

STUDY AND ASSESSMENT REPORT ON CHARITY BUILDINGS

FULL REPORT

Many charity buildings are in poor condition and some still need to be built, diminishing non-profits' ability to create social change. However, no study has ever been completed on this topic area.

For this reason, HeroWork embarked on a three-phase study that investigated the state of charity buildings, the specific challenges faced by charity organizations in relation to their infrastructure, and the system of societal stakeholders in which non-profit buildings exist.

This report outlines our findings and makes specific recommendations for charities, for system stakeholders, and for the strategic plans of the HeroWork Society.

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WHAT WILL YOU FIND IN THIS REPORT?

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OUR PROUD SPONSORS



About HeroWork

We are a charity that renovates other charities. Many charity buildings are run down and in need of repairs or upgrades. Some still need to be built. HeroWork is on a mission to change this. Here's how:

- ## 1 Worthy Charities

We work with worthy charities that want bigger impact but need better or new infrastructure.
- ## 2 Amazing Partners

We partner with many businesses to help with a full array of construction services, supply, hospitality & more.
- ## 3 Radical Renovations

We put on huge community events in which we complete comprehensive renovations in a fraction of normal time.

To date we have completed over \$4 million worth of non-profit renovations in the CRD. A typical year will see HeroWork engage over 100 companies, more than 50 coordinators, and in excess of 500 volunteers, who all provide either goods and/or labour in kind. We also receive seed money from our partner charities and funding from other community agencies.

We are also developing a charitable social franchise model that can be used not only in Victoria, but across the country, empowering communities to renew and/or expand charity infrastructure. Our vision is to enable charities in many cities so they can make bigger social change, become more sustainable, better serve vulnerable populations, and lift up the neighbourhoods where their important services are provided.

The guide we are planning to produce from our system-wide session will be not only available to HeroWork partner charities, but to all non-profits across all social sectors.



STUDY BACKGROUND

Purpose of Study

HeroWork's experience has shown us that many charity buildings are in need of repairs or upgrades. We've seen the evidence across the non-profit sector.

It is our mission to make this better—to improve community infrastructure so that charities can have a bigger impact.

However, our evidence has been anecdotal. No data set currently exists on the state of non-profit buildings—not in the Greater Victoria area nor anywhere else in Canada.

In order for HeroWork to serve other charities better, we want to deeply understand the infrastructure needs faced by them.

For this reason, we have embarked on a Needs Assessment Study of physical charitable infrastructure in the Greater Victoria area.

Overall Goals for the Study

- Obtain and understand data on the condition of non-profit properties within the Greater Victoria area.
- Engage community charitable stakeholders to provide first-hand input regarding their infrastructure.
- Develop collaborative partnerships among a wide range of non-profits.
- Develop a multi-year HeroWork Strategic Non-Profit Community Infrastructure Renewal Plan.
- Build a list of recommendations and/or insights regarding charitable infrastructure and the system in which it operates.
- Chronicle a process through which similar studies can be replicated in other communities.



“There are benefits to be gained from having non-profits participate in public infrastructure—for governments, the private sector and communities. All levels of government can benefit from non-profits’ ability to leverage resources to meet increasing demand to fund infrastructure developments.”

VAN CITY REPORT - NON-PROFITS AND COMMUNITY INFRASTRUCTURE

THREE PHASES OF THIS STUDY

To complete this study there are three steps, each building on the other.

Phase 1: Complete a Needs Assessment Survey

In October/November 2017, HeroWork invited non-profit organizations in Greater Victoria, who serve vulnerable populations, to participate in an online survey.

From this survey we wanted to answer a long list of questions: Who owns or leases their buildings? What is their overall condition? How urgently are renovations needed? We sought to understand what types of buildings organizations currently operate out of – the age, size, and condition of buildings. Even if the building was technically “functional,” we wondered whether a renovation could improve the organization’s ability to meet their mandate.

To administer the survey, HeroWork partnered with the [Community Social Planning Council](#). The information gathered has resulted in the report you are reading.

Phase 2: Non-Profit Community Education & Feedback Session – Friday May 11th, 2018

All organizations that completed the survey were invited to participate in an in-depth community forum, investigating charitable infrastructure, digging deeper into the need and connecting that need with strategic planning.

This session explored innovative and vision-orientated solutions to infrastructure challenges. Our goal was to dig deeper into the current challenges regarding charity buildings and to collaborate on innovative possibilities for making them better.

The goal of this session was to understand the big vision of the participating charities and how for-purpose designed buildings can support them.

We then themed the information and collaborated with the Victoria Foundation to develop possible ways to make the HeroWork Program better.

Phase 3: A “Systems Approach” Forum on Charitable Infrastructure – Saturday Feb 9, 2019

During this session we investigated the full range of societal elements that relate to the health of charitable infrastructure to determine best practices in regards to charities internal practices and the external practices when engaging system stakeholders.

The range of “system” stakeholders included: municipal and provincial governments; foundations and funders; the charitable sector; the construction industry; real estate representatives; the financial sector, and HeroWork board members.

Three Phases of HeroWork's Study of Charity Buildings



Phase 1 - Nov 2017

Needs assessment survey of charity buildings in the CRD.



Phase 2 - May 2018

Non-profit education and feedback forum on infrastructure.



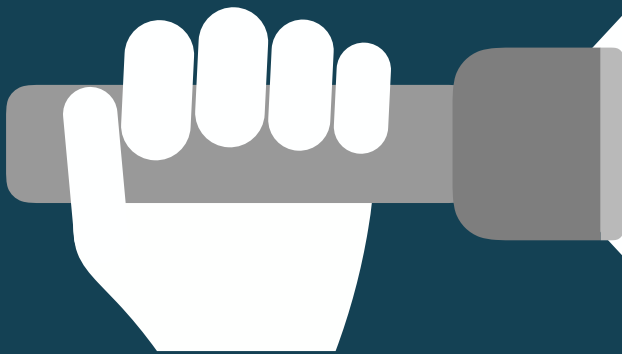
Phase 3 - Feb 2019

System's approach forum on charitable infrastructure



Outcomes of Full Study

HeroWork will produce a report that will be distributed to all charities in the CRD and be freely available to everyone through the HeroWork website.



The study will:

- Outline data that indicates the condition of charity buildings in the CRD.
- Outline the opportunities and challenges faced by charities in relation to their infrastructure.
- Distill the best internal practices (board engagement, communications, strategic planning, etc.) a charity should employ so as to be ready to engage system stakeholders.
- Distill best practices on how to engage and work with various system stakeholders.
- Suggest ways for the system to collaborate



FOX



FRONT



HEROWORK
RADICAL RENOVATIONS

PHASE 1: NEEDS ASSESSMENT SURVEY

INTRODUCTION

The findings of HeroWork's survey have been organized into four main sections:

1. **Participant Profiles:** Who participated in the survey; what sectors they serve; who owns, rents, or leases, as well as budget comparisons.
2. **Building Profiles:** Age and size of buildings, as well as overall condition.
3. **Do Charity Buildings Need Help:** Frequency and urgency of renovations; ability to increase services; as well as kinds of support received and types of revenue generation.
4. **Organizations that Rent or Have Short Term Leases:** Suitability of current spaces; ability to increase services; and plans to acquire future buildings

Key Findings of Phase 1

Our findings have been gleaned from a wide cross-section of non-profits in the CRD.

The resulting data suggests a distinct difference between organizations that own, have shared ownership or long-term leases, and those who rent or have short-term leases. In general, the former tend to need help with their infrastructure while the latter does not.

For organizations that own, have shared ownership or long-term leases the data suggests that many, in fact, do need help with their infrastructure. Some of the highlights are:

- The condition of buildings is evenly dispersed, but they are generally older—many more than 60 years old;
- Building size tends to be on the large side of the scale;
- 30% of organizations either urgently or very urgently need renovations to their building;
- The majority of organizations believe that a renovation would help them deliver or better deliver their mandate;
- Half of the respondents said they received some kind of support to occupy their building while half said they did not receive support.





