

# **COMMUNITY ECONOMIC DEVELOPMENT FOR TORONTO**

**WHAT IS CED?**

**WHAT DOES CED ACCOMPLISH?**

**WHY DO CED?**

**HOW TO DO MORE CED SUCCESSFULLY?**

**PREPARED FOR: THE TORONTO CED LEARNING NETWORK**

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THE COMMUNITY ECONOMIC DEVELOPMENT TECHNICAL ASSISTANCE  
PROGRAM (CED-TAP)**

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## **Preface**

***This document arose out of a desire on the part of practitioners of community economic development in Toronto to explain what CED is and to identify what is needed to promote CED more widely.***

***It is not a “how to” document, but rather a document explaining “what,” “why” and “what next.”***

***It is intended for a range of audiences: governments, philanthropic foundations, private businesses and the community sector, to help illustrate how CED can contribute to employment development and the enhancement of the quality of life of our neighbourhoods.***

***The preparation of this document has been greatly aided by the comments and input of numerous individuals, in particular by a working group made up of representatives of Canadian CED Network, CED Technical Assistance Program at Carleton University, Dixon Hall, Riverdale Community Development Corporation and the Toronto CED Learning Network.***

***The preparation of this document would not have been possible without the financial assistance provided by CCEDNet and CED-TAP.***

## EXECUTIVE SUMMARY

### CED: A PROCESS, NOT A PRODUCT

Community Economic Development, or CED, is a term widely used yet far less widely understood. In part this is because CED can apply to many different activities, from starting a business to a community-wide strategic planning exercise. The truth about CED is that it is first of all a process, and only secondly an end-product. It is about how one achieves success – working with and for individuals and communities, and why one does CED – for social and economic goals, rather than only being about the number of jobs created or the profit earned.

### MULTIPLE BOTTOM-LINES

CED seeks to address several bottom-lines at once: at one level, employment-preparation for individuals and economic development for communities; at another level, supporting individuals in overcoming personal barriers and strengthening communities so that they can address their social challenges.

CED strives for economic success, but it also aims to help individuals achieve their personal goals while enhancing the capacity of individuals working as a community to create vibrant places in which to live and work.

### CHALLENGES:

#### A MIX OF GOALS

Because CED is focused on several goals, it is more challenging to implement successfully: it relies both on entrepreneurial know-how and community development sensitivity, a business can-do attitude and a social worker's understanding of the complex difficulties facing marginalized individuals and communities.

#### A MIX OF SKILLS

This complexity, however, frustrates funders, because CED does not easily fit into a recognizable category: CED initiatives end up having to knit together funding from single-purpose, disparate sources to provide the integrated range of services, supports and programs to address a multitude of issues simultaneously.

#### FUNDING

#### LONG TIME-LINES

It is this multi-faceted approach which is the great promise of CED – that is, its pursuit of social, economic and community development goals. Helping individuals with multiple barriers to employment attain a job or start a business results in a win-win-win-win for the individual, the community and the economy, ultimately benefiting governments with savings in spending on services and through increases in tax revenues.

#### INTEGRATION

#### CAPACITY

#### COOPERATION

#### COORDINATION

Nothing so rewarding comes easily – CED depends on implementers with a range of hard and soft skills, capable and enterprising agencies, longer time-lines for implementation, coordination among several programs, funders who “get it” and cooperation between the public, private and community sectors.

## TORONTO: CHALLENGES AND OPPORTUNITIES

### A CENTRE OF ECONOMIC WEALTH

- Toronto's \$98 billion GDP is one-tenth of Canada's, one-fifth of Ontario's
- Toronto is home to the head offices of one-third of Canada's top 500 companies
- Toronto and its surrounding area represent numerous key economic sectors
- Toronto contributes more to federal and provincial revenues than it receives in programs and services

### A CITY OF GREAT DIVERSITY AND VITALITY

- Almost one-half of Toronto's population was born outside of Canada
- One-third of all recent newcomers to Canada make Toronto their home
- Toronto's population is made up of over 90 ethnic groups, speaking over 80 different languages
- Toronto maintains numerous distinct neighbourhoods, defined by history, geography, ethnicity and a strong community preservation ethic
- Toronto has countless cultural, artistic, educational and recreational facilities, on a grand and micro-scale, reflecting both its size and its diversity
- All these features contribute to Toronto's capacity as a global city and as a competitor in the new economy, while also enhancing its quality of life

### A CITY OF GROWING INEQUALITY AND DISADVANTAGE

Yet Toronto also has significant social and equity challenges:

- Through the 1990s, median family incomes fell for all Toronto families, but more so for lone parent families and singles
- Through the 1990s, the poverty rate increased for seniors, lone parent families, children and youth
- Income disparity in Toronto between the richest and poorest is increasing
- Median income in Toronto's 12 poorest neighbourhoods declined by more than 15% during the 1990s, while the 12 wealthiest saw an increase of close to 10%
- Approximately 30,000 people use Toronto's homeless shelters each year, including almost 6,000 children
- In the GTA, 155,000 people used a food bank last year, including 57,000 children; one-fifth of food bank clients have a job

Sources: Toronto Board of Trade and United Way of Greater Toronto factsheets.

### WHAT THE FUTURE HOLDS FOR TORONTO DEPENDS ON THE ANSWERS TO THESE QUESTIONS:

Can Toronto maintain the quality of its urban life and its fabric of neighbourhoods when some neighbourhoods have significant numbers of residents without work and/or without adequate income?

Can Toronto meet its growing need for skilled workers by neglecting large numbers of unemployed and under-employed individuals?

Can Toronto's governments, private businesses, philanthropic foundations and community agencies find ways to collaborate on broad strategies to tackle the city's evolving economic and social needs?

Can Toronto devise creative responses to address the reduced role of governments, the dynamism of economic change, and the consequences of growing social disparity?

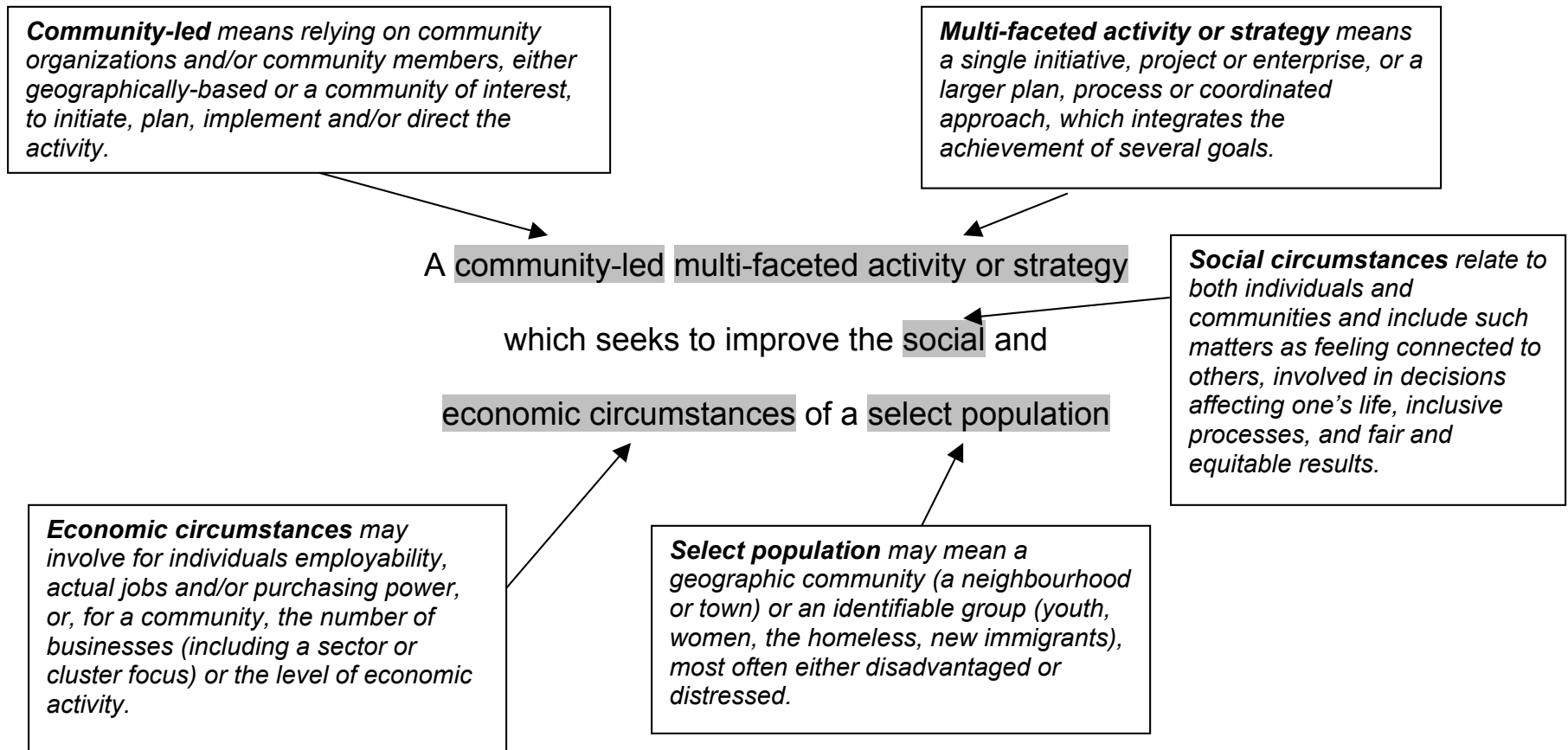
Can Toronto find, in its social needs, new economic opportunities?

Can Toronto be entrepreneurial and dynamic, caring and equitable, all at the same time?

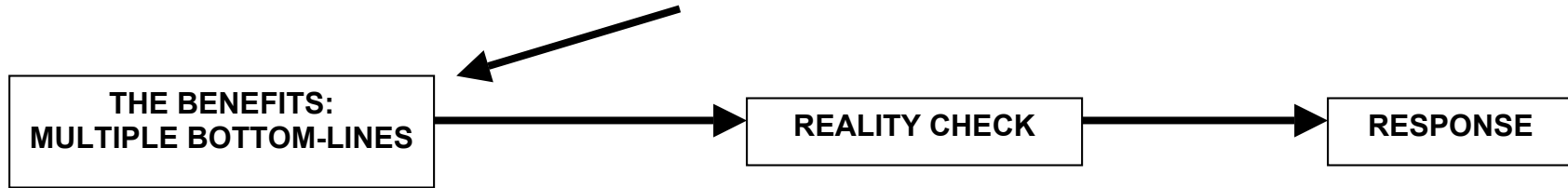
**CED IS ONE OF THE ANSWERS.**

## WHAT IS COMMUNITY ECONOMIC DEVELOPMENT?

Like most terms which are encompassing and cover a diverse range, a lot of effort can be spent debating definitions. Here is a simple stab at a workable description for what is CED.



## WHY DO COMMUNITY ECONOMIC DEVELOPMENT?



CED aims not for the bottom-line, but for *many* bottom-lines, including: personal, economic, and social. It is more ambitious than pursuing a single bottom-line and so, more challenging.

### PERSONAL BOTTOM-LINE

CED means individuals fulfilling their potential: building up their personal strengths (motivation, self-esteem); adding to their human capital (training, job readiness); addressing their basic needs (income); expanding their social networks (peer supports).

### ECONOMIC BOTTOM-LINE

CED is about creating jobs and starting businesses, working with and through the community, focusing often on the marginalized, combining social goals with business skills.

### SOCIAL/COMMUNITY BOTTOM-LINE

CED results in engaged, active, resilient communities, places where people want to live and where businesses wish to locate. A vibrant community is one with a strong local economy, a healthy quality of life and a high level of social capital, where each of these elements reinforces the others.

*“If CED is focused on economic goals, why does it need funding to succeed?”*

CED often requires initial developmental funding as well as appropriate follow-through, given the populations it seeks to serve. In the long-term, its efforts usually save money.

*“Don’t some CED businesses require operating subsidies, some for a very long time?”*

Most do, usually because they address other goals: providing a transition for the harder-to-employ into the work environment, or resulting in substantial savings to other services, e.g. health services for ex-psychiatric patients.

*“Doesn’t starting a CED business involve a lot of risks?”*

Yes, just like any new business. That is why CED puts so much emphasis on feasibility studies, market analysis, business plans, marketing studies, business mentors, links with business networks, sector strategies, and so on.

*“Don’t many training programs give people skills for jobs that don’t exist?”*

That is why CED stresses ongoing labour market studies, partnerships with employers, continuing post-placement support and follow-up for sustainable results, and alternatives such as self-employment and community-owned businesses.

## WHAT MAKES CED UNIQUE?

AN INTEGRATED STRATEGY →

COMBINING

CED tackles the range of challenges facing an individual or a community at once, in an integrated way. Personal, social, economic and service needs have to be addressed simultaneously and within a continuum of services.

AN ECONOMIC SENSIBILITY →

AND

CED emphasizes economic considerations for several reasons:

- Economic well-being is a crucial CED goal for both individuals and communities, obviously for its financial reward, but also because financial health supports other life possibilities and contributes to our sense of worth;
- An economic logic brings discipline to CED activities;
- A financial return makes CED initiatives more sustainable.

Many CED initiatives are not supportable as businesses on their own, only because they fulfill several other goals. *Social purpose enterprises* are CED businesses which seek to achieve their social goals and turn a profit.

A COMMUNITY SENSITIVITY →

CED's social and community goals are what distinguish its economic activities from straight-forward economic development initiatives:

- Involving people in defining and achieving their goals empowers individuals and communities toward exercising control over their lives;
- Ensuring that all segments of society participate in social and economic advancement provides for inclusive communities that recognize and respect diverse interests and abilities;
- Drawing on people's affinities to their locale or their group mobilizes effort and resources over and above a profit motive.

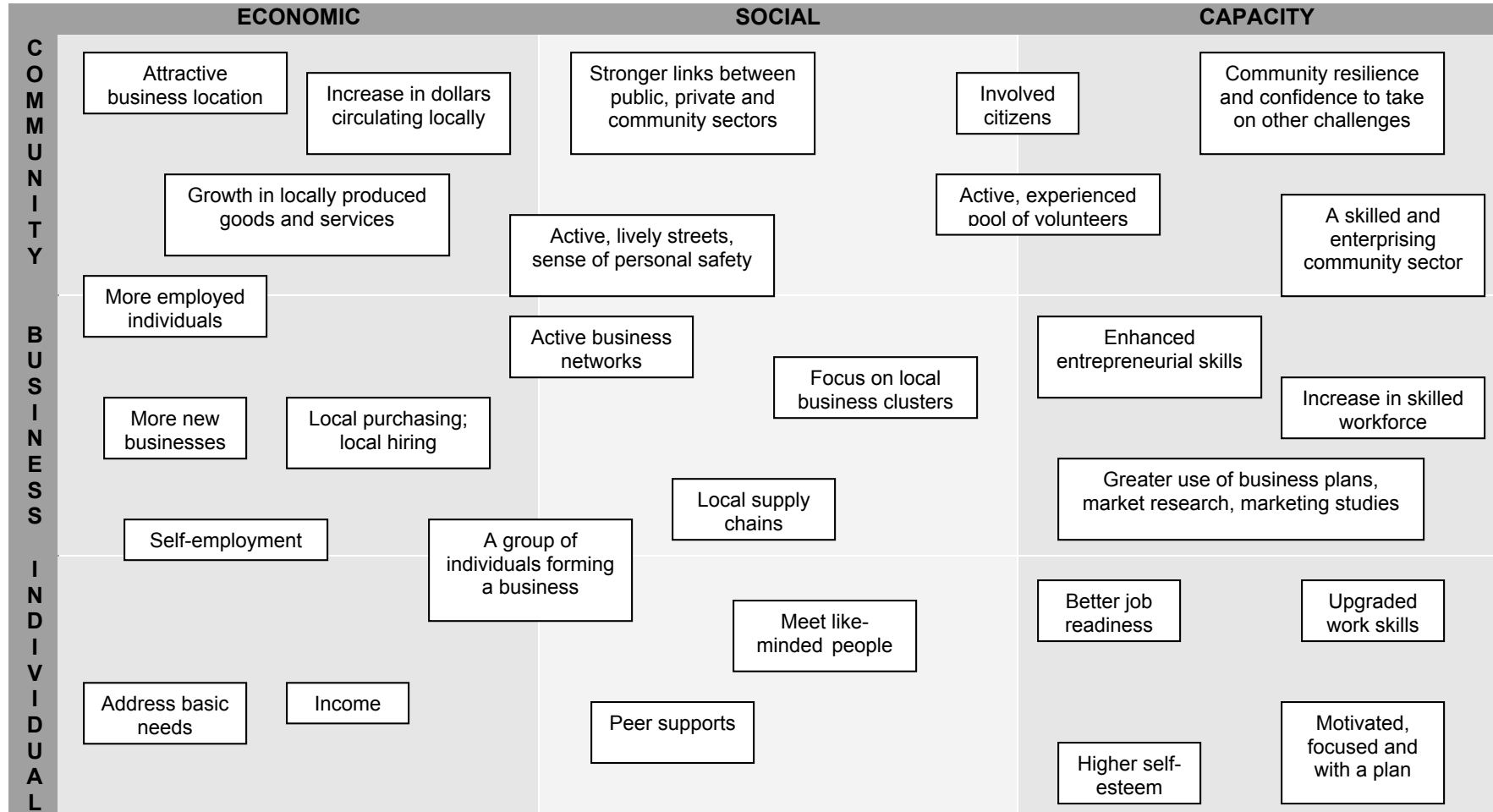
A sense of community motivates us to join our energies with others, finding common cause beyond our personal horizons. For this reason, CED is well-suited as an *economic* response to *social* challenges: jobs for the marginalized, affordable housing, promoting sustainable development.

It is not about them, it is about us. It is not about me, it is about we.



## A MATRIX DESCRIBING THE IMPACTS OF COMMUNITY ECONOMIC DEVELOPMENT:

Community economic development focuses on several targets – supporting the individual, enhancing business activity and developing the community, along several fronts – economic, social and overall capacity building.



## WHAT KINDS OF ACTIVITIES COMPRISE COMMUNITY ECONOMIC DEVELOPMENT?

### PLANNING & DEVELOPMENT

CED doesn't just happen – it is a deliberate undertaking, one which depends on careful planning and often determined persistence. Any CED initiative requires study, consultation, deliberation, facilitation and the involvement of many stakeholders. Proper planning and development, and broad coalition building, is an essential prerequisite for any CED initiative.

### PREPARATION FOR EMPLOYMENT

For certain populations, getting a first job, re-entering the labour force and/or developing the right attitudes and skills for employment may require a range of services and supports. These training and employment programs may often be combined with other services, such as access to housing or child care, and also need to be part of a comprehensive case management approach for the client.

### SUPPORT FOR ENTERPRISES

Much of our economy is based on the activities of businesses, and CED tries to assist individuals and groups of individuals to start and/or expand their own businesses (including community-owned businesses and cooperatives), as well as provide opportunities for networking between similar types of businesses or businesses located in the same area.

### ACCESS TO CAPITAL

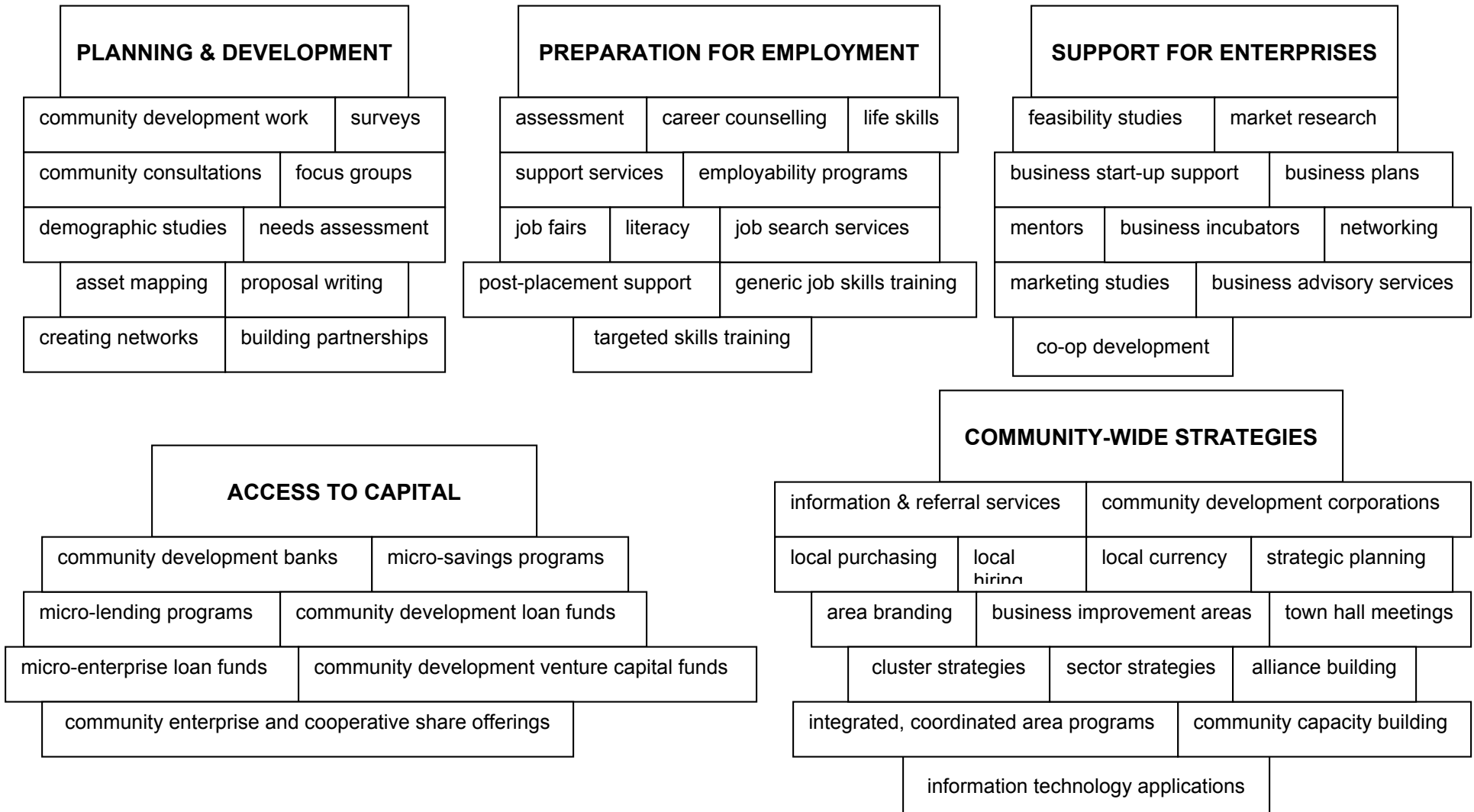
Ultimately a good part of economic development comes down to money. CED tries to marshal an array of creative resources, including assisting individuals, businesses and communities to access the capital they require to invest in improvements to their lives.

### COMMUNITY-WIDE STRATEGIES

In an increasingly inter-connected world, sometimes the hardest thing to do is get everything *properly* connected. CED seeks to create processes, networks and vehicles to link people with skills and resources, communities with strategies, and ideas with opportunities to allow local economies to flourish.

## WHAT KINDS OF SPECIFIC ACTIVITIES DOES COMMUNITY ECONOMIC DEVELOPMENT ENGAGE IN?

(These generic categories could describe any activity, not any of which alone is CED – they are CED when they are community-based and part of a strategy to improve the economic circumstances of a select population.)



## JUST A FEW EXAMPLES OF CED IN TORONTO

CED BUSINESSES	ADVANCEMENT FOR INDIVIDUALS	COMMUNITY-WIDE STRATEGIES
<p>Numerous CED businesses and programs supporting social purposes have been started in Toronto. Some CED business highlights:</p> <div data-bbox="191 459 741 695"> <p><b>ONTARIO COUNCIL OF ALTERNATIVE BUSINESSES</b> Promotes enterprises for survivors of the mental health system, businesses such as:</p> <ul style="list-style-type: none"> <li>· A-Way Express, a courier service;</li> <li>· Raging Spoon, café and catering;</li> <li>· New Look Cleaning, office cleaning.</li> </ul> </div> <div data-bbox="191 703 741 914"> <p><b>CALICO</b> Dixon Hall's marketplace in St. Lawrence market showcasing local arts, crafts and gifts by entrepreneurs from at-risk, new immigrant, marginalized or low-income communities.</p> </div> <div data-bbox="191 938 741 1125"> <p><b>HOMELESS CED PROJECT</b> Integrated funding for CED initiatives targeting the homeless, supported by the federal, provincial and city governments, and the United Way of Greater Toronto.</p> </div> <div data-bbox="191 1149 741 1360"> <p><b>ALL-A-BOARD YOUTH VENTURES</b> Enterprises providing work experience and life skills counselling to youth at risk:</p> <ul style="list-style-type: none"> <li>· River Restaurant, a trendy eatery;</li> <li>· Wood Shop, furniture manufacturing;</li> <li>· Protégé Media, a marketing firm.</li> </ul> </div>	<p>Integrated programs with a range of supports leading to enterprises or employment:</p> <div data-bbox="785 459 1310 979"> <p><b>LEARNING ENRICHMENT FOUNDATION</b> <i>Targeted training:</i></p> <ul style="list-style-type: none"> <li>· Computer applications;</li> <li>· Industrial skills;</li> <li>· Childcare;</li> <li>· English language.</li> </ul> <p><i>Business advisory centre;</i> <i>CED businesses:</i></p> <ul style="list-style-type: none"> <li>· LEF Wood Works;</li> <li>· LEF Food Services;</li> <li>· LEF Online.</li> </ul> <p><i>Family Resource Centre:</i> childcare for clients; work experience for trainees; <i>Community Skill Development Fund:</i> loan financing to clients for skills training.</p> </div> <div data-bbox="785 1003 1310 1360"> <p><b>MICROSKILLS</b> <i>Women's Enterprise &amp; Resource Centre:</i> for women entrepreneurs, with business resources, networking, mentoring <i>Women's Technology Institute:</i> IT training and support for women <i>MicroSkills Technical Solutions:</i> IT support for community agencies and small businesses <i>Skills Development Centre:</i> IT training <i>Employment Assistance:</i> job search help</p> </div>	<p>Broad strategies reaching a wide range of individuals and/or organizations:</p> <div data-bbox="1358 459 1883 930"> <p><b>RIVERDALE COMMUNITY DEVELOPMENT CORPORATION</b> <i>Business Support Services:</i> One-on-one consulting, business workshops, networking, cooperative advertising. <i>ACCE\$\$ Riverdale:</i> Incremental loans for businesses, business advisory help. <i>Business Promotion Services:</i> Local neighbourhood and tourism promotion. <i>ScreenWorks:</i> Shows local businesses how to connect with TV and film industry and promotes Riverdale for film sites; <i>Set Monkeys:</i> Program training and placing youth as production assistants in TV and film industry.</p> </div> <div data-bbox="1358 954 1883 1360"> <p><b>THE TORONTO CED LEARNING NETWORK</b> <i>On-line access:</i> over 1000 links in support of CED, including business tools, community development techniques, funding strategies and best practices. <i>Weekly newsletter:</i> 1000 subscribing organizations and individuals, noting events, resources and opportunities relevant to CED in Toronto. <i>Workshops and networks:</i> Sessions and meetings for learning and networking.</p> </div>

## THE FUNDING ENVIRONMENT FOR CED

**CED’s strength, namely its integrated, holistic and expansive approach, makes it hard to fund: it does not fit into one funding category, it requires long lead times to develop projects and prepare clients, several years to achieve results, and produces outcomes which can be either diffuse and/or hard to measure.**

THE FUNDING ISSUE	ELABORATION
<p><b>VERY TARGETED FUNDING CAUSES CHALLENGES FOR A HOLISTIC APPROACH</b></p>	<ul style="list-style-type: none"> <li>· Constitutional divisions of power and ministry/department categories of government activity result in funding which often is limited to very specific goals, purposes, activities and/or population groups</li> <li>· These eligibility rules vary across programs, have different evaluation criteria and different budget years</li> <li>· Getting funding for one aspect of an integrated and holistic project from one ministry does not guarantee funding for another necessary part of the project involving a different government or department</li> </ul>
<p><b>GOVERNMENT FEE FOR SERVICE</b></p>	<ul style="list-style-type: none"> <li>· Governments used to fund community agencies with “block” grants to perform various functions; a greater emphasis on “measurable results” has lead to funding by activity unit or usually by the number of clients served</li> <li>· Community agencies become more like contracting agents than a partner with government in serving the community, and functions become more limited because funding is constrained to a defined role</li> <li>· In efforts to reduce costs, the fee per client will be kept as low as is reasonably possible; clients requiring higher levels of services are either under-served or not targeted – the result: achievements of a given project represent “creaming” – reaching those easiest to serve, not always those most in need</li> </ul>
<p><b>NO RECOGNITION FOR BROKERING ROLE</b></p>	<ul style="list-style-type: none"> <li>· CED projects must act as brokers accessing several funding streams and must try as best as they can to fill gaps and ensure equity for all participants</li> <li>· But funding does not recognize this role: integrating different government services results in addressing the range of issues <i>as the client faces them</i> – not as different government departments fund them</li> <li>· As a result, community agencies are hard-pressed for “core” funding – their essential administrative and overhead costs which permit them to stay afloat and be available as steady delivery agents for services</li> <li>· Funding only through projects or provision of services limits the ability of community agencies to respond to client needs and to adapt various government programs to suit the reality of the clients’ lives</li> <li>· Project-by-project funding means tenuous agency capacity, uncertain staff career paths and constant turnover, resulting not only in the loss of skilled, committed staff but the loss of networks and learnings</li> </ul>
<p><b>OUTCOMES FUNDING</b></p>	<ul style="list-style-type: none"> <li>· All funders seek “value-for-dollar” which increasingly depends on measurable outcomes and indicators</li> <li>· Not all outcomes are immediate, separable, or measurable</li> <li>· Some significant outcomes may be irrelevant to a specific funder: should a federal human resources program care if CED for a psychiatric survivor results in less use of hospital emergency wards and thus savings for a provincial ministry of health?</li> </ul>

## WHAT IS THE CURRENT STATE OF COMMUNITY ECONOMIC DEVELOPMENT ACTIVITY IN TORONTO?

### PLANNING & DEVELOPMENT

The basic skills which underpin those activities that allow for CED to take place are largely in place among organizations and agencies across Toronto. What is lacking is a better understanding of what CED is specifically, how these skills can be applied to initiate and develop CED projects and strategies, and how these organizations need to adjust their programs to create strategic, integrated CED approaches and linkages.

### PREPARATION FOR EMPLOYMENT

There are a large number of programs ably delivering training and employment in Toronto. But apart from some notable cases, room for improvement exists in the areas of: overcoming the limitations posed by government funding categories; providing a comprehensive and integrated range of services and supports; having strong partnerships with the private sector; and effectively addressing the needs of the most disadvantaged and hard to employ.

### SUPPORT FOR ENTERPRISES

The level of CED activity which promotes new businesses is comparatively limited in Toronto. There are isolated success stories, but almost all CED businesses in Toronto are very small, with limited markets, low revenues and few employees, and the vast majority require on-going subsidization to continue operating. In particular, marketing as well as sector development and linkages are weak.

### ACCESS TO CAPITAL

In Toronto, funding for any CED work is very limited, while the capital market for CED activity is severely under-developed. There is some government and foundation money available for developmental work, little for operating, and very few alternatives to mainstream financial institutions for capital support.

### COMMUNITY-WIDE STRATEGIES

Broader, integrated approaches, together with more partnerships and collaborations are evidence of promising trends in program conceptualization and implementation in the community sector and among funders as a whole. However, the degree to which these are applied toward CED remains limited – there is less coordination of CED and little service support for CED, and the level of partnership with private sector players is far too limited.

## WHAT MORE COULD BE DONE TO ADVANCE COMMUNITY ECONOMIC DEVELOPMENT IN TORONTO?

### PLANNING & DEVELOPMENT

**NOW:** There are many workshops and programs providing direction for these specific skills, and the Internet holds a wealth of resources (with an excellent access portal via the Toronto CED Learning Network).

**NEEDED:** Still lacking are step-by-step, practical introductory roadmaps for organizations embarking on a CED approach, including rigorous checklists to assist in assessing their readiness for CED.

### PREPARATION FOR EMPLOYMENT

**NOW:** Capable, skilled agency sector, many programs, especially for shorter-termed unemployed and under-employed.

**NEEDED:** More initiatives combining different funding to provide a seamless range of services and supports; stronger links with the private sector in designing and delivering programs; better designed and better resourced programs providing holistic, comprehensive and extended support for everyone, including the most disadvantaged.

### SUPPORT FOR ENTERPRISES

**NOW:** Isolated business successes; support for business planning; CEDTAP consultant support program.

**NEEDED:** More varied and intensive support, including for business planning, market studies and marketing; greater involvement of private sector coaches and mentors; cluster and sector strategies focusing on supply chains and changing market demands; better access to business networks.

### ACCESS TO CAPITAL

**NOW:** Extremely limited range of financial grants and loans; few funds such as Riverdale Community Loan Fund; funders remain or have become wary and skeptical.

**NEEDED:** Promotion and advocacy regarding CED benefits; involvement of financial sector in designing and administering better financial tools, including tax measures; adoption of Social-Return-on-Investment type indicators.

### COMMUNITY-WIDE STRATEGIES

**NOW:** Growing experience with broader, collaborative partnerships; however, fewer models in the economic development field at the community, as opposed to municipal or regional level.

**NEEDED:** Commitment of planning and implementation resources to develop detailed and practical strategies at a neighbourhood and CED sectoral level; active participation of private sector and government agencies; acknowledgement of need for predictable and long-term investment and involvement; need to recognize micro-challenges as well as need for critical mass and notching up the scale of effort.

## WHAT IS NEEDED FOR FURTHER CED SUCCESS IN TORONTO (continued on next page)

### PROCESS

- CED requires coordination and collaboration, which should also exist at a funding level; therefore, there should be an **institutional framework, a Funders' Forum for CED in Toronto**, involving the three levels of governments, the private sector, the philanthropic foundations, the private sector, the United Way of Greater Toronto and the community sector, to focus on CED
- Traditional funding categories is how government work is organized, but such a forum could facilitate more cooperation across and between governments, ministries and departments and could promote synergies of effort
- Such a forum could also seek agreement on what CED is, what its priorities should be, and how funding decisions should be made in relation to CED in Toronto
- Importantly, such a forum could also explore and agree on appropriate and relevant **Indicators for CED** (a very relevant initiative in the United States has been a tool called the *Social Return on Investment*, a measure capturing the quantifiable benefits to society as a whole of CED activities)

### GOALS

- Only through this forum can there emerge a consensus relating to CED; some of that consensus needs to reflect a recognition of the **benefits of CED**, the **brokering role played by CED organizations**, the need to acknowledge **multi-year funding (with appropriate annual reviews)**, and the commitment of funders and the community sector to meet the challenge of individuals and neighbourhoods facing **multiple barriers to employment and economic advancement**

### SPECIFIC FUNDING AREAS

- A funding strategy needs to recognize the variety and diversity of funding needs, within the context of the longer term benefits of CED; some areas currently often neglected are:
  - The **planning and developmental work** required to initiate a CED project, either with individuals or with a community – this includes consultations, market studies, feasibility plans, negotiating with prospective funders, and so on
  - **Multi-year funding** – organizations need to be able to plan, particularly where their project involves substantial commitment of time and resources; single-year funding cycles constrain complex projects
  - The **brokering role** of CED projects – as explained earlier, this requires not only considerable effort but also the ongoing presence of a community agency or agencies versed in providing the range of services
  - **Post placement support** – often the greatest challenge for someone unused to employment is managing all the new pressures which employment brings on, yet few programs acknowledge the critical importance of this function; in the United States, welfare-to-work programs have highlighted this as the critical piece
  - **Loan funds for new businesses** – Currently there are limited resources to support both the capital needs and business support services which these enterprises require



## WHAT IS NEEDED FOR FURTHER CED SUCCESS IN TORONTO (continued from previous page)

### IN-KIND SUPPORT

- Support for CED is not always a function of cash – there are various in-kind supports which can help CED activities, and CED as a strategy for Toronto, reach a broader scale and a higher level of sophistication, such as:
  - Access to **business mentors** and **business coaches** as well as **access to business networks**, to infuse CED activities with professional and practical business expertise and to link CED businesses with supplier and purchaser chains
  - Recruitment of **volunteers with professional expertise** to sit on loan approval committees, to assist with human resource development assessments and plans, and to help design job training programs
  - Help in recruiting and developing **staff for CED initiatives**, with the possibility of exchanges, secondments and sabbaticals between the business sector and the community sector
  - Development of **partnerships** with local area business associations and industry sector associations
  - More links with employers to develop **customized training** and to promote **employment placement**
  - More engagement in the **sharing and application of forecasting data** such as economic development strategies, labour market demand projections, consumer market trends and the like

### CAPACITY BUILDING

- CED in Toronto requires capacity building along several levels:
  - **Initial introduction** to CED for community agencies, including identifying the challenges related to CED and sensitizing staff and boards of directors to the issues inherent in balancing social and economic goals
  - Assisting organizations to develop and grow CED initiatives, including **technical advice** regarding strategic planning processes, feasibility studies, market studies and other business and planning tools
  - Ongoing nurturing and **support for maturing initiatives**, identifying opportunities for expansion and sources of equity capital
  - Creating networks of **information exchange** and repositories for **best practices** and **case studies**
  - Greater use of **information technology** for learning, information exchange and networking

### POLICY AND LEGISLATIVE SUPPORT

- CED could also benefit from policies and legislation which recognize and promote CED businesses and activities; for example, in the United States there are numerous examples of **public procurement policies** which set aside a small portion of state or municipal purchasing for selected businesses, or requiring businesses which receive government benefits (grants or regulatory approvals) to participate in **employment placement** programs;
- Other areas which would require adjustment would include **tax policies**, **investment policies**, streamlined processes for the **recognition of foreign credentials**

## **CONCLUSION**

**We have tried throughout this piece to be realistic about both the potential and the challenges which accompany the practice of community economic development. We do not think that we have oversold the case, if only because CED has often been undersold in the past, largely for lack of understanding and clarity about its activities.**

**We believe there is a compelling case to be made for a greater emphasis on CED in Toronto, promoting a strategy which relies on an active, committed partnership between all sectors: governments, private businesses, philanthropic foundations and community sector organizations and agencies.**

**We further believe there are a number of very concrete initiatives which can be undertaken by the various players, initiatives which can be pursued more effectively when they are part of an understanding of and support for a broader strategy. That is, rather than focus on only supporting an individual business start-up or some other such project, CED in Toronto requires a larger vision: cooperation between funding bodies, capacity building among community agencies, linkages with business sector networks and coordination with broader economic development plans.**

**We hope this document can act as a catalyst in the forging of such partnerships and can help in the creation of an appropriate CED framework for Toronto.**

## ACKNOWLEDGEMENTS

### Steering committee

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