

**WILLIAM A. NINACS**

**Using a Building as a Community  
Economic Development Tool:  
Lessons Learned**

**PROJECT CONTRACT FINAL REPORT  
JANUARY 1990**

**William A. Ninas**

C.P. 92, Victoriaville, Québec (Canada) G6P 6S4 - (819) 758-7401

---

**PROJECT CONTRACT FINAL REPORT**

Community Economic Development Program

New Hampshire College

**title: Using a Building as a Community  
Economic Development Tool:  
Lessons Learned**

**date: 91/01/23**

INDEX
-------

Introduction .....	page 1
History of the <i>Place communautaire Rita-St-Pierre</i> .....	page 3
Problematical Overview	
• Problem of the community addressed by this project .....	page 5
• Underlying causes of the need .....	page 5
Project Goals	
• General objective .....	page 7
• Minimum objectives .....	page 7
• Maximum objectives .....	page 7
Project Results	
• Minimum objectives .....	page 8
• Maximum objectives .....	page 16
Additional lessons Learned .....	page 21
Conclusion .....	page 24
Appendices:	
♦ Community Profile: The Bois-Francs Region of the Province of Québec .....	page 25
♦ Organization Chart of the <i>Corporation de développement communautaire des Bois-Francs</i> .....	page 27
♦ Members of the <i>Corporation de développement communautaire des Bois-Francs</i> .....	page 28
♦ Principles Relating to the Purchase of the Hydro-Québec Building .....	page 30

## INTRODUCTION

Optimizing usage of fixed assets in order to maximize their effect on an organization's profitability has long been a fundamental concept of economic development. Although courses in traditional business administration programs offer a wide variety of formulas to measure the cost-effectiveness of acquiring buildings, machinery, and other equipment, they all boil down to the repercussion of the transaction on the "bottom line" — i.e., on the firm's net profit.

Community economic development (CED), on the other hand, has a number of "bottom lines" and decisions relating to fixed asset management cannot be made on the sole criteria of financial feasibility. This is not to say that profitability is not a factor — it is — but it means that social, cultural, and environmental issues must also be addressed.

Ownership by community-based organizations (CBOs) of land and buildings outside of housing initiatives is not commonplace. Scarce financial resources and lack of management expertise have not fostered an attitude within the CBO community which encourages such practices. Moreover, society in general has identified the benefits of ownership only in lucrative terms which, in turn, are often the antithesis of some community development objectives. On the other hand, ownership has indeed well served both more fortunate individuals and traditional business enterprise. It is my contention that those communities that have not had access to ownership of property could benefit from it by using it as a tool for empowerment.

Taking all of this into consideration, my project's objective was to investigate just how certain fixed assets — specifically, land and buildings owned by community-based organizations — can be used from a community economic development point of view. On a concrete level, means would be identified by which marginalized communities on a collective basis through their organizations would be able to use such assets for development purposes.

This would be done through a participatory study of an ongoing initiative in the Bois-Francs region of the Province of Québec in Canada <sup>1</sup> with which I was already involved.

In 1987, my community development corporation — the *Corporation de développement communautaire des Bois-Francs* (CDCBF) — began a process that would lead to take over an

---

<sup>1</sup> See appendix I for a detailed profile of the region.

abandoned 62,000 square foot building and I was the person directly responsible for all phases of the eventual acquisition. The subsequent hiring of a staff member for the building's operations freed me from day-to-day responsibilities although, as coordinator of the work team <sup>2</sup>, I retained an ongoing preoccupation with this initiative.

As for this project contract, I believed that my being "outside-looking-in" — *not* being involved with daily management problems — would give me a different perspective from which to observe and assess the work being done with the building. Moreover, I wanted to go beyond the management of the facility to that of using it for development purposes. In fact, this was one of the reasons that led me to enrol in the Community Economic Development at New Hampshire College. I went so far as to mention "to augment my knowledge and my capacity to intervene in relation to leveraging my organization's equity in a building that we own" in the personal statement that accompanied my application form. I trusted that the instructors and the other students in the program would enlighten me with their insight and experience and that I would hopefully learn things that would help me and my CDC build upon our building.

It was thus that I arrived for my first class in September of 1989 with a proposal for this project in hand...

<sup>2</sup> Responsibilities included the planning, coordination, and control of all of the CDCBF's operations. See also the CDCBF's organization chart (appendix II).

