoroughly for any social purpose real estate endeavour. Simply having the will to complete a project isn't enough: non-profits need to ensure they have the capacity to complete such a project as well.

Another long-term benefit of the VSIC's collaborative ownership structure is that when enough equity is established, it can be used to purchase buildings and set up new hubs in regions that are strategically important to the partner organizations. They will be able to expand their services in these areas, and perhaps new member organizations who want to stabilize and further develop their services will join them.

Next on the agenda for VSIC is to complete the renovation of the daycare space and the space below it. The daycare will be a social enterprise under the umbrella of VSIC Society, and will be the first trauma-informed daycare in North America. VSIC Society will run the daycare for the first ten years, at which point they, and the Provincial Government who are funding the project, will re-evaluate the management structure. The daycare will also offer operating hours that will make it accessible to single parents and parents who do shift work.

VSIC is set up on the idea that social purpose organizations should have access to, and be able to own and manage, spaces that create environments where they can thrive. Too often, social purpose organizations are forced to take the first opportunity that comes their way, but projects like VSIC show what happens when they make opportunities to create better environments for themselves.

**“Build connections. Collaborate with people, invite them for food. Food is how you get people to your table and to your door and people to get to know you.”**

– Brianna Bear, ED, Oasis

# Conclusion

Discussion, Closing Remarks





## Discussion

The four case studies above, taken in isolation, offer inspiring examples of social purpose real estate designed to address particular needs and contexts. Taken together, they may shed light on the elements that make for successful social purpose real estate endeavours more generally. In each of the areas covered by the case studies, a number of themes emerge that point us to these essential elements of social purpose real estate:

### Concept & Need

- The four case studies demonstrate the need for a clear vision that aligns with the organization's mission. They also demonstrate that while certain elements may change over the course of a project, adherence to that vision allows organizations keep their ultimate goals in sight.

### Partnerships & People

- Finding compatible partners is key. Each case study demonstrates in its own way that finding organizations whose missions align to be partners is an invaluable asset to any project. This includes operational partners and financial ones alike. On the level of the individuals involved, having champions and people in the partner organizations that fully support the vision for the space, and are willing and able to put in the hard work it takes to make a reality, are central to driving social purpose real estate projects forward. Having a strong and commitment board of directors that is committed to the concept also made the studied spaces possible.

### Planning, Feasibility, Acquisition, & (Re)Development

- While the form of each project is different, from renovating, to acquiring, to redeveloping, space, sound financial and organizational management (at all times, not only the moment a project presents itself) is essential. Conducting the necessary feasibility assessments and other planning assessments also proved valuable in the case studies. The ability to be creative, think outside the box, and take risks another common theme among the organizations studied.

### Business Models & Operations

- Again, the theme of creativity arose in business models, and that of alignment with the organizations' mission. Ensuring that all individuals and partners involved in operations will have their needs met by the model, and that it will be sustainable and stable operationally and financially are also key. Suitability of space for programming and considering the operational costs design elements is also a key takeaway from the case studies.

## Final Remarks

### Case Studies

The case studies included in this report demonstrate that they are an effective means of documenting the essential elements of social purpose real estate projects. The case study process and product represent a thorough learning opportunity for the writer and reader alike. In addition to highlighting successful examples of social purpose real estate, case studies provide a valuable resource for other social purpose organizations. SPRE's case studies have been used by various organizations as templates for a path to follow in their own real estate endeavours or as catalysts to reaching out to potential partners and guides. Case studies also offer benefits to the organizations studied: they create a lasting testament and record of their real estate project, which can be used to further their ongoing projects. For example, one of the organizations represented in this report included their case study as supporting documentation in a funding application the day it was published to the SPRE website.

### Space Needs & Solutions

Space is an essential need for many social purpose organizations delivering programs and services. Given the affordability crisis affecting much of southern British Columbia, and the funding uncertainty many of these organizations face, finding secure space is often a make-or-break proposition for non-profits and social enterprises. Together, the Dave Pranteau Aboriginal Children's Village, Broadway Youth Resource Centre, the Treehouse and Chorus, and Victoria Social Innovation Centre show that it is possible for social purpose organizations to create and occupy suitable, stable, and sustainable space, and what it takes to get there.

## Notes

- 1 “What is Social Purpose Real Estate?” SPRE, <https://www.socialpurposerealestate.net/about/what-is-spre>
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- 3 BC Housing. Retrieved from <http://www.streetohome.org/project/kwayatsut-at-2465-fraser/>. Reprinted with permission.
- 4 Pacific Community Resources Society. Reprinted with Permission.
- 5 “Vancouver School Board Alternate and Alternative Programs,” 2019, [https://www.vsb.bc.ca/Student\\_Support/Alternative\\_Programs/Documents/sbfile/191125/District%20Alt%20Programs%20Resource%20%202019-20%20%20FINAL.pdf](https://www.vsb.bc.ca/Student_Support/Alternative_Programs/Documents/sbfile/191125/District%20Alt%20Programs%20Resource%20%202019-20%20%20FINAL.pdf)
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