

Social Enterprise and Affordable Non-Profit Housing

Summary Report and Case Studies

Patricia Streich, Stefani Normand and Alia Tulloch
Social Planning Council of Kingston, Ontario
October, 2016



[Image sources: (left) Vancouver Native Housing Society, 2016; (centre) Youth Opportunities Unlimited, n.d.; (top right) Deall, n.d.; (bottom right) Canada Mortgage and Housing Corporation, 2016]

Contents

Summary Report.....	1
Overview of the Study	1
Non-Profit Housing in Canada	1
Social Enterprise Models	1
Summary of Case Studies for Non-Profit Social Enterprise	2
Highlights of Case Studies	3
Directions for Future Research	5
Sources	5
Namerind Housing Corporation Case Study	6
Niagara Peninsula Homes (NPH) Case Study	12
Vancouver Native Housing Society (VNHS) Case Study	17
Youth Opportunities Unlimited (YOU) Case Study	22

The SPC of Kingston would like to thank all the non-profits and associations that provided assistance for this study.

Summary Report

Overview of the Study

A growing number of non-profit housing organizations are looking toward ways to realize their missions while reducing their dependence on outside funding sources. In some cases, non-profit organizations have created social enterprises to achieve these outcomes.¹

In the summer of 2016, the Social Planning Council (SPC) of Kingston carried out a small-scale study of non-profit housing organizations with social enterprises for the purpose of sharing ideas with the sector.² The study looked at over 20 housing non-profits and completed the four detailed case studies included in this report.

Non-Profit Housing in Canada

Housing non-profits have grown and flourished in Canada for more than fifty years. Today, over 350,000 Canadians live in non-profit rental housing.

Increasingly, housing non-profits in Canada are considering new ways and models of doing business. A key driver of this trend is the expiration of government funding agreements, which makes the exploration of new funding opportunities a necessity. Other sources of revenue can help non-profit housing organizations become more self-reliant and increase the resources available for expanding housing and services. Some non-profits have diversified their revenues by renting common areas, leasing commercial space or leasing some units to other groups.

Some non-profits have gone further and created enterprises that sell a good or service that is needed by the community. These are often described as 'social enterprises'.

Social Enterprise Models

The definition of 'social enterprise' varies but is typically based on the idea of 'blended' value or returns; that is, some financial return along with positive social impacts. Social enterprise can cover both objectives equally, or give more weight to one or the other. Positive social impacts include:

- » Creating jobs
- » Skills training
- » Creating small businesses
- » Services for clients or other organizations
- » New partnerships

In non-profits, the revenues generated by social enterprises are reinvested back into the organization. For non-profit housing providers, running social enterprises generates additional income that can help sustain and expand affordable housing and programming.

Summary of Case Studies for Non-Profit Social Enterprise

This SPC of Kingston study looked at over 20 non-profits across Canada. Groups were identified for the study by provincial non-profit housing associations, CMHC, and other housing researchers.

¹ Non-profits are also known as 'not-for-profit' organizations. In this paper, the term 'non-profits' is used to refer to not-for-profit housing organizations.

² The SPC Kingston acknowledges the financial support from the Government of Canada Summer Jobs Program for this study.

After contacting numerous groups, four were selected for more detailed case studies:

- » ***Namerind Housing Corporation, Regina, SK***
- » ***Vancouver Native Housing Society, Vancouver, BC***
- » ***Youth Opportunities Unlimited, London, ON***
- » ***Niagara Peninsula Homes, Welland, ON***

Other examples could not be covered in detail with the resources for this study.

Exhibit 1 summarizes how these four non-profits have used social enterprise approaches, the types of enterprises and social impacts expected. More details are provided in the four case study reports.

Highlights of Case Studies

Themes in Types of Social Enterprises & Impacts: These four case studies show that there is no one model for social enterprises. However, there are some common themes that are worth noting:

- » **Enterprises typically complement and**

Exhibit 1: Summary of the Four Case Studies

SOCIAL ENTERPRISES	DESCRIPTION	IMPACTS
Case 1. Namerind Housing Corporation, Regina, SK		
<i>Winnipeg Street Mall and Pharmacy</i>	Commercial mall and pharmacy.	Provides a pharmacy where there wasn't one before. Creates jobs.
<i>Resting Place Lodge</i>	Affordable places to stay for Aboriginal people coming to Regina for health care.	Creates jobs. Meets the need for temporary housing.
<i>Contractor Warehouse</i>	Warehouse and office space rented to contractors.	Encourages business start-ups.
Case 2. Vancouver Native Housing Society, Vancouver, BC		
<i>Skwachàys Lodge and Residence</i>	Hotel offers Aboriginal art themed suites for travelers and affordable apartments for Aboriginal artists.	Subsidizes affordable housing units. Promotes Aboriginal art.
<i>Urban Aboriginal Fair Trade Gallery</i>	Art gallery showcases Aboriginal art for sale at fair prices.	Provides a business opportunity for Aboriginal artists.
Case 3. Youth Opportunities Unlimited, London, ON		
<i>You Made It Café</i>	Restaurant with affordable meals.	Employs youth. Trains youth in culinary and customer service skills.
<i>Recycling Program</i>	Provides recycling services to over 200 private businesses.	Helps to make London a 'greener' community. Teaches youths work skills.
<i>Wood Shop Program</i>	Manufactures outdoor furniture and cutting boards to sell.	Trains youth in woodworking skills.
<i>Market Quality Preserves</i>	Manufactures high-quality preserves & gift baskets.	Trains youth in marketing skills.
Case 4. Niagara Peninsula Homes, Welland, Ontario		
<i>Niagara Presents</i>	Commercial kitchen, retail outlet, and gift basket packing facility that employs women.	Creates jobs. Supports female entrepreneurs.
<i>Team E.N.E.R.G.I</i>	Offers affordable building repairs to other non-profit housing groups.	Employs youth apprentices to complete work and learn carpentry skills.

