

Redeveloping Under-Built Community-Owned Real Estate

by

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to the required standard

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Redeveloping Under-Built Community-Owned Real Estate:

Understanding Constraints and Enabling Factors to Develop Tools and Resources for Non-Profit and Mission-Based Organizations

Final Project Report authored by **Peer-Daniel Krause** in partnership with

Vancity

Community Foundation

I. Executive Summary

Increasing and enhancing community assets is seen as a possible solution to alleviate the affordability challenge in the Vancouver Metropolitan Region. To this end Vancity Community Foundation (VCF) and other organizations are seeking ways to support the non-profit sector to redevelop their community owned real estate - that is property owned by and for the benefit of the community.

The goal of this research was to outline which factors support or challenge non-profit and mission-based organizations in redeveloping their properties. Redevelopment in this context means to pursue new construction on land that has a pre-existing use with the goal of adding more uses for the benefit of the community.

Recommendations are based on findings of interviews conducted with eleven non-profit and mission-based organizations who own properties and have begun a redevelopment process. The study identified common enablers that are necessary for organizations to move forward with redevelopment. These are:

- leadership capacity within organizations with respect to the board and *champions for redevelopment*,
- access to professional expertise at all stages of the process, particularly through trustful relationships,
- early and collaborative partnership development and
- clarifying the vision for a redevelopment project to motivate action internally and externally.

As a result of the research, I recommend that VCF develop tools, resources or processes which [firstly] support organizations in developing a vision for their real estate; [secondly] assess their capacity for redevelopment; and [thirdly], facilitate the access to professional external real estate expertise, as well as potential partnerships for redevelopment.

The suggested support mechanisms have the ability to particularly address needs of organizations who already have the organizational capacity to oversee a property redevelopment. Additional research is needed with regards to organizations who own under-built real estate or hold land, but choose to sell it on the open market.

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1 Introduction to the Project

This research supports ongoing efforts to ensure that non-profit and mission-based organizations¹ operate and deliver their programs in appropriate, affordable, and secure spaces and to increase individuals' access to affordable housing in the Vancouver Metropolitan Region². It is motivated by the idea of enhancing the utilization of community-owned land. Non-profit redevelopment, which is to pursue new construction on land owned by non-profit organizations that has a pre-existing use with the goal of adding more uses for the benefit of the community, is seen as one way of achieving this end.

The goal of this research was to investigate which factors support or challenge organizations in the process of (re)development³. The results inform Vancity Community Foundation in the development of resources that will strengthen the capacity of the non-profit sector to successfully develop real estate.

After outlining the challenge and opportunity surrounding this new approach to real estate development, the assumptions going into this research will be spelled out. Chapter 3 contains research findings, followed by recommendations for resources suggested to fuel non-profit real estate development in Metro Vancouver.

1.1 The Affordability Crisis

According to the Canada Mortgage and Housing Corporation (CMHC 2013), the Vancouver Metropolitan Region "had the highest average resale price of all major [Canadian] urban centres in 2012 at \$730,063" for all properties listed (ibid.: 4-1) by the MLS Service⁴. Such high costs constrain home-

1 For the purpose of this research, the commonly used term *non-profit* is used to refer to non-profit and mission-based organizations. *Mission-based* organizations are all organizations guided by a clear social or environmental mission. It expands on the limited definition of formally incorporated charitable non-profit and philanthropic organizations and explicitly includes faith-based organizations.

2 The background of the sample limits the applicability of findings to the Vancouver Metropolitan Area and the Capital Regional District

3 While this research focuses particularly on *redevelopment*, the processes and preconditions outlined are just as applicable to properties without existing improvements owned by non-profit organizations. When referring to *development*, in this paper, *redevelopment* is implied.

4 MLS - Multiple Listings Service

ownership with a locally earned income (MacLeod 2014). Similarly unaffordable, renters have to pay an average monthly rent of \$1,261 for a two-bedroom apartment (CMHC 2013: 1-7). In the same year, the median income in the lower mainland was situated at around \$63,000 (MVHC 2012)⁵. Locals with local incomes - especially those who are less established and seek to own or even rent in the region - have to invest considerable resources to live here (MacLeod 2014).

The above statistics make clear that the market is inefficient at providing an adequate supply of housing. Affordable housing is unarguably needed across most of the housing continuum, including rental and home-ownership (CoV 2012) (See Illustration 1).



Illustration 1: The Housing Continuum (Based on CoV 2012b: 2)

While the lack of housing affordability has been a problem since at least the mid-90s, more recently, the situation is compounded by a "widening income gap between renters and owners, [...], government withdrawal from the provision of new subsidized affordable housing and the loss of subsidies to existing social housing due to expiring government programs" (BCNPHA 2012: 37). Despite the absence of a national housing strategy, the government continued to fund the operations of already established housing projects. This has contained more severe consequences, such as increased homelessness or displacement of the less well-to-do (CHFBC 2014; Cooper 2013). Fears are high that, given the current situation, the effects will be felt more severely within the next years as more and more of the existing operating agreements - and the rent-supplements they provide - expire.

Moreover, as Frances Bula (2013) notes, it is "not just students, people on welfare, middle-class families, small businesses and artists who can't afford Vancouver. It's also the non-profit groups that help those people". While the problem is less researched and publicized

5 Particularly Metro Vancouver's renters are hit hard by the crisis. Renters in the region had the highest core housing need in the country indicated at 21% of all households in 2013 (CMHC 2013: 6-9). In 2011, 30% of renter households were in core housing need in comparison to just 10% of owner households (CMHC 2012).

than the lack of affordable housing, many non-profit organizations are scrambling to expand their services as rents significantly exceed what they can pay from their operating budgets. Organizations who are not forced to rent their space are clearly advantaged in this situation.

In their efforts to serve their constituents and in the absence of higher-level government support, municipalities today regulate, incentivize, create partnerships and even subsidize housing affordability and access to spaces for community organizations. In order to encourage the market to develop the stock they need, they use whatever instruments they have available to them. As outlined above, the effects are arguably small given the scope of the problem. While everybody agrees on the problems, solutions are not easily attainable. Given the limited effect local policy can have on higher-scale market forces, all actors are seeking new, creative solutions.

1.2 Leveraging Land To Provide Blended Value Returns

The land holdings of non-profit organizations with a clear mandate to serve a social purpose offer an opportunity to explore solutions to the above problems. This section introduces the concept of Community Owned Real Estate and the promise it may hold for holders of under-built land and the public⁶.

The high cost for land contributes the single most significant portion of costs in all new developments in Metro Vancouver and, thus, is a crucial component of compromised affordability. If land can be bought at a reduced rate or can be excluded from the costs of a development project, higher levels of affordability/lower costs in its operation can be achieved.

A second important component that can help ensure long-term financial viability in a redevelopment project that will be rented or sold at below-market rates are partnerships with funders or government partners. Through favourable financing and/or through incentives by local government, projects' performance in terms of their affordability can be improved.

⁶ *Under-built/under-developed*, with regards to real estate, refers to the under-utilization of land from an economic, environmental or social perspective. The term stipulates that the current use of the land could be enhanced.

Vancouver's Task Force for Housing Affordability has identified the establishment of partnerships between landholders, financiers and local government as an opportunity to create affordable housing in particular (CoV 2012). For this purpose the City of Vancouver seeks to develop housing on under-built sites including churches, health care facilities and post-secondary institutions. In exchange for engaging in the creation of affordable housing, the City is willing to make concessions in taxes and development cost charges. It will also ensure a speedy approval process and work collaboratively with the developing entities. Other municipalities across British Columbia are pursuing similar approaches.

In recent attempts to create affordable housing units, established agencies have made the first successful advances in combining land assets with local government incentives and favourable funding opportunities (i.e. MVHC 2014, BC Housing 2010). Arguably, due to their experience in the housing sector, established non-profit housing providers may be in a good position to make such partnerships happen. They are therefore the prime candidates to meet some of the demand for affordable housing solutions as outlined above.

However, many non-profit organizations who provide services beyond housing are similarly looking for new creative ways to attain funding to run their operations.

Traditionally, non-profit organizations have relied on the financial support of government, private donors or their respective community to enable their work. For many, the achievement of financial long-term sustainability is a desirable, but seemingly unrealistic goal given the non-profit nature of their work. Other organizations with a long-established history and community presence are now faced by rapid changes and the need to rethink their mission altogether. Challenges, such as a changing cultural environment and an ageing client base are becoming considerable problems for some established organizations to continue with the status quo (Sherlock 2013).

Among others, churches and legions are among those groups who seek new governance models to both attain financial independence from the traditional charity model and to redefine their purpose. Both are faced with dwindling memberships and shrinking congregations respectively. Increasing costs for the maintenance of ageing buildings, many of which were built in the 1960s or earlier add to the complexity of their situation. Examples where the "dwindling membership in the congregation coupled with increased operating and maintenance costs have caused [a church] to place the[ir] property on the

market" are well-documented (Colliers International 2009: 2). At the same time, both types of organizations in particular also hold significant opportunities for property redevelopment due to their land holdings in British Columbia. Another commonality of these and other organizations who work in the social service sector is their relative unfamiliarity with property development. The social mission of these organizations is usually not grounded in real estate and redevelopment may not be on top of mind (Barber 2014).

If non-profit organizations consider property redevelopment as an option, these projects may hold tremendous potential. Affordable housing is not the only goal that could be attained through redevelopment of properties owned by non-profits. If an organization is willing to rethink its social-purpose by taking local needs into account, a range of long-term community benefits can be secured.

Given the towering prices for real estate it is important to investigate how this potential impact could be realized to the benefit of both the local community and the organizations currently holding the land. The next section explores the concept of Community Owned Real Estate as a potential approach to redeveloping land currently held by non-profit organizations.

1.3 Community Owned Real Estate

Community Owned Real Estate refers to property owned for and by the community (VCF 2014). In the redevelopment model suggested, real estate is developed without outright profit motivation. Herein, redevelopment has the goal of adding more uses to a property for the benefit of the community. The benefits suggested come in the form of community amenities of various sorts, housing being only one of them. Others may include non-profit operations, community gardens, senior centres and more. The idea of non-profit redevelopment is primarily driven by the social purpose it seeks to provide. Additionally, revenue could be generated to provide operational support for other services. Hence, redevelopment has the added potential of creating operational self-sufficiency and financial sustainability for those non-profit organizations who currently own under-built land. Achieving social and economic returns is coined as blended impact.

Recently, non-profits have spearheaded a similar approach to creating blended impacts in the social-service sector by forming social enterprises. A number of organizations have successfully created markets for their services or products or have managed to support their mission with revenue from socially motivated business. In the same way the real estate market can be utilized to provide an opportunity to decrease an organization's dependency on donations and government funding through independently generated revenue. At the least, redeveloping a property will secure an organization's long-term tenure by creating future occupancy cost savings over renting or leasing space for their work. In the long-run it ensures the preservation of a community asset that may appreciate in value over time and can be utilized to borrow for further investment. Furthermore, if blended financial, social and environmental value returns are ensured, community ownership will not only benefit the individual organization. The preservation of spaces and services will support a community's overall long-term capacity.

Vancity Community Foundation (VCF) and others have identified this potential and begun to work towards securing and enhancing community owned real estate. As part of its commitment VCF has launched the strategic program *Community Owned Real Estate*. The stated goal of this program is to find ways for non-profit organizations to operate and deliver their programs in appropriate, affordable, and secure spaces, as well as ensure that individuals live in safe, secure and affordable housing. One of the program's strategic goals is to develop the capacity of organizations to "[...] develop or expand community-owned real estate" (VCF 2014). The motivation is to increase the impact of under-developed real estate assets that are already owned by non-profit groups. By developing these support-mechanisms, the foundation aims to increase affordable rental and home ownership, as well as affordability for the non-profit sector as a whole (Gerwing 2014).

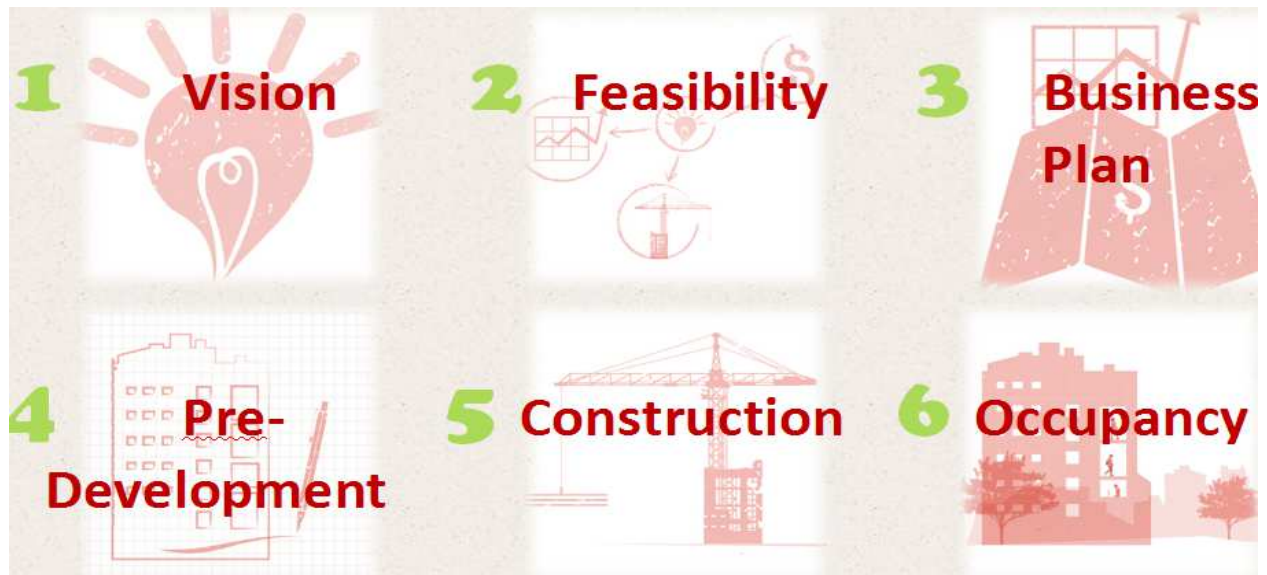


Illustration 2: The development process

An initial step of the work of VCF was the conceptualization of the "development process" as a guiding framework for any redevelopment project. This process contains six distinguishably different stages that an organization has to overcome to move from the idea/vision of redevelopment to the operation of the finished product (see Illustration 3). VCF, in collaboration with Vancity Credit Union, support groups from concept to occupancy by various means. VCF in particular has developed significant experience providing funding to non-profit groups in the vision, feasibility, or business planning stage of the process. Funds are dedicated to support individual organizations to explore the redevelopment potential of their project.

Recently, to achieve additional impacts in the sector VCF has struck a project to craft tools and resources to help more non-profit organizations with land assets pioneer this new approach to real estate development. In line with VCF's mission to "be a catalyst for transformation" in order to achieve "thriving communities that are just and vibrant", the foundation seeks strategic points of intervention that will achieve social benefits. Knowing that (re)development in BC is complex and challenging – especially for non-profits who have little experience in real property development - the crafting of resources is a strategic intervention with a multiplier-effect. Illustration 3 demonstrates how the development of resources ties into the context of Community Owned Real Estate as part of VCF's program and strategic goals.



Illustration 3: Developing tools and resources to build capacity among non-profits

The research seeks to break ground in a field which has not been investigated systematically before. It hopes to uncover common challenges and enabling factors despite differences in existing capacity and experience with real estate development from place to place and from organization to organization. The next section will outline the research procedures deployed to identify support opportunities for non-profit organizations in the form of resources or tools⁷.

⁷ Possible resources and tools that were identified by VCF prior to the research could include, but are not limited to: (1) Success Stories of projects who have successfully redeveloped; (2) Best Practice Guides; (3) Mentoring opportunities; (4) Processes to Assess & Evaluate the Social Impact to demonstrate the value of redevelopment; (5) Help in finding expertise (i.e. consultant registry); (6) Facilitating, identifying and managing partnerships between stakeholders in a redevelopment process; (7) Support in early redevelopment planning work; (8) Tools to help organizations understand their redevelopment and financing options.

2 Research Framework

2.1 Research Objectives

This research supports VCF's aspiration to support non-profits to develop or expand community owned real estate. The project has the objective to develop tangible tools and resources that will assist non-profit organizations to move their organizations and properties towards redevelopment.

To meet the objective, this research's particular goal is to understand constraints and enabling factors for non-profit organizations who have been or are (re)developing their under-built real estate.

2.2 Research Question and Research Evaluation

I posed the following questions to guide the research:

1. What are non-profits' and mission-based organizations' challenges and enabling factors to redevelop under-built community-owned land? At which stage of the development process do challenges occur? (see Illustration 2 on page 12 for an overview of the development process).

This question is important because lessons learned through challenges that were overcome in a redevelopment process can inform the development of resources that will enable other organizations to either avoid or overcome similar experiences. Investigating which unique features of an organization, its context and particularities of redevelopment constituted enablers of a project will inform the development of resources that will foster organizations' capacity building processes.

2. Which tools and resources would be helpful for organizations to move forward in their redevelopment?

This question is important because organizations who have already overcome particular hurdles will know which tools and resources could have helped them in getting to this point⁸.

8 For possible resources and tools that were identified by VCF see Footnote 7.

Due to the number of intermittent variables, a measure of reliability of the research's ability to answer the posed questions can not be provided. If organizations are successfully moving forward with their redevelopment under consideration of the resources provided, the research can be considered successful.

2.3 Conceptual Framework

For the purpose of this research it is assumed that learning from past experiences can allow the development of resources informing future development projects.

It is noteworthy that no redevelopment project resembles another. A large number of intermittent variables - such as the local planning context, organizational culture, governance or capacity - make every organization's experience unique. This context makes a quantifiable comparison practically impossible, which justifies the choice of semi-structured interviews for this research (see section 2.4). Despite inter-organizational idiosyncrasies and stark contextual variations it is expected that some aspects of organizations' redevelopment experience are similar across cases. These are expected to emerge as themes in the process of data analysis (see section 2.4.3).

One guiding framework that was utilized in the research is "The Development Process" as introduced in chapter 1.2. The early stages of the process (visioning, feasibility and business planning) are understood as the most significant for organizations to move forward. Once the right development model has been found at the feasibility stage and a sound business plan was developed, the later stages evolve more organically. While the process will still be a challenge, a strong foundation at the first three stages will significantly support the later stages.

Using the development process as a framework of inquiry allows for the comparison of results by stage of the development process. Organizations will experience various challenges at varying points of the process. Some challenges are likely to be stage-specific, while some themes are expected to emerge across the whole range of the process. If multiple organizations experience problems at a similar stage, it will allow for a clear intervention to overcome this hurdle. Overall themes may demand different solutions.

The research investigates contextual variations in the interviews to allow for a differentiation between general challenges and enabling factors, and those arising from more unique qualities of an organization or context. Furthermore, a hierarchy of occurrence of themes will be established in the data analysis process, which will highlight the prevalence of some challenges/enablers over others across the whole range.

2.4 Methods

2.4.1 Research Sample

To assess challenges and enabling factors during the redevelopment process, a total of 11 semi-structured interviews were conducted with 11 different organizations who have initiated the redevelopment process.

For the interviews this study originally targeted a variety of **organizational** contexts - a mix of churches, legions, neighbourhood houses and community living organizations. When the interviews concluded I had interviewed seven churches, two community-living organizations, no legions and two neighbourhood houses. Churches came from an Anglican, Lutheran, Presbyterian and United Church background. Many of these churches have large land holdings in British Columbia and their congregations are undergoing major changes in recent years. All churches wanted to utilize redevelopment to react to such changes. I also included community-living organizations and neighbourhood houses, who are part of the Association of Neighbourhood Houses of BC. These exemplified organizations who utilized the redevelopment process to replace ageing buildings in addition to increasing their social impact. This bias towards churches results from the significantly larger number of churches over other organizations redeveloping their properties. The analysis attempted to take this into consideration to provide wider applicability of results. I excluded church-specific considerations that would not apply to other non-profits from the results.

Legions were excluded from the sample because of their very specific decision-making structures, which makes their situation difficult to compare. Moreover, the already existing

support structures from their umbrella organization⁹ were the main reason for their exclusion.

The latter decision was made, as the second sampling criteria was to not support those whose **needs for support in the development process** are met by other organizations. The work of VCF targets non-profits where support can have a great effect. Some churches (i.e. the umbrella organizations of individual congregations) have launched their own support programs for congregations who would like to redevelop. Particularly two churches have started to provide support for property redevelopment for congregations. However, given the large tracts of land churches hold, additional support, especially if provided through partnerships to complement existing work, can achieve greater benefits. Also, non-profit housing providers who have huge potentials for redevelopment, are assumed to have access to resources through their familiarity with the housing sector and the BC Non-Profit Housing Association in particular.

I thirdly targeted projects in a variety of **development contexts** (urban, rural and

suburban). The sample chosen, however, leans towards urban or

suburban developments. All projects interviewed were located in

Vancouver proper, Surrey or Victoria. This geographic bias warrants the transfer of results to redevelopments in rural contexts in particular.

Lower development pressure in these areas decreases land costs, and thereby the significance of land at the cost of development. The findings of the research may therefore not be applicable in a rural context, given that the entire redevelopment model may not work.

Lastly, I targeted organizations at various **stages of the development** in the sampling process. Some were to have finalized their development and others to be actively engaged in it. The actual sample had two organizations' whose processes were stalled. One was under construction. Three organizations were at the pre-development and the business planning stage respectively. One was at the feasibility and one at the visioning stage (see Illustration 4 on page 18).



Illustration 4: Number of interviewees by stage of the development process

⁹ Umbrella organizations is the term used to describe a higher-level entity with which many non-profit organizations are affiliated with. These may exert a varying degree of control over individual organizations and their governance, but also provide support and direction.

I originally did not target organizations whose process was not active or finished. Organizations whose process was stalled, however, provided significant insights (see chapter 3.1.). The sample is slightly biased towards organizations in earlier stages of development. The research results clearly reflect this bias and stage-specific recommendations are geared towards the earlier stages of redevelopment. All stages of the process have their particularities and need support in overcoming them. Additional research may be needed to determine stage-specific challenges at later stages of the process.

2.4.2 Semi-structured interviews

I used a semi-structured style for all interviews. The semi-structured interview's intention is to provide some comparability between research participants' answers while allowing each respondent to pursue any themes or narratives that are particularly important to them. It also allows participants to highlight context-specific facts that arise in the conversation. The development process was used as a guiding framework in the interviews (see Illustration 2 on page 12).

I structured the interviews in three tiers:

- **Context:** This section aimed at understanding the specific organizational context, the context of the development and how it compares to other non-profit groups who may be thinking about redevelopment.
- **Challenges and Enabling Factors:** What went well and what didn't and where along the process of redevelopment did challenges occur and how were they overcome?
- **Towards Solutions:** Which tools or supports were missing in the particular project and how could VCF help others move along the development process?

See Attachment (6.1 on page 39) for the complete interview guide developed and used for the purpose of this research.

2.4.3 Data Analysis

I transcribed and qualitatively analyzed data using the ATLAS.ti7 software. After an initial coding of primary documents, I reviewed codes for duplicates and redundancies in a

second round of coding to establish methodological rigour in the analysis. I grouped codes into enablers and challenges and in accordance with the stage they appeared at respectively. The majority of codes did not relate to a particular stage, but were brought up as general enabling or challenging factors.

The hierarchical display by the groundedness of a code (i.e. the number of quotations that are associated with it) provided an initial perspective on themes and their importance in the interviews (see Illustration 5 below).

1. Leadership Capacity and Capacity Development	7. External Support (other)	14. Context-Specific Challenges
2. Funding	8. Umbrella Support	15. Vision Stage: Project Vision Development
3. Partnership Development	9. Access to Information	16. Vision Stage: Vision-Mission Alignment
4. Continuum of Development	10. Trust	17. Feasibility Stage: Creating Partnerships
5. Endurance	11. Community Consultation	18. Considering Redevelopment
6. Emotions	12. Seizing Opportunities	
	13. Creativity	

Illustration 5: The hierarchical display by groundedness of a code

In the next step I grouped codes into code-families by the stage of the process and the organizational background and other relationships that became evident in the previous steps. While I made an elemental distinction between *enablers* and *challenges* initially it was neglected at this stage. The rationale to do so is that an enabler for one organization can be a challenge for another. The resources to be developed have to enable challenges to be overcome and enabling conditions to be created.

1. Leadership Capacity and Capacity Development (50-7)
2. Funding (50-5)
3. Partnership Development (46-5), Vision-Mission Alignment (18-0) and the Continuum of Involvement (32-3)
4. Vision Stage: Project Vision Development (20-3)
5. Endurance (19-1)
6. Emotions (16-2)

Illustration 6: The hierarchical display by groundedness and density of a code; (#Groundedness - #Density)

The number of relationships of one code to another is described by its density. Developing a density-hierarchy allowed for a list of key-themes to emerge (see Text 1 above). The visualization of related families (and their quotes) in a network analysis clarified their relationships and allowed me to identify common factors. Core results are outlined in the following chapter.

3 Research Results

This chapter contains a comprehensive overview of research results of this study. Research results are reported in relation to the project's goal, which is to develop tangible tools and resources that will assist non-profit organizations in moving their organizations and properties towards redevelopment¹⁰.

3.1. Reasons for Redevelopment

To increase the number of organizations who redevelop, a first step is to understand the initial motivation of organizations who pursue this path. Three (non-exclusive) reasons for redevelopment were mentioned by research participants:

The first reason for an organization to redevelop is the broadly identified need to adapt to changes in its environment. This includes adapting to an ageing or more culturally diverse clientele or having to create new revenue-generating opportunities to sustain its work.

Secondly, organizations redevelop because they require more space for services and activities. Some operations have grown and space for physical expansion is needed.

Finally, organizations also had to redevelop or upgrade older pre-existing infrastructure. Ageing assets were a common thread throughout all interviews and often forced organizations to consider their redevelopment options. The sample of 11 organizations also included two organizations who did not redevelop out of pure necessity, but out of a desire to create longer-term financial sustainability.

I investigated challenges and enabling factors of organizations who were ultimately successful in moving projects forward. While the above are clear drivers that motivated organizations to ascend the development ladder, throughout the analysis it became evident that there are also factors that serve as inhibitors of any progress.

I investigated two stalled projects, which provide an indication of those factors. Both projects did not move forward due to a lack of immediate pressure to act, which would have forced decisions upon them. The status quo, despite being recognized as a suboptimal solution by everyone continued in those cases¹¹.

¹⁰ Context or organization-specific results were coded for, but omitted from the analysis.

Although the need for change was clearly identified, no successful progress was made. The main reasons for this situation were:

- a lack of clear direction given the absence of an obvious preferable choice for redevelopment (due to the economics of the project)
- significant opposition from the community forcing the project into a stalemate due to inconsistent consultation in the early stages; and lastly
- organizational capacity (board or executive) was lacking and "did not know how to start".

These cases illustrate that the resources, which will be developed as a result of this research, have to not only enable organizations who are actively seeking to redevelop to smoothly overcome obstacles, but to keep organizations from being considerably stalled at any stage.

3.2. Challenges and Enabling Factors

The following pages describe themes, which emerged as enabling factors and/or challenges after I clustered and merged codes for the purpose of analysis. I investigated themes with regards to their relationship to the stage at which they occurred in the process. I omitted idiosyncrasies from the analysis that were non-generalizable.

The following code(-families) are explained and discussed separately below:

1. **Leadership Capacity and Capacity Development**.....page 22
2. **Funding**.....page 24
3. **Partnerships**.....page 26
4. **Vision Stage: Project Vision Development**.....page 28
5. **Endurance**.....page 31
6. **Emotions**.....page 31

11 One organization was running out of space for its programs but had only minor structural problems. Redevelopment was identified as having an overall positive effect, but was not pursued as the situation "was not too bad yet". Another organization was in possession of an old and heavily underutilized building. It slowly depleted its operating reserve through the small number of services it provided and the upkeep of the building. It had explored options for redevelopment but was lacking the *redevelopment champion* to continue exploring redevelopment options, when the preferred choice (housing and community space on-site without partnerships) was deemed not economically viable.

1. Leadership Capacity and Capacity Development

This code-family occurred in 50 individual quotations in interviews. Leadership capacity is seen as an organizational attribute that is crucial for moving projects forward across all stages within a non-profit setting.

Three factors stood out in the findings with regards to leadership capacity.

- **A supportive and diverse board of directors**

For any non-profit organization, the board provides guidance and sets the strategic direction of an organization. During the phase of redevelopment board guidance becomes even more crucial as times of change demand visionary leadership on the one hand - and practical support in overcoming the hurdles on the journey on the other. It was said that many organizations had to build their board capacity over time to successfully engage in the redevelopment process. The role of the leadership in a successful redevelopment project is to expand the capacity of the board where possible and needed in order to meet this function. All organizations who were successfully moving forward were utilizing their board to build relationships and access skills when they were needed.

While the board's connections and knowledge can be utilized, its opposition can similarly be an impediment. Therefore it is important to keep key stakeholders tightly involved in the process through regular communication. Such is true not only for the board, but for all stakeholders (boards, funders and higher-level decision-makers) whose buy-in is needed to turn the redevelopment vision into reality. Successful projects have used their clearly articulated and widely endorsed vision for redevelopment to drive change internally (and externally). Establishing an agreement regarding the vision of the project with the board and other stakeholders as early on in the process as possible will allow the leadership to utilize it to motivate action to support this change. Such support will become necessary within an organization (staff, clients, members), as well as externally (funders, government).

- **Confident and continuous leadership**

Strategic guidance emerges from the board and/or even the membership at large. Board members, as said, are crucial in providing professional connections and knowledge. However, day-to-day execution of the project, where a project manager has not yet been hired, relies mostly on one person or a small number of people. This person might be a member of the board, its chairperson or hired as staff. The project champion(s) have to maintain oversight over ongoing activities and be the drivers of the process. All of the interviewed organizations had a particular champion who led the redevelopment to its current state from within an organization. A project will be more likely to succeed if its leader is able to successfully push for change where needed after critically assessing the organizational capacity. The champion who has emerged must therefore be trusted and accepted by the community, staff and board. This being said, acceptance is unlikely to be sustained if decisions are made in isolation and are not geared towards a commonly agreed-upon vision (This will be discussed in section 4 of this chapter below).

- **Being able to access professional support and experience when needed**

On the one hand, board members with specialized knowledge can themselves become an asset in a redevelopment process. On the other hand, their importance lies with their ability to access external support through their professional role and their personal connections.

In fact, the ability to informally and reliably access expert knowledge (finance, legal, real estate, planning) was mentioned as a crucial factor in several interviews. The absence of these external support mechanisms may stall a project altogether. Since real estate specific knowledge may be limited at the non-profit level, ensuring knowledgeable support provides confidence and allows for faster and reliable decision-making.

It is not only the board who may provide this form of internal and external support, but also other actors in the organization, such as staff or members of the community at large. The importance is to have an avenue to receive advice when it is needed. External professional support can also arise from other sources. In the case of some non-profit organizations, their umbrella organizations may be best-situated to play a supportive role in facilitating support.

2. Funding

This code-family occurred in relation to 50 individual quotations. While funding or fund-development is a necessary attribute for all projects, it is one of the factors that is most varied by context, such as organizational background, location of the property, scope of the redevelopment and its related financial viability (i.e. its options for redevelopment). While it is hard to assess which lessons for funding can be generalized, two meta-observations stand out with regards to the broader theme of funding.

- **Accessing funds demands patience and developing relationships**

Sources of funding vary by context and the nature of the redevelopment. The most important initial step - next to ensuring organizational capacity - is to assess an organization's current financial standing: the resources brought to a redevelopment process through its endowments.

Interviewees noted that an important condition for success is having access to sufficient funding from a variety of sources, especially in the early stages of the development. Initial project development funding from organizations like VCF or CMHC was important seed money needed to move projects forward to the next stage of the process.

Once the initial project development funding was in place and utilized, major funding opportunities from other sources for construction presented themselves more readily through relationships that were developed in the early stages of the development process.

Developing partnerships with other organizations, to become partners in the development process in order to access or leverage capital, was identified as an opportunity to maintain financial self-sufficiency without selling assets and decreasing dependence on government support (if available at all). Mission-and-vision-alignment of partners (see section 3 Partnerships on page 26) was an important attribute of partnership development.

- **Early informed or professional support for feasibility and visioning**

One success factor for multiple organizations was a well-conducted early visioning process. Such a process can clarify the goals of the redevelopment project and establish an agreement around how to move forward among stakeholders and partners. A significant benefit of visioning-for-redevelopment is to utilize the vision to bring mission-aligned partners, as well as funders on board.

A structured visioning process helps to overcome two significant challenges: Firstly, moving forward (i.e. seeking funding options) in a redevelopment can be difficult without agreement by all partners on the objectives of the project. This is particularly true if equity partners are needed to make a project financially viable. A visioning document based on a process that includes important stakeholders, especially equity partners, enables an organization to move forward.

The creation of a grand vision, however, is not the challenging part. With regards to acquiring funding, a vision has to be clearly articulated and grounded in reality, rather than grand. Hence, it was secondly mentioned that the use of consultants to assess the financial viability of different development options will substantially enhance decision-making at these early stages. Consultants will benefit the process by providing an informed assessment of the assets (appraisal, legal, others) and the context of the development, which will determine the scope of the redevelopment. Any consultant - or partner who provides this service for a fee or as part of an agreement should not only ground the development in reality, but also relate it to an organization's mission and overall vision. Physical components envisioned for the redevelopment can not just be based on the desire of the developing entities, but have to consider the need for funding for operations that may ideally be covered through the redevelopment as well (i.e. through housing or commercial space).

While the vision has to be defined first to explore the viability of its parameters, it has to be clear from the beginning what the boundaries of the redevelopment are. Knowing about the scope of a redevelopment, such as the site specifics and financial parameters, informed by professional expertise will ensure that an organization will be able to overcome the early stages in a coherent way. A clear vision will therefore allow an organization to develop partnerships and access funding more easily.

3. Partnerships

This section combines findings from three different code-families merged into the theme of Partnerships. **Partnership development, Vision-Mission Alignment and the Continuum of Involvement** are all related to the need to develop partnerships with other organizations, developers or funders throughout the development process in one way or another. Partnerships are essential to move a project from the beginning to the end. Codes related to the first category, partnership development, highlight where partnerships originated and which factors led to continued trust between partners. Trust-development is closely related to the theme of vision-mission-alignment. It highlights the need of a perceived congruence of values to establish trust. Lastly, the *continuum of involvement* was added to show the relationship between an organizational mission, the origin of a partnership - and the choice of development model ultimately chosen.

A range of development options present themselves to every organization engaging in redevelopment. "The continuum of development" options can range from

- selling a property - or parts of it or - or its development rights, over
- entering into partnerships with mission-aligned partners in a joint venture to
- maintaining full control over construction and, hence, future ownership.

Depending on the model chosen, the level of control over the outcomes will vary. The results will range from loss of ownership for the benefit of immediate financial gain to single-entity future ownership. Cases where organizations will sell all development rights are certainly not uncommon (see i.e. Colliers International 2009). If an organization chooses to maintain a stake in a redevelopment, however, finding appropriate development partners will usually become necessary.

- **Find "the rights spot on the continuum", explored in collaboration with mission-aligned partners**

Some organizations have a number of situational constraints that will limit their development options (i.e. lack of capital, lack of organizational capacity, location, mission aspired to, etc.). The lack of capital is the most prevalent constraint to move forward with a redevelopment. Under any scenario where additional capital is needed, multiple partnership options will appear possible and organizations will likely be challenged by

finding the right development model for their properties. Finding the right partnerships for redevelopment was mentioned as a significant contributor to the ease of progress in the process.

The most significant factor mentioned that enabled projects to move ahead with regards to partnerships, was the alignment of missions of partners. Mission-alignment speaks to the need for a shared set of values of partners involved in the development¹². To find suitable partners, it was also said that partnership opportunities that could be of mutual benefit should be explored in all directions. In this search, private developers may also be an amenable option if they are mission-aligned. Non-mission aligned partners, however, may increase the complexity of decision-making.

Vision-and-Mission-alignment speaks to the need for a shared set of values of partners involved in the development. Vision-and-Mission-alignment was highlighted as particularly important if more than one organization contributes funding and will be involved as future owner in the development. The involvement of a developer or partnerships as equity partners with non-profit entities are both possible scenarios.

Where a market - or non-market developer becomes involved in a project, it is important to ensure that the rights of the non-profit will be held up as partners in a process. It was voiced that developers often "know the game" and are better-equipped to maximize their own benefit in a redevelopment process, while under-valuing their partners'. This does not have to happen intentionally, but may arise if the non-profit organization cannot advocate for its own position with confidence. Therefore it is important for the partner to understand the internal governance and culture of a non-profit organization. Value-alignment in this case may involve the need for patience around decision-making processes, respect for organizational values and norms (such as spiritual aspects for churches) and understanding of internal governance processes.

The involvement of equity partners who also come from a non-profit background bears other difficulties. In cases where multiple partners are involved, the complexity of decision-making is increased with each additional partner (and the decision-making process they bring into the mix). If partners are able to form a trustful and collaborative working-relationship early-on, conflicts can be more successfully avoided or overcome.

¹² See also Footnote 7 on page 13

While equity-partners in particular need to share such an understanding, the development of positive working relationships with all parties can be a significant benefit to the development process. Such includes the ability to identify potential overlap in the values of funders, the community at large, and municipalities. Bringing in non-aligned partners will increase the potential for conflict in any case.

- **Develop partnerships in a collaborative process**

Vision-mission-alignment will ease progress on the development process, as future-conflict regarding decisions around the physical development, future ownership agreements and other challenges will be resolved in a collaborative manner. Alignment, or identifying the lack thereof, is often a very informal or personal process. Overcoming incongruence early on will benefit the development of a strong partnership. Clearly spelling out the expectations and constraints an organization is facing is important.

In order to benefit the development of such relationships, it was said that it is important to bring development partners along from the start and pursue the exploration of the redevelopment vision collaboratively. This will create trust through personal connections between partners. Early involvement of all internal stakeholders will ensure organizational ownership and prevent future backlash (as outlined below).

4. Vision Stage: Project Vision Development

This code-family was related to 20 individual quotations in interviews. It was not one of the main themes of the interviews, since vision development is a process-particular challenge that did not emerge for all organizations. I mentioned some aspects in previous sections, which I will only briefly elaborate on.

Three factors stood out in the findings with regards to vision development:

- **Having identified the need for change, the vision can turn the challenge into an opportunity**

Most organizations I interviewed took significant time to move forward with their real estate development project. Passing the initial stages of vision development and feasibility

sometimes took several years. The challenges involved were different for each organization. Two broad categories, however, became apparent:

For some, redevelopment only became an option when problems compounded. For cases falling into this group, it was not a point of disagreement that change had to happen in one way or another. For most churches in particular, real estate was never seen as an end in itself or a natural-go-to solution to consider. It only became a vehicle to establish financial self-sufficiency and revitalize or reinvent an organization's mission. These organizations' representatives, faced with uncertainty, struggle to identify how to move forward to make change happen. This challenge was overcome by re-aligning the organizational mission. The latter has to be solidified to move forward with redevelopment. Where this was achieved, developing a clear vision for the future of a property was achieved much easier. Producing a clear vision and purpose for the organization's real estate itself then becomes the fuel for progress in the redevelopment process.

For others, real estate development was a natural way to expand and grow as it was needed. This was the case for interviewees whose organizational mission was related to forms of housing (i.e. care facilities). In these cases the objective was more clearly defined from the start and progress was more easily achieved by the redevelopment champions.

A structured process, producing a document that outlines the vision for redevelopment, can be beneficial for organizations to motivate action. Especially where disparate ideas exist within an organization or partners are needed in the project, the visioning-document can be an important component to advertise and gain support for the project.

- **While the board or a champion is decisive in moving a vision forward, its groundedness in the community and mission will be a factor for its success.**

Clarity of objectives and having a vision is often a function of organizational leadership (See section 1 of this chapter (above)). Such capacity will determine where a vision will ultimately be taken. A vision has to originate from within an organization. It needs to be grounded in community. It was mentioned in the research that the inclusiveness at early stages of the project may *pay off later on*. It is particularly important that all decision-makers in the project and potential future opponents are involved in the process. The

degree of involvement varied from project to project and by stakeholder group. In cases where a small group or even individual champions, spearheaded progress, backlash was experienced at later stages. Entire processes were even stalled.

Especially in situations where an organization aspires to achieve a social purpose, rather than pure monetary gain, community stewardship becomes a success factor. What was termed as "groundedness in community" is described as the need for social capital to support the achievement of a project vision. The measuring of community support for a particular undertaking is a subtle and highly subjective process. Putting an inclusive process in place from the start is a safeguard to prevent future confrontation. The situational factors of a project will dictate the level of intervention that is needed. Examples range from open monthly stakeholder meetings with the wider community over personal and early neighbourhood outreach to - at least - keeping board members closely involved.

- **Professional support during the visioning process will (a) strengthen and (b) ground your vision**

For organizations where partnership development (for equity and/or operations) and groundedness in community (which can include gaining the support of staff) become important factors throughout the process, professional support for visioning can be helpful.

It was mentioned that consultants can help by

(a) facilitating visioning processes in an accessible way, where input from larger groups is sought, especially by communicating constraining factors (related to planning and real estate) and aligning it with an organization's mission, its community and context;

(b) benefiting a clear articulation and visualization of the created vision, especially if it will be used to "market" the development to funders and collaborators.

Professional support for visioning is a stage-specific enabler that could help organizations move along in the process.

5. Endurance

Endurance describes the code-family which highlighted the challenges related to the long duration of the process.

All interviewees were involved in redevelopment for many years. Everyone raised the need for patience as success factor.

- **Building capacity or accessing external capacity help to keep the process going**

Within the theme it was mentioned that endurance, which is the ability to sustain a process, is an important aspect of leadership capacity in the development process. In processes where staff, client and/or community opposition has to be overcome, good leadership can ensure smooth transitions. This is achieved by having a clear vision and a strategy for keeping all stakeholders informed and involved.

6. Emotions

The theme of emotions was another minor, but general theme. It combines codes that relate to emotions being enablers or challenges in the development process.

In particular, where redevelopment means a re-alignment of an organization's mission it may also mean to *let go of the past and its glory*, as one interviewee put it. In the context of church redevelopment in particular, emotions can play an important role. Church buildings can hold significant spiritual value for the members of a congregation. Many members may feel attached to an existing building with its memories and legacy. Here again, fear of change - is overcome by a clear vision and leadership. The leadership who brings the vision forward has to be able to demonstrate the opportunity that is coming with the need for change.

With regards to emotions and leadership capacity, several interviewees mentioned the importance of being able to access support to overcome the fear of *making mistakes*. External support and trustful relationships were preconditions for informed decision-making.

4. Discussion of Results

This chapter provides a discussion of the implication of the findings and offers suggestions on tools that can support individual organizations and ultimately the non-profit sector as a whole. With regards to redevelopment, a successful intervention would increase the number of non-profit organizations that successfully move along the redevelopment process, as well as enhance the quality of projects finished.

To identify where tools or resources would be most efficient in achieving this goal, I want to outline commonalities across themes and point out obvious leverage points for tools or resources that could help organizations move forward. The end of this chapter lists key recommendations for the development of such tools and resources.

In the findings I touched on the particular importance of

1. leadership capacity within organizations with respect to the board and *champions for redevelopment*,
2. access to professional expertise, particularly through trustful relationships,
3. early and collaborative partnership development and
4. clarifying the vision of a redevelopment project to motivate action.

Tools and resources are seen as vehicles in supporting organizations on their journey. Effective tools will be efficient in addressing the above needs or initiating the supportive processes and will help organizations to be successful in their redevelopment projects. Based on the assumption that any intervention has to be measured by the impact it can have, the below discussion will highlight the most promising suggestions for intervention¹³ after establishing where support can be efficient given the background of an organization.

4.1. Different Organizations with Different Needs

It appears that different needs exist when taking the varying nature of organizations into account. Section 3.1 (on page 20) demonstrates the different baselines of needs among organizations that were interviewed. Two groups are clearly distinguishable.

¹³ For possible tools and resources see footnote 7 on page 13.

The first group of organizations is characterized by having already identified the need for change and re-aligned their organizational vision and mission. These organizations have demonstrated their ability to adapt to the challenges they are facing on a larger scale. These organizations were the ones in the sample who may have taken a long time to move ahead on their redevelopment journey, but, with endurance, ultimately did. Such groups also have the capacity to engage in a long redevelopment process – but simply may not know where to start. These organizations who are equipped with the organizational capacity to move forward are also the ones who are likely to succeed without support. This group is the larger part of our sample, due to our sampling approach of learning from organizations who were successful in initiating their redevelopment. Support-mechanisms for this group would be particularly useful in ensuring that professional external expertise will be available at important stages to facilitate their progress. Targeted, stage-specific tools can be helpful to streamline their development process.

In the meantime, a second group may demand a different form of support. In one interview it was anecdotally noted that *for every [church redevelopment] project that moves ahead, there are ten that don't*. Similarly, our stalled cases illustrate that resources to support redevelopment of non-profit organizations have to consider why some projects fail to move forward altogether with the result of being sold on the open market. Here it may be necessary to seek strategic points of intervention to enable the initiation of the redevelopment process in the first place. Addressing the needs of those projects that would otherwise struggle to move forward will be more challenging due to their displayed lack of soft forms of capital, such as organizational capacity and relationships, but it may be the group that needs support most urgently. Herein, a **potential approach may be to support early-stage capacity building wherever possible (if at all) and support organizations to initiate the important first steps of redevelopment.**

With regards to the latter group, it is important to consider the sample of this research. I investigated organizations who have already redeveloped and came to understand that a significant number of organizations do not consider redevelopment in the first place. The success factors of organizations who have redeveloped give an indication of the preconditions the latter group must acquire to begin the process. The factors that may keep individual organizations from redeveloping can be summarized as a lack of organizational capacity to make (and implement) informed decisions at important stages of the process.

This includes not moving from perceived need for change to the creation of a vision for redevelopment. The approach chosen raises the important question if there are other concrete interventions that may be necessary for organizations to move ahead. Additional research is needed to investigate these potential additional constraining factors of organizations. The assumption with regards to the forthcoming suggestions for intervention is that some organizations already have a certain level of capacity, which others have to build.

4.2. Identifying Areas for Intervention

This section discusses opportunities for meaningful intervention, while taking the differing needs discussed in the previous section into account.

Firstly, in all interviews and across themes the need to have *leadership capacity* within an organization, paired with the ability to *access professional support when needed* was raised. In other words, organizations who have credible *champions* with access to trustworthy expertise will be more likely to excel in their redevelopment. An organization, generally speaking, has organizational capacity (which leadership capacity is a part of) if it is able to make informed decisions and move towards implementation of those decisions around its redevelopment. As alluded to in the last section, the development of organizational capacity demands time and resources and is highly contingent on an organization's respective situation. Oftentimes, as is the case with churches undergoing demographic shifts, organizational capacity is dependent on factors that can not be controlled. Internal organizational capacity building although much needed, may not be an easy target for support.

All organizations also said that the access to (informal) professional support is important. VCF may be able to dedicate resources to provide expertise to organizations who are not otherwise able to access such. This would be helpful for those organizations who are lacking access to essential knowledge at key decision making stages. On the one hand, such expertise may come in the form of in-house support with regards to facilitating relationships with real estate professionals and other experts. VCF would have to develop this capacity with regards to real estate to adequately meet those needs. On the other hand, VCF may not only be in the position to direct organizations to external sources but, furthermore, could expand its granting program to supporting organizations in accessing

professional support on a continuous basis as needs arise. Mechanisms to do so would have to be explored. These support mechanisms will particularly benefit organizations who have the capacity to move to action at the organizational level.

Secondly, initiating an inclusive process - internally, within an organization and externally, with potential partners - from the beginning of a redevelopment could be opportunities for intervention. External process facilitation includes finding the right development partnerships and internal process facilitation means establishing a grounded vision among stakeholders.

Here again, VCF may be in a strategic position to facilitate external relationship building in particular. In this case, it is not access to professional expertise, but establishing connections with potential development partners. With regards to the maximization of social purpose, it is particularly the connection to other non-profit organizations, but also mission-aligned market developers, who are in the position to contribute financial capital by becoming partners in a development process. Enabling organizations to meet could happen informally, but also through structured workshops, facilitated meetings or a database.

The facilitation of an inclusive process (i.e. ensuring stakeholder participation) within an organization may, however, be less of an option for an external organization like VCF. Bringing important stakeholders along in the redevelopment process is, again, a function of an organization's capacity.

Thirdly, the theme of vision and mission alignment provides an opportunity for intervention at an early stage of the process. VCF may be able to provide **visioning resources and access to professional expertise to develop a good redevelopment vision** to support groups at this early stage. Such support can benefit groups who have the organizational capacity, as well as those who are lacking it.

By ensuring that groups have access to the right resources to facilitate their vision-development process, decision-making at all stages could be severely enhanced. A well-structured visioning process has the power to motivate individuals and thereby achieve personal action to promote a vision for redevelopment among the members of an organization (staff, board), but also other stakeholders who will get involved (such as funders, partners, clients or the media). It also defines the goal of the redevelopment

process and grounds it in the reality of an organization. It thereby more clearly eliminates uncertainty around the various development options, which was identified as an obstacle by organizations.

The previous section identified that different needs exist in accordance with an organization's context. Furthermore, some enabling conditions are more amenable to be supported by external intervention. These are professional external support, the facilitation of partnerships and supporting a clear vision for redevelopment. Supporting the development of organizational capacity in this particular context, while being one of the most important enablers, is challenging for any external agency.

4.3. Final Recommendations

Resources have to ideally address various needs and be applicable to a wide range of organizations.

Firstly, from the above analysis, visioning support stands out in particular as an opportunity for intervention that can benefit the development of organizational capacity, but also support organizations who are well-equipped to move ahead with their redevelopment, by setting a strong foundation for redevelopment. Given the varying needs - and the conundrum of having to particularly support those organizations where successful redevelopment likely demands significant organizational changes, support for visioning is an opportunity to utilize the potential of the vision as early enabler. For organizations who currently lack a clear direction and have to re-align their organizational mission, defining a clear vision for their property will draw support and generate forward momentum.

Support mechanisms that will enable the development of a clear vision for redevelopment can come in the form of visioning process guides and frameworks and/or professional expertise that can support this process if needed.

Secondly, a low-hanging fruit is to provide organizations with a basic way to assess their capacity for redevelopment. Many organizations will have to develop organizational capacity first to successfully engage in a redevelopment process. Especially in cases where funding is to be provided for pre-construction planning, the assessment of organizational capacity can provide a tool that will assure that organizations meet basic necessities to be

more likely to succeed. While it will not allow organizations to actually grow capacity, it may at least provide direction as to how to approach redevelopment.

Thirdly, VCF is in the position to facilitate access to professional external real estate expertise and, to a lesser degree, partnerships for redevelopment. This support will demand that VCF develop the external relationships to real estate and planning consultants or build up in-house capacity to be a resource for organizations. To facilitate the informal access to real estate (or other) expertise whenever needed, initial forums or workshops with potential candidates for redevelopment will enable organizations to meet funders, real estate professionals and other organizations who are planning to redevelop. The goal of these forums is to create personal connections that could become partnerships. These forums are an initial opportunity to leave organizations with a sense that they know who to talk to when problems arise. Furthermore, an initial forum, where the development process and its hurdles and essential stages along the journey are conceptualized will provide the feeling that they have been channelled into a formal process, where VCF will become a primary contact for resources and support.

Where applicable, umbrella organizations may also be in the strategic position to provide external support to their members in the redevelopment process. Strategic partnerships could yield shared benefits, where VCF provides expertise, while partners identify members who are candidates for redevelopment. Taking a mission-based perspective (such as faith) for such forums may be advisable.

5. Conclusion

The high demand for housing and increasing challenge for non-profit organizations to rent, own or lease community facilities will likely persist in the Lower Mainland and the Capital region for years to come. The challenge is exacerbated by the absence of governmental interventions that would alleviate the existing needs in a meaningful way. The associated high costs of land are an essential part of the challenge for non-profits who seek to expand or continue their work.

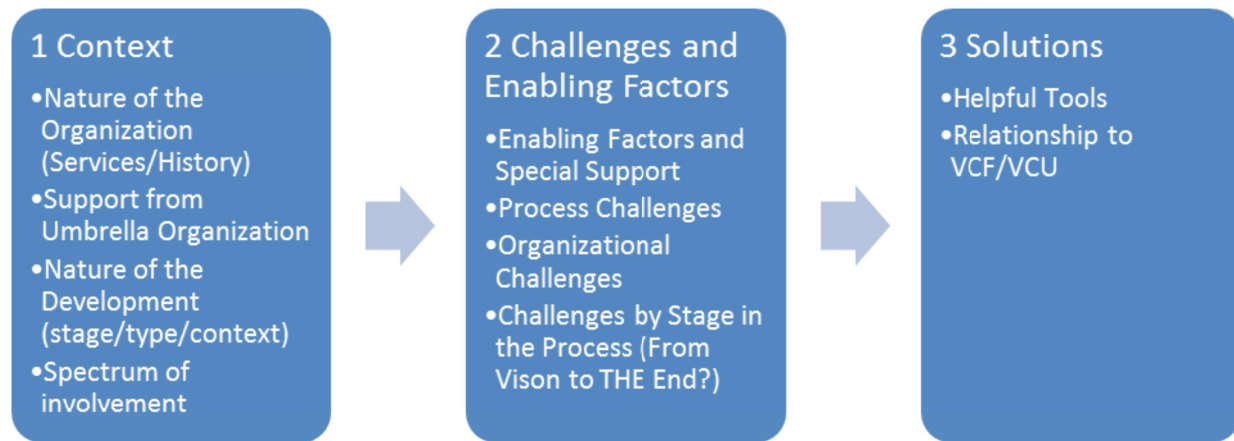
Utilizing land assets of existing non-profit organizations was identified by VCF and others as a way to ensure that community amenities will be maintained and enhanced in the long-term. The redevelopment of under-built property with the goal of building long-term community assets is an exciting opportunity with the potential to shift the non-profit sector. It holds the promise of operational self-sufficiency of community organizations by decreasing the dependence on external subsidies.

To support the realization of this opportunity, the goal of this research was to outline which factors enable or challenge non-profit organizations in enhancing their community owned real estate through redevelopment.

Based on the findings outlined in chapter 3, this paper recommended a small set of tools/resources that can support organizations in the non-profit sector to streamline their redevelopment. The paper also raised that additional research may be necessary to understand how organizations who do not consider redevelopment yet could be supported to initiate the process. For those organizations who are already considering redevelopment, tools and resources are clearly a good initial step that can help a greater number of organizations build the capacity to overcome specific challenges. The particular resources suggested will help organizations access support when needed and develop a strong foundation at the initial stages of the redevelopment process.

6. Appendix

6.1. Interview Guide



#	Theme	Sample Questions	notes												
	Prep Stage														
1 . 1	Context – Nature of the Organization	I.What is the organizational context? II.What kind of organization is the interview partner and how is it internally organized? III.How are decisions made? Who has to be consulted to make a decision? Who drives changes and who prevents change?													
1 . 2	Context – Relationship to Umbrella Organization	<ul style="list-style-type: none">Do you belong to an Umbrella Organization and what is your relationship to this organization?How does the organization support you? Where do you see room for improvement in this support when it comes to the development process?													
1 . 3	Context – Nature of the Development	<ul style="list-style-type: none">What is the nature of the development? (education/housing/mixed use/...)What is the context of the development? (Urban/Rural/High or low pressure/At which stage of the development process are you?What is your or the UO's Institutional relationship to VCF/VCU?													
1 . 4	Spectrum of involvement	<div><div>4</div><div>How involved are you in the process?</div><table><tr><th colspan="3">High Involvement</th><th colspan="3">Low Involvement</th></tr><tr><td>Church-operated and owned</td><td>Church/Partner operating agreement/ shared ownership</td><td>Church purpose builds and leases</td><td>Partner develops on long-term lease</td><td>Partner buys on a covenant agreement</td><td>Partner buys full rights to the property</td></tr></table><div>5</div><div>How did you decide on this particular kind of development? Who was instrumental in pursuing this vision? What options did you consider to redevelop in a way that would respond to community needs and/or enable you to better deliver outreach and programs? (e.g. affordable housing, day care, ...)</div></div>	High Involvement			Low Involvement			Church-operated and owned	Church/Partner operating agreement/ shared ownership	Church purpose builds and leases	Partner develops on long-term lease	Partner buys on a covenant agreement	Partner buys full rights to the property	
High Involvement			Low Involvement												
Church-operated and owned	Church/Partner operating agreement/ shared ownership	Church purpose builds and leases	Partner develops on long-term lease	Partner buys on a covenant agreement	Partner buys full rights to the property										

		<p>6 How did you ensure that you are maximizing the social impact this redevelopment is having?</p> <p>7 Were your expectations different from what was ultimately developed?</p>	
2	Process Challenges	7. How did the project evolve from start to finish? What are the stages for you?	
2	Organiz. Challenges	What challenges did you face within the organization , and what assisted you in moving past them?	
	Enabling Factors	<p>What was crucial in this process?</p> <p>At which stage are you aware did only special circumstances enable the development?</p>	
	Challenges by Stage in the Process	<ul style="list-style-type: none"> • The idea: Considering Re-development • The idea: Visioning Stage – finding the right fit – how ? • Concept Feasibility: Feasibility Study • Concept Feasibility: Creating Partnerships • Developing a Business Plan & Financial Planning • If applicable: Renovation Considerations • If applicable: Site Acquisition ... 	
3	Helpful Tools	<p>3. What would make it easier if you had to get to this stage again?</p> <p>4. What key pieces of advice would you provide to others that want to do this?</p> <p>5. What would be useful to have as a tool/resource that you don't have currently?</p> <p>6. What challenges do you see on the horizon?</p> <p>Which pieces of information/resources were crucial to make this project a success?</p>	
	Other Concerns	What other information could be helpful for us?	
	Closing Notes		

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