



# **IMPACT ANALYSIS: BOB PROJECT GRANTS PROGRAM**

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## EXECUTIVE SUMMARY

Building Opportunities with Business Inner-city Society (BOB) works to support the inclusive revitalization of Vancouver's inner-city. In line with its mission, BOB administers a *Project Grants Program* that provides small, non-repayable grants to businesses and social enterprises operating in the inner-city. The intent of the grants is to assist local businesses, enterprises and entrepreneurs in responding to opportunities or issues as they arise. Funds must be used to hire a qualified external consultant to conduct a project that will strengthen the capacity of the business, as well as result in broader community benefits for the inner-city by way of employment, procurement, impacts on the environment, local investment or improved neighbourhood perceptions.

As of the end of 2008, a total of 14 grants - totalling \$100,000 - had been approved under the *Project Grants Program*. In order to investigate the direct and indirect impacts of these grants, BOB commissioned an external assessment of its *Project Grants Program*. This report presents a summary of findings. Based on interviews with all 14 grant recipients, the assessment focused on four main questions:

- What impact do BOB grants have on local business and social enterprise development?
- What direct, indirect and tertiary outcomes result from enterprises receiving a BOB project grant?
- How critical is BOB's *Project Grants Program* the viability and impact of business and social enterprises in the inner-city?
- What, aside from grants, is critical to the health and development of social enterprises and socially conscious business in the inner-city?

"The more successful the project, the stronger the business; the stronger the business, the stronger the community as the business is better able to invest in the community."  
– Eclipse

### Discussion of Impacts

The interviews probed on outcomes directly related to the receipt of the grant and the hiring of a consultant (i.e. direct impacts), as well as those stemming from the grant that were or will be achieved over the longer term once the consultant's recommendations or plans were implemented (i.e. indirect impacts). Some general caveats related to the assessment of impacts are as follows:

- In many cases, the project grants were but one source of funds contributing to a larger project and, as such, only partly attributable for the effects of the project overall.
- At the time the assessment was conducted, the more substantial impacts of the project grants had yet to be realized as most projects were either still wrapping up, in the process of taking action on the consultant recommendations, or in the early stages of implementing their business plans.

"Because government funding has been drastically cut, BOB fills a niche in the neighbourhood by providing targeted support to non-profits."– Pivot Legal

The indirect impacts discussed in the report are, in many cases, projections of what is expected to result once business plans and consultant recommendations are implemented. It is the indirect impacts that may indeed be the more substantial, far reaching and longer term than the direct impacts. In some instances, indirect impacts also reflect the derivative effects of supporting and growing local businesses and enterprises that operate with a social mandate and view to inner-city revitalization. For example, as project recipients grow and become stronger, so will the businesses and community around them.

Key impacts resulting from the project grants are outlined below.

### **Employment, training and capacity building**

- While the majority of consultants were themselves residents of the inner-city, in 12 of the 14 projects, the consultant was the only one directly employed with project grant funding.
- Four of the granted projects generated additional employment.
- Four of the projects also resulted in specific training.
- A number of the projects bestowed valuable knowledge to grantees and their project partners that is helping them to refine their approaches or tactics so as to be more strategic and ultimately more successful.

### **Procurement**

- Five organizations generated business for local enterprises as a direct result of the project grants.
- All projects will source, where possible, from other inner city operators once implemented.

### **Environment and smart growth**

- Three project grants went directly to reducing recipients' environmental footprint or increased their capacity to promote more environmentally responsible products.
- One project furnished an entire inner-city block with valuable baseline information about energy use and opportunities for increased efficiency.
- Seven projects indirectly contributed to environmental sustainability and smart growth in the inner city.

### **Business viability and neighbourhood image**

- Five projects generated business plans for new enterprises in the inner-city; four of which are now in the process of being implemented.
- Four organizations' projects involved improving internal operations that will in turn help to increase efficiency and productivity.
- Three organizations developed marketing materials with their project grants that will be instrumental in raising their profile and market share.
- At least five projects are contributing to building a more positive image of the DTES as well as to enhancing the community - economically and/or culturally.

"The BOB grant was the same, or better, than receiving an education scholarship; I learned so much from the project that has completely transformed how I do business." – M Smart Design

### **Partnerships and community building**

- The majority of grantees created new business relationships or strengthened existing ones as a result of their projects.
- Eight grantees strengthened relationships with existing partners, as they drew on knowledge, resources or support of these relationships.
- For five grantees, a successful outcome of their project will cement their presence in the inner-city, thereby allowing them to continue to foster relationships and build community.

### **Arts and culture**

- Five of the projects played a direct role in raising awareness of artists, arts, and culture in the inner-city.
- Two grants went to helping establish the foundations of local media companies geared toward social change.
- Six of the projects supported organizations whose business involves showcasing local arts and culture.

### **Local investment**

- Two of the grants have already spawned direct impacts in the form of local investment in the inner-city.
- Four new enterprises are in the process of being launched in the inner-city in connection with the project grants.
- One business was able to establish a physical office in the inner-city as a result of its grant, and two more are relocating to the area.

“BOB’s grant helped us to be the first artists’ cooperative in BC...With BOB’s help our artist studio coop has become reality, and I hope this is seen by other artists as an incentive to take action and not to accept displacement as their destiny.”  
- 901 Artists’ Coop

### **Feedback on the Program**

BOB’s *Project Grants Program* is among a very limited and diminishing number of small grants available to businesses and social enterprises for business development. For those enterprises operating in the private sector, as opposed to as non-profits, this type of non-repayable loan was particularly unique and extremely valued.

Input on the program, the application process, scope and staff support was generally very positive. All felt that the program was in line with BOB’s mission and having an impact with respect to promoting the inclusive revitalization of the inner-city. Grantees had a number of suggestions for how BOB might extend its reach and raise its profile within the community, and provided feedback on other resources that BOB could provide to help strengthen both social enterprises and the inner-city community.

This report provides evidence of the positive impacts being generated by the *Project Grants Program*. However, as the more significant impacts of the project grants are still unfolding, BOB may wish to consider a follow up assessment in 12-18 months in order to capture a broader range of outcomes that, at this point, have not been fully realized.

“We could not have done this project without our BOB grant.”  
- Gallery Gachet



## BACKGROUND & PURPOSE

Building Opportunities with Business Inner-city Society (BOB) works to support the inclusive revitalization of Vancouver's inner-city. BOB champions a model of development that values existing businesses and residents. It sees itself as a connector, a resource and a facilitator working to:

- Strengthen the inner-city's community capacity;
- Identify and build on untapped business opportunities;
- Improve employment opportunities and retention; and
- Increase investment in Vancouver's inner-city.

In line with this mission, one of the programs BOB administers is the *Project Grants Program*. The *Project Grants Program* provides small, non-repayable grants to businesses and social enterprises operating in the inner-city. The intent of the grants is to assist local businesses, enterprises and entrepreneurs to respond to opportunities or issues as they arise. Funds must be used to hire a qualified external consultant on a project that will strengthen the capacity of the business, as well as result in broader community benefits for the inner-city by way of employment, procurement, impacts on the environment, local investment or improved perceptions.

As of the end of 2008, a total of 14 grants - totalling \$100,000 - had been approved under the *Project Grants Program*. BOB commissioned this external assessment to investigate the direct and indirect impacts of the grants. This assessment included interviews with all 14 grant recipients. It focused on four main questions:

- What is the impact of BOB grants on local business and social enterprise development?
- What direct, indirect and tertiary outcomes result from enterprises that receive a BOB Project Grant?
- How critical is a grant program to the viability and impact of business and social enterprises in the inner-city?
- What, aside from grants, is critical to the health and development of social enterprises and socially conscious business in the inner-city?

This report contains a summary of findings. It provides an overview of the consultants' approach and the logic model that formed the basis of the detailed interview guide. It concludes with a series of recommendations, based on the findings and aimed at enhancing the *Project Grants Program* and its impact in stimulating the inclusive regeneration of Vancouver's inner-city.

This project, carried out between August 2008 and January 2009, involved three main stages of work:

- **Stage 1** involved a review of materials, the development of a logic model for the program that described the activities, immediate outputs and longer term impacts associated with the *Project Grants Program*. An interview guide was developed with the intent of addressing the four main questions outlined in the project RFP, but also to probe on both the direct and indirect impacts related to BOB's mission, specifically:
  - Employment, training and capacity building
  - Procurement
  - Environment and smart growth
  - Business viability and neighbourhood image
  - Partnerships and community building
  - Arts and culture
  - Local investment

A copy of the interview guide is attached in Appendix A

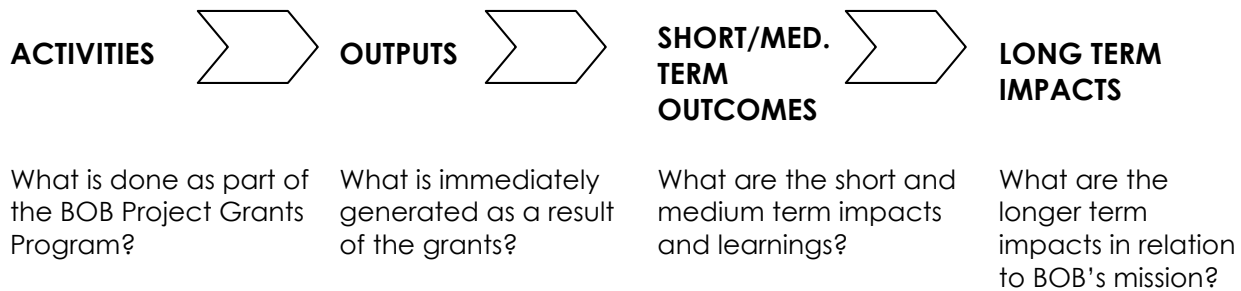
- **Stage 2** focused on conducting interviews with each of the 14 Project Grant recipients.
  1. 901 Artists Co-operative
  2. Agent of Change Media
  3. Chinatown Peditaxi
  4. Downtown Eastside (DTES) Neighbourhood House
  5. Eclipse Awards
  6. Frogfile
  7. Gallery Gachet
  8. M Smart Designs
  9. Offsetters
  10. Pivot Hope in Shadows
  11. Potluck Café
  12. Smart Living TV
  13. Historic Heart of the City Familiarization (FAM) Tour
  14. Vancouver Women's Health Collective (Lu's Pharmacy)

Interviews were held primarily in person so as to gain an appreciation for aspects related to the recipients' physical location. Three interviews were conducted by phone.

- **Stage 3** concentrated on compiling and analyzing the results of the interviews to identify key findings, trends, strengths and gaps. Recommendations were formulated based on these findings.

## LOGIC MODEL DESCRIPTION

The logic model is a systematic and visual way to present an understanding of the relationships among the activities conducted in an enterprise and the changes or results that they hope to achieve. While some logic models include details of resources or inputs, the model employed for this project focused on four components:



The logic model for the *Project Grants Program* (see Appendix A) was developed as a first step in the project. The model was based on project materials (the criteria document and program application guidelines; the internal program assessment tool; and BOB's Policy and Procedures manual) as well as general information about BOB, its mission and objectives. The aim was to lay out the basic rationale of the program as well as the various intended impacts. This model then formed the basis of the interview guide.

A list of indicators corresponding to the longer term impacts was developed as part of the logic model in hopes that data on these metrics might be collected through the interviews. However, as will be discussed later in this report, due to the nature of the *Project Grants Program* and the timing of this assessment, very few projects were able to demonstrate measureable outcomes during the timeline of this report. The following discussion of impacts does, however, contain substantial evidence to suggest that at least some of these measureable outcomes traceable to the program will manifest over time.

The aim of this assessment was to gain a better understanding of the types and scope of impacts that result from BOB's project grants. In particular, BOB was interested in learning how its grants were contributing to various elements of inclusive economic development and revitalization, both fundamentals of BOB's mission. As outlined previously, these elements included:

- Employment, training and capacity building
- Procurement
- Environment and smart growth
- Business viability and neighbourhood image
- Partnerships and community building
- Arts and culture
- Local investment

The investigation probed grant recipients about outcomes directly related to the receipt of the grant and the hiring of a consultant (i.e. direct impacts), as well as those stemming from the grant that were or will be achieved over the longer term once the consultant's recommendations or plans were implemented (i.e. indirect impacts). Both direct and indirect impacts are summarized in this section. Additional detail on the impacts associated with each of the projects is contained in Appendix C.

It should be noted that, in many cases, the project grants were but one source of funds contributing to a larger project and as such only partly attributable to the effects of the project overall. In that project grants were to be used in hiring a consultant to *assist* with capacity building for the organization, it follows that the majority of impacts will be indirect and realized only after consultant recommendations are acted upon or business plans are implemented. However, at the time that this assessment was conducted, most grantees had just recently completed their projects; in some cases, the projects were still wrapping up.

The indirect impacts discussed in the following section are, therefore, often projections of what is expected to result once business plans and consultant recommendations are implemented. In some instances, indirect impacts also reflect the derivative effects of supporting and growing local businesses and enterprises that operate with a social mandate and view to inner-city revitalization.



## EMPLOYMENT, TRAINING & CAPACITY BUILDING

### Direct Impacts

Grantees are required to use project grants funding to retain a consultant and, therefore, employment and training generated as a direct consequence of the grants was limited.

- While the majority of consultants were themselves residents of the inner-city, in 12 of the 14 projects, the consultant was the only one directly employed with project grant funding; and
- In three cases, this consultant was a local company.

Four of the granted projects generated additional employment.

- The FAM tour project hired tour guides to lead the pilot tours.
- Eclipse retained additional technical support.
- Gallery Gachet hired a local web development company to assist their consultant.
- In the case of Offsetters, the consultant retained with project grant funding was hired as an employee part way through the project.

Four of the projects also resulted in specific training.

- The business owner of M Smart Designs indicated that the knowledge gained from her consultant about financial modeling and forecasts has had a transformative impact on the way she does business.
- One of Pivot Legal's projects, the focus of which was to hire a consultant to provide train-the-trainer workshops for trainers of the resident calendar vendors, saw the training of 45 individuals.
- In the case of the 901 Artists Cooperative, five members from the Cooperative received board training.
- Similarly, members of the board and staff of the DTES Neighbourhood House received training on starting a business, feasibility assessments, accounting, planning, etc., in relation to their project.

While not necessarily in the form of training, a number of the other projects bestowed valuable knowledge to grantees and their project partners – information that is helping them to refine their approaches or tactics so as to be more strategic and ultimately more successful.

- In the case of the Pedi-cab project, the work of the consultant involved a scan of other pedi-cab enterprises in Victoria and Portland and imparted a number of lessons that the project steering committee subsequently used to refine their business idea.

"The BOB grant was the same, or better, than receiving an education scholarship; I learnt so much from the project that has completely transformed how I do business." – M Smart Design

Project grants resulted in the direct **employment of 11 residents** and business for **five local enterprises**.

**Additional employment** has already been generated from four projects.

Recipients in four projects **received training** through the grant.

- Similarly, at Smart Living, knowledge and focus acquired through their project has since helped staff to define the future direction of SLTV.
- The Offsetters' green retrofit analysis provided business owners with baseline information about their energy use and potential avenues for enhancements.

Overall, BOB's project grants were directly attributable to the temporary employment of 11 residents and business for five local companies. They also resulted in training for and increased capacity among a number of grantees. In all cases, however, the more significant impacts with respect to employment and training and capacity building have yet to be fully realized.

### Indirect Impacts

The more substantial impacts of the project grants with respect to employment, training and capacity building will/have followed once the learnings and recommendations of the project grant projects are acted upon. In some cases, the work of the consultants has already spawned new jobs. For example,

- In line with their consultant's recommendation, Potluck Café has hired a new operations manager.
- The project at Gallery Gachet also had a hand in the growth of the W2 Fearless City Project, through which 10-15 now receive remuneration.

In other cases, i.e. the Pedi-cab project and the FAM tours, employment will be generated once the projects have been developed and implemented.

"There's no easy way of helping people with multiple barriers to employment find work, but helping business that help the neighbourhood is a good start."  
– Pivot Legal

- Both of these projects have strategies to hire and train local residents as part of the business plans that were funded through BOB project grants.
- In the case of both projects, local residents will have an employment advantage over others due to their knowledge of the area.
- Opportunities for employment were also identified as part of Offsetters' green retrofit analysis; however, the likelihood of these renovations being made - and the associated jobs materializing - was less certain.

For those projects focused on building the business or enterprise, (i.e. Frogfile, M Smart Design, Pivot Legal, Smart TV, Eclipse and Agent of Change) employment opportunities for local residents will be generated over time as the enterprise grows and gains market share. All of these organizations have policies and practices to hire locally. In most cases, however, they are still in the stages of building the business and at the time of the interviews were not yet in a position to bring on more people.

As such, it is still too early to fairly assess the full range of project impacts with respect to stimulating local employment. At this time, there have been some measurable gains with respect to numbers hired and trained; however, over the next 12 to 18 months as businesses grow and action is taken on consultant recommendations, the impacts of the project grants will be more far reaching.



**Direct Impacts**

For nine of the 14 projects funded by the project grants, there were no opportunities for procurement.

- Three of the projects generated business for local caterers, restaurants and print/copy outlets.
- Gallery Gachet, Frogfile, Pivot Legal and Agent of Change also contracted with local firms for website development services and support.
- The pilot tours that were conducted as part of the FAM Tour project sourced from local business for catering and goodie bags.
- Opportunities for local procurement were also identified by the business plans generated for M Smart Design, the Potluck Café, and the Pedi-cab project.

For the majority of projects, however, the impacts with respect to procurement have yet to be realized.

**Indirect Impacts**

In all projects, with the exception of that conducted by the DTES Neighbourhood House which resulted in a decision not to pursue their business idea, implementation of the consultant recommendations will lead to increased business for other inner-city suppliers. In a number of cases, the organizations are already members of the sustainable purchasing portal, and as they grow, so too will their business for other inner-city supplier/operators.

- The implementation of the business plans developed for both M Smart Design and Gallery Gachet involve renovations and both of these organizations plan to source construction materials and labour as much as possible from the inner-city.
- Upon establishing themselves in the inner-city, M Smart Design and Lu's Pharmacy plan to contract with local firms for services such as cleaning and security.
- M also hopes to contract with local artists and designers for new product lines.

The pilot tours conducted as part of the FAM Project developed "goodie bags" for tourism influencers with products from local businesses. – FAM Tour

**Five organizations generated business** for local enterprises as a direct result of the project grants. All projects will **source from other inner city operators** once implemented. As project recipients **grow and become stronger**, so will the businesses around them.



**Direct Impacts**

Three of the 14 project grants had direct impacts in terms of reducing the recipients' environmental footprint or enhancing their capacity to promote more environmentally responsible products. In all three cases, environmental sustainability is a key component of the grantees' mandates.

"Our new ERM System will enable us to provide and market a larger and more diverse broader variety products to meet the growing demand for green office supplies."  
 – Froafile

- The Offsetters green retrofit analysis produced valuable baseline information about energy use and a series of recommendations for enhancing the energy efficiency of buildings and future developments within a specified block of East Hastings Street in the inner-city.
- The Enterprise Resource Management System established by the grant to Frogfile has enhanced their ability to provide and better market a greater and broader variety of green office supplies.
- The business plan developed for M Smart Design provided critical information about trends and opportunities with respect to the market for sustainable living products and outlined a strategy for M to expand its reach and market share within that field.

**Indirect Impacts**

There were also a wide range of indirect environmental impacts associated with the project grants in each of these three organizations. In that their mission has to do with promoting more sustainable ways of living, contributions such as the project grants that contribute to their overall stability and growth will achieve ancillary benefits to the environment. For example:

- Growth of Frogfile's business means that environmentally friendly office supplies will assume a larger share of the market, and the negative environmental impacts of office supplies overall will be lessened.
- Growth of Offsetters means greater capacity to raise awareness about the need to reduce to greenhouse gas emissions and to factor climate change costs into our economy.

Indirect impacts with respect to the environment and smart growth within the inner-city were discerned within seven of the other projects. Grantees generally exhibited high levels of awareness on environmental issues and were sensitive to the need to mitigate any negative environmental impacts associated with their operations. Most indicated that environmental issues were either a component of their operations or their programming and that growth of their business will enable them to advance their environmental practices.

- Smart Living TV will emphasize programming that promotes "smart living" issues, products and services – and growth of this business will translate to more of this type of programming.

Three project grants reduced recipients' environmental footprint or increased their capacity to promote more environmentally responsible products.

Seven projects indirectly contributed to environmental sustainability and smart growth in the inner city.

- In the case of Lu's Pharmacy, the Women's Health Collective are applying an environmental ethic in the design and construction of their pharmacy, using all natural light and reusable, green materials in construction.
- The 901 Artists Cooperative has plans for creating facilities and space for environmental practices, i.e. the recycling of art chemicals and space for bikes instead of cars.
- Potluck expects to be able to reduce waste and increase efficiencies as a result of the operational improvements identified by their project grant consultant. Opportunities for bio-packaging and green sourcing were also outlined in the recommendations received from Potluck's consultant.
- With increased business, Eclipse Awards will be in a position to improve its environmental performance and advance the sustainability agenda.
- In the case of the Pedi-cab project, implementation of the business plan will see the creation of a new, emissions-free form of transportation for coming to and travelling around the inner-city.

"The green retrofit analysis provided a wide range of things that could be done to increase the energy efficiency of that block – with the effect of reducing operating costs for those businesses." - *Offsetters*

## BUSINESS VIABILITY & NEIGHBOURHOOD IMAGE

### Direct

Broadly speaking, with the exception of the 901 artists cooperative and Offsetters' green retrofit analysis, organizations used grant monies to accomplish one of two purposes: to develop a business plan or feasibility study, or to increase business viability (through operational improvements or the developing of marketing material/websites).

The business plans helped grantees define the focus of their business or project and crunch the numbers to ascertain whether their project ideas were viable business opportunities.

- Of the five business plans completed, only one indicated that a viable business opportunity was unlikely (the DTES Neighbourhood House's plan for a video rental social enterprise).

For others, such as for the Chinatown Pedi-cab project or M's decision to open a new store in the DTES, the plans were the first step in a potentially lengthy business creation process, but have provided essential knowledge in targeting their markets, guiding future business decisions and soliciting funds from potential investors. For example:

- Smart Living TV's business plan highlighted the potential for expanded business opportunities and focused its decision to pursue a higher tier license and launch an internet company.
- FAM's pilot tours yielded valuable insights for further business development, such as a list of relevant 'tourism influencers' for project partners to use in targeting their marketing efforts and feedback on how best to market and promote the inner city to tourists.

"The plan defined the proper direction for SLTV to move forward (with a higher tier license). This will mean that, in the long run, the company is more financially viable and sustainable." - *Smart Living TV*

“Our businesses are directly impacted by neighbourhood perceptions, which was why we thought of the pedi-cab project – and as a result of BOB’s Project Grant are now implementing it.”

– *Pedi-Cab Project*

- Four organizations’ projects involved improving internal operations (two through implementing software management systems).
- Three organizations were able to develop marketing materials (both Pivot and Agent of Change created new websites).

It is anticipated that all these projects will improve business viability in the long term. Of particular note is the 901 Artists Cooperative, which transformed themselves from 30 single artists a one highly desired tenant, better able to connect to other arts groups as well as landlords/building developers.

### Indirect

Again, most of the indirect impacts with respect to business viability have yet to be realized. However, for grantees that created business plans, the hope is that the knowledge and enhanced financials gained in developing the plan will serve as a solid foundation for growth. These business cases will also provide the financials necessary to attract additional investors. Additionally, the DTES Neighbourhood House noted that just receiving a BOB grant may increase an organizations’ ability to leverage dollars as it may be viewed as stamp of approval by other potential funders.

Although it is too soon to measure the effects of new marketing materials on business vitality, grantees pointed to the necessity of these materials for business and/or project growth.

- The Women’s Health Collective hopes its new materials will help to promote pharmacy as a viable inner-city business and that new signage will enhance streetscape and establish visible proof of viable business operations. This raised profile may, in turn, help to attract new funders and supporters.
- For Agent of Change Media, its new website represents its primary mode of showcasing the enterprise and is absolutely essential to its business image and its capacity to attract clients, partners and investors.
- Pivot similarly anticipates its new website will increase sales and raise the profile of the Hope in Shadows project, thereby increasing the project’s viability and longevity.

For those grantees working to improve internal operations:

- Frogfile and Eclipse, both in the process of implementing their new software management programs, hope these tools will contribute to enhanced efficiencies and help them to grow their customer base, increase customer retention, and, therefore, increase profitability.
- As direct result of consultant recommendations, the Potluck Café has improved its internal operations through creating better systems and processes and, improving efficiencies. Improved performance and product quality

Four grants went to improving operational effectiveness and productivity.

Three grants helped recipients to establish/increase their profile through marketing materials.

Four out of five business plans developed are in the process of being implemented.

will likely lead to stronger customer service and an improved product.

Several grantees were able to use their business plans for further business development purposes or to create additional business initiatives. For example,

- Gallery Gachet developed a spin-off website (creativetechnology.org) in connection with its W2 project – providing another avenue by which to profile the Gallery. The Gallery was also able to develop marketing material and website content from the completed business plan.
- Subsequent to recommendations of its business plan, Smart Living TV is in the process of developing an internet company so as to extend their programming and reach a wider audience.
- For the Chinatown Pedi-cab project, elements of the business plan will provide the basis of fundraising material necessary launch the business.

“A business like ours is nothing without an online presence. The website and trailer we developed with the BOB project grant helped us to establish a presence in the market” –  
*Agent of Change*

At least five projects will likely contribute to building a more positive image of the DTES as well as to enhancing the community - economically and/or culturally.

- In the case of both the Chinatown Pedi-cab project and the FAM Tours, raising neighbourhood perceptions is a key objective. These projects aim to increase tourism in the inner-city.
- The pedi-cabs will provide a safe means by which people can tour/visit the inner city and patronize local businesses. Cab drivers will also be trained as guides and ambassadors for the inner-city.
- Trained calendar vendors for Pivot Legal's Hope in Shadows project, represent the DTES and help to raise awareness issues facing the community.
- Smart Living TV and Agent of Change will help to inform and raise the image of the inner-city by depicting aspects of the inner-city in their media work.
- Similarly, Pivot Legal's Hope in Shadows project showcases the DTES community, its history and evolution through photos.

## PARTNERSHIPS & COMMUNITY BUILDING

### Direct Impacts

Through the course of their various projects, the majority of grantees created new business relationships or strengthened existing ones.

- Most grantees formed a new relationship with the consultant or consulting company hired to conduct the project (and spoke positively about that relationship); others engaged a consultant with whom they had an existing relationship.
- Outside new consultant relationships, ten of the grant recipients created at least one additional new business relationship.

“The more successful the project, the stronger the business; the stronger the business, the stronger the community as the business is better able to invest in the community.”  
 – Eclipse

- Gallery Gachet alone developed five new business relationships with the technology industry and ICT cluster while strengthened existing relationships with organizations involved in developing the Community Media Arts Centre.
- The 901 Artists Cooperative formed at least a dozen new relationships during this process of incorporating and negotiating for studio space.
- Members of both the Pedi-cab and FAM tours projects also benefited from potentially valuable new relationships with tourism influencers throughout the region.

Eight grantees strengthened relationships with existing partners, as they drew on knowledge, resources or support of these relationships.

- In the case of the Chinatown Pedi-cab project and the FAM tours, relationships between inner-city members of the project steering committees were strengthened through the project grant process.
- For the DTES Neighbourhood House, staff, board members, as well as members of the Association of Neighbourhood Houses came together to form a committee to manage and guide its project.
- The DTES Neighbourhood House also strengthened its ties to and profile in the community through a survey conducted as part of its feasibility study.
- Gallery Gachet, as a core founder of the W2 initiative, worked closely with other founders and numerous other media arts organizations in the community.

### Indirect Impacts

In addition to relationships established and strengthened in the course of carrying out the funded projects, a number of these initiatives went on to create further opportunities for partnership building within the inner city.

- As a result of its train-the-trainers program, Pivot Legal has added a new centre for training vendors and street vendors themselves are creating vendors committees, coming together for mutual cooperation and safety.
- Smart Living TV's project has similarly resulted in the establishment of a mentor relationship. During the course of their project, Smart Living TV connected to Intersections (a video training for youth in DTES). Don Woodman is now a volunteer with that organization.

Ten projects led to the formation of new partnerships and relationships.

Five projects helped to attract/cement enterprises in the inner-city.

Eight grantees strengthened relationships with existing partners through the projects.

For five grantees, a successful outcome of their project will cement their presence in the inner-city thereby allowing them to continue to foster relationships and build community.

- As a result of the project grant, M Smart Design is relocating to the inner-city and has extensive plans to strengthen existing partnerships and form new business relationships in the community.

- Similarly, Agent of Change's new in inner-city office has enabled it to be closer to a number of existing partners.
- If successful, the W2 Community Arts Centre will mean a community legacy in the Woodward's building and ensure that the Gallery Gachet is still operating in the DTES and serving the needs of its current community.
- The marketing of Lu's Pharmacy will also contribute to the success of this new, inner-city enterprise.

## ARTS & CULTURE

### Direct Impacts

Five of BOB's grants were awarded to organizations directly involved in arts and culture. Impacts pertaining to employment in the arts and culture sector have been captured in that previous section. However, the projects undertaken also played a direct role in raising awareness of artists, arts, and culture in the inner-city, and helped to create opportunities for new media. For example,

- The 901 Artists Cooperative began as artists destined to lose their studio space due to building gentrification. Through incorporation into an artists collective, the group became a desirable building tenant and an entity able to negotiate with developers to secure work space. This process of petitioning and negotiating for studio space raised awareness about the shortage of affordable and appropriate artist studio spaces in the city.
- Similarly, Gallery Gachet contributed to the development of the W2 business plan to create the Community Media Arts Centre in the new Woodward's building, a high profile project designed to serve as a home for a diverse grouping of Vancouver arts and community service organizations.
- The FAM Tour project highlighted the existing local culture through its pilot tours, which served to showcase arts and cultural attractions in the inner-city to tourism influencers (hotel employees, tour operators, tourism advisors, etc.).

In the area of new media, two organizations laid the foundation for establishing media companies geared toward social change.

- Agent of Change Media's company mandate is to leverage and promote organizations and initiatives engaged in social change.
- Smart Living TV will be designed to showcase smart living and promote sustainability.

"BOB's grant helped us to be the first artist' cooperative in BC...With BOB's help our artist studio coop has become reality, and I hope this is seen by other artists as an incentive to take action and not to accept displacement as their destiny."  
- 901 Artists' Coop

## Indirect Impacts

One indirect impact from these projects is the showcasing of local arts and culture.

- It is anticipated that Chinatown's Pedi-cab business will bring more business/patrons to local arts and culture by providing a new safe, means of door-to-door transport.
- The Pedi-cab drivers – like the FAM Tour operators – will play a key role in raising awareness of arts and cultural attributes and offerings in the area.
- Once relocated into the DTES, M Smart Design also hopes to provide a retail outlet for inner-city arts products.
- Pivot's Hope in Shadows website is designed to showcase photographers and artists as well as the culture of the DTES.
- Smart Living TV anticipates showcasing the DTES, as well as local and arts and culture through its programming.
- In working to promote local organizations with a social responsibility mandate, Agent of Change also expects to feature the community in its media work.

A second indirect impact is the building and strengthening of the inner-city arts community.

- 901 Artists Cooperative is currently negotiating for studio space for its collective.
- Looking at longer-term indirect impacts, it is the desire of 901 to assist other artist and artist groups in securing permanent studio spaces within the city.
- A successful completion of the W2 project and launch of the Community Media Arts Centre could lead to the creation of a cultural hub for inner-city artists, residents and community groups. The Centre will also increase resources and capacity for small media societies.

One project grant will help to provide **studio space for 30 artists.**

One funded project will lead indirectly to the **creation of the Community Media Arts Centre** in the new Woodward's building.

**Six grants** went to funding organizations that work to **showcase local arts and culture.**

## INVESTMENT IN THE INNER-CITY

### Direct

In two of the 14 funded projects, the grants spawned direct impacts in the form of local investment in the inner-city.

- The FAM Tours project had the direct effect of stimulating funders' interest in the establishment of a tourism advocate/marketing position.
- The work for M Smart Design project also provided the critical business rationale and strategy for this enterprise to relocate to the inner-city, and may, therefore, also be seen to have contributed to directly to a local investment.

In addition, the potential for the projects funded to result in future investments into the community is substantial.

### Indirect

Indirect investments expected from the project grants range from leveraging dollars to launching new business in the community to cementing the presence of existing businesses.

- Frogfile leveraged BOB's grant to secure additional private funding.
- Both Gallery Gachet and Smart Living TV have used their business plans to apply for additional funding, which will help build resources and capacity and provide employment within the community.

As a result of the project grants, one organization, Agent for Change, established a physical office in the inner-city, and two more are currently in the process of relocation:

- M Smart Design's is involved in lease negotiations to relocate the store to the DTES.
- The 901 Artists Co-operative currently negotiating for a studio space in the inner-city.

Lu's pharmacy was in the process of establishing itself in the DTES before the project began. In addition, three new enterprises are likely to be launched in the inner-city:

- A TV station;
- A pedi-cab enterprise; and
- A FAM Tour company.

This growth in new and existing organizations in the inner-city will translate to an increased array of services. It will inject dollars into the community as well as provide employment and hopefully attract other investors and businesses to the area.

- The Women's Health Collective, for example, hopes to serve local residents as well as bring new people to the DTES. It is also working with its

"Our new brand image and marketing materials will help to ensure that the substantial investment we have made in establishing a women's pharmacy in the DTES is a success."  
- Women's Cooperative

"Before doing the project, I was thinking of locating somewhere around Strathcona, but since working with BOB and my consultant, I am convinced that I want to be right in the middle of the hood. It's a strategic business decision and I'm now negotiating a lease."  
- M Smart Desian

neighbours to keep existing businesses in place and attract new investors to the block.

The project grants for existing businesses are also likely to multiply into local investment opportunities.

- Frogfile, Eclipse Awards, and the Potluck Café, all mission-based organizations, pointed to their continued presence as meaning their continued ability to invest in and contribute to the community. Being a viable business will allow them to promote the health and well being of the inner-city and foster sustainability in the community.

Finally, for organizations whose project grants were used for the development of marketing materials, raising the profile of the organization and/or its product may be instrumental in attracting new clients, securing additional funding/investment, or increasing sales. For example:

- Agent of Change sees its professional marketing materials as instrumental in its capacity to land larger projects and achieve its growth target of becoming a \$20 Million company with a staff of 40 within 5 years.
- The Women's Collective similarly sees the marketing materials for Lu's pharmacy as pivotal to the success of this enterprise and achieving break even returns on their sizable, long term investment in the inner-city.
- Gallery Gachet's W2 plan was intended to show that the Inner City community is vibrant, creative, rich and strong spirited and a good community in which to invest.
- Pivot would like to see the new Hope in Shadows website raise awareness, increase sales and improve the project's longevity, thereby resulting in continued profits going back into the community.

Two projects attracted new investments to enterprises in the inner-city.

Four new enterprises are in the process of being launched in the inner-city in connection with the Project Grants.

One business was able to establish a physical office in the inner-city as a result of its grant, and two more are relocating to the area.

It is still too early to fairly assess the full range of indirect impacts with respect to local investment; however it is clear that these impacts may well be far-reaching and long-term.

"It's a vibrant diverse, young and creative community; there is a social connection and a local perspective while being responsive to global issues. We're cutting edge."  
- Gallery Gachet

## FEEDBACK ON THE PROGRAM

### GENERAL

In addition to discussing what was and will be done and achieved as a result of the BOB project grant, recipients were queried about the *Project Grants Program* itself: the process and its importance to the health and development of businesses and social enterprises in the inner-city. Grantees were also asked suggestions for improvements to the program. Responses to these questions are summarized below.

### FILLING A NEED

Without exception, project grant recipients indicated that the funding received from BOB came at a critical point in their development. The grants prevented them from having to engage in fundraising, accumulating debt at a vulnerable stage in their evolution, and/or enabled them to leverage funds to achieve a higher quality product for a critical component of their business.

- Agent of Change, for example, was able to acquire a highly professional website as a result of the grant and locate to an office in the inner-city; without the grant, they would have had to choose between either a physical or web presence.
- Similarly, Frogfile, was able to acquire a higher quality enterprise resource management system that will enable them to expand their product line.
- The Women's Health Collective was able to obtain professional marketing materials and branding instead of producing this internally – the impact of which will be key in establishing their credibility in the market.

"We could not have done this project without our BOB grant."  
- Gallery Gachet

In a number of cases, the project grant enabled recipients to explore a business idea that would otherwise never have been pursued.

- The FAM Tours and Pedi-cab project, for example, both would have remained mere concepts without the project grants.
- Without funding to explore incorporation, the 901 Artists Cooperative would not exist.
- In the case of the DTES Neighbourhood House, the project grant went to helping them to avoid what would likely have been a poor investment.

"Because government funding has been drastically cut, BOB fills a niche in the neighbourhood by providing targeted support to non-profits." – Pivot Leal

While many of the recipients were able to use their project grant to leverage additional funding, most indicated that BOB was the only organization providing funding of this nature - targeted to business planning/development. Several of the non-profit grant recipients noted that there are other sources of project or capacity building funding available through foundations, the government, and community-focused business, but these are not as accessible as BOB's.

Further, due to the current economic climate, these funders are cutting back. Consequently, grantees were unequivocal about the need and importance of this type of grant and grateful for the support provided.

When asked how the *Project Grants Program* was furthering BOB's mission, almost all grantees pointed to the types of organizations receiving BOB's support.

- Grant recipients are mission-based organizations with aligned values, working to achieve similar goals.
- By supporting social enterprises that will continue to locate in, support, invest in, and engage the community, provided they have resources to do so, BOB is promoting revitalization without displacement.

## SCOPE OF FUNDING

Not surprisingly, while the small, <\$10,000 range of funding provided a useful injection for all projects, a number of recipients indicated that larger grants would be useful. In some cases, the project grant helped to fill a cost gap in a project; in others, the funds from BOB were used to leverage additional funds. Grantees felt it was useful that the funding was not targeted to any one particular type of business development but was flexible to suit what their enterprise needed most.

- In all cases, receiving funds to hire an external consultant was precisely what was needed and the majority of recipients were overwhelmed by the amount gained from the consultants in the form of applicable knowledge and information.
- Some projects – those that received their grants late in the year – were pressed to complete their project by the end of 2008.
- Frustration was also expressed by a number of recipients about not receiving the funds until having completed the project.

## THE APPLICATION PROCESS

All of the grant recipients were complimentary with respect to the simple and straightforward application process for the *Project Grants Program*. Many were impressed with the relative ease and limited requirements of BOB's process as compared to those of other granting organizations. Throughout the application process and in the early stages of the project phase, grant recipients were impressed with the additional support and resources provided by BOB, such as connections to other businesses and services relevant to the project or to the organization in general. In addition grantees noted:

- The support with the process and the transparency provided by BOB staff was appreciated.

- The assistance BOB provided in clarifying their project idea and objectives and felt supported through the process was helpful.
- The consultants recommended by BOB provided substantial knowledge and expertise. Recipients also expressed having benefited from the new relationship.
- The additional resources provided by BOB were an added bonus that saved the company in terms of both time and money.

## ADDITIONAL FEEDBACK

### BOB'S ROLE & ACTIVITIES

Due to BOB's unique mission and position in the inner-city, many grant recipients saw opportunities for BOB to play additional roles in the community, over and above being a granting organization.

Grantees would foremost like to see BOB playing a leadership role as a connector, bringing businesses, social enterprises and non-profits together, and leveraging its multiple relationships for the benefit other organizations in the inner-city.

Additional feedback centered mainly on BOB's potential to strengthen small businesses and non-profits by providing resources and information that could present opportunities, build capacity and save organizations time, money, and resources. Specifically, grantees suggested that BOB consider providing the following services:

- **Networking** – providing networking and meet-your-neighbour events for organizations in the inner-city, connecting grant recipients to build the community of social enterprises in the inner-city.
- **Resources** – being a one-stop-shop for business information and resources, such as available grant programs, green building resources, how to hire a summer student, sustainable purchasing, volunteer programs, etc.
- **Information** – sharing knowledge of working in the inner-city, success stories, failures, and best practices, providing opportunities for in-kind resource sharing among social enterprises.
- **Training/employment support** – providing or facilitating professional skills development.
- **Community development and consultation** – engaging the DTES community as serving as a bridge between the existing community and new businesses.
- **Orientation assistance** – acting as a welcoming committee and providing resources to new businesses and social enterprises in inner-city.
- **Spaces and facilities** – helping to absorb or invest in operating costs (computers, space, etc.), thereby enabling social enterprises to concentrate on the business.

- **Advocacy** - working with the City to secure space for social enterprises and to reduce displacement.

Grantees felt that BOB should work to increase its profile and inform the community and businesses of its presence in the inner-city.

- All of the grant recipients applied for a project grants based on a pre-existing relationship with BOB, through BOB initiating the relationship, or due to word of month. Consequently, grantees recommended that BOB better communicate its role and available resources to the many other social enterprises that could benefit greatly from a relationship BOB.

Grantees also offered suggestions on how BOB could strengthen its role in the community.

- Recipients also suggested that BOB connect more to the grass roots community in the inner-city and integrate non-profits and social enterprises with traditional businesses and into its various business clusters. This would provide better communication and sharing of resources. It would also foster the sharing of best practices between these organizations.
- One grantee felt that BOB would be wise to work more closely with the business improvement area (BIAs) associations in the inner-city and be a more active player in initiatives such as the Strathcona BIA's "green zone."
- Another recipient was adamant about the potential for BOB to facilitate dialogue and community consultation in the face of increased gentrification and development in the inner-city.
- With displacement becoming an increasing threat, it was felt that BOB's presence in the inner-city and continued support of social enterprises could aid in pushing forward an important agenda.

### **1. Continue to provide small non-repayable grants to assist businesses and social enterprises operating in the inner-city to grow, stabilize and respond to opportunities as they arise.**

- It is clear from the interviews conducted through this assessment that BOB's *Project Grants Program* is filling a niche and having a measurable impact in supporting revitalization without displacement.
- While, in the past, there may have been other funding opportunities available for those enterprises operating as or in connection with a non-profit, these source are diminishing with the downturn in the economy.
- New and start-up enterprises are more pressed than ever to find investors and capital for business development; subsequently, the need for BOB's *Project Grants Program* is more vital now than when the program was initiated.

### **2. Increase awareness of BOB and the *Project Grants Program*.**

- Many of the grant recipients indicated that they only learned of BOB's *Project Grants Program* through recent and direct communication with staff. Awareness of the program has increased substantially in recent months, and it is recommended that this outreach and profile be maintained.
- While the approach of extending grants on a one-to-one basis has some advantages, there are obviously limits to this strategy as well and broader awareness of BOB and the program would likely reveal other mission-based enterprises not already connected to BOB's networks.
- Businesses, in particular, saw the opportunity to receive a grant to help build and secure their enterprise as a rare windfall and one that many of their business partners and colleagues would benefit from.
- Providing applicants with information about BOB's other programs, such as BOB's business loans, is important to helping organizations move to the next level in their business development.

### **3. Integrate impact metrics, such as those outlined in the logic model, into the application and reporting process so as to be better able to measure the impact of the *Project Grants Program*.**

- While recognizing the need to keep the application process and reporting requirements simple and inarduous, BOB may wish to consider selecting key indicators and having recipients track these indicators at the beginning and end of the project – as well as at intervals of one/two years post completion.

- These metrics provided help BOB to assessing the impacts of its program. This tracking and reporting could also be done in such a way so as to be valuable to the grant recipients, providing them with tools and information by which to demonstrate their value to potential funders, investors and creditors.
- Impacts could also provide BOB with a means by which to account for progress so as to be able to provide recipients with project grant funding up front, as opposed to waiting until proof of completion.

#### **4. Continue to provide counsel and support to grant recipients.**

- Interviews revealed that the support and guidance furnished by BOB staff over the course of the project was central to recipients' learning and one main benefits the *Project Grants Program*.
- Having a well defined project and a qualified consultant are both key to project success. BOB should continue to provide guidance on projects and to contact recipients with qualified consultants.

#### **5. Use the *Project Grants Program* to help provide necessary services for community.**

- With the continued gentrification of the inner-city, it is more important than ever for BOB to find ways of fulfilling its mission of revitalization without displacement, not only by bringing in new businesses, but by establishing businesses that can support and serve the existing community.
- BOB may wish to consider providing targeted support to businesses and social enterprises that can create or provide necessary services for residents, such as those having a community service or outreach component.