

WINNIPEG, MANITOBA

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Inner City Development Inc.

People who work in CED understand that there are many people who face significant barriers to employment in the formal labour markets. Social enterprises are quickly becoming a popular solution to this problem by using a business model to create social benefits where the market has not responded.

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Inner City Development Inc. is an example of a social enterprise working to create employment opportunities for people that the private sector has left behind.

In 2002, non-profit organizations and other partners created Community Ownership Solutions (COS) to provide meaningful employment for people in Winnipeg's inner city who live in poverty and are marginalized by systemic discrimination. COS acted as a community development corporation with a mandate to create quality jobs for low income people in Winnipeg's inner city.

COS quickly recognized that there was consider-

able housing activity going on in Winnipeg's inner city, which meant that local jobs and income were attainable through existing activities in the neighbourhood. Acting on this knowledge, COS created Inner City Renovations (ICR) as a social purpose enterprise which manages both financial and social bottom lines. The short-term benefits include employment for North End residents and the resulting local economic stimulation, and the completion of many successful building projects for community organisations as well as commercial businesses.

In the interest of starting additional social enterprises to continue expanding the opportunities →



➔ and community impact of their work, Inner City Renovations eventually became Inner City Development (ICD), with Inner City Renovations continuing as an operating division of ICD. Some of the main goals that ICD are committed to include:

- Quality full time employment for inner city low-income residents
- Better than average sector wages and benefits
- Training to its workers to gain skills and certification
- High quality home and commercial renovation and construction
- Employee ownership once the business units are stable and has completed two consecutive profitable years

For more than eight years, ICD has survived in the construction market, creating full-time jobs with average or better than sector wages, benefits, education and training, career laddering and a supportive work environment. The enterprise has annual revenues of \$2 million and has become financially profitable in the last two years and is now expanding into other sectors.

Inner City Renovation has had a significant impact on both individuals and the larger community. The facts don't lie; since start-up, ICD has:

- Completed more than 300 projects
- Generated more than \$9.3 million in earned revenue
- Paid out nearly \$4 million in wages and benefits to its employees
- Rejuvenated buildings in the inner city
- Contributed to the local economy by sourcing materials and services

- Provided both formal and informal training to all of its employees

ICD is achieving all this while focusing on people with barriers to employment and building work and life skills. At one point, half of ICR's staff had a criminal record (although that number has since come down). Close to two-thirds of the staff are Aboriginal and nearly half did not graduate from high school. Employees work alongside skilled tradespeople, receive academic upgrading, and work toward earning certification in construction trades. A sign of the great environment they have created for learning, working, and social inclusion is their low staff turnover that may require them to alter their social mandate or make a concerted effort to grow so that it can continue to hire more people from its target audience.

Over the past eight years, Inner City Development has built a solid infrastructure, partnerships, experience, and reputation. One home project won the grand prize in the 2005 kitchen competition sponsored by Ciao Magazine and Assiniboine Credit Union. In 2008 they were named "Employer of the Year" by the Manitoba Apprenticeship Board, and received Honourable Mention for "Business of the Year" for the Manitoba Excellence in Sustainability Awards. More recently, Marty Donkervoort (retired President and CEO of ICD) was nominated in 2010 as a finalist by Ernst & Young for Prairie Region Entrepreneur of the Year

Inner City Development is a highly successful social enterprise that is creating economic opportunities for many individuals while renewing housing, commercial infrastructure, and neighbourhoods using a CED approach. Their legacy will be the resulting impact in communities for years to come.