“Over 50% of charities believe that a renovation will help them make a bigger difference.” – HeroWork Needs Assessment Survey 2017

PARTICIPANT PROFILES

Overview

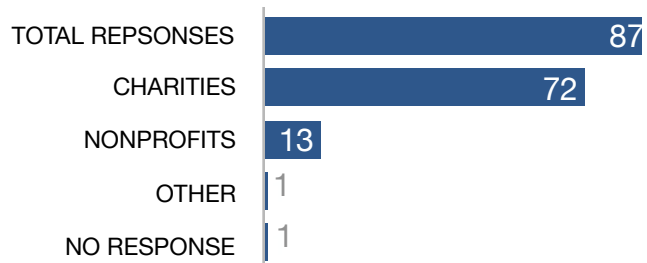
When we embarked on this survey, our goal was to gain input from a wide spectrum of non-profits.

We sent the survey to approximately 400 non-profits. Out of the 87 organizations that participated, 72 are charities. The community sectors these participating organizations serve are wide ranging and, relatively speaking, there is good representation from each sector. There is also a diverse representation from those own their building and those who lease/rent their spaces. In addition, organizational budgets ranged from under \$100,000 to over \$5,000,000.

Together, this data suggests we achieved the goal of obtaining data from a wide cross-section of non-profits in the CRD.

Who Completed the Survey?

HeroWork surveyed a wide range of the non-profit sector in the Capital Regional District (CRD). In total 87 organizations participated. Of these, 72 had charity status.



Who Do They Serve?

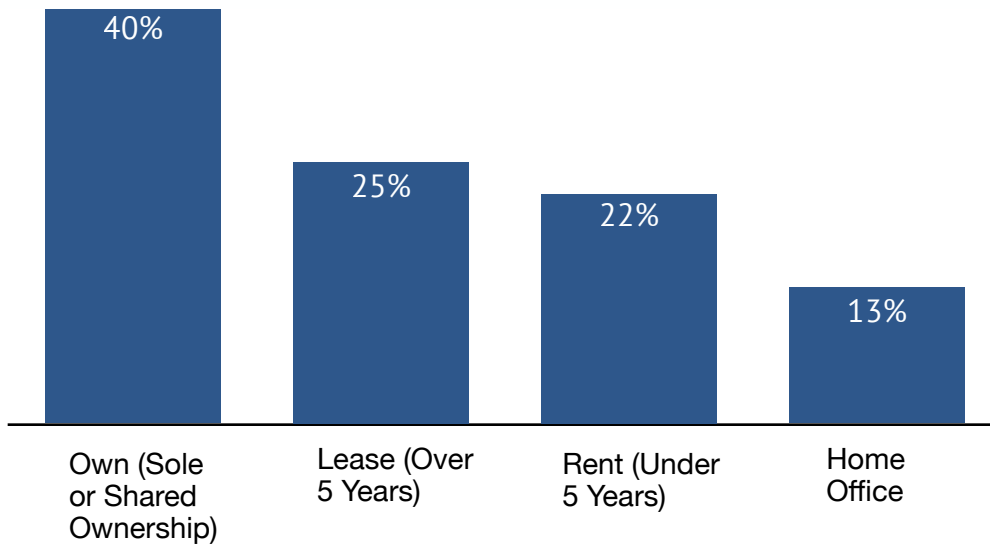
The respondent organizations serve a wide variety of sectors. No one grouping is over-represented, providing this study a wide breadth of the non-profit sector.

| Sector Served | Number of Respondents |
|---|-----------------------|
| Child Development | 15 |
| Counselling and Mental Health | 15 |
| Education | 15 |
| Housing | 14 |
| Advocacy | 13 |
| Health Services | 12 |
| Poverty Relief & Reduction | 11 |
| Community Associations | 10 |
| Food Services (food banks, food security) | 10 |
| Senior's Services | 10 |
| Women's Services | 10 |
| Arts & Culture | 7 |
| First Nations | 7 |
| Homelessness | 7 |
| Religious Organizations | 7 |
| Addictions & Recovery | 6 |
| Sports & Recreation | 5 |
| LGBTQ Community | 4 |
| Environment | 3 |
| Animal Welfare & Wildlife | 2 |

“There are an increasing number of success stories where non-profits who have members with novel ideas have transformed their visions into places where people gather, work, play, share, earn, serve and support others. These spaces are embraced by citizens who feel a sense of ownership, pride and promise, and this builds strong communities.”

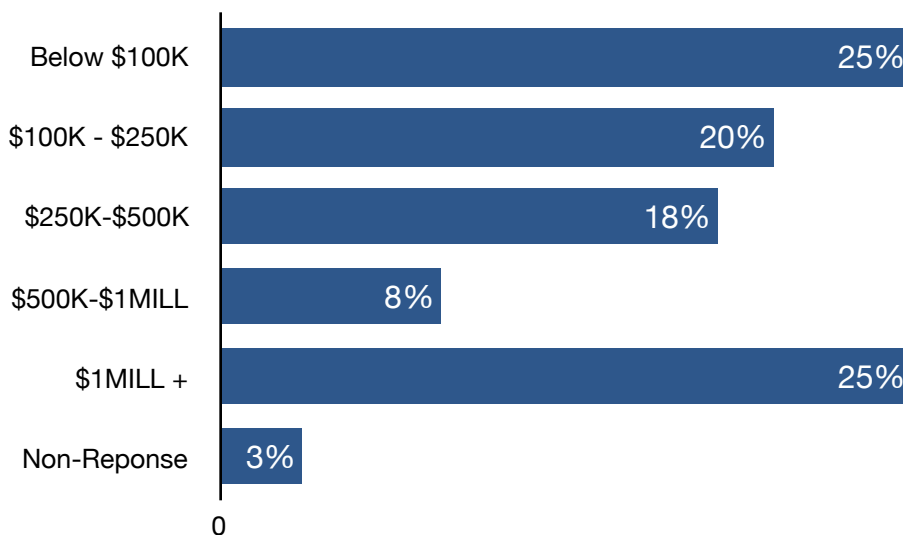
Who Owns, Rents, or Leases?

Non-profits have a wide variety of needs when it comes to fulfilling their mandates. This requires a wide range of solutions to their infrastructure needs. The graph below shows this diversity of infrastructure solutions, from home offices, to short-term and long-term leases, to full ownership of buildings.



Budget Comparisons

When we compared the budgets of the participating organizations, we found a broad distribution of revenue. One quarter have annual budgets of under \$100,000 and another quarter have annual budgets of more than 1 million.



BUILDING PROFILES

Synopsis

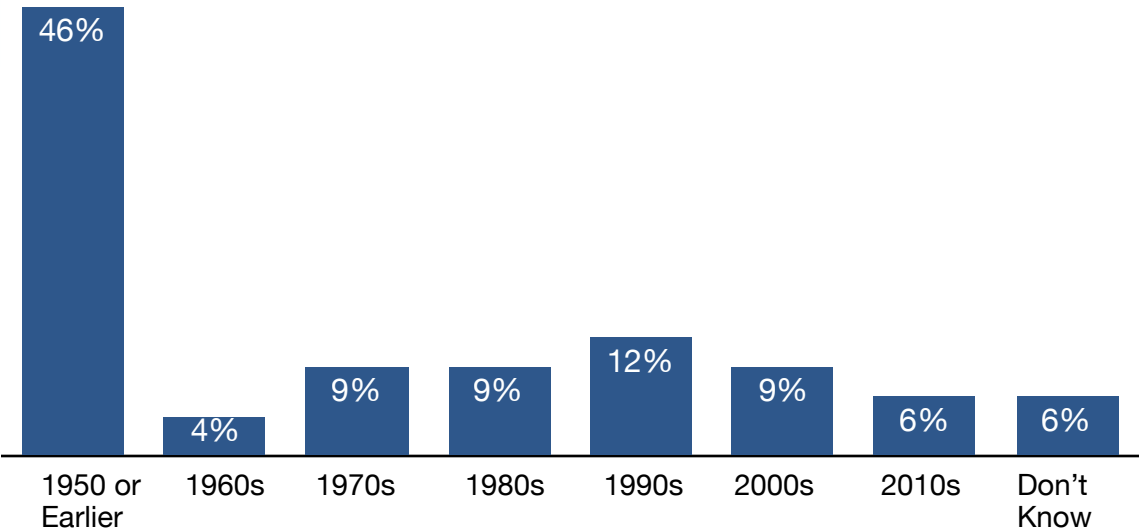
This section of the interim report focuses on **organizations that own, have shared ownership or long-term leases**. It provides insight on the age, size, and general condition of nonprofit buildings.

