



Engage, Design, Evaluate:

The Social Value Scorecard for
Community Benefit Agreements





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About Buy Social Canada

Buy Social Canada brings together socially driven purchasers and social enterprise suppliers, building business relationships that generate community value.

The Social Value Scorecard (SVS) for Community Benefit Agreements is part of our ongoing work with community, and private and government sectors to support the development of policy and practical tools and resources to strengthen procurement initiatives.

The SVS is meant to assist in the negotiation, monitoring, and evaluation of the delivery of community benefits through land development, and major construction or infrastructure projects. We hope this scorecard helps contribute to and complements the work of other CBA organizers and planners.

We want to acknowledge and thank Vancouver’s Exchange Inner City for their partnership on this project.

Through our Social Procurement Roundtable discussions in Vancouver, Buy Social Canada along with the support of Exchange Inner City has been helping support the development of Community Benefit Agreements (CBAs) to create more equally shared benefits for communities from land development.

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Introduction

Real estate development and major infrastructure projects can have a profound impact on the communities in which they take place. Large developments have the capability to change the character of a neighbourhood as they exert economic, social, and environmental externalities upon the local environment in which residents and businesses exist.

But who decides on what will be the ‘changed’ character and ‘new’ composition of a community after the construction phase of a development? Is it just undirected happenstance or can we create the

means to identify community needs and priorities to achieve the preferred social, economic and environmental outcomes as an intentional result of a major development?

Community benefit agreements (CBAs) are a tool to allow for value to be defined by and to accrue to the neighbourhoods most directly affected by the new development. A CBA allows local residents, social enterprises, and businesses to share in the design of the future of their community.

While many cities and municipalities currently collect community amenity contributions (CACs) for rezoning permits, the revenue is pooled and used for funding new public amenities across the entire city and negotiated without community input.

CBA policies and models are evolving in many communities to intentionally create comprehensive community economic development from development projects and infrastructure investments. In this evolution of CBA policy and practice, we realized a real gap of effective and practical tools to assist communities, governments, and developers in the design, implementation, and evaluation of CBAs. The identification of this need has led to the building of the inaugural Buy Social Canada Social Value Scorecard for Community Benefit Agreements.



Check out the [Embers Staffing Solutions Story](#) case study on our website as an example of a CBA in action in Vancouver, BC. In this CBA, a Vancouver casino wishing to expand its operations and build an accompanying urban resort became a pilot project and success story for CBAs for the City of Vancouver.

What Is A Community Benefit Agreement?

Community Benefit Agreements (CBAs) are contracts that define the social value outcomes that will be delivered as part of a major infrastructure or land development project.

Think of building a bridge, a road, school, hospital, an office tower, or transit system. Through a CBA the community, government and developer agree upon some social value deliverables such as job training, apprenticeship opportunities, incorporating local businesses and social enterprises into the supply chain during construction; post-construction service and supply contracts and access to commercial space for social or locally-based enterprises.

Property development occurs in three stages: the design, the build, and the long-term occupancy operation. It is during the design stage that a CBA is co-created and negotiated by key stakeholders (community, government, and developers) involved in or effected by a development project.

The engagement and negotiation of a CBA should occur early enough in the process to allow the community to prepare and present its case, and for the developer to plan, prepare and budget for how to meet its CBA requirements through the build and operation stages.

Once construction begins, developers begin their first phase of implementing their plan for meeting CBA obligations. The post-construction operations stage is dependent upon type of project, but many developers and building management companies should continue to provide community benefits throughout the lifespan of the project.

Compliance to meet the legally binding CBAs vary from case-to-case using a range of incentives including surety bonds and permit covenants.

A third-party entity should be engaged throughout the process to support relationships, monitor compliance and continually evaluate and report to stakeholders.

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In Toronto, take a look at <http://www.communitybenefits.ca> for more examples and stories of CBAs in action. For more details on community benefits in infrastructure projects, check out Infrastructure Canada's Community Employment Benefits Policy as a prime example of emerging policy.

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Why a Scorecard for CBAs

Every building and development projects has its own characteristics. The variations of building design, construction process, building purpose, size and the community impacts change with each project. Given the development differences, the economic, employment, social and environmental opportunities shift and need identification with each project.

Realizing that there is no cookie cutter CBA to fit all land development projects, a per-project based process is required. By harnessing the flexibility of the scorecard framework similar to what LEED uses, the SVS tool can be used to broker negotiations between developers, government, and community on how a new property development can best create social value for the community and what will be the agreed upon measurable outcomes.