<p style="text-align: center;"><b>HISTORY OF THE PLACE COMMUNAUTAIRE RITA-ST-PIERRE</b></p>
---

In 1987, Hydro-Québec moved its regional administrative offices to Victoriaville's industrial park. Shortly afterwards, the City of Victoriaville acquired their vacated land and building for unspecified development purposes. Because renovating the building itself for the City's own purposes would be too expensive, civic officials decided to tear it down rather than heat it through the winter.

For some time before that, local community-based organizations had been critical of the City's urban planning policies. More specifically, the City's decision in the summer of 1987 to expropriate and demolish the garage next door to City Hall meant that two CBO tenants — a second-hand clothing store and a soup kitchen — would be forced to move and, in the case of the soup kitchen, actually cease operating because of higher rents elsewhere. Feeling a certain amount of pressure from the public outcry that followed, the Mayor invited two local community activists to meet with him and asked them if the recently acquired Hydro-Québec building could be of use to local CBOs. In turn, these two persons called upon the *Corporation de développement communautaire des Bois-Francs*<sup>3</sup> for assistance and guidance.

The CDCBF was ready to handle the project, having previously met with City Council (in March, 1987) to inform them of the CBO community's needs for more adequate premises. An *ad hoc* committee was formed and it immediately performed a prefeasibility study, consulting CBO members of the CDCBF and outside professionals. It came to the conclusion that the building in question could probably fill many of the CDCBF's constituency's immediate and future needs without too much renovation. On the whole, it seemed to be a good deal providing a solution of some kind could be found with regards to the huge garage space (14,000 square feet) that community-based organizations had no need for. There was also a requirement that the City sell it to the CBOs for a dollar<sup>4</sup>.

---

<sup>3</sup> The *Corporation de développement communautaire des Bois-Francs* (CDCBF) is a non-profit umbrella group offering technical assistance, training, and networking activities to its membership and to new community-based organizations. It also plays an advocacy role regarding social issues in general and community development in particular.

<sup>4</sup> It was essential that the CDCBF obtain a clear title to the building in order to obtain a mortgage and to be eligible for certain government grants.

The City of Victoriaville agreed to the conditions laid out by the CDCBF. It even went further and reserved, by paying a year's rent in advance, 10,000 square feet of warehouse space in order to relocate the municipal library.

In December, 1987, at a special general meeting of the CDCBF's membership, a decision was taken to go forward with the project. Six months later, thirty community-based organizations moved into the partially-renovated building <sup>5</sup>.

The building was given a name — the *Place communautaire Rita-St-Pierre* — and the *ad hoc* committee was transformed into a permanent committee to supervise operations. One of its members was hired on a full-time basis to see to the building's operations, including both management and networking duties.

The *Place communautaire Rita-St-Pierre* (PCRSP) would henceforth be a major component of the CDCBF's overall program.

---

<sup>5</sup> See appendix III for a list of the various tenants as of August 31<sup>st</sup>, 1989, just prior to the beginning of this project.

## **PROBLEMATIC OVERVIEW**

### ***PROBLEM OF THE COMMUNITY ADDRESSED BY THIS PROJECT***

Land and buildings owned by community-based organizations in the Province of Québec are not used as tools for community development in general nor for community economic development in particular.

On March 31<sup>st</sup>, 1988, twenty-two community-based organizations in the Bois-Francs region owned their land and buildings <sup>6</sup>. Most of these assets serve the exclusive needs of the CBOs that own them and none of these same assets has ever been leveraged for economic development purposes.

The CDCBF's members was authorized, at a special general meeting in December, 1987, to go through with the acquisition of the Hydro-Québec building providing that certain principles <sup>7</sup> be respected: one of these was to ensure that the building would become a development tool for all of the community-based organizations.

While there exists a history, in the Bois-Francs region, of using buildings for collective purposes, such use has always been on a very small scale. These practices have never been structured towards collective goals nor have they ever been oriented towards development in any sense of the word. Moreover, many CBOs have been wary — if not downright opposed — of entering the field of economic development.

### ***UNDERLYING CAUSE OF THE NEED***

This project was made necessary by the lack of expertise and tools adapted to CED objectives.

Most community development initiatives in the Province of Québec have been primarily oriented towards social problems which has resulted in an informal yet cohesive network of hundreds of community-based organizations (CBOs) throughout the province. Many CBOs have laid the

---

<sup>6</sup> Information contained in an unpublished internal report of the Corporation de développement communautaire des Bois-Francs (October 1988).

<sup>7</sup> See appendix IV for a complete list of these principles.



organizational groundwork for CED activities but an innate mistrust of economic development *per se* has, as a rule, delayed the implementation of CED strategies.