Key Findings:

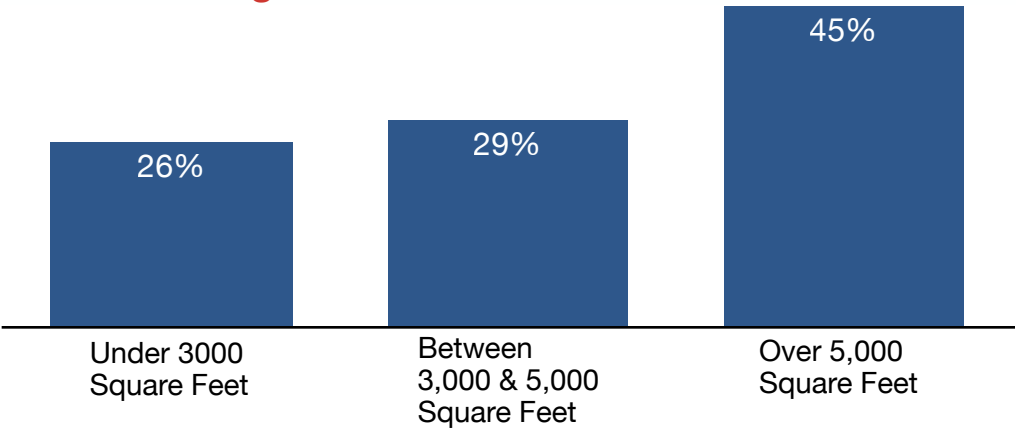
- Buildings tend to be over 60 years old
- Their general condition is evenly dispersed
- Building size tends to be on the large side of the scale

Age and Size of Buildings

When respondents were asked about the age of their buildings, we found a big skew, indicating that many non-profit buildings are 60+ years old.

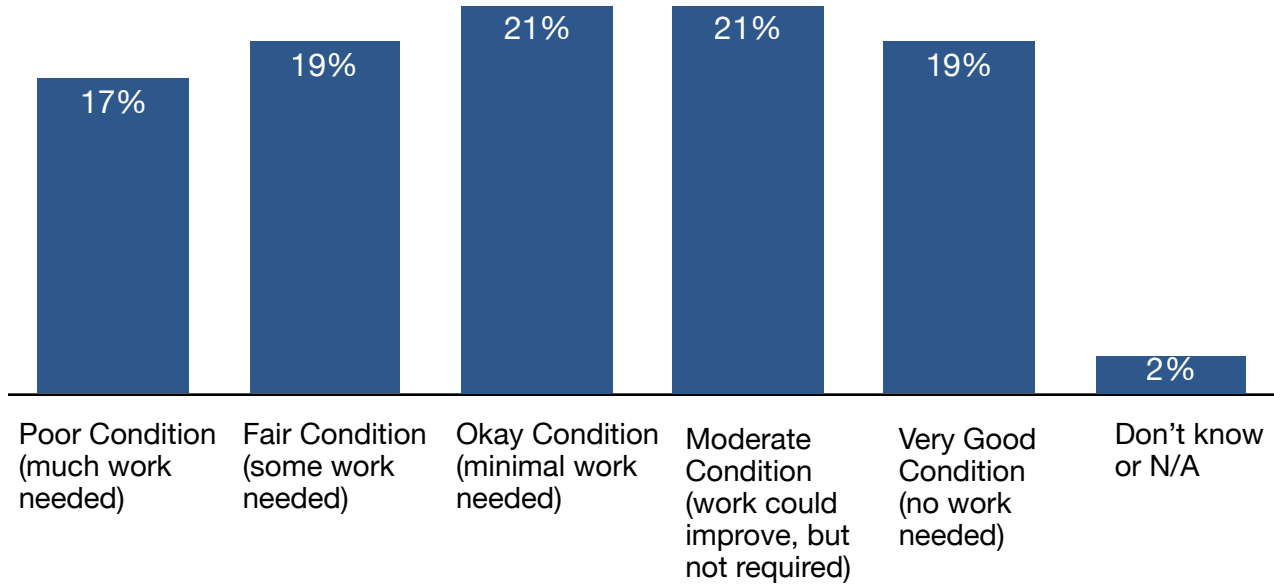


Size of Building



Overall Condition of Buildings

Participants who owned, had shared ownership or long-term leases were asked to give an overall rating of their building's condition. We found that the general condition of buildings was evenly dispersed.



Then we dug deeper into the various elements of buildings. We asked respondents to rate the condition of the following aspects of their building(s):

- Overall building condition
- Structure
- Foundation
- Building envelope
- Roof
- Windows
- Doors
- Plumbing
- Paint
- Lighting
- Floor finish
- Fire safety
- Electrical
- HVAC
- Landscaping
- Building Accessibility

Out of these building elements the ones that were commonly rated to be in the poorest condition were:

- Paint
- HVAC (Heating, ventilation, air conditioning)
- Building accessibility
- Floor finish

The building elements commonly rated to be in the best condition were:

- Foundation
- Roof
- Fire safety
- Structure

DO CHARITY BUILDINGS NEED HELP?

As in the previous section, **this section focuses on organizations that own, have shared ownership or long-term leases.** The questions framed here are meant to indicate the level of help (if any) required by charities for their buildings.

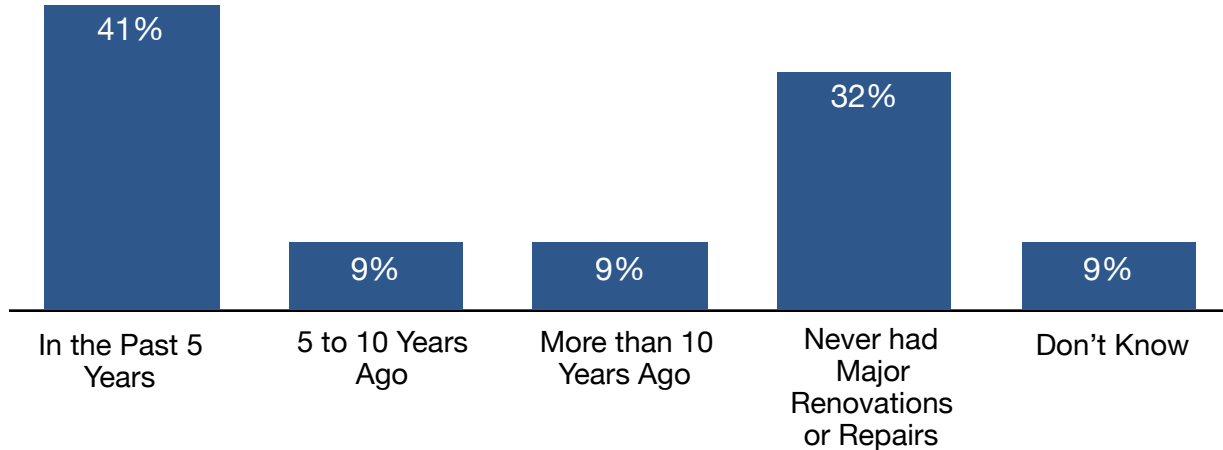
Key Findings:

- Regarding frequency of renovations, organizations fell into two basic areas: those that were renovated within the last 5 years and those that were renovated more than 10 years ago or never at all.

- 30% of organizations either urgently or very urgently need renovations to their building
- The majority of organizations believe that a renovation would help them deliver their mandate
- Half of the respondents said they received some kind of support to occupy their building and half said they did not receive support.