*The recent **parq Vancouver** casino resort development was approved by the City of Vancouver contingent upon meeting requirements as set out in a Community Benefit Agreement (CBA). This CBA required 10% local procurement and 10% local employment. The developers on this project reported back to the City that the 10% local procurement requirement was too rigid, and it forced difficult trade-offs for them between meeting LEED requirements, realizing their planned design and aesthetics, and meeting their CBA. However, even this project when completed was able to achieve double the local employment they were required and met their LEED goals.*

What is and Why the LEED Framework

LEED is an internationally recognized certification system for “green” building, typically for new development, that takes sustainability into account in the design and construction of a building, into the on-going operations within the building, and in the role of the building in community development.¹ As of July 2017, 167 countries have LEED-certified buildings and there are more than 200,000 LEED certifications held.²

LEED uses a points-based framework for certification. A points threshold is determined based on size and type of project. A checklist outlines several categories for attaining points such as water efficiency, and innovation in design. All projects must meet specified prerequisites on the checklist, as well as earning elective credits to meet the points threshold.³ These prerequisites allow LEED to create some rigidity in the framework to ensure that the most important criteria are met and that there is a breadth of criteria used across the categories. Flexibility is also created by allowing developers and builders to choose between elective criteria and acquire points as best aligns with their project goals.

By applying this points-based framework to CBAs, and by working together, community, government, and developers can identify and prioritize the local socioeconomic needs and assign relative point values. Communities and government identify priorities, and developers can then decide which criteria are feasible for their project, determine their cost factors, and choose the appropriate bundle of elective criteria. This points-based, flexible but standardized model results in a much more efficient method for co-creating and ensuring community benefits accrue.

While we are not endorsing all the dimensions and specific criteria of LEED itself, it is the defined scoring options, choice parameters and rigid but negotiable framework that are the key principles where we find value to transfer from the LEED model into a CBA scorecard.

How to Use This Tool

This scorecard is meant to assist in the negotiation, tracking, and evaluation of the delivery of community benefits through a land development or infrastructure project. The toolkit worksheets and spreadsheets are simple and flexible, designed to allow you to proceed on your own or with support from a process facilitator.

Think of it as a tool to:

- » Identify concepts and local opportunities
- » Provide the means to negotiate from different perspectives using common language
- » ‘Score the value’ of various options as they are appropriate to each development
- » Negotiate outcomes and budget issues
- » Establish shared criteria to use in tracking progress
- » Establish the common measurement standards to report on

Some of key social value categories a community benefit agreement may identify and quantify are:

- » Targeted employment
- » Training and Apprenticeships
- » Procurement from social enterprises
- » Procurement from local or regional businesses
- » Supplier diversity
- » Provision of retail and public spaces
- » Property management and building services
- » Community services
- » Cultural contributions
- » Donations

Each project will identify the site and community-specific activities or benefits through the local discovery and negotiation process.

In Negotiation

The very first step is a community engagement and consultation process to determine community priorities and needs. The scorecard can then be used to negotiate community benefit deliverables required from a project through a CBA.

Assigning relative points to high and low priorities, this tool creates built-in incentives for developers to focus their efforts on the highest priorities for which they can receive the highest credit. In this way, community can express their expectations from the developer to give their support to a project, while developers can determine how to deliver upon and measure these expectations in such a way that the project can still achieve design goals and be profitable.

In Tracking

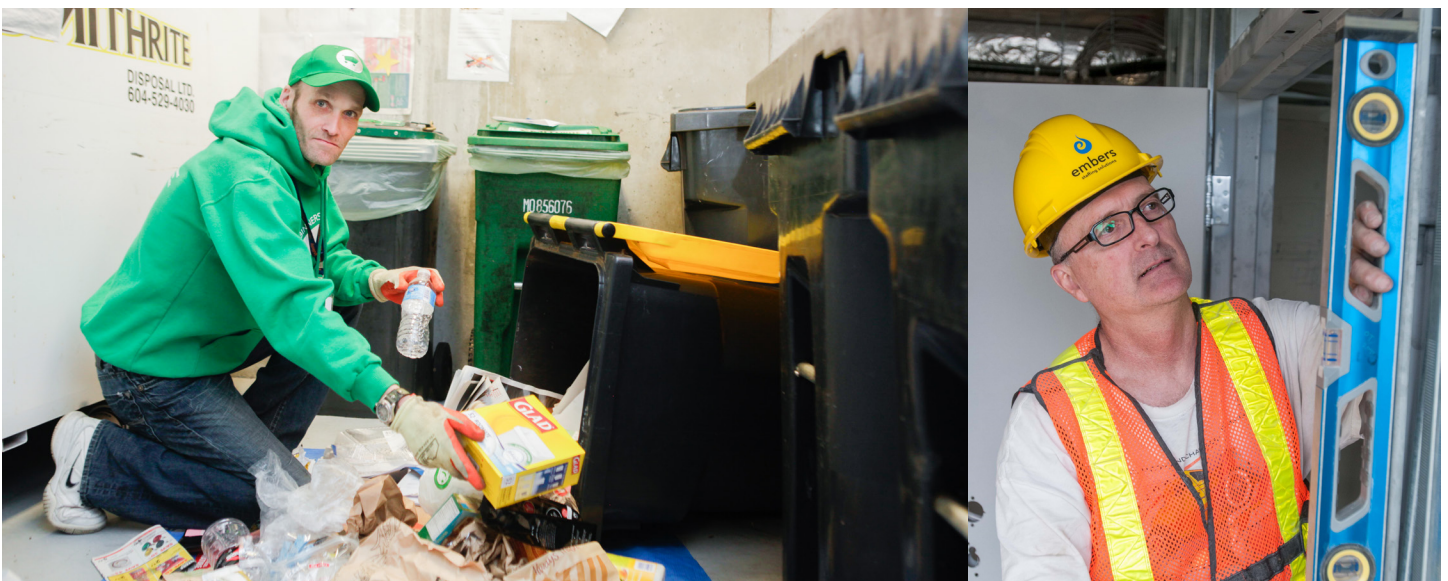
This scorecard allows progress on a CBA to be tracked by filling out the toolkit spreadsheets with the appropriate goal and defined measurement data. It will then generate the points scored in each category.

