

BUILDing Change:

Integrating community-based planning and policy reform through social enterprise



Photo: <http://www.flickr.com/photos/lajs/>

Abstract

Winnipeg's BUILD Inc. has a track record of innovative green retrofit work in low-income communities, that unites job training and life skills, utility bill reductions, community revitalization, and local economic development (all various forms of community-based planning). Increasingly aware of how existing legislation can make it difficult for such crucial meshings to develop, BUILD has begun to extend its work into planning and advocacy for legislative policy change. Through its work on the ground, BUILD has already been 'connecting the dots' between poverty, crime, and climate crisis. Now, it is also working to make these connections more apparent and public. This involves bringing together issues as diverse as employment, small-scale renewable energy, and local food. It also necessitates dialogue between people with diverse political views, as well as range of socioeconomic groups – that may not often interact with each other. BUILD's current work merits consideration as a leading-edge example of integrated, community-based, social/economic/environmental planning and policy change. For planners seeking to develop more collaborative, holistic, and integrated approaches to practice, the case of BUILD may have something to offer.

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“Poverty reduction isn’t about money, it’s about power”



Background

Energy Poverty and BUILD

As climate change and energy use continue to become increasingly pressing issues, more attention is being paid to how homes and other buildings can become more energy efficient and less dependant on fossil fuels.

However, this slow shift away from greenhouse gas-emitting fossil fuels towards cleaner energy sources raises the issue of affordability in low-income households and neighbourhoods. Reducing natural gas use in favour of renewable energy and more efficient retrofitting, for example, can often mean high costs for the supplies, materials, and infrastructure needed to retrofit buildings and to generally re-invest in cleaner energy sources (Lee, Kung, & Owen, 2011). The result for low-income

communities and households can be an increase in energy poverty, “which exists when households have to spend a disproportionate amount of their income just to meet basic energy needs, especially necessities like home heating” (Lee, Kung, & Owen, 2011).

For Canadian low-income families – the majority of whom live in older houses with poor insulation and high upkeep costs (Loney, 2009) – more energy-efficient homes would be extremely beneficial. But how can this be accomplished by decreasing (rather than exacerbating) energy poverty? One answer to this question can be found in low-income energy efficiency programs such as BUILD and its “Warm Up Winnipeg” program. These can have positive results both in terms of utility bill reductions, as well as job creation and resultant economic benefits for low-

income communities.

BUILD began in 2006 as a pilot project to increase the energy and water efficiency of low-income homes in Winnipeg’s North End (mostly in social housing units), through energy-efficient retrofits. Most BUILD employees do not have a high school diploma or a driver’s license, many have criminal records, some wrestle with addictions, and many come from tumultuous home environments.

Under Warm Up Winnipeg, BUILD hires trainees for its six-month training program, which includes not only on-the-job training from journeymen and Level 1 apprentices, but also assistance in areas like life skills, money management, tutoring, and driver’s training. This helps trainees to “form a holistic plan for personal growth, healing and skills development during their employment at BUILD” (BUILD, 2011). BUILD also

*“The best social program is a job”
- Shaun Loney*

hires Aboriginal apprentices in its Level 1 Carpentry apprenticeship program.

This approach seeks to address energy efficiency through its retrofits, and it also helps revitalize inner city neighbourhoods on a social and economic level by providing employment within low-income communities (BUILD, 2011).

Although BUILD has emerged as a leader with a strong track record in low-income water and energy efficiency work that results in both economic and social/community benefits, it hasn't stopped there. It is now in the midst of expanding its scope to better realize the full socio-economic and environmental implications of its work, through engagement in policy advocacy and reform.

Efficiency program, as well as the Manitoba Hydro Act (which was written in 1960, with no provision for energy efficiency, let alone for low-income households) (Loney, 2012).

Although BUILD states that Hydro does its best “to extend energy efficiency benefits to low income customers” despite such restrictions, there is room for improvement. Under the current structure, “social assistance recipients, families living above low-income cut-offs and renters” are all ineligible for the Low-Income Efficiency Program. Furthermore, those low-income families who do qualify are “difficult and expensive to find” (BUILD, 2011). BUILD’s proposed changes to Hydro, partly inspired by Kansas’ “How\$mart” program (www.mwenergy.com/howsmart), are intended to broaden its retrofit work from just social housing to low-income homeowners as well.

Participation in BUILD Programs	
April 1, 2010 to March 31, 2011	
Construction Industry Programs	
CPR	33
Asbestos	34
WHMIS	34
Educational & Skill-Building Programs	
Tutoring & Upgrading	28
Drivers' Education & Licensing:	
Participants	47
Fine Deductions	15
Beginners' Test Achieved	19
Drivers' Test Achieved	9
Life Skills & Cultural Programs	
Banking Workshop	28
Budgeting Workshop	9
Bank Account & IDs	35
Bed Bug Awareness	29
Parenting Program	20
Sweat Lodge Ceremonies	28
Retreat at Jessie Saulteaux	14

Facts of the Case

BUILD and the Policy Context

Despite a background of innovative and encouraging work, BUILD realized early on that existing policy and legislation were inhibiting the extent to which communities and individuals could benefit from lower utility bills and more employment opportunities. According to BUILD CEO Shaun Loney, “we’re learning as we go along, [and] we knew then [in the early stages] that the legislation was out of date” -- referring to Manitoba Hydro’s Low-Income

‘Retrofitting’ MB Hydro

What would this look like? Currently, these changes have been put before the government of Manitoba in the form of new proposed legislation that would: see at least 40,000 low-income homes receive bundled retrofits (combining basement, attic, and water retrofits); implement retrofits on a neighbourhood (rather than an individual scale); permit Manitoba Hydro to add the financing charges of retrofits

to utility bills (as opposed to large up-front costs); and prioritize social enterprises such as BUILD and others for such retrofit work.

Not only would this create even greater employment opportunities in low-income communities, it would also greatly reduce utility bills and greenhouse gas emissions – a case of both social and environmental benefits.

Actions and Interactions

The implementation of innovative and substantial policy changes depends on interactions between multiple groups from a wide range of sectors and with varying political and ideological backgrounds.

Interaction with the provincial government is of course key to putting these types of changes forward. Understanding government's needs and abilities is crucial: as Loney remarks, one can't just approach government and ask for money, because often the money is just not there. Instead, BUILD has found that presenting government with ideas that will actually *save* money and energize the local economy is much more effective (and in the long-run more widely beneficial). Also, being respectful yet persistent is important in challenging and changing the status quo.

Although these types of interactions are very institutional, they need a relational foundation in order to be productive and

successful. Brendan Reimer of the Canadian CED Network's Manitoba branch (which was involved in advocating for the legislation) remarks that, "informal dialogue...with political staff, politicians, and other civil servants" forms ongoing relationships that are "a very important part of policy change."

Interactions between BUILD and other social enterprises and non-profits have been equally important. Having all social enterprises relevant to the new policy proposal working together, presents a united front. It also goes a long way in showing the more than ample capability of social enterprises to carry out new the new work that will come should the new legislation be accepted.

Relationships with

2012-10 Reducing utility bills while creating economic opportunities for low-income Manitobans

Be It Resolved That: CCEDNet Manitoba coordinate a province wide endorsement campaign to see a hundred or more organizations provide written support for legislation that will:

- Mandate Manitoba Hydro to ensure that 40,000 or more homes "where low income families and individuals live" (including where social assistance recipients and renters live) receive deep retrofits in the next 8 years in order to lower their utility bills;
- Take a neighbourhood approach – meaning entire low income neighbourhoods and/or communities will be retrofitted at one time;
- Give Hydro all tools necessary to meet their mandate including permitting Manitoba Hydro to finance energy efficiency retrofits in a similar fashion to how they offer energy services via charges on utility bills; and
- Require Hydro to work with social enterprises who hire people that are underrepresented in the trades to do the work.

Above: an excerpt from BUILD's policy change proposal as it appears in CCED-Net Manitoba's adopted policy resolution. (As a member, BUILD submitted its proposal to CCEDNet, and it was adopted as one of CCEDNet's 2012 policy resolutions).

Ongoing relationships are "a very important part of policy change" - Brendan Reimer

Pollock's Hardware, a north-end consumer cooperative where BUILD purchases materials, and Neechi Foods Community Store, a worker's cooperative where BUILD purchases food for company functions (BUILD, 2011), are examples of social enterprises working together. BUILD is also the largest customer of both Pollock's and Neechi.

Additionally BUILD, along with Pollock's and Manitoba Green Retrofit (a partner social enterprise involved with bedbug remediation, water retrofits, and apartment turnovers) recently purchased a building in Winnipeg's inner city Point Douglas neighbourhood. Named the Social Enterprise Centre, this building is a first for Western

Canada and houses organizations such as BUILD, Manitoba Green Retrofit, CCEDNet Manitoba, Local Investment Toward Employment. The building also has mentorship and short-term office rentals available for potential social enterprise start-ups. BUILD sees the centre as an exciting opportunity for these types of organizations to "help each other grow so we can capture more community benefits" through stronger connections and relationships (BUILD, 2011).

Conclusions & Outcomes

Spreading the Word

One concrete outcome from BUILD's work has been a growing interest in starting similar initiatives in other places. In 2010, BUILD helped mentor Choices for Youth, a "Community-based, not-for-profit organization which provides youth with a range of supportive housing options" in St. John's, Newfoundland (Choices for Youth, 2011). Choices for Youth's "Train for Trades" program offers skills and employment training to at-risk youth, who work on energy efficient retrofits for low-income families (Choices for Youth, 2011).

Looking Forward

As the legislative changes



Above: the location of the new Social Enterprise Centre. Current tenants include BUILD, LITE, Social Purchasing Portal, Point Douglas Residents Committee, ACT Mount Carmel Clinic, and Manitoba Green Retrofit. The top floor contains studio space for community artists. (Photo: Jonathan Hildebrand).

proposed by BUILD still need to pass through legislative readings to be approved, their full impact has not yet been realized. Looking forward, though, BUILD sees some profound outcomes as a resulting from these potential shifts in policy. Through energy retrofits in 40,000 Manitoba low-income homes, BUILD estimates – based on research and on its previous work – annual utility bill reductions of \$40 million. BUILD also estimates that these retrofits, over a ten-year period, could result in over 350 new jobs a year, the majority of which would be within Manitoba. Finally, retrofits to 40,000 homes could result in a three tonne reduction in greenhouse gas emissions per home – 120,000 tonnes per year (Loney, 2012).

The Broader Picture

BUILD’s retrofit work has simultaneous benefits in terms of job creation, crime reduction, neighbourhood revitalization, and greenhouse gas emissions, and its proposed new legislation is seeking to make these benefits more accessible. However, BUILD is also beginning to explore and advocate for policy changes in the way of ‘mainstreaming’ things such as ground source heat pumps (geothermal energy), wind and solar power, and biomass – essentially, ways in which Manitoba could shift from fossil fuel reliance in favour of alternative energy sources. This

Reduction	Total Direct Cost	Total Annual Utility Bill
\$ / Private Home	\$7,000	\$1,000
Total to Retrofit 40,000 Leakiest Low-income Single Family Dwellings in Manitoba	\$28 million / year (\$280 million total)	\$40 million / year Net Present Value = \$700 million

Total Employment Creation - Low-income Energy Efficiency	
Total Spending (\$7,000 / house @ 40,000 houses)	\$280 million
50% labour	\$140 million
50% materials	\$140 million
\$40,000 average annual salary on labour portion	3,500 person-years employment

could have implications for local jobs, the local economy, and even a greater emphasis on local food and agriculture (Loney, 2012).

Lessons Learned

A Different Approach

Stepping outside the status quo has always been crucial to BUILD’s approach and to its success. It is difficult to realize profound change when operating in a system with many failings, and in this regard BUILD has been intentional about taking a different approach to community development. Not wholly a non-profit yet not wholly a for-profit business, BUILD defines itself a social enterprise – “essentially a non-profit company with a strong social objective that is doing business in the market place” (Loney, 2012). In its retrofitting of Manitoba Housing units, BUILD charges market rates and does virtually all the

“[In Manitoba] there are farmers wanting to harvest energy, electricians and plumbers to install solar, aerospace industry for wind blades and so on...”
- Shaun Loney

“The triple bottom line - profit, people, planet”
- BUILD

insulating and water retrofits for Manitoba Housing in Winnipeg, often employing workers who are Manitoba Housing tenants. According to BUILD, working with social enterprises in this way can “maximize benefit to the taxpayers because government is getting both market rates and the added value of community employment” (Loney, 2012). For planners involved with social planning, community development, and policy work, social enterprises such as BUILD provide good models for realizing changes in communities, in social structures, and in the environment.

It’s About Power, Not Money

BUILD has found that doing this kind of community-environmental work is about transferring power to people who don’t traditionally have it, rather than throwing money at problems. It has also tried to steer away from the two traditional approaches to creating

prosperity: 1) the ‘trickle-down,’ big business model, which can be very limited in reaching the most marginalized communities, and 2) the wealth redistribution model, which often amounts to throwing money at issues – with limited long-term impact. BUILD’s model seeks to empower marginalized communities through a social enterprise approach at the community level, looking at its work through issues of marginalization and power, rather than solely money.

Start Small, Demonstrate Success

Although it has been operating since 2006, BUILD has only now begun expanding its horizons to include wider policy advocacy and change. Two years ago it had twenty trainees at a time, a number that has now expanded to 40 at a time (80 people a year) (Loney, 2012). In 2011 BUILD won Scotiabank’s EcoLiving Business Leadership Award, which recognizes Canadian businesses dedicated to improving energy efficiency. The expansion of similar programs in St. John’s and Brandon, Manitoba also point to increasing readiness and capacity for social enterprises to take a more prominent role in the increased opportunities for work that BUILD foresees will come about through its new proposal.

Work Across Boundaries

Working across boundaries is of particular interest and



Above: BUILD’s 2012 crew.

application to planners interested in more collaborative and multi-stakeholder approaches to planning. For BUILD, engaging with groups as varied as rural farmers, urban poverty activists, and civil servants means being willing to dialogue across ideological lines, finding ways in which people and organizations with potentially different value systems can work together. It

is necessary to find a common language, and BUILD often uses the language of economics and prosperity – specifically, outlining how its proposals could have large economic paybacks for Manitoba and Manitobans – and connects it to other issues such as poverty and greenhouse gas emissions. Not only does this work towards uniting multiple perspectives, it also makes the connections

between multiple issues.

With a potential ‘new phase’ of work coming with its new proposal, it will be interesting to see how BUILD can continue to apply lessons such as these (and learn new ones), while engaging and integrating varied community development issues.

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Images

All images and charts from BUILD Inc. and CCEDNet Manitoba unless otherwise noted.