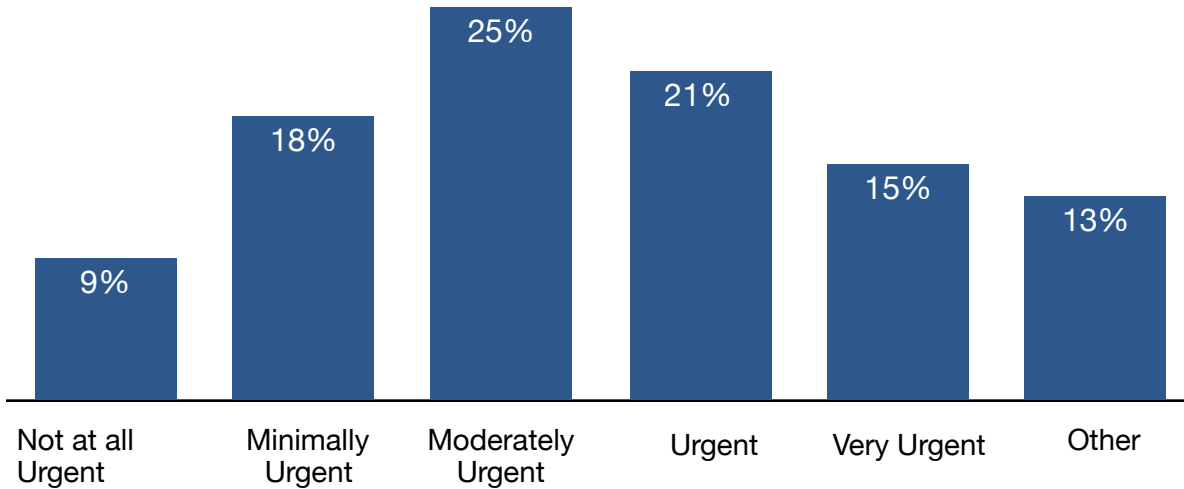
Renovation Frequency

There were basically two camps: those that have had renovations in the last 5 years and those that have had renovations more than 10 years ago or have never had them at all.



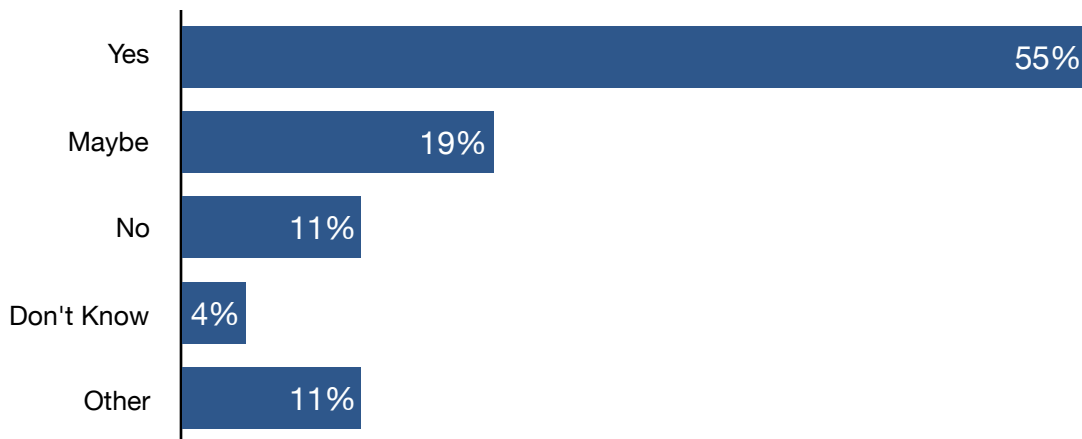
Urgency of Renovation

When asked “how urgently is a renovation needed?” 36% of respondents indicated they require renovations either urgently or very urgently. While the term “urgent” can be interpreted in several ways, this data indicates that many organizations have pressing infrastructure needs.



Would a Renovation Increase Their Ability to Increase Delivery Services?

For organizations that own, have shared ownership or long-term leases, there appears to be a connection between better infrastructure and the ability to deliver more services.



Do Charities Receive Support to Occupy or Improve Their Building?

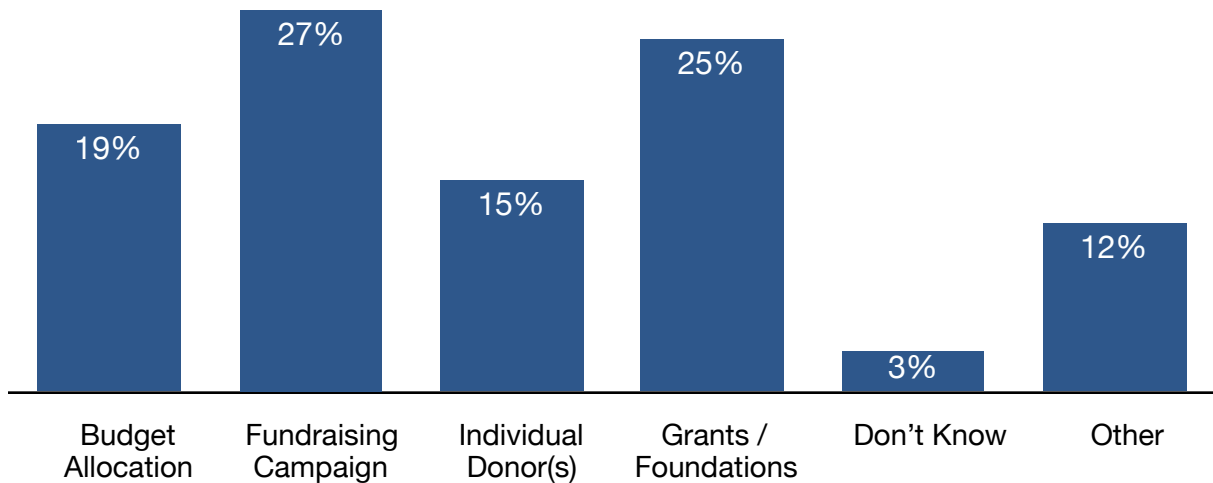
These responses indicate that a majority of charities receive some kind of support to either occupy or improve their buildings (i.e. purchase, renovate or lease). However, a significant portion say they receive **no** support.

“Other” types of supports or benefits to occupy or improve their buildings included: fundraising efforts from donors, governmental supports for renovation, forgivable mortgage from CMHC, property tax exemption, and more.

| Response | Details | Number of Responses |
|----------------------|--|---------------------|
| Yes - Total | | 40% |
| | Yes - Lease Lower than Market Rate | - 17% |
| | Yes - Building was Gifted | - 4% |
| | Yes - Purchased at Lower than Market Rate | - 8% |
| | Yes - Received Major Contribution for Renovation | - 11% |
| Other - Total | | 29% |
| No - Total | | 31% |

How Would Charities Raise Money for Renovations?

The answers to this question confirms that charities would use a wide range of mechanisms to raise money for renovations. Respondents were able to choose more than one kind of mechanism to paint a fulsome picture.



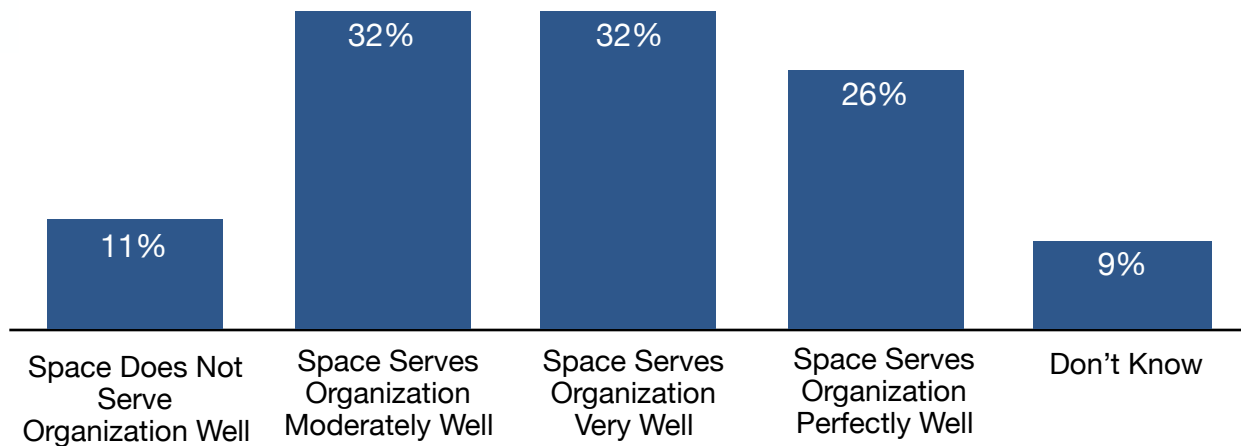
ORGANIZATIONS WHO RENT OR HAVE SHORT-TERM LEASES

The data collected indicated a distinct difference of need for organizations who rent or have short-term leases compared to organizations who own, have shared ownership or long-term leases. It must be pointed out, there were fewer respondents (19) in this category.

Key Findings:

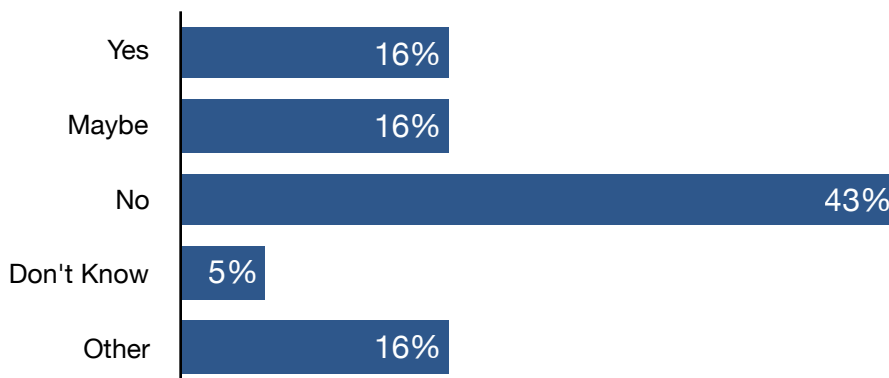
- Relatively speaking, organizations who rent or have short term leases tend to be satisfied with their current space.
- Renovations are less needed for this segment.
- The majority of these organizations are not looking to purchase or acquire a building in the future.

How Well Does Your Space Suite Your Organization?



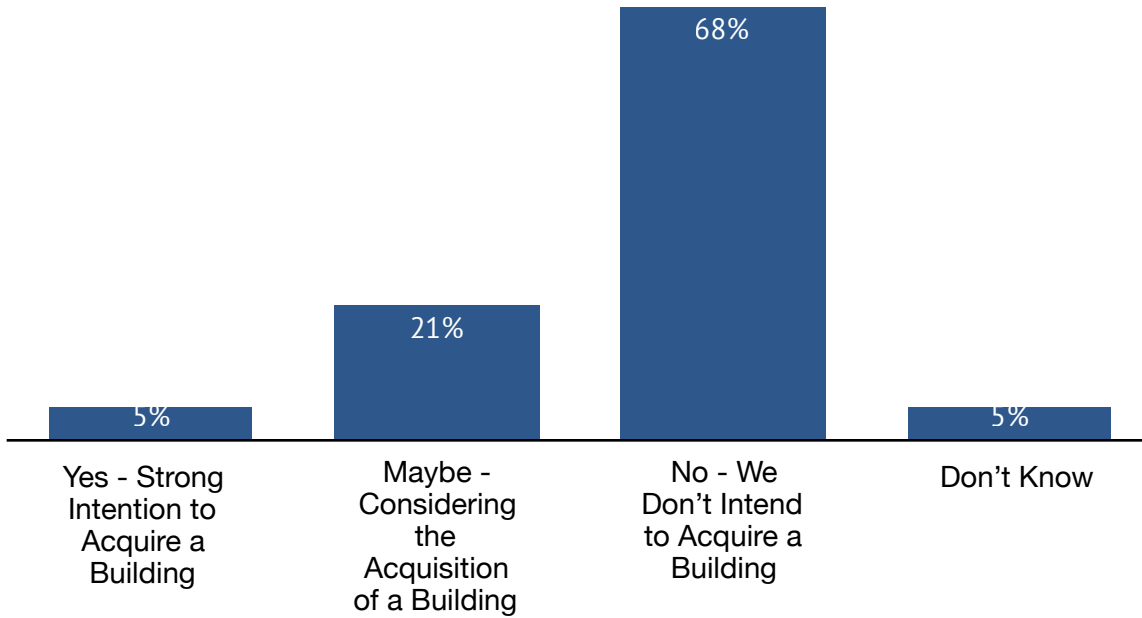
Would a Renovation Increase Your Ability to Increase Delivery Services?

For organizations that rent or have short-term leases, in general, they have less need of renovations.



Plans to Acquire a Building in the Future

Most organizations that rent or have short-term leases don't intend to acquire a building, which reinforces the conclusion that they are generally satisfied.





46% of non-profits
have buildings that are
60 plus years of age.

46%

HeroWork's Needs Assessment Survey 2017

36%

36% of charities say that they
require renovations either
urgently or very urgently

PHASE 2: CHARITY COMMUNITY ENGAGEMENT SESSION

INTRODUCTION

In May 2018, HeroWork conducted a half-day community engagement forum of 23 different charities, each interested in infrastructure renewal and how this renewal can expand their organization's impact.

When & Where

May 9, 2018

City Hall, Victoria, BC



OVERVIEW

The forum began with HeroWork E.D. explaining what HeroWork does, how we do it, and who we do it for. This was followed by several non-profit leaders giving first hand examples of how better infrastructure has empowered their organization. Then the session continued with a with a panel of experts from the Vanity Community Foundation, the Victoria Real Estate Board, and the Social Purpose Real Estate Collaborative. Together they addressed pre-prepared topics such as:

- Linking strategic plans to infrastructure planning;
- Steps to prepare for infrastructure change;
- Options for infrastructure renewal, like redevelopment, renovating, purchasing, etc;
- Key stakeholders necessary to make their infrastructure planning a reality.

The panel concluded with a short Q&A opportunity for participants to dig deeper into specific areas of interest.

Following the Q&A, participants broke into a facilitated session, with small groups discussing three basic lines of questioning:

1. What is the big vision for your organization and how do you want your facility changed to empower this vision?
2. What do you see as the challenges hindering your organization's ability to achieve these infrastructure changes?
3. What are innovative ideas and/or next steps to achieve your dream facility?

Once we compiled our preliminary results from the community session, we then sat down with the Victoria Foundation to discuss how their Vital Signs report could be integrated into our findings and our project adjudication process, which in turn helped us formulate our future infrastructure renewal strategies.

This section of the report summarizes the answers gained from the community session, the feedback survey's, and the input from the Victoria Foundation.



Key Findings of Phase 2

Arising from the themes described, HeroWork has identified four areas for further action.

1. **Charities need better infrastructure.** A wide range of charities are not operating in purpose-designed facilities and could be more efficient, effective and sustainable with a solid infrastructure renewal plan that is linked to their strategic plan, vision and mission.
2. **Collaboration is key.** Organizations are supportive of collaboration, improved networking and shared learning. Collectively addressing unmet needs is a significant strategy in order to understand, build and develop a context for infrastructure planning. The sector is eager to find more ways to collaborate on infrastructure, including multi-use space and common areas for specific activities or services. Answering the challenge of how organizations get together to talk about the “art of the possible” is a key factor in building community collaboration.
3. **Clarity of Vision and mandate clarity is essential.** This is essential for organizations to establish service priorities from which to build their infrastructure plans. Infrastructure planning and visions needs to build upon and be aligned with what the mandate could be. Infrastructure changes follow impacts which flows from the vision and mandate.
4. **Professional development is needed.** There is clearly a need for information and professional development resources on infrastructure planning. Community organizations could benefit from the opportunity to work with a professional infrastructure planner in both collective and individual planning models.

Organizations that Attended

Like with the participants of the initial survey, a wide cross-section of charities attended HeroWork’s session.

- | | |
|---|--|
| 1. YMCA-YWCA of Vancouver Island | 13. James Bay Community Project |
| 2. Victoria Disability Resource Centre | 14. Island Community Mental Health |
| 3. Threshold Housing Society | 15. Indigenous Perspectives Society |
| 4. Surrounded by Cedar Child & Family Services | 16. Hallmark Heritage Society |
| 5. South Island Centre for Counselling and Training | 17. First Metropolitan United Church of Canada |
| 6. Ready to Rent BC | 18. Fairfield Gonzales Community Association |
| 7. Peers Victoria Resources Society | 19. Community Living Victoria |
| 8. Pacific Animal Therapy Society | 20. Cadboro Bay United Church |
| 9. OurPlace Society | 21. Boys & Girls Club of Greater Victoria |
| 10. Mount Douglas Seniors Housing Society | 22. Anawim Companions Society |
| 11. Lifetime Networks | 23. 1Up Victoria Single Parent Resource Centre Society |
| 12. LifeCycles Project Society | |

Themes of What We Heard

With a wide and diverse group of charities there were also wide and diverse answers to the questions we posed. However, there were also definite themes. These themes are outlined here.

Question 1: *What is the big vision for your organization and how do you want your facility changed to empower this vision?*

The big vision was very consistent in that all participants essentially said, “It’s all about the people we serve.” Whether that was more services, reduced waitlists, more housing, or increased safety...every charity expressed a passionate vision to make a positive and transformative impact for their clients.

The facility changes charity leaders aspired to likewise reflected their focus on clients. After analyzing the responses from the facilitated groups, we found distinct themes. They wanted their buildings to:

- Enable more and/or high quality of services for their clients;
- Engender respect and dignity in their clients;
- Have greater access for clients;
- Higher efficiencies for staff and volunteers so as to serve their clients better;
- Be more sustainable for long-term viability.

Question 2: *What do you see as the challenges hindering your organization’s ability to achieve these infrastructure changes?*

So many non-profit leaders are overworked just delivering their mandate. As a result their strategic facility’s planning often doesn’t hit the radar in a substantive way, despite knowing that it is important and that “making do in underperforming facilities” cost precious resources.

Underlying many of the their challenges (outlined below) was **a lack of belief that infrastructure change is even possible**. From our facilitated session we discerned four underlying factors that have fuelled this lack of belief:

- **Lack of money.** Not surprising, a lack of fiscal resources was an important factor. Many expressed that there simply isn’t enough. Facility changes are expensive. There is a scarcity of funding through foundations and governments. They didn’t want to jeopardize current operations by “straying from mandate to chase grants that might not work.”
- **Lack of capacity.** This factor was expressed by the vast majority of participants. From “limited time and fatigue” to lack of volunteers, from fear of “stepping off the edge” to the need for more staff, this factor seems to inhibit non-profit leaders from connecting their infrastructure to their strategic plans.

- **Lack of know-how.** Strategic long-term infrastructure planning that empowers the delivery of vision and mission is a complex topic that many charity leaders felt unprepared for.
- **Lack of strategic communications.** Many found it hard to first articulate their vision and then effectively communicate it to their staff, board, volunteers, and donors. They were challenged to “tell their story” and articulate their plan in ways that mobilized people and resources.

Question 3: *What are innovative ideas and/or next steps to achieve your dream facility?*

During the discussions that arose out of Question 3 there was a “transition from competition”—where we all have to fight for our piece of the pie—“to collaboration”—where we can work with one another and be stronger together.

During dialogue, participants arrived at a wide range of innovative ideas that can assist the journey toward infrastructure renewal. Similar to Question 2, the themes reflected the same headings of money, capacity, know-how, and strategic communications.

Ideas Regarding Lack of Money

Participants articulated a range of ideas to improve access to capital funds in planned and strategic ways.

They cited the importance of understanding the value and possible leverage of their current assets, and the opportunities it affords. For example, knowing the appreciated value of their building could open up development or financing possibilities. Likewise, investigating the potential for social enterprise or shared spaces could increase financial viability.

They also talked about the need to educate funders, donors, and key stakeholders on the importance and impact of non-profits infrastructure on clients, programs, and neighbourhoods.

Lastly, they discussed the need to leverage existing resources—such as current board members and donors—to develop new partners, new funders, and new major donors.

Ideas Regarding Lack of Capacity

Many participants discussed the need for courage to tackle infrastructure challenges, to “step off the edge and take the risk.” They articulated the need for a “step-by-step approach, where they didn’t need to get it all done at once,” while at the same time “keeping the plan and vision alive.”

Some articulated the importance of prioritizing their workflow and investing in adequate planning and support so as to lift up personal and organizational capacity. They suggested the diversification of board members and volunteers to bring in appropriate areas of expertise, and then engage these people on strategic committees.

Lastly, they suggested forming alliances and creative partnerships for learning and exchanging ideas.

Ideas Regarding Lack of Know-How

Consistently, contributors acknowledged their limitations and a need to learn from expert stakeholders around a range of topics:

- High level road maps;
- Leadership training as well as team-based planning and action;
- Possible creative construction solutions for infrastructure;
- Evaluation of solutions and processes;
- Risk assessment.

They expressed a desire to engage organizations like the VanCity Foundation, HeroWork, and other creative experts to gain the most amount of knowledge and know-how with the least amount of time and effort.

Ideas Regarding Lack of Strategic Communications

There was broad agreement on the need for networking, collaboration, and strategic communications.

These needs extended not only to infrastructure experts and possible funding partners, but to other non-profit agencies as well. Participants were particularly keen on working together and sharing knowledge for common good.

Participants wanted to express their strategic vision/story to external and internal stakeholders in an effective, articulate, and consistent way. They felt that this would help to:

- Keep staff and board members encouraged, keeping belief high;
- Educate and gain more partners and support both financially and through expertise;
- Increase their market presence;
- Maintain organizational and community momentum;
- Collaborate with other non-profits and relevant cultural groups;
- Build relationships with stakeholders such as BC Housing, HeroWork, VanCity, Makola, investors, private donors, Island Health, the CRD, civic planners, and more.

Participants were also eager develop better group processes, learn from communication mentors, and view community infrastructure through a broader and more comprehensive lens.



Summary of Victoria Foundation Input

in July 2018, HeroWork ED, Paul Latour and chair, Annette Wall met with Victoria Foundation representatives Carol Hall and Rudi Wallace.

During this session, we discussed the preliminary results and themes from our non-profit community session from May 2018. Then we discussed how HeroWork could use their Vital Signs reports to inform our project adjudication process in a way that can be used not only for Victoria but also in other communities as we look towards scaling.

What is Vital Signs?

Victoria's Vital Signs is an annual community check-up that measures the vitality of the region, identifies concerns, and supports action on issues that are critical to quality of life. The Victoria Foundation produces the report to connect philanthropy to community needs and opportunities.

This local report is also part of a national Vital Signs initiative.

Vital Signs looks at a range of topics: housing/homelessness, food security, mental illness, poverty, healthy lives, child care, etc., providing an overview of the health of a community.

Further, the Victoria Foundation uses this report and other sources to develop granting priorities. For example in 2017 granting priorities were housing and food security.

Recommendation

It was recommended that HeroWork adopt Vital Signs as part of our adjudication process, using it to help guide and give weight to future Radical Renovations for worthy charities. It was not recommended that Vital Signs become our primary indicator of future projects for two reasons: one, the report is high level and may not indicate the specific need of an important charity and/or topic, and, two, there are other important factors that go into a well-rounded decision-making process for HeroWork.

HeroWork's Adjudication Process

From the above recommendations, HeroWork has adjusted its strategic project adjudication factors to the following:

1. The fulfillment of all eligibility requirements, such as being a registered charity and serving vulnerable populations.
2. An appropriate project scope and size, and aligned with HeroWork's program, goals, and scheduling.
3. The charity's organizational readiness
 - Its financial capacity, overall health, and ability to contribute to the project
 - Clarity of mandate and vision, and its connection to infrastructure.
 - An original and compelling story as well as the community's buy-in of the charity's mandate.
 - The spirit, cooperative attitude, and passion of the charity.
4. A demonstrable impact from the renovation, as well as project longevity and sustainability.
5. The availability of project staging areas.
6. **NEW: Alignment with local Vital Signs data and priorities.**



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PHASE 3: A “SYSTEM’S APPROACH ON CHARITABLE INFRASTRUCTURE

INTRODUCTION

Charitable and non-profit organizations are a critical foundation within all communities. Exploring innovative ways to support the state of buildings and infrastructure through which these organizations deliver needed programs and services was the focus of this collaborative workshop. Leaders from across the infrastructure system came to share knowledge, develop practical connections, and provide recommendations for a sustained revitalization process.



When & Where

Feb 9, 2019, 9am - 1pm

Rainbow Kitchen, 500 Admirals Rd



Logic Behind Phase 3 of Our Study

From Phase 1 of our study we know that many charities need infrastructure improvements and expansions. When considering changes to their buildings and spaces, charities have a range of options:

- Renovate and/or expand their current building.
- Sell their current building and purchase a different one.
- Re-develop their current property, building a purpose built building on their existing land.
- Purchase or lease a building for the first time.

To pursue any of these options a charity must engage a wide range of system stakeholders, who each can exert significant influence. However, from Phase 2 of our study, we know that charities face several key challenges:

- A lack of capacity regarding internal preparedness for infrastructure renewal
- A lack of capacity and knowledge regarding best practices on how to engage elements of the system, such as the financial sector, governments, funders, construction professionals, etc.
- Stakeholders from the various elements of the system often appear unaware (or are only peripherally aware) of the societal impact of diminished charity buildings.

To address these challenges, a **Phase 3 “System’s Approach”** forum was organized that invited leaders from across six industries to lend us their voice and experience in four areas:

1. **An environmental scan** of the conditions in which charity buildings exist.
2. Developing best practices on **how charities can prepare for infrastructure renewal**.
3. Develop best practices on how to **engage sector stakeholders**.
4. Understand practical ways that that **different sectors can collaborate**.

About the Forum

This was a collaborative forum that engaged participants from six different industries in a dialogue about the state of charitable infrastructure, successful collaboration and critical elements to a system-wide approach to revitalization within the charitable community. Using proven facilitation methods, participants from all six sectors had an open opportunity to share information and contribute to a practical and sustainable framework for revitalizing charitable infrastructure.

This report endeavours to theme, structure, and provide context to the comments and input provided by the over 40 leaders who attended the forum. If the reader wishes to see the raw reports, the facilitators’ visual report is [here](#).

About the Facilitators

Calliope Learning is a leadership and learning company. Tammy Dewar and Dave Whittington are also “pracademics,” people who combine sound academic research principles with grounded professional practice. They utilize action research and learning to help individuals and teams enhance their engagement, enjoyment, resilience and performance, thereby realizing workplace potential, and contributing to the overall bottom line of the organization. They facilitate provocative conversations, meaningful learning, and breakthrough changes using high tech and high touch methods. We can also help you to do the same in your own organizations.



WHO ATTENDED?

Leaders from Six Different Sectors



Charities Sector

- Charity Leadership - 4
- United Church Reps - 2
- Experience Board Members - 2
- HeroWork Board - 3



Real Estate Sector

- Real Estate Agent - 2
- Real Estate Association - 1
- Social Purpose Real Estate - 1
- Mortgage Broker - 1



Funders & Donors

- United Way - 1
- Victoria Foundation - 1
- TELUS Community Board - 1
- Professional Fundraiser - 1



Construction Sector

- Construction Association - 1
- BC Construction Foundation - 1
- Engineer Partner - 1
- Architect Partner - 1
- General Contractor VP - 1
- Construction trades Council - 1



Governments Sector

- Municipal Councillor - 1
- BC Housing - 1
- Ministry of Municipal Affairs & Housing - 1
- Ministry of Children & Families - 1
- Community Living BC - 1
- Ministry of Social Development & Poverty Reduction - 1



Financial Sector

- Financial Advisor - 3
- Financial Foundation - 1



1. Environmental Scan

Forum participants identified the forces and trends connected to our fast changing environment, which impact charity buildings as well as other charitable work. These forces were divided into several factors: economic, political, environmental, social, technological, and legal.

Economic Scan

- Market forces continuously alter available funding.
- Donors can get fatigued. They are also aging, can be inconsistent, and their contributions have been diminishing.
- Historically there is a lack of funding and support for infrastructure and their simply isn't enough resources to fund all the complex social needs.
- Especially in the construction industry there is shortage of skilled labour, materials and land. The costs of property, construction, renovations, and maintenance continues to rise. In addition, building code regulations constantly evolved, and increase in complexity.
- Social enterprise and social procurements are becoming higher priorities.
- Demographics are changing. The economic flow is creating a generational wealth transfer.
- There are unexpected disruptors, such as lending policies.
- The cost of living and building affordability is at an all time high.

Political Scan

- Government is always pressured to get things done and feel like they have no time (although outside view is that government is slow). They are constantly working in crisis mode. This sense of urgency makes collaboration difficult. Charities need to understand how government works prior to engagement if they want to gain sustained attention.
- Changing political parties require adaptation to those in power.
- International politics affect local economics.
- Locally, 13 different municipalities cause challenges and require research in advance of any infrastructure renewal.
- There is a current increased focus on affordable housing.
- Governments have brought challenges to real estate ownership



Environmental Scan

- Climate change and emergency preparedness is creating foundational shifts in construction.
- Increasing rules, regulations, and building codes around environmental standards, resulting in “greener offices and buildings.” Charities looking to renew buildings or redevelop must be aware of these changes.
- Reuse, repurpose equipment and building materials is becoming more and more of a requirement.
- Proper remediation is an absolute must: underground tanks, streams/rivers, asbestos, etc.

Social Trends Scan

- Societal challenges continue to increase in complexity. Class divisions are growing wider. Addictions are on the rise. Challenges are interconnected and multi-layered. All of these things (and more) result in a growing need for charitable social services. Organizations must be aware of diversity and be noble enough to evolve services. However, charities are stretched.
- Demographics are changing: people are living longer; more social housing is needed; urbanization continues resulting in transportation challenges; foreign buyers create a wide trickle-down effect; fewer people are in the workforce—baby boomers are retiring—resulting in less taxes and less support of social programs.
- Government can’t provide everything to everyone. Because of limited resources, they need partners. They need more from charities.
- With the social media boom, communications have become more technological, more detached. The soft skills of relationship building is eroding. A balance must be developed between technology and forging real relationships.
- Indigenous reconciliation and inclusion is a high priority and affects service delivery on and off reserves. These communities can have limited capacity and require interfaces with governments and charitable organizations.
- Many charities continue to compete for a “slice of the pie,” though the trend of collaboration is on the rise. Forward looking charities are looking for ways to work together, share resources, expertise, space, etc.
- There is a need for analysis and evaluation of the social impact of infrastructure renewal.

Technological Scan

- With the increase in technological complexity, the world has become smaller. Our virtual social connection is more globalized than any other time in history.
- New technology provides opportunities for more efficient data collection and information sharing. As well, volunteer recruitment can be leveraged to engage different populations/generations.

- New building technology is reducing operating costs through increased efficiency.
- The process of automation has reduced income and jobs.
- Data protection and security is of great concern and it can be expensive to implement.

Legal Scan

- Regulations are on the rise (charitable and otherwise) resulting in less flexibility and administrative weight. Sometimes organizations can lose focus on the desired outcome.
- Building regulations are also on the rise and are increasingly complex. Builders and professionals are burdened with higher liability risks and costs.
- Charitable policies and standards are not always shared between organizations, requiring charities to re-create documents and processes in silos. Charitable leaders wonder if there are legal impediments to charity coordination and collaboration.
- Privacy and the protection of data is an important legal concern.



2. Organizational Readiness for Infrastructure Renewal

Organizational readiness for infrastructure renewal is a key element to success. All sector leaders agreed that charities need to be prepared internally with clarity around vision, mandate, assets, leadership, capacity, finances, and more.

The Road Map

One of the key suggestions was the development of a road map. Suggested inclusions to this roadmap are:

- a) General Organizational Readiness
- b) Organizational Readiness for Infrastructure Renewal
- c) Leadership Capacity
- d) Partnership Capacity
- e) Communication Capacity
- f) Fiscal Capacity
- g) Environmental Sustainability

a) General Organizational Readiness

- Clear and broadly understood vision and mission
- Clear organizational priorities and delivery of service that is targeted and strategic with the marketplace, i.e. no overlap of services.
- Diverse board with the right skillsets, using appropriate board matrix
- Policies and procedures in place
- Financial sustainability, realistic business plans, and proven track record
- Effective and stable staff. Is the org re-investing in its people?
- Appropriate level of volunteerism
- Current strategic plan for org

b) Organizational Readiness for Infrastructure Renewal

- Clear understanding of current assets and the demands on those assets
- Clear vision and plan for renewal of infrastructure
 - Is the renewal vision consistent with the organizational vision, mission, and values?
 - Is this renewal vision in line with the strategic plan and the gaps in market demand? Has it been researched, eliminating overlap and program duplication?

- Does the plan have priorities around needs and wants?
- Is there a long term facilities master plan? Is the renewal critical to this plan? Does this plan contain maintenance, flexibility, and a connection to community needs? Is this plan sustainable? Does it have flexibility to evolve with changing community needs?
- Is the organizational leadership and board in agreement with these plans and visions?
- Have you received feedback on the feasibility of your renewal plans?
- Does the organization have a plan to deal with the disruption of services that will result from the renewal process?

c) Leadership Capacity

- Does the renewal plan have a leadership team in place that has the necessary skills and experience to manage and deliver the project as well as a range of sector stakeholders.
- Will the renewal require additional staff and/or changes to governance structures?
- Does the organization have an appropriate, skilled, and connected champion that can promote the renewal process

d) Partnership capacity

- Does the organization have experts to advise on the potential and viability of the master plan and its development?
- Does the organization have a plan re the targets of possible partners: public, private, philanthropic, corporate, construction/professionals, neighbours, other non-profits, etc.? How could these partners play a role in the renewal?
- Does the organization have an understanding of the capacity of possible external partners?
- Before reaching out to possible partners, is the organization clear on what they are asking for from each prospect?
- Is the organization fostering relationships with targeted focus groups, holding regular meetings and updates?



- Is there a space sharing option or other non-profit collaborative option?

e) Communication Capacity

- Have direct and indirect impact statements been researched and captured? Does the org have a case for support, using necessary data and analytics?
 - How will the org's mission and impact increase?
 - What immediate impact will the project create?
- Does leadership have marketing assets available and the skill to communicate the possible project, both internally and externally?
- Does the organization have relatable "stories" to demonstrate impact.
- Does the organization know the best practices on how to engage partners from different industries?

f) Fiscal Capacity

- Does the org understand the range of costs associated with the renewal plan? Does this plan contain the ongoing maintenance and future renewal costs?
- Does the organization have a realistic fundraising plan?
- Does this plan explore a range of options from all the possible sectors and partners?
- Does the organization have the skill, experience, and relationships necessary to complete this campaign?

g) Environmental Sustainability

- Will the project reduce the environmental impact of the organization?
- Will operating costs be reduced?
- How does this renewal positively affect other charities?



3. Suggestions How to Engage System Sectors

All sectors and leaders communicated the importance of consistent engagement.

Many leaders had common ideas and suggestions regarding engagement, which are themed below. However, there were a range of suggestions that pertained to specific industries. These are compiled in the following pages.

Common Themes

Charities must take a leadership role in fostering both formal and informal relationships. Suggestions included:

- Engage stakeholders at the beginning of the process.
- Share the vision so they understand what you are trying to achieve. Be clear and concise on your asks.
- Allow for volunteer opportunities and give options for involvement
- Use forums, meetings and other events to invite stakeholders, but make these meaningful.
- Tell your story, not just the numbers.
- Ensure a continuity of stakeholder engagements. You will lose corporate memory if you have different people always coming to the table, which means you'd need to start from scratch.
- Grow new *and* current networks.
- Connect with municipalities to streamline any municipal processes.
- Ensure that the project aligns with corporate and/or personal core values.
- Be sure to ask for more than money. Can they provide expertise, guidance, and networking. Make them ambassadors.
- Celebrate milestones.
- Bring stakeholders to the renewal site. Make it tangible.



Industry Specific Suggestions

In addition to the common themes regarding building relationships, a couple of sectors had specific recommendations that pertain solely to them.

Government Sector Engagement:

- Do your research and be sure you understand the processes and mechanisms they must move through. It is a disservice charities when they try and go directly to the minister and/or cold call asking for money.
- Government is extremely busy. If there can be a single representative that speaks for a larger group, this will reduce the complexity and streamline the process.

Construction Sector

- Early involvement. Review plans and gain feedback at the beginning of the process
- Leverage their skills and knowledge. See them as the experts in their fields.
- Give them deadlines and hold them to commitments. Their resources are stretched and their availability is affected by the market pressure.
- Involve them in delivery, planning, and schedule (sequencing).
- If you don't know, don't be afraid to ask.
- Use professional associations to spread the message.
- Remember that they are concerned with quality durability, and code compliance, except when existing non-conforming is acceptable.

Foundations and Funders

- They are passionate about supporting community. However, they are also all different. Their limited resources and donors can have specific organizations and types of projects they want to support.
- It's important to ensure the mandate of the foundation/funder is in alignment. Some funders are not able to fund capital costs, while others want to support tangible projects.
- Donors are also concerned about the sustainability of the organization. They don't want their resources going towards an unstable organization.

Real Estate Sector

- They are a diverse and supportive group that likes to give back to the community.
- However they have an overarching mandate to protect property owners (which includes charities).

Financial Sector

- It's not all about the money; it's also about heart. Many financial institutions have a non-profit mindset.
- They are experts that are diverse with diverse networks.
- They may have resources other than cash that can be useful.

4. Collaboration Between Sectors

The leaders from all the sectors agreed that collaboration and cooperation were key assets to building healthy communities and strong infrastructure. Rather than competitors, see each other as partners with win-win opportunities.

Although market pressures tend to create a silo effect, they suggested multiple ideas on how to collaborate across sectors.

- Create joint training opportunities, or engage in joint training to develop synergies
- Organize and put on more events like this one. Informal events are also welcome.
- Work together on a digital newsletter to keep stakeholders informed
- Participate in other stakeholder events.
- Maintain relationships and trust
- Tend towards action vs all talk
- Be especially attentive to non-profit partnerships and collaboration that can increase shared learning, effectiveness and impact.



“Thank you to the Real Estate Foundation of BC, the Victoria Real Estate Board, and the United Church of Canada for their generous support of this project.”

RECOMMENDATIONS

1. **GOVERNMENT SHOULD RECOGNIZE CHARITABLE INFRASTRUCTURE** as part of Canada's Core Public Infrastructure to be included in future study and funding.
2. The industries that work with charitable infrastructure should **BECOME MORE ENGAGED AND SUPPORTIVE**
3. **MORE STUDY SHOULD BE DONE** in other towns and cities, determining the depth of the challenges both quantitatively and qualitatively.
4. **CHARITIES SHOULD STRATEGICALLY INVEST** the resources internally and externally so that they are well prepared for infrastructure renewal.
5. HeroWork **SHOULD WORK DILIGENTLY TO SCALE ITS OPERATIONS** so as to assist many more charities in communities across Canada.

RESOURCES

1

Exec. Summary

Read and share the exec summary on the charitable buildings study at

herowork.com/study

2

Charity Guide

Download the Guide for Charity Infrastructure Renewal at

herowork.com/study

3

Strategic Plan

Download the HeroWork Program's Strategic Plan at

herowork.com/strategic-plan





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RADICAL RENOVATIONS

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