You can use this feature to plan how to achieve your scoring obligations, to report back on your progress towards meeting obligations, and to determine what still needs to be done to meet obligations.

Since a CBA can have an indeterminate lifespan, you can reset the scorecard to assure you are meeting your obligations for each period, quarter, or year, as per your CBA.

In Evaluation

The Buy Social Canada Social Value Scorecard provides a transparent, flexible and simple way to report back to government and community on progress on a CBA. It also allows for learning for future CBAs by demonstrating which goals developers are strong on delivering on, and which goals are more difficult or expensive to achieve through a CBA. This allows community and government to revise expectations for future land developments subject to a CBA and create better relative scoring for community goals.




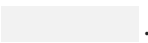
The Excel Spreadsheet

Goal Setting Tab

Your first step is to identify which goals will be included in the CBA, and the method of measuring progress on that goal. You can do this by using the Goal Setting tab in the spreadsheet. For each goal, select the appropriate measure from the drop-down list. Enter the unit of measure you will use (e.g. if measuring dollars spent, you may wish to measure in units larger than 1. For instance, you may wish to round up to tens of thousands.)


You will assign points per the unit of measure you chose above. The number of points you choose will dictate the relative priority you are giving that goal. If you wish to measure in absolute terms, you will choose “No” for “Use % of total?”. For some goals, such as employment and procurement goals, it may make sense to choose “Yes” for “Use % of the total?”. E.g. you may want a goal of 10% of total procurement dollars to be purchased from local or social enterprises. If you choose to do this, you will need to enter how many points to assign for each 1% achieved.

For any goals listed you do not plan to include in the CBA, you can simply ignore these boxes.

Data validation will occur in all cells – you will be unable to enter data into cells used for calculations. We have also tried to minimize typos by placing restrictions on the type of data that can be inputted. The cells in which you enter data will be , and the cells in which data will automatically fill will be .

Goal Tabs

You will now need to go into each category of tab (Employment, Procurement, Emp Training, and so on). Under each Goal header, you will be able to use a drop-down box to select the relevant goals. If you wish to hide goals, you can select the blank field at the top of the drop-down box. The measures you selected in the Goal Setting tab should fill in automatically.

You can now enter your data into the  cells and your scored points will automatically calculate.

If a cell shows a red triangle in the upper right corner, hover over the cell for additional comments, tips, or instructions. (Figure 2)

	Data Input	Points Scored
	2,500	0
	150	0
		0
		0

Figure 1

Employment Goals	Measure
Local employment	Wages paid (\$)
Full-time employment	Headcount (#)
Flexible employment	Headcount (#)
Social hiring	Wages paid (\$)

Figure 2

Your Participation and Feedback Please

Buy Social Canada's goal is to enhance opportunities that contribute to building inclusive and healthy local communities. Therefore, as with all our tools and resources, we are placing the CBA toolkit into the commons for your use. We are available to provide advice and support.

We invite and welcome your feedback and contributions to the future evolution and editions of the SVS for CBAs.

Valuable Resources

The Buy Social Canada website offers a toolkit with documents and resources relevant to community benefits agreements and social procurement: <https://www.buysocialcanada.com/sample-documents-and-resources/>

Buy Social Canada also offers strategic consulting services to assist with meeting CBA obligations: <https://www.buysocialcanada.com/contact/>

The Embers Staffing Solutions case study outlines the relationship between a social enterprise and a general contractor, working under a CBA on a casino and urban resort development project: https://www.buysocialcanada.com/s/EMBERS_report_EN.pdf

A report from the Mowat Centre provides further information and case studies on CBAs: <http://communitybenefitsagreