

Community Wealth Building Wednesdays

Exploring Community Wealth Building Through Social Procurement in Ontario

The logo for Buy Social Canada is a white circle containing the text "buy social" in a bold, lowercase, sans-serif font. Above the word "social" is a small green maple leaf icon. Below "social" is the word "CANADA" in a smaller, uppercase, sans-serif font.

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PART 4

Building community wealth and community capital

Community-led benefits

This five-part knowledge series explores how a strong social procurement ecosystem builds community wealth in Ontario. The series will examine the entire ecosystem – the role of social enterprises as suppliers, the part played by social value purchasers on the demand side, and how community is defining and driving social value outcomes.

Each week, with the help of our panelists, we will explore one critical piece of this eco-system through an engaged virtual dialogue model.

In the fourth week of our five-part series we explore social procurement through the lens of community-led community benefits, discovering how community collaboration is a key component of the emerging social procurement ecosystem in Ontario.

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This series is brought to you by Buy Social Canada in partnership with the Ontario Non-profit Network, Canadian CED Network, Ontario Trillium Foundation and AnchorTO.

Community Wealth Building & Community Capital

In cities and rural communities across the province, many Ontarians are faced with income inequality, equity challenges and social exclusion. With the onset and recovery from COVID 19 the current market-based threats will only worsen unless we can create an economic system that builds wealth and prosperity for everyone.¹

Community wealth building strategies seek to empower communities by leveraging local resources to generate wealth equality. It does so through seven essential wealth building drivers; place, ownership, multipliers, collaboration, inclusion, ecosystems, and workforce development.² Each of these drivers offer a powerful contrast to the traditional economic practices. The webinar series will explore the relationships of the social procurement ecosystem and its different components to build community wealth.

Another way of framing community wealth is to build community capital. Community capital is the foundation of healthy communities and consists of five kinds of capital: cultural, physical, human, economic and social. One way to create community capital, and the focus of our ecosystem journey, is through social procurement.

Social procurement happens when purchasers use their buying power to create social value above and beyond the value of the goods or services being bought or the construction and infrastructure projects. With social procurement construction goes beyond creating structures; it becomes a means to build community capital and wealth.

Social Procurement

Social procurement leverages a social value from existing procurement and provides the capacity to transform procurement from the traditional model of merely an economic transaction between buyer and seller, to a means for social transformation in communities. Social procurement, depending on the purchaser's goals, can include employment opportunities, including for persons facing barriers; training and apprenticeships; supply chain inclusion for social enterprises and social value suppliers, and local economic development.³

¹ [Keane Bhatt, Educate and Empower-Tools for Building Community Wealth \(2015\)](#)

² [Marjorie Kelly, Cities Building Community Wealth \(2015\)](#)

³ [Buy Social Canada, Social Procurement in 2021: Unprecedented Potential for a Paradigm Shift \(2021\)](#)

Social procurement ecosystem

Social Procurement creates community wealth, the foundation of building inclusive, healthy and vibrant communities.

In a social value marketplace, a social procurement ecosystem supports both the demand side

and the supply side of market relationships. The supply side comprises of those supplying the goods and services within the marketplace, social enterprises and social value suppliers, and the demand side comprises of purchasers who are demanding those goods and services, such as governments, contractors, large corporates, and individual consumers. Like any ecosystem, it is made up of several highly interconnected elements. Each of these elements will be explored throughout the duration of this webinar series. The stronger the ecosystem, and the more integrated the elements, the greater the impact of our purchase, and the greater the community wealth and community capital created.

A Community Benefit Agreement (CBA) is an agreement between the community, the construction developer or owner, and government. Community benefits can include employment, skills and training, social value in the supply chain and community development.

CBAs leverage development and construction projects to achieve a broad range of community outcomes beyond just the standard scope of cost, quality, and time. CBAs contain pre-determined and defined social value outcomes that will be delivered as part of an infrastructure or land development project like building a bridge, a road, school, hospital, office tower, or transit system. These social value outcomes are agreed upon, prior to the project, between the community, government, and developer/owner. Community Benefit Agreements in infrastructure projects inevitably aim to maximize community impact and community value for residents.

Community Benefit Agreements

A Community Benefit Agreement is a tool used to create community capital and community wealth. For a Community Benefit Agreement to be successful and create real community capital and community wealth, local communities need to be engaged, organized, and empowered throughout the CBA process.

Community Driven Community Benefits

The first CBA in North America emerged in 2001 at the Staples Center in Los Angeles, catalyzing a national movement of using CBAs as a tool to create community capital and community wealth through benefits such as local hiring, social procurement opportunities, living wage requirements, job training and workforce development programs, creation of community spaces and neighbourhood centers, funding for community organizations, and affordable housing requirements amongst other initiatives.⁴

In 2003, one of the first major Canadian infrastructure project to include a CBA was Vancouver's Olympic Village and in 2018, Vancouver was one of the first Canadian municipalities to adopt a Community Benefits Agreement Policy.⁵ Historically, developers and governments have maintained a top-down approach to Community Benefit Agreements, with owner and government interests superseding that of the communities.⁶ For CBAs to be an effective community wealth building tool, communities need to be given the autonomy to organize themselves and identify what specific benefits and outcomes they require from the infrastructure or build project. One of the ways this can be achieved is through the creation of a community benefit coalition or network.

A community benefit coalition usually comprises of a group of local community organizations and community members who are working together to leverage CBAs to maximize community outcomes.⁷ Community benefit coalitions and networks recognize that a CBA is one of the most effective and accountable ways to implement community-led, collaborative, and transparent processes to achieve community benefits from an infrastructure or redevelopment project. Coalitions typically represent a broad array of stakeholders, such as residents, racialized communities, representatives from labor, environmental and faith groups, educational groups, environmental advocacy organizations and affordable housing advocates.

⁴ [Policy & Tools: Community Benefits Agreements and Policies In Effect, Partnership for Working Families, 2019](#)

⁵ [P3s and Community Benefit Agreements in Canada, PPPCouncil Canada, Jan 2021](#)

⁶ [How to get community benefits agreements right: Engage and empower, Munk School, Dec 2018](#)

⁷ [Regent Park Coalition](#)

Community Collaboration Creates Community Wealth



Photo: Empty fields at LeBreton Flats, public land which will be sold and redeveloped

The [Ottawa Community Benefits Network](#) (OCBN) is a grassroots network formed in June 2019 to advocate for the redevelopment of the 56-acre LeBreton Flats property as a vibrant, inclusive, equitable, healthy, and sustainable urban community and to use a Community Benefits Agreement (CBA) as the platform to ensure meaningful community involvement and accountability.⁸ Initially known as the LeBreton Flats Community Benefits Coalition, the rebrand to the OCBN signifies an expanded mandate to realize CBAs for all major Ottawa developments, public and private, and, eventually have the City introduce a CBA Policy for Ottawa. The OCBN now comprises of 32 members,

including organizations with mandates in affordable housing, dealing with homelessness, organized labor, health, sustainability, social procurement and social enterprises, childcare, and other key community priorities. The OCBN includes the Federation of Community Associations and United Way Eastern Ontario as formal allies.

OCBN's model believes in engaging its member organizations and constituents, along with other community stakeholders and citizens, to collaboratively identify and articulate desired community benefit outcomes for a particular development project. With regards to the LeBreton Flats redevelopment, the OCBN helped develop a comprehensive set of CBA targets which include affordable housing, social procurement, hiring and training opportunities for equity seeking groups alongside other asks. The OCBN has actively engaged with the National Capital Commission (NCC), the federal agency responsible for this development, on ways to apply a CBA approach and to advance the community benefits sought from future NCC procurements.

Ottawa is currently in the midst of an unprecedented infrastructure and construction boom. Community Benefit Agreements in construction and redevelopment projects such as The LeBreton Flats create opportunities for the demand as well as the supply side of the social procurement ecosystem to contribute to the creation of social value outcomes and community wealth for residents. CBAs have the potential to transform the way that governments purchase, build and think about community capital and community wealth.

⁸ [Ottawa Community Benefits Website](#)

On the other hand, it poses a huge challenge organizationally to muster effective campaigns for these projects. The OCBN is still a largely volunteer organization and the absence of any institutional frameworks in the city makes the job that much more difficult. That is why strength in numbers is important. Municipalities across Canada and Ontario have significant and growing CBA project experience and community benefits networks now exist in Toronto, Windsor-Essex, Hamilton, Regent Park, Peel, Vancouver and in St. Catherine's. This collective movement demonstrates the potential that grassroots community organizations, and other key stakeholders, have in community wealth building.

The ability of community benefit coalitions and networks to effectively address the needs of local residents can only be achieved if communities are meaningfully engaged in all stages of the process. The Ottawa Community Benefits Network has demonstrated the potential that community organizations, associations and advocacy groups have in shaping community benefits and the critical role that collaboration plays within community wealth building and the creation of healthy and vibrant local communities.

*"The Ottawa Community Benefits Network is an opportunity for us to re-imagine the Le Breton Flats. We want to use the Le Breton Flats CBA as a tool to create a community which is vibrant, inclusive and healthy."
– Martin Adelaar, The Ottawa Community Benefits Network*