The Bois-Francs region is no exception. More specifically, the CDCBF has no experience in using land and buildings as development tools nor do any of its members. Neither its board nor its staff nor the members of the permanent committee in charge of the PCRSP <sup>8</sup> has any experience in this domain.

Moreover, no other similar project exists in the Province of Québec and thus, there are no written guidelines with which to work. There are a few places where CBOs have made collective use of schools, etc. However, none are even remotely near the size of the PCRSP and none have been used for development purposes.

---

<sup>8</sup> This committee will be referred to as the PCRSP committee in this document. See also the CDCBF's organization chart (appendix II).

## PROJECT GOALS

The general objective of this project was

- ◇ to inventory and evaluate the means by which the CDCBF could use the PCRSP as a development tool for all of the community-based organizations in the Bois-Francs region and
- ◇ to progressively implement the means which would be deemed positive and feasible.

This project would minimally (minimum objectives):

- ◇ identify the means by which land and buildings can be used as development tools in community development, on economic, organizational, functional, visibility and influence levels;
- ◇ identify the principles upon which land and buildings can be used as development tools in community development, on the same levels;
- ◇ introduce the concept of using fixed assets as development tools within the structure of the *Corporation de développement communautaire des Bois-Francs*;
- ◇ create an advisory committee to the permanent work team of the *Corporation de développement communautaire des Bois-Francs* for the use of economic tools in community economic development;
- ◇ increase the dialogue between the outside advisors and the persons directly involved in the structure of the CDCBF, including the operations of the PCRSP;
- ◇ permit the translation into English of certain documents developed by the *Corporation de développement communautaire des Bois-Francs*.

This project would ideally (minimum objectives):

- ◇ stimulate the creation of a development fund for community economic development in the Bois-Francs region;
- ◇ repatriate, for community economic development purposes, rents paid to outsiders;
- ◇ collectivize the use of certain land and buildings owned by community-based organizations in the Bois-Francs region;
- ◇ become the nucleus for a "sustainable development" approach to local and regional development in the Bois-Francs region;
- ◇ increase the visibility and the credibility of the community-based organizations in the Bois-Francs region;
- ◇ serve as a model for certain community development activities elsewhere.

<b>PROJECT RESULTS</b>
------------------------

**MINIMUM OBJECTIVES**

**Objective:** *to identify the means by which land and buildings can be used as development tools in community development, on economic, organizational, functional, visibility and influence levels*

**Results:**

With the knowledge that I've gained from the whole CED Program, I find it necessary to modify the wording of this objective in order to properly present the related results: instead of "on economic, organizational, functional, visibility and influence levels" I would today be inclined to write "taking into consideration all economic, social, and ethical issues". I believe that this change makes the objective more coherent with what CED is all about.

In order to illustrate how means by which land and buildings to be used as development tools can be related to CED concerns, the presentation of this objective's results is in the format of a table (see three following pages) which I've adapted from a model developed in the Business Development course. It must be noted that this table is given as an illustration as to how such concerns might be put into practice based on the experience of the PCRSP. It doesn't have the pretension of being an exhaustive checklist of issues and means.

The means that I have listed have not all been experimented in the project. I have used the following legend in the table to give some indication of the practical application of each one:

- + successful implementation
- ± implemented but results uncertain
- implemented with negative results
- ? not experimented

ISSUE	MEANS
<i>job creation</i>	<ul style="list-style-type: none"> <li>+ direct creation of three "good" jobs</li> <li>+ jobs directed towards selected targets (women; unemployed)</li> <li>+ job qualifications and definitions modified to "fit the people"</li> <li>+ good pay rates, fringe benefits, working conditions (health and safety)</li>   <li>+ indirect creation of jobs by the setting up of new organizations whose operations were, in one way or another, directly related to the PCRSP:               <ul style="list-style-type: none"> <li>• new worker co-op (housekeeping services): 7 jobs</li> <li>• new "drop-in" day-care centre: 3 jobs</li> <li>• new shelter for the homeless: 4 jobs</li> <li>• new press clipping service: 1 job</li> </ul> </li> </ul>
<i>worker empowerment</i>	<ul style="list-style-type: none"> <li>+ all staff are members of the CDCBF's work team (collective management)</li> <li>+ priority to worker co-ops in development of new organizations</li> </ul>
<i>employment training</i>	<ul style="list-style-type: none"> <li>+ on-the-job training (maintenance, office work, computers)</li> <li>+ use meeting rooms as classrooms for "employability" programs</li> </ul>
<i>leakage</i>	<ul style="list-style-type: none"> <li>+ policy of priority to locally-produced goods and services</li> </ul>
<i>multiplier effects</i>	<ul style="list-style-type: none"> <li>+ use of local credit unions</li> <li>? use equity as collateral for development initiatives</li> <li>? use equity as collateral for direct investment in other programs or ventures</li> <li>? use land as a nucleus for a community land trust</li> </ul>
<i>customer empowerment</i>	<ul style="list-style-type: none"> <li>- participation of tenants in the decision-making process (democratic governance)</li> <li>+ needs assessment before a new tenant is accepted (including an evaluation of the impact of the move on the organization's operations)</li> <li>± encouragement of consumer co-ops</li> </ul>

(continued on next page)

(continued from previous page)

ISSUE	MEANS
<i>neighbourhood shopping convenience</i>	<ul style="list-style-type: none"> <li>- commercial space for a consumer co-op</li> <li>+ fully-equipped meeting rooms</li> <li>+ new mailbox</li> <li>+ collective commercial services (self-serve photocopy centre)</li> <li>? commercial space for locally unavailable goods and services</li> </ul>
<i>support of community-based organizations</i>	<ul style="list-style-type: none"> <li>+ "hassle-free" rent where everything but tenant insurance is included: utilities (heat, light, water); maintenance (including sanitation supplies [light bulbs, soap and toilet paper] and minor repairs); housekeeping (weekly); snow removal</li> <li>+ financial contribution from the PCRSP to poorer tenants</li> <li>+ group purchasing (heating oil)</li> <li>+ collective use of expensive or little-used equipment postal scales and meters, television sets, video-cassette recorders, fax machines, computer networking and file sharing)</li> <li>+ priority referral services among the various tenants and CBO community</li> <li>+ collective fully equipped meeting rooms and reservation service (free of charge to all CDCBF members and PCRSP tenants)</li> <li>+ reception area for parcels, etc.</li> </ul>
<i>networking of CBOs</i>	<ul style="list-style-type: none"> <li>± social activities for all CBOs (tenants and non-tenants)</li> <li>+ leaflet stand in the reception area</li> </ul>
<i>visibility</i>	<ul style="list-style-type: none"> <li>+ public acknowledgement of CDCBF's ability to handle complex projects</li> <li>+ signs (outside; inside corridors)</li> <li>+ bulletin boards (reception area; beside each door)</li> <li>+ collective public relations initiatives (open-house, public tours)</li> <li>+ reception area serves as reference to other community-based services</li> <li>± promotional literature</li> </ul>
<i>feminism</i>	<ul style="list-style-type: none"> <li>+ policy of non-discrimination against women</li> <li>+ policy of encouraging the equal participation of women at all levels (staff; board; committees)</li> <li>+ feminization of all written material</li> </ul>

(continued on next page)

(continued from previous page)

ISSUE	MEANS
<i>integration of the handicapped</i>	+ inside of the building 100% accessible (elevator to upper floor, ramp to half-basement, door widths modified, light switches and outlets at wheelchair height, adequate space and hand bars in washrooms, ramp to the front door, etc.) + reserved parking outside + spare wheelchair and technical aids for the hearing impaired
<i>environmentalism</i>	+ exclusion of industrial polluters, producers of nuclear energy ± environmental-impact assessment (tenants, renovations) ± efficient use of energy + policy to encourage recycling throughout the building + policy to optimize use of space and materials "as is" at the time of acquisition
<i>pacifism (anti-militarism)</i>	+ exclusion of the military (regular forces, reserves, cadets) and military producers

Only two items have been identified as having had negative results:

- participation of tenants in the decision-making process (democratic governance): in fact, no adequate solution has been found as yet to the problem of incorporating the rights in the decision-making process of non-member [of the CDCBF] tenants and of CBO members of the CDCBF who are not tenants;
- commercial space for a consumer co-op: the relocation of a co-operative butcher shop and its subsequent expansion to include convenience items did not work out and the co-op folded two years later <sup>9</sup>.

---

<sup>9</sup> In all fairness, the closing cannot be attributed to the PCRSP however. The coop in question was about to cease its operations in the spring of 1988 because of declining membership. It was hoped that a move to the PCRSP would help increase the number of members because of the number of workers and other people circulating in the building every day. It did work out. The move did nevertheless provide for two years of additional operations.

**Objective:** *to identify the principles upon which land and buildings can be used as development tools in community development, on economic, organizational, functional, visibility and influence levels*

**Results:**

The following were recommended by the PCRSP's advisory committee and adopted by the CDCBF's board of directors:

- the building will be a development tool for all of the community-based organizations and "development" will not be considered as exclusively financial in nature;
- the means selected will be measured against the the global and specific objectives of the CDCBF [adopted at its orientation convention in 1988];
- the break-even point will ideally have been reached before any development involving financial implications can be undertaken;
- the use as a development tool will be primarily oriented towards new community-based organizations, those in various stages of development or in difficulty or having little resources;
- the means selected must not have a negative impact on the activities or the operations of any community-based organization [in the area];
- the building must encourage the vitality, dialogue, public visibility and influence of the community-based organizations.

The adoption of principles *before* action had served the original *ad hoc* committee quite well. This was reconfirmed here in the sense that these parameters precluded most discussions and initiatives which might have led those responsible astray from the project's goals.

**Objective:** *to introduce the concept of using fixed assets as development tools within the structure of the Corporation de développement communautaire des Bois-Francs*

**Results:**

This concept has not yet permeated the whole structure of the CDCBF although both the board of directors and the staff are well aware of the building's potential. Nonetheless, few steps are taken from a perspective of development and I believe that few will be taken in the future until

the project is financially viable: simply put, development opportunities are overshadowed by preoccupations with day-to-day management problems.

For example, at the outset of the PCRSP, a decision was made to set up a worker co-op to do housekeeping tasks instead of hiring an employee. It was believed that the multiplier effects would be greater if the PCRSP was a major, stable client instead of an employer: this held up to be true as the co-op now has many other clients and has expanded to seven full-time members.

However, for quite a while tenants had been critical of the quality of the work done by the worker co-op and, at a tenants' meeting, it was decided that an assessment should be made of what would happen if housekeeping services were removed from the overall rental package, each tenant being henceforth responsible for the cleanliness of their rented space. Unfortunately, the staff person responsible for the PCRSP began a leave of absence shortly afterwards. The person who replaced her acted unilaterally and as a consequence, thirty-odd separate agreements now have to be negotiated which has resulted in cost increases to many of the tenants — some as high as 20%.

On top of this, the replacement person was ready to give the PCRSP's contract (hallways, washrooms, etc.) out to another firm but she was overruled by the CDCBF's board of directors which insisted on a meeting between its development officer and the coop's membership to find out what was wrong. The meeting proved to be quite fruitful with all of the coop's members being made aware of the problems — management had not shared the information... A more precise contract was worked out with the PCRSP.

The problem here is not that of an uninformed replacement person: in fact, she knew the workload inside out, having been a member of the original *ad hoc* committee and then the PCRSP committee since its inception. This person had also been responsible for all of the PCRSP's accounting. She had also been a founding member of the CDCBF and a board member for three years. Furthermore, had she acted alone, it could be said that *she* was the problem. But her actions had in fact been sanctioned by the PCRSP committee.

The lesson learned is that an attitude oriented towards development requires the constant scrutiny of initiatives by knowledgeable people in order to assess their impact from a development point of view. Such expertise usually comes from training. Unfortunately, few training programs adapted to CED realities are available and, most importantly, training takes



time. When daily problems occur, i.e., when time is at a premium, non-essential tasks — such as training sessions — are shelved.

No solution has as yet been found as the issue remains unexplored. This situation should change when profitability has been assured.

*Objective: to create an advisory committee <sup>10</sup> to the permanent work team of the Corporation de développement communautaire des Bois-Francs for the use of economic tools in community economic development*

*Results:*

This was done although the committee is accountable to the PCRSP committee and not to the work team. Its members are:

- ◇ the general manager of the credit union handling all banking transactions for many community-based organizations, including the CDCBF and the PCRSP;
- ◇ a chartered accountant (auditor and financial counsel for many community-based organizations, including the CDCBF and the PCRSP;
- ◇ a lawyer (legal counsel to many community-based organizations);
- ◇ a stockbroker;
- ◇ a member of the permanent committee of the PCRSP;
- ◇ the coordinator of the CDCBF.

*Objective: to increase the dialogue between the outside advisors and the persons directly involved in the structure of the CDCBF, including the operations of the PCRSP*

*Results:*

This was not quite successful. The dialogue was to begin with the advisory committee and this worked for a while. The problem was that I personally was responsible for the advisory com-

---

<sup>10</sup> This committee should not be confused with the PCRSP committee. See also the CDCBF's organization chart (appendix II).

mittee and that I was not a member of the PCRSP committee. Inevitably, when I began a leave of absence in the summer of 1990, no further contacts were made with the advisory committee.

In the eyes of many members of the PCRSP committee, the advisory committee was seen as merely a sounding board for ideas and therefore no further dialogue was deemed necessary. Here again, the notion of strengthening outside contacts to increase the building's potential for development purposes was completely absent. A re-examination of the PCRSP committee's relationship with the advisory committee is presently in the works.

Two things to remember:

- ensure frequent communication between persons responsible for committees within the same sphere;
- clarify a committee's mandate at the outset, re-examine it regularly, and adjust it if necessary.

It is also important to bear in mind that volunteer committee members must believe that their contribution is useful. This requires a minimum of communication, especially when intervals between meetings are lengthy. In the case of the advisory committee, members have had not direct contact since May, 1990. A recommendation was made to the PCRSP committee to communicate with the persons involved immediately after the re-examination.

*Objective: to permit the translation into English of certain documents developed by the Corporation de développement communautaire des Bois-Francs*

*Results:*

The following documents were translated during the course of the project:

- CDC membership list;
- list of principles relating to the purchase of the Hydro-Québec building;
- list of principles underlying the use of land and buildings as development tools in community development.

### MAXIMUM OBJECTIVES

*Objective: to stimulate the creation of a development fund for community economic development in the Bois-Francs region*

*Results:*

This was not explored although it still remains an objective for more than a few people. Here again, the lack of profitability and expertise have delayed work on this initiative.

*Objective: to repatriate, for community economic development purposes, rents paid to outsiders*

*Results:*

This was done: rents are now paid to the CDCBF and the CDCBF decides how they are to be used. A brief analysis of the last available financial statements <sup>11</sup> indicates some interesting facts:

- between June of 1988 and March of 1990, \$ 777,000 flowed into the PCRSP's bank account:
  - \$ 235,000 in rents from community-based organizations;
  - \$ 92,000 in rents from other tenants and other income;
  - \$ 262,000 in government grants to cover some of the renovations; and
  - \$ 187,000 in short term loans;
- between June of 1988 and March of 1990, the same \$ 777,000 flowed out of the PCRSP's bank account:
  - \$ 165,000 back to community-based organizations (including the worker co-op) as salaries, contributions, contracts;
  - \$ 133,000 to local suppliers (including \$ 36,000 in interest to the credit union);
  - \$ 449,000 for renovations, the bulk of which went to local suppliers; and
  - \$ 63,000 to outside suppliers (almost exclusively Hydro-Québec).

---

<sup>11</sup> For the years ended March 31<sup>st</sup>, 1989 and 1990.

These figures show that the CBO community is controlling the lion's share of income which used to go into other hands — and pockets. Moreover, local suppliers have also benefited substantially from this initiative. On an annual basis when all available space will be rented, rents and other income should amount to \$ 250,000.

*Objective:*        *to collectivize the use of certain land and buildings owned by community-based organizations in the Bois-Francs region*

*Results:*

At least two deals were considered during the course of this project. The purchase of the land and building owned by the *Centre pour handicapés physiques* — at the time, a future tenant of the PCRSP — was on hold until the organization decided to relocate only its manufacturing operations to the PCRSP and keep its building for commercial operations. As to the purchase of the land and building owned by the *Club coopératif de consommation de Victoriaville*, another prospective tenant, any deal was rejected outright because of the sorry state of the structure.

Much work needs to be done towards this the concept of collective use of land and buildings. An example relates to two co-ops. For more than a year, the CDCBF's development officer worked with representatives of two consumer co-ops to develop a strategy which would result in the merger of the two into a new one and a subsequent relocation to the PCRSP. At the time, both were in decline in terms of membership and volume.

The deal didn't work out for a number of reasons, but the fact that one co-op already owned its building and that the other didn't was a sore point. Members of the "owner" co-op couldn't see why they should sell their building and rent elsewhere — even if there was a collective ownership of sorts through their membership in the CDCBF. Moreover, they couldn't understand why they couldn't individually pocket any windfall profit which might result from the sale of "their" land and building. Sadly, this co-op folded about six months after the merger deal fell through.

In another vein, the PCRSP still has the potential to serve as the nucleus for a community land trust and this will be seriously investigated this spring (1990).

**Objective:** to become the nucleus for a "sustainable development" approach to local and regional development in the Bois-Francs region

**Results:**

The ownership of the PCRSP has sparked a new interest in both urban planning and economic development.

The attempt to purchase a lot adjacent to the PCRSP and to convert most of it into a public park forced the PCRSP committee members, as well as the board and staff of the CDCBF, to acquire a working knowledge of zoning, of how a city decides to acquire or divest itself of property, and of how municipal planning is done. A little later on, the city of Victoriaville asked the CDCBF to submit a brief regarding the drafting of its land use plan.

The CDCBF's board of directors decided to make the brief a priority and even postponed the annual general meeting in order to ensure that sufficient time would be available to produce a well thought-out document. The actual text became more a proposal to submit a brief, however, because of the CDCBF's inexperience and lack of knowledge in matters of urban planning. It was nevertheless one of the better submissions and it included a wide range of preoccupations and concerns relating to social and ethical issues.

Similarly, the credibility resulting from the sheer scope of the PCRSP project is such that the CDCBF has been called upon to work with a number of other local development agents. In particular, it now participates in the *Comité d'aide au développement des collectivités* (Community Futures Program), a newly-formed group whose mandate is economic development in a more traditional sense. This committee has produced a strategic development plan oriented towards training and investment for the area: the CDCBF was able to include the notion of some form of alternative development in this plan.

Throughout all of this, the CDCBF has had to refine the articulation of its development goals and strategies. All in all, the realization of this objective has only just begun.

**Objective:**        *to increase the visibility and the credibility of the community-based organizations in the Bois-Francs region*

**Results:**

This objective is also long-term in nature. It can be surmised that the CBOs in the region already had a certain amount of credibility before the project: otherwise, the city would not have been so generous. However, the *increase* in the visibility and the credibility of the community-based organizations has been substantial.

Locally, the size of the building itself makes it stick out like a sore thumb. Furthermore, the great number of different organizations in the same place makes it easier for people to get to know other services.

Visibility of the CBOs has reached beyond the borders of the Bois-Francs region. With the PCRSP being the nucleus of a tour package of community-based organizations in Victoriaville and being part of other packages, busloads of tourists from other regions are made aware of the cohesive network of community-based services in our area. These activities, however, drain an enormous amount of time and energy. Because of this, only tours having a specific focus of some kind will be accepted in the future.

Other public events also have had an effect of boosting visibility. Two stand out:

- The third "Québec Municipality Week" was officially launched by the Minister of Municipal Affairs in Victoriaville — after Montréal and Québec City in the two previous years — specifically because of the city's contribution of the Hydro-Québec building to the community-based community. The event was televised provincially with highlights of the many provincial dignitaries visiting community-based organizations or eating lunch in the soup kitchen.
- In 1989, the CDCBF won the Alphonse-Desjardins Prize in the "community services" category. The \$10,000 windfall has been reserved for future development purposes and the positive notoriety that accompanies this honour within the credit union movement is not negligible.

Credibility has increased as exemplified by the CDCBF's participation in the *Comité d'aide au développement des collectivités* and when the city of Victoriaville asked the CDCBF to submit a brief regarding the drafting of its land use plan (see previous objective). This was quite a step because the city had not been this open to outside opinions and advice in the past. Beyond all expectations, the CDCBF was invited subsequently to participate in further consultations.

*Objective:* to serve as a model for certain community development activities elsewhere

*Results:*

This is just beginning and it is still a little scary.

Community activists from a number of other similar urban areas (Sorel, Granby, Joliette, Buckingham) have come to Victoriaville to see the project for themselves. On at least one occasion, they even brought along civic officials to meet with counterparts in Victoriaville in order to show them how a city can support community-based organizations. As the PCRSP continues to prosper, it will come under even more scrutiny from other CED practitioners elsewhere.

The "scary" part comes from the fact that the PCRSP is a relatively new initiative. It will be completing only its third year of operation in June of this year (1991). Its foundations are still fragile and it is still in the throes of organizational problems. Little critical analysis has so far been done and little is foreseen until financial viability is relatively guaranteed. The only major work done on it is this very paper and the fact that it is in English makes it a little useless as most community activists, including and especially CDCBF board and staff members, are unilingual francophones. [I have offered to meet with the PCRSP committee members, as well as with the board and staff of the CDCBF, to share my thoughts as contained in this paper.]

On the other hand, there are so very few CED projects in the Province of Québec that it is imperative that the PCRSP's strengths and weaknesses be shared with others who are working towards the same goal. Here too, results will only be known later on.

### ADDITIONAL LESSONS LEARNED

On the whole, most of the other lessons to be learned from this project have little to do with buildings and much more to do with people.

*lesson: People will not necessarily implement plans that they have not developed.*

This is probably the most valuable lesson that I learned in this project even though I've known it for quite some time. It is such an elementary concept that I forgot it while I prepared my leave of absence: six months later, I find that the remaining members of various committees have adopted other priorities and many old plans have been left by the wayside.

One of the strengths of the *ad hoc* committee which did the initial study of the Hydro-Québec building was the fact that it was a successful team exercise: although tasks were performed individually, the entire committee felt accountable for every aspect of the work involved. Alas, the same cannot be said for the present committee responsible for the PCRSP.

When people have not developed a plan, they will be more likely to forget the principles upon which the plan was originally based as these become overshadowed by day-to-day management problems. Using the building as a CED tool was an idea put forward by people — myself included — who are no longer present in the decision-making bodies. I should have foreseen that my departure would require some strategic planning if my ideas were to be pursued: I could have done more to convince committee and staff members of the merits of maintaining an eye on development issues.

As it stands now, little has been lost but time (with a few minor exceptions). It will take a bit of effort to re-introduce concepts linked to development.

I hope that my offer to meet with board, staff, and committee members to brief them on this paper will be accepted: it could easily re-ignite interest.



*lesson: Changes in committee membership must be accompanied by training and commitment to principles.*

New people — even the most intelligent, even the most articulate — don't necessarily carry the burden of the committee's principles and values from the outset. This is especially true in the case of "technical" committees, such as the management of a building. Furthermore, lack of training breeds insecurity which in turn engenders a "wait and see" attitude.

At a minimum, training should allow new members:

- to understand and adhere to the principles underlying the work that is to be done;
- to understand the relationship between the committee and the organization's other components;
- to know what is expected of them and what their limits are, individually and collectively.

In order to maintain a course based on principles, there must be a continuity of understanding and of commitment. Even if everyone understands the plan, if there is no commitment to seeing principles through — which was the case with, among others, the worker co-op saga — then other priorities based on more immediate concerns will often supersede the original plan. It thus becomes essential that a training session with new members, no matter how brief, include a re-affirmation of commitment to principles.

*lesson: Financial feasibility must be assured before attempting to use a building for community development purposes.*

A corollary would be that emphasis on economic considerations is directly proportional to the size of a projected deficit.

Profitability does not necessarily have to be attained but the people involved in the decision-making bodies must have a feeling that operating deficits will cease at a definite point of time. This is especially true at the beginning of a project when losses occur due to revenue shortfalls — during renovations for example or while reserving space for specific future tenants.

Risk-takers would probably argue that profitability is a question of additional revenues and would be more likely to charge ahead with projects with "charge" being the operative word in its "acquiring debt" sense. The PCRSP committee and the CDCBF's work team are all individuals

with no business training and with little business management experience. In their minds, profitability has instead become synonymous with the reduction of the operating deficit by the elimination and/or reduction of expenses. Whereas the decrease of those related to servicing debt, i.e., the cost of financing the building, can only have a positive effect, retrenchment of others — such as trimming management hours worked in order to lower compensation expenses — can have serious consequences.

It goes without saying that a committee that cuts back on essentials will have little inclination for new development initiatives. At best lip-service will be paid to the issues but no action will be undertaken or even planned until current losses and accumulated deficits are eliminated.

## CONCLUSION

Buildings can serve as tools for community development.

This is at once heartening and depressing.

There are many buildings around. To know that many if not virtually all of these have the potential to help people — all people but especially those who have been shut out — to take charge of their own lives, to control their environment and their resources, and to map out their collective destiny is without any doubt most encouraging. The message here is clear: there are tools out there and CED practitioners must make use of them to continue their — our — struggle.

But the symbolic value of buildings is too easily reduced to their physical characteristics and community development can quickly become confused with an acquisition process whose materialistic objective would be to enable people to enter the mainstream of capitalist society. Ownership becomes more important than ensuring that those who need something have the use of it and can benefit from it. Cutting back in order to stem a loss becomes more important than finding new ways to finance essentials or to ensure adherence to principles.

One of the greatest difficulties facing community economic development today is that of trying to elevate the debate around change to a another level, a higher plane on which both individuals and systems must be transformed in order that each may play a role towards the advent of a society based on principles of social justice, a level where buildings become truly secondary to human concerns.

Buildings are tools, means to an end and not an end in themselves. This, we must never lose sight of.