Source: Case Study Reports, SPC Kingston, 2016.

support the social purposes of the non-profits. For example, Vancouver's VNHS supports Aboriginal artists along with providing affordable housing;

- » **Many enterprises aim to create employment, skills training, or business opportunities.** For example, to help youth build employment experience and develop skills, Niagara Peninsula Homes created youth apprenticeships for building repairs.
- » **Enterprises often focus on providing services.** Some focus on a 'niche' market or gap in local services. Target markets for services include clients, the broader community, and other organizations operating in the non-profit sector. YOU, London created recycling services for other groups for a greener community; and,
- » **Many emphasize developing linkages with and learning from private sector business professionals.** For example, Robert Byers, President and Chief Executive Officer of Namerind, networks with different business groups in his community in order to make connections and expand his organization's knowledge base.

These themes were noted by other non-profits contacted for this study, for example:

- » **Victoria Park Community Homes** in Hamilton has been offering property management services since 1974. Along with the 2,001 units they own, it also manages over 1,000 properties in surrounding communities. Revenues

earned are invested in capital repairs or development funds.³

- » **John Howard Society of Ontario**, located in Kingston, Ottawa, Toronto, Hamilton, and Durham, developed a training program for asbestos abatement to fill an identified gap in services and to create employment for its clients. As the Kingston John Howard Society CEO noted: "you need to capitalize on something you are expert in and figure out how to market it."⁴
- » **Atira Women's Resource Society**, Vancouver, is a very large non-profit housing organization (with over 32,000 units) that runs a women's art program and property management service. These social enterprises support employment and supplement revenues.⁵

Lessons Learned: The four case studies also provided a number of lessons for non-profit housing organizations interested in creating their own social enterprises. The types of lessons learned reported were quite varied. (Exhibit 2)

Overall, this small-scale study showed that each of the social enterprises was in some ways 'unique' and grew out of the particular goals of the non-profits themselves. This may suggest that the possibilities are very broad and can be readily matched to the opportunities in communities.

This study also demonstrated that there is a wealth of experience in the non-profit

³ Personal Interview with CEO Lori-Anne Gagne (VPCH), 2016.

⁴ Personal interview with Kingston JHS, 2016.

⁵ See www.atira.bc.ca (Janice Abbott, CEO)

Exhibit 2: Lessons Learned from Four Case Studies

Case 1. Namerind Housing Corporation, Regina, SK	
<u>Social Enterprises</u> Mall and Pharmacy Resting Place Lodge Contractor Warehouse	<u>Lessons Learned</u> » Sale of some aging housing provides capital to invest. » Relationships with the private sector provides business advice. » Partnerships with other organizations helps support or expand enterprises. » Having patience is key – it takes time to turn a profit.
Case 2. Vancouver Native Housing Society, Vancouver, BC	
<u>Social Enterprises</u> Skwachàys Lodge and Residence Urban Aboriginal Fair Trade Gallery	<u>Lessons Learned</u> » Finance affordable housing using a fusion of government support and self-sufficiency, not one or the other. » Collaborate with private sector to help ensure profitability.
Case 3. Youth Opportunities Unlimited, London, ON	
<u>Social Enterprises</u> You Made it Café Recycling Programs Wood Shop Program Market Quality Preserves	<u>Lessons Learned</u> » Temporarily hire private consultants for business development and marketing. » Instill multiple social purposes into an enterprise to capitalize on the double bottom line. » Develop niche market, service or product.
Case 4. Niagara Peninsula Homes, Welland, ON	
<u>Social Enterprises</u> Niagara Presents Team E.N.E.R.G.I	<u>Lessons Learned</u> » Start with a smaller project to reduce concern about failure and expand later on to meet demand. » Create a vital service for non-profits to help ensure long-term sustainability for the entire sector.

Source: Case Study Reports, SPC Kingston, 2016.

sector that could help other non-profits interested in these types of enterprises. Some notable lessons from the four organizations featured in this study include:

- » **The importance of private-sector relationships and collaborations.** Building relationships with for-profit businesses and/or temporarily hiring private-sector consultants can help non-profits develop the business knowledge and skills necessary for their social enterprises to succeed.
- » **Build on the strengths and assets of the organization.** Non-profits have knowledge and skills developed through their housing operations. Leveraging their human, capital, and community linkages can create social enterprises with multiple social purposes to maximize social impacts and benefits.
- » **Find the right niche.** As with all businesses, it is important to find a niche or gap in the market. Other non-profit organizations may present a market opportunity. Working with other housing non-profits – for example, by providing affordable building repairs – can also be a way to support the long-term sustainability of the sector as a whole.
- » **Be patient.** It can take time before a social enterprise begins to produce financial and social returns. Starting

with a small enterprise and expanding it over time is a viable business model.

Directions for Future Research

This small study identified wide-ranging social benefits from the enterprises of just a few non-profit housing providers. The results suggest tremendous potential within the non-profit sector to unlock the blended value of social and financial returns to sustain self-reliant growth.

A more comprehensive study could be useful to assess the impacts of social enterprises run by non-profit housing organizations across Canada.

Next Steps: The SPC of Kingston is pleased to share the results of its small study with the non-profit sector.

This report and the four case studies are being posted on the SPC website. (www.spckingston.ca)

For inquiries about the study contact:
Patricia Streich.
patricia.streich@queensu.ca

Sources

CMHC, 2016. *About Affordable Housing in Canada*. https://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce_021.cfm

CMHC (2016). *Niagara Peninsula Homes: Team Energi – Welland, Ontario*. https://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce/afhostcast/afhoid/opma/remaco/remaco_006.cfm

CMHC. 2016. *Social Enterprises – Namerind Housing Corporation – Regina, Saskatchewan*. https://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce/afhostcast/afhoid/fite/soen/soen_005.cfm

Community Action Partnership, 2011. *Social Enterprises Toolkit*. <http://community-wealth.org/sites/clone.community-wealth.org/files/downloads/tool-cceda-social-enterprise.pdf>

Garecht, Joe. 2013. *Non-Profit Entrepreneurs can Change the World*. The Fundraising Authority. <http://www.thefundraisingauthority.com/strategy-and-planning/non-profit-entrepreneur/>

Griffin, Kevin. 2016. *B.C non-profit societies becoming more entrepreneurial in developing housing*. Vancouver Sun. <http://vancouversun.com/news/local-news/b-c-non-profit-societies-becoming-more-entrepreneurial-in-developing-housing>

Illinois Facilities Fund, 2016. *Capacity Building Digest*. Social Entrepreneurship: The Double Bottom Line. http://www.iff.org/resources/content/3/3/documents/cbd_series_3.pdf

Namerind Housing Corporation (2013). <http://www.namerindhousing.ca/index.php>

Niagara Peninsula Homes (2016). www.nphcr.ca

ONPHA, 2010. *Case Studies of Social (Purpose) Enterprise in the Ontario Non-Profit Housing Sector*.

VNHS (2016). *Social Enterprise*. <http://vnhs.ca/social-enterprise/>

Youth Opportunities Unlimited. (2016). <http://www.you.ca>



⁶ See: Kevin Griffin, Vancouver Sun, 2016

A Social Enterprise Approach to Sustaining Affordable Housing: A Case Study of Namerind Housing Corporation

By Stefani Normand | Social Planning Council of Kingston | June 2016



The Future: Pictured above is Namerind Housing Corporation's proposal for a twin tower apartment complex with ground floor retail. Located in the heart of downtown Regina, this project will supply 170 units of affordable housing.

(Image source: Christianson, 2015)

Quick Facts About Namerind

Location: Regina, Saskatchewan

Type: Non-profit Housing Corporation

Founded: 1977

Mission: To provide safe, affordable, quality housing and economic development opportunities for Aboriginal People

Housing: 450 below market price and affordable housing units

Social Enterprises:

- Winnipeg Street Mall & Pharmacy
- Resting Place Lodge
- Contractor Warehouse

President and Chief Executive Officer:
Robert Byers

Contact

Namerind Housing Corporation
1130 Winnipeg Street
Regina, Saskatchewan
S4R 1J6
T. 306 525 0147
F. 306 525 0111
www.namerindhousing.ca



Background

Namerind Housing Corporation is a non-profit affordable housing organization based in Regina, Saskatchewan. Since its conception in 1977, Namerind has been working towards its vision of providing Aboriginal people in need with affordable quality housing. It also focuses on creating economic development opportunities for these individuals so as to improve their overall standard of living. Additionally, Namerind emphasizes the importance of its 29 full and part-time staff members, many of whom identify as Aboriginal and who play an integral role in creating a support network for tenants.

More recently Namerind has taken over the management of five other smaller nonprofit housing organizations in the city since 2005, and now owns and manages more than 450 homes. It also operates various for-profit businesses and manages commercial properties within the region. One hundred percent of the profits generated from these for-profit ventures are then reinvested into Namerind in order to continue providing affordable housing in Regina (Byers, 2016).

Methods

This case study was prepared using the information on Namerind Housing Corporation's website, as well as other online sources and news articles. Also instrumental in obtaining key information was a phone interview with the President and CEO of Namerind, Mr. Robert Byers.

Context

Prior to 2006, Namerind relied primarily on federal subsidy operating agreements to finance and maintain its affordable housing units. However, government financial support has continued to decline in the

last decade, from \$2.3 million to \$200,000 in 2016. This trend will continue until support is nil. With the expiry of operating agreements looming over non-profits' heads, Namerind envisioned a new and innovative funding model to secure its financial sustainability.

Beginning in 2006, Namerind began shifting its business model to undertake its own revenue generating activities, transforming itself from a non-profit corporation into a revenue-generating social enterprise. To accommodate this shift, the corporation sold off some of the aging buildings in its portfolio that had reached the end of their useful lives, allowing Namerind to raise the initial capital needed to start its own businesses. The revenue generated from these for-profit businesses would then flow straight back into sustaining its affordable housing projects, paying mortgages, funding renovations, and compensating staff.

Many of the businesses also employed or served Aboriginal people from Regina, diversifying the ways in which Namerind could support these individuals (Namerind, 2013).

Namerind's Social Enterprises

Overall, the social enterprise businesses detailed in this section have been instrumental in financially supporting Namerind's mission to provide safe, affordable, and quality housing to Aboriginal people in Regina. They also create employment opportunities and offer a wider range of services to help support these individuals.

Winnipeg Street Mall and Pharmacy

The multiple business ventures that Namerind operates today include a 45,000 square foot mall, which was

purchased in 2009. The revenue collected from the mall helps to maintain the affordable housing units Namerind manages. Robert Byers explained that the mall provides good investment return and growth. He claims that there is nothing quite as good as commercial property, where triple-net leases bring in revenue (Byers, 2016).

The mall also houses a community medical clinic on site. This inspired Namerind to establish a pharmacy adjacent to the clinic allowing community members to more easily access health care services. It also created another way for Namerind to expand its income generating activities.

Despite its current success, this was one of the most difficult business ventures for Namerind to launch because management of a pharmacy by a non-profit organization was relatively unprecedented. Pharmaceutical companies in particular were reluctant to agree to it at first and took much convincing. The pharmacy business has grown significantly, from initially filling only 200 prescriptions per month to over 2000 per month as of May 2016 (Byers, 2016).

Namerind installed solar photovoltaic and solar thermal technology on the mall's rooftop, on 4 multi-dwellings, and on Namerind's office space in 2010. This was the second largest project in the province at the time. It demonstrated the corporation's commitment to environmental stewardship and helped to save on operating costs. This created yet another opportunity for revenue to flow back into the continued maintenance of the affordable housing units.

Resting Place Lodge

Resting Place Lodge, Namerind's first social

enterprise, opened for business in 2007. The Lodge is a facility for all people who are in Regina for medical reasons of their own, or who are there to support a sick family member and who need access safe and affordable shelter while doing so. The property is an apartment building located only a few blocks away from the Regina General hospital. This is an ideal location for patients and family members to stay, whether overnight or for several months, while they are being cared for.

According to Mr. Byers, Namerind did not receive any government funding to purchase the site for this project. Instead, it used some of the capital generated by the sale of its aging buildings to purchase the \$600,000 apartment building that now holds eight fully furnished one-bedroom suites. Many contractors and suppliers in the city also realized how much of a need there was for a development like this and offered Namerind their services at below market prices for the successful completion of the Resting Place Lodge.



Figure 1: The Resting Place Lodge, Regina.
[Image source: Namerind Housing Corporation, 2013.]

After the doors of Resting Place Lodge opened, it took a while for the word to get out. However, to date it has served 12,000

families from every province and territory in Canada (Byers, 2016). Because there is significant demand, Resting Place Lodge gives priority to those with life-threatening illnesses and injuries. Many patients are sent to receive treatment in Regina, making affordable accommodation a necessity.

Contractor Warehouse

Namerind is also able to generate revenue and develop Aboriginal-run businesses by renting its warehouse space and vacant lots. In the beginning the intent was to support young businesses that work with Namerind with a place to complete their work. Income is generated from the warehouse by the rent contractors and tradespeople pay for storing their equipment and having an office location. The revenue is then used to maintain affordable housing units for aboriginal people in Regina (CHRA, 2014).

The warehouse is also essential to the success of Namerind as a social enterprise because it strengthens the relationship between the corporation and its workers, opening the lines of communication and the ability to build strong working bonds by increasing accessibility between both groups. Today Namerind has evolved to a size where they have become the majority users of the warehouse yet the relationships still remain strong.

Why it Works

There are a multitude of reasons why Namerind was able to succeed through social enterprise.

One key factor in its success was Namerind's decision to sell off a portion of its aging housing stock in order to generate the initial capital needed to invest in the various business ventures it manages.

Namerind's Social Enterprise Businesses

- Winnipeg Street mall and pharmacy
- Resting Place Lodge
- Contractor Warehouse

Another important factor was patience. It took Namerind a significant amount of time for its for-profit businesses to begin turning a profit that could be reinvested back into its affordable housing units. Becoming financially self-sufficient with the revenue generated from these businesses took time, patience, and alternative funding for the interim to maintain the corporation.

Namerind's success also grew out of the relationships it established with the business community in Regina. These relationships gave the corporation the opportunity to learn and receive mentorship from leaders in the city's private sector, allowing it to gain expert knowledge on the essential business skills needed to excel in its different endeavors. Fostering these connections also enabled Namerind to transform its non-profit image into a more business-oriented model (CMHC, 2016).

Reaching out to foster relationships with other non-profit organizations was also critical to their success as a social enterprise. For example, the partnership Raising Hope, Moving Families Forward supports expecting mothers and mothers with children in the child welfare system who suffer from addiction and/or homelessness by offering them support from the Street Workers Advocacy Project

(SWAP) and a safe place to live during this transitional period of their lives until they can get back on track. Since inception, Raising Hope lives up to its name with 25 clean births and 17 reunions.

Namerind's Partners

- KidsFirst Regina
- Oxford House Society
- City of Regina
- Regina Qu'Appelle Health Region
- Saskatchewan Housing Corporation
- Raising Hope
- Regina and District Chamber of Commerce

Advice from the President

Byers shared his thoughts about how this model could be replicated across the country. One way is for housing non-profits to get involved in things that can expand their knowledge, open up new opportunities for them, and inspire them to innovate. For example, Byers himself became a member of the Chamber of Commerce and the Homelessness Partnering Strategy Board. He also started associating with various business and art groups within the city. This gave him a sense of the many different facets of community needs and connected him with a host of individuals he could learn from and or collaborate with.

"It's about a culture of care and doing a little bit more than what people expect from you."

-Robert Byers

Looking Forward

In just the last two years Namerind now manages five other smaller non-profit housing providers. The corporation is also in the process of approvals and fundraising for an \$110-million-dollar twin tower apartment complex with 170 units of affordable housing and ground floor retail that will include a grocery store, daycare and 500 parking spaces (pictured on cover page). It is a project that promises to make big changes in downtown Regina and to the Namerind Housing Corporation, which have never undertaken a project close to this size (Kerry, 2015).

As an organization, Namerind is always looking to expand, to innovate, and to improve the lives of Aboriginal peoples and all those in need by supplying affordable housing in the most efficient and effective way possible. As a result, the current and future success of Namerind remains a victory for Canada's non-profit housing sector. The corporation's culture leads them in social enterprise and in using innovative business techniques and entrepreneurial driven concepts to sustain and expand affordable housing operations. Other groups should therefore be looking to Namerind for inspiration and guidance as they traverse the uncertain waters of expiring operating agreements in the near future.

Sources

Benjoe, K. (2015). *Namerind Housing Corp. Unveils New Downtown Regina Building Plans*. <http://www.namerindhousing.ca/index.php/media-centre/20-namerind-in-the-news/58-namerind-housing-corporation-unveils-new-downtown-regina-building-plans>

Byers, R. (2016, June). Personal Interview. (S. Normand, Interviewer)

Canada Mortgage and Housing Corporation. (2016). *Case Study 2: Namerind Housing Corporation — Regina, Saskatchewan*. https://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce/afhost-cast/afhoid/fite/soen/soen_005.cfm

Namerind Housing Corporation. (2013). *About Namerind*. <http://namerindhousing.ca/index.php/about-namerind>

The Canadian Housing and Renewal Association. (2014). *AANDC Case Study 3: Namerind Housing Corporation's Sustainable Social Enterprise*. http://chra-achru.ca/sites/default/files/case_study_3_-_namerind_housing_corporations.pdf



A Social Enterprise Approach to Sustaining Affordable Housing: A Case Study of Niagara Peninsula Homes

By Stefani Normand | Social Planning Council of Kingston | June 2016

Quick Facts about Niagara Peninsula Homes

Location: Niagara Falls, Ontario

Type: Non-profit housing organization

Founded: 1981

Mission: Create, nurture and serve vibrant and diverse communities

Housing: Currently manages close to 1200 units

Social Enterprises:

- Niagara Presents
- Niagara Women's Enterprise Centre
- Team E.N.E.R.G.I

Chief Executive Officer:

Betty Ann Baker

Contact

41 Victoria Street
Welland, ON L3B 4L7
T: 905 788 0166
F: 905 788 9105
www.nphcr.ca



Above: Preserves manufactured by Niagara Presents, one of the social enterprises operated by Niagara Peninsula Homes.

[Image source: Deall, n.d.]



Background

A member of the Ontario Non-Profit Housing Association and the Co-operative Housing Federation of Canada since its inception in 1981, Niagara Peninsula Homes (NPH) has over 30 years of experience in housing development and property management. NPH has helped develop over 2,700 units of co-operative, non-profit, and affordable housing throughout Niagara and Hamilton. It also currently provides property management services to approximately 1,200 local housing units and offers maintenance, capital repair, and financial administration services to clients. The mission at NPH is to create, nurture, and serve vibrant and diverse communities. The organization has experience accommodating vulnerable groups such as women, First Nations, single parents, seniors, families, and youth (Niagara Peninsula Homes, 2016).

Methods

This case study was prepared using information from Niagara Peninsula Homes' website, as well as other online sources and news articles.

Context

As part of its community economic development focus, NPH also operates multiple social enterprise businesses. These enterprises offer employment and skills training to its housing residents while also providing services or products that generate revenue. Profits can be reinvested into the enterprises and to help NPH sustain its housing.

NPH's Social Enterprises

Niagara Presents

Since 1997, Niagara Presents has been helping local food producers manufacture

and market their locally grown produce into specialty jellies, jams, sauces, and preserves. The manufacturing base is located in Beamsville, Ontario, and includes a commercial kitchen, a co-packing facility, a retail outlet, and a gift basket production centre. The enterprise even has its own gourmet preserves food label called Niagara Presents.

The business first started out as a way to support female home based entrepreneurs in marketing their products through Christmas gift baskets. There are currently over 14 different baskets to choose from ranging from \$25 - \$150. They can be



Figure 1: Niagara Presents Wedding Favors

[Image source: Deall, n.d.]



Figure 2: Niagara Presents Christmas Gift Basket

[Image source: Deall, n.d.]

purchased online, over the phone, or in store and shipped to your address (Deall, n.d.).

The co-packing facility allows individuals, small businesses or businesses new to the food industry to package an original recipe for large-scale production. These products are then sealed with the Niagara Presents label or with the private labeling service that Niagara Presents provides. Niagara Presents then assists in the sale and distribution of products to consumers.

The Niagara Presents retail showroom is open to the public from Wednesday-Friday from 10am – 4pm and offers product tastings and tours of the facility. The enterprise has also been successful in selling its products to weddings and events as party favors.

With awards from both the Paper Box Manufacturers of Canada and the Canadian Association of Specialty Foods, NPH has found great success with this social enterprise (Niagara Presents, 2016). By reinvesting the revenue generated from this business into its operations, NPH has

been able to successfully increase the sustainability of this enterprise.

Niagara Presents is a separate charity and NPH provides some services on a fee-for-service basis. A retail program runs a pop-up store featuring Niagara Presents Products and all net sales go back into the charity fund to help offset programs costs not covered by funders of the charity.

Team E.N.E.R.G.I

The purpose of Team E.N.E.R.G.I (Enterprise Niagara for Employment Resources and 'Green' Initiatives) is to offer affordable building repairs for non-profit, co-operative, and affordable housing providers in the area who are in need. To provide this service, Team E.N.E.R.G.I employs youth apprentices for a minimum wage. Youth apprentices receive important on-the-job skills training while retrofitting and repairing old buildings and homes.

This type of social enterprise is vital given the current issues facing the non-profit sector. By 2009, NPH was struggling with mounting costs for capital repairs to many of the housing units they had helped develop some 20 years prior. Operating and maintenance costs for these older buildings were steadily rising as a result of aging heating and cooling systems, higher energy prices, and wasteful water plumbing and appliances (Canada Mortgage and Housing Corporation, 2016). Mold also became a problem due to poor ventilation, and continuously removing mold from homes was an expensive process. With little government financing, limited capital reserves, and high construction costs, the ability for non-profits to repair their aging housing stock was very small.

As a result, NPH saw the perfect



Figure 3: Niagara Presents Retail Facility and Headquarters
[Image source: Deall, n.d.]

opportunity to combat both aging affordable housing stock and high youth unemployment rates in the Niagara region by employing youth to work on these units for affordable rates. Youth would learn crucial trades skills from experienced tradespeople that would help them secure employment later on, non-profits would find an affordable solution to their aging housing stock, and NPH would be able to reinvest the revenue generated from this social enterprise back into the organization.

Some of the work that youth apprentices have completed on affordable homes through Team E.N.E.R.G.I includes installing:

- » Energy efficient windows and doors
- » High-efficiency toilets
- » Heat recovery ventilators
- » Low-flow faucets
- » Bathroom fans
- » New thermostats
- » Insulation and caulking

These retrofits have been instrumental in lowering operating costs for non-profit housing providers and allowing them to become more financially secure.



Figure 4: Team E.N.E.R.G.I youth employees installing windows [Image source: Canada Mortgage and Housing Corporation, 2016]

NPH acted as the general manager on millions of dollars of housing retrofits by Team E.N.E.R.G.I.. These funds were used to leverage a mortgage to buy a property.

In 2012, NPH purchased a derelict warehouse space in south Welland so that Team E.N.E.R.G.I. could undertake a major renovation project and gain multiple construction skills. The building was re-purposed into a community resource centre and social innovation hub. The centre is now home to many of NPH's programs and services including the Niagara Women's Enterprise Centre (CMHC, 2016).

Niagara Women's Enterprise Centre

Another program that NPH operates is the Niagara Women's Enterprise Centre (NWECC). The purpose of NWECC is to provide training, assistance, and resources to underemployed or unemployed women in the Niagara region. The program has offered training courses and employment support to over 1,000 women in the area since 1999 (NWECC, 2016). The program's mandate is to help relieve women living in poverty by giving them the support they need to obtain employment or start their own businesses.

Training programs that NWECC offers include:

- » Hospitality
- » Introduction to office administration
- » Customer service and retail
- » S.H.E career development
- » Violence against women
- » Introduction to construction trades

The partnerships that NWECC has created in the community are vital to the program's success. These include financial, community support services, educational, employment, and co-op partnerships.

NPH's Social Enterprise Businesses:

- Niagara Presents
- Niagara Women's Enterprise Centre
- Team E.N.E.R.G.I

Looking Forward

In 2013, NPH received the award for Excellence in Co-operative Enterprise by the Co-operative Housing Federation of Canada. NPH's ability to design programs that teach vital employment skills to vulnerable individuals while also providing services and products to the community is key to its success. Generating revenue from these enterprises to reinvest increases long-term financial sustainability, an ideal outcome.

Team E.N.E.R.G.I is the big winner in generating profits and an exceptional example of a social enterprise that is providing a vital service for the non-profit housing sector. It works to remedy one of the biggest challenges this sector currently faces, while simultaneously providing skills training and employment for youth. Additionally, by offering affordable repair rates it is still able to generate some of its own revenue to invest back into the program and NPH. If other non-profit groups were able to recreate this type of enterprise within their own regions, this could decrease the effect of an aging housing stock while increasing financial sustainability for this sector.

Sources

Canada Mortgage and Housing Corporation (2016).
Case Study 2: Niagara Peninsula Homes:

Team Energi — Welland, Ontario. Retrieved from Canada Mortgage and Housing Corporation: https://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce/afhostcast/afhoid/opma/remaco/remaco_006.cfm

Deall, J. (n.d.). *In the Kitchen with Niagara Presents.* Retrieved from Niagarafied: <http://niagarafied.ca/food/in-the-kitchen-with-niagara-presents/>

Henschel, S. (2015). *Niagara Peninsula Homes hopes to inspire renewal.* Retrieved from Niagara This Week: <http://www.niagarathisweek.com/community-story/5748368-niagara-peninsula-homes-hopes-to-inspire-renewal/>

Niagara Peninsula Homes. (2016). Retrieved from <http://www.niagarapresents.net/>: <http://www.niagarapresents.net/about-us>

Niagara Peninsula Homes. (2016). Retrieved from Niagara Peninsula Homes Community Resources: <http://www.nphcr.ca/>



A Social Enterprise Approach to Sustaining Affordable Housing: A Case Study of the Vancouver Native Housing Society

By Stefani Normand | Social Planning Council of Kingston | June 2016



[Image source: Vancouver Native Housing Society, 2016]

Quick Facts about the Vancouver Native Housing Society

Location: Vancouver, British Columbia

Type: Non-profit housing

Founded: 1984

Mandate:

To provide safe, secure and affordable housing for Aboriginal individuals and families living in the urban setting

Housing:

18 buildings with a total of 805 units

Social Enterprises:

- Skwachàys Lodge and Residence
- Urban Aboriginal Fair Trade Gallery

Chief Executive Officer: Dave Eddy

Contact

Vancouver Native Housing Society (VNHS)

1726 East Hastings Street
Vancouver, BC V5L 1S9
Canada

T. 604-320-3312

F. 604-320-3317

www.vnhs.ca



Background

Incorporated as a non-profit in 1984, the Vancouver Native Housing Society (VNHS) has been working towards providing safe and quality affordable housing to Aboriginal people in need for over three decades. It has also recently extended its housing mission to include other vulnerable groups such as seniors, youth, women at risk, homeless individuals, and those living with mental illnesses.

VNHS owns and operates 805 housing units in 18 different buildings and employs around 50 staff members. Many of these buildings also offer tenants on-site support services to improve the well-being and quality of life for the individuals they strive to serve.

Methods

This case study was prepared using the information on VNHS's website as well as other online sources and news articles.

Context

Traditionally, VNHS has worked in partnership with the federal and provincial governments to fund its housing initiatives and achieve affordability for low income tenants. Most of VNHS's older buildings are financed through operating agreements with CMHC under the Urban Native Housing Program. In 1997, funding responsibility for non-profits was transferred to the province of British Columbia. At this point, funding for new buildings came from operating agreements with BC Housing as well as various other initiatives such as the Affordable Housing Initiative (AHI) and the Provincial Homelessness Initiative (PHI) (Vancouver Native Housing Society, 2016).

In light of the uncertainty surrounding

future government funding, non-profit housing agencies across the country are being encouraged to look for ways to become more financially self-sufficient within its operations. VNHS's own operating agreements will begin to expire in 2019 and will all expire by 2031 (Griffin, 2016).

With this in mind, the VNHS has already begun to transform its business model by incorporating a more entrepreneurial approach. To accomplish this, VNHS has successfully incorporated two social enterprise businesses into its portfolio: Skwachàys Lodge and Residence and the Urban Aboriginal Fair Trade Gallery. These for-profit businesses are generating revenue for VNHS to subsidize rents for 24 Aboriginal artists living in the same building. The current success of these social enterprises is a promising beginning to securing VNHS's financial independence.

VNHS' Social Enterprises

Skwachàys Lodge and Residence

Skwachàys provides 24 subsidized apartments for Aboriginal artists and 18 hotel units for travelers on the top three floors showcasing themes from Aboriginal art and culture (Watson, 2015). VNHS generates over \$160,000 in profits per year from its social enterprises to subsidize rents for artists in residence without any government subsidies. Artists pay \$375 per month in rent (the basic shelter rate from social assistance) and VNHS social enterprises cover the balance of the operating costs (roughly \$900 a month) for the apartments. In this way, VNHS provides housing subsidies for each artist of close to \$7,200 per year for three year terms to support the professional career development of Aboriginal artists, from many fields (performance arts, visual arts,

and photography).

Development of Skwachàys: The property at 31 West Pender was one of the downtown SROs that was adjacent to another VNHS property. With \$3.5 million from the Province and matching federal stimulus funding, VNHS fund-raised \$1.5 million and financed the remaining \$2 million to cover the costs for a full-scale renovation.

Initially, VNHS provided 24 units for artists and another 18 units for a healing centre (affordable apartments for people travelling to Vancouver for health care). The CEO of VNHS was contacted by a successful hotel developer, Joe Zwickel with the idea for an Aboriginal art-themed hotel. Zwickel enlisted help from six professional designers who teamed up with six Aboriginal artists to develop unique designs for suites. Many companies donated time and materials to transform the suites. Skwachàys reopened the 18 suites for travelers in August 2014, Canada's first Aboriginal art-themed hotel.

Transformation is a theme for Skwachàys, connecting it to the historical roots of the land as a gateway to the spiritual world. Skwachàys includes a sweat lodge and a smudge room for purification ceremonies.

VNHS has received many awards and international recognition in over 75 print articles in the UK, the US and Australia. (www.skwachays.com) Most recently, VNHS has received a grant from the National Aboriginal Friendship Centres to develop and promote its model across Canada. Skwachàys is a true, fully self-financing social enterprise that achieves the triple bottom line goals to support people, the planet and profit.



Figure 1: The Welcome Room

[Image source: Vancouver Native Housing Society, 2016]



Figure 2: Forest Spirits Suite

[Image source: Vancouver Native Housing Society, 2016]



Figure 4: Skwachays Fair Trade Gallery

[Image source: Vancouver Native Housing Society, 2016]

Urban Aboriginal Fair Trade Gallery

Another aspect of the hotel is the Aboriginal art gallery that is located on the ground floor. This offers visitors and the public the chance to view and purchase art created from artists living and working in Vancouver's Downtown Eastside. It ensures that these artists are offered fair prices for their work and it increases the connectivity of Skwachàys social purposes.

VNHS' Social Enterprise Businesses

- Skwachàys Lodge and Residence
- Urban Aboriginal Fair Trade Gallery

Looking Forward

While often difficult to implement, a successful social enterprise can be seen as an innovative and rewarding way to help ensure the survival of the non-profit housing sector in the future. Without the promise of government support it is imperative for this sector to consider all the ways in which it can secure some financial sustainability and independence. Implementing a successful social enterprise where 100% of business profits are reinvested into housing is one way to accomplish this goal. For this reason, the VNHS's Skwachàys Lodge and Residence as well as the Urban Fair Trade Gallery should be considered an inspiration to other groups looking to become more entrepreneurial while still maintaining their social purpose.

As noted by Dave Eddy, CEO of VNHS in an interview for an article in the Vancouver Sun, social enterprise is one great way to

carry on the mission and mandate of the society. "Getting into social enterprise was to combat that lack of funding we would get once the operating agreement expired." (Griffin, 2016)

VNHS is also responding to the end of operating agreements by densifying many of its properties to incorporate a mix of ownership types. As the vast majority of VNHS's housing units are currently heavily subsidized, the market rental units will help the society to continue providing subsidies.

Eddy emphasizes that while these measures are imperative to ensuring non-profit operations can continue into the future, he believes there will always be a government responsibility to provide funding for marginalized groups. What should exist moving forward then is a fusion of self-sufficiency and government support, ensuring that both groups are doing what they can to protect non-profit housing in Canada.

Skwachàys is much more than a successful, self-financing social enterprise that provides truly affordable housing in downtown Vancouver. It builds on the VNHS mission to support Aboriginal culture and improving the well-being of Aboriginal people.

Sources

Griffin, K. (2014). *Skwachàys Lodge: the country's first aboriginal arts hotel*. <http://vancouver.sun.com/news/staff-blogs/skwachays-lodge-the-countrys-first-aboriginal-arts-hotel>

Griffin, K. (2016). *B.C. non-profit societies becoming more entrepreneurial in developing housing*. <http://vancouver.sun.com/news/local-news/b-c-non-profit-societies-becoming-more-entrepreneurial-in-developing-housing>

Vancouver Native Housing Society. (n.d.). *Social Enterprise*. <http://vnhs.ca/social-enterprise/>

Vancouver Native Housing Society. (n.d.). Skwachàys Lodge Aboriginal Hotel and Gallery. www.skwachays.com

Watson, A. (2015). *Vancouver's insanely cool Aboriginal boutique hotel you've never heard of*. <http://www.vancouverobserver.com/culture/vancouver-insanely-cool-aboriginal-boutique-hotel-youve-never-heard>



A Social Enterprise Approach to Sustaining Affordable Housing: A Case Study of Youth Opportunities Unlimited

By Stefani Normand | Social Planning Council of Kingston | June 2016



The Cornerstone: Located at 332 Richmond Street in London, Ontario, this YOU facility provides 28 units of supportive and permanent housing for youth aged 16-24. It also houses integrated programs and services for youth, including life needs, alternative education, counselling, health services, skills training, and a social enterprise.

[Image source: Rooth, 2016]

Quick Facts About Youth Opportunities Unlimited

Location: *London, Ontario*

Type: Youth centered not-for-profit charity

Founded: 1982

Mission: Supports youth to build skills, confidence and independence to reach their potential

Housing: 28 units at the Cornerstone building

Social Enterprises:

- Café & Catering
- Recycling, Wood Shop
- Market Quality Preserves
- Gift Baskets

Chief Executive Officer:

Steve Cordes

Contact us

Youth Opportunities Unlimited
141 Dundas Street, Second Floor
London, Ontario
N6A 1G3
T. 519 432 1112
F. 519 432 2883
www.you.ca
info@you.ca



Background

Youth Opportunities Unlimited (YOU) has been a registered charity in London and Middlesex, Ontario since 1982. Its mission is to help youth aged 16-24 build the skills, confidence, and independence to reach their potential. YOU's support programs offer over 20 different services in the areas of

- » Basic needs
- » Housing
- » Education
- » Workshops
- » Employment counseling,
- » Job skills development,
- » Job search
- » Hands-on employment training

YOU's programs are able to help over 3,600 youth every year to improve their quality of life (Youth Opportunities Unlimited, 2016).

Methods

This case study was prepared using the information on YOU's website as well as other online sources and news articles. Also instrumental in obtaining key information was a phone interview with Career & Social Enterprise Manager at YOU, Jacqui Deleeuw.

Context

Traditionally, Youth Opportunities Unlimited has relied on municipal, provincial and federal funding as well as donations and partnerships from the private sector to maintain and expand its operations. Fundraising at YOU has also been an incredibly important component to securing financial sustainability.

With the federal government scaling back financial support for non-profits and encouraging them to become more

entrepreneurial, YOU has also incorporated four different social enterprises into its portfolio. These for-profit businesses not only offer employment to youth and hands on training, they also generate revenue that is subsequently reinvested into the organization's operations. This ultimately increases YOU's long-term financial viability and sustainability.

YOU's Social Enterprises

YOU Made It Café

Located on the ground floor of the Cornerstone in London, the YOU Made It Café offers breakfast and lunch services to the public, Monday to Friday. The café also offers professional catering services and supplies customers with affordable menu options such as all day breakfast, soups, salads, sandwiches, and desserts. More importantly, it provides quality employment training, hands-on experience, and nutrition lessons for local youth.

Additionally, YOU's vegetable garden, located on the rooftop of the Cornerstone building, supplies fresh produce to the café downstairs and teaches important lessons about nutrition and sustainability. The garden is maintained by youth, most of whom are either living in the affordable housing units at Cornerstone or working in the café.

Another social benefit to the café is that the youth employees also cook fresh meals every day for the Meals on Wheels program. This program provides fresh meals to seniors in London who are unable to prepare their own meals. Meals are also prepared in the café for local youth that come into the drop-in center located at Cornerstone (Deleeuw, 2016).



Figure 1: You Made It Café
[Image source: Youth Opportunities Unlimited, 2012]

Recycling Program

YOU also operates a recycling program that supplies its services to over 200 businesses in the London area (SEOntario, 2016). Youth in the program are taught how to use the heavy machinery needed to process recycling such as compactors, shredders, and balers. This allows them to gain important employment experience and skills. The program picks up all clean plastics, glass, cardboard, newspaper,



Figure 2: Recycling Program Youth Employees
[Image source: Youth Opportunities Unlimited, 2014]

paper, aluminum, and copper. YOU's Recycling Service is contracted to pick up the City's EnviroBins throughout London. It also runs a bin exchange program and ensures flexible pick up schedules. As an environmentally sustainable business and a social enterprise, the recycling program has been approved by the Ministry of Environment and is a key part of the City's green economy.

Wood Shop

The youth-centered wood-working program is another way to offer employment to at-risk youth, providing them with important skills they can use later on in life. With the guidance of an experienced carpenter, youth learn how to properly use tools and how to craft woodworking products. The Wood Shop specializes in manufacturing outdoor wooden planters and cutting boards. These products are then sold to the public and the profits are reinvested into sustaining the woodworking program.

"I get to work with great people. It's a nice environment to work in, gives me good work experience. And it helps get me trained to gain employment."

***- Jareld,
a Wood Shop youth employee
(Youth Opportunities Unlimited, n.d.)***

Market Quality Preserves Program

Market Quality Preserves (MQP) program is another social enterprise that has seen some great success recently. In downtown Strathroy, MQP has its own kitchen where supervised local youth prepare different jams, sauces, spreads and salsas that are packaged into gift baskets, sold separately to the public, or wholesaled to large grocery stores throughout the province. MQP reached out to the large chain grocery store known as Farm Boy

and secured a deal for its preserves to be sold in stores across the province under a separate label. Private grocers around London also partnered with MQP to sell their products in store, with the most popular being the original pumpkin butter made by the enterprise (Deleeuw, 2016).

MQP is another great program for at risk youth to gain employment skills. Along with the cooking and preserve making skills youth obtain, they also get the opportunity to organize sampling sessions at the grocery stores that sell their products. This gives them a chance to interact with the public in a positive way. MQP products are available at the YOU Made It Café and local grocery stores operated by FarmBoy and Remark.



Figure 3: MQP Products

[Image source: Youth Opportunities Unlimited, n.d.]

Advice from the Social Enterprise Manager

Jacqui Deleeuw shared her views about the challenges and advantages of establishing a social enterprise within the non-profit sector. She highlighted the risks involved if it were to fail and competition from the private sector as major concerns.

However, she also stressed the importance of the value proposition that social enterprises offer. Not only can they provide a well-made product or quality service, they also have a valuable social impact. In YOU's case this would be providing support to local youth to ensure they reach their potential. This is the crucial component to YOU's continued success (Deleeuw, 2016).

YOU's Social Enterprise Businesses:

- YOU Made It Café
- Recycling Program
- Wood Shop Centre
- Market Quality Preserves Program

Looking Forward

The You Made It Café is an exceptional example of a social enterprise in action. The multifaceted social purposes of the café really mark it as a worthwhile venture. These purposes include

- » Providing employment opportunities
- » Teaching at-risk youth how to prepare healthy meals for themselves
- » Ensuring an environmental and sustainable approach through the rooftop garden initiative
- » Supplying meals to the Meals on Wheels program
- » Preparing food for at risk youth in the Youth Action Centre at the Cornerstone.

The You Made It Café is as socially conscious and committed to the well-being of the community as it comes.

The Market Quality Preserves (MQP)

program is another reflection of YOU's success in the social enterprise sector. One major take away from this particular YOU program is their use of outside consultants to help manage the business portion of this enterprise. As MQP is partnered with many different grocers both large and small, it became essential for YOU to hire individuals who specialized in marketing and business development.

Youth Opportunities Unlimited. (n.d.). <http://www.you.ca/>

For many non-profits, lacking business expertise can sometimes be a deterrent to establishing a social enterprise to help secure financial sustainability. However, the temporary employment of consultants to manage these aspects is one way to help ensure the success of a social enterprise venture.

Jacqui Deleeuw, Career & Social Enterprise Manager at YOU, has made it clear that the emphasis of these businesses is less on profit and more on sustainability. If the revenue generated from these businesses can go straight back to maintaining operations so that a social goal can be achieved, then the enterprises have succeeded. The YOU's ability to continue operating social enterprises that provide youth with employment experience and, ultimately, the confidence to succeed in other industries is a model outcome.

Sources

Deleeuw, J. (2016, July). Phone Interview. (S. Normand, Interviewer)

Rooth, S. (2016). *YOU provides unique opportunities for youth*. <http://www.thelondoner.ca/2016/02/17/you-provides-unique-opportunities-for-youth>

SEOntario. (2016). *Youth Opportunities Unlimited*. <http://seontario.org/stories/youth-opportunities-unlimited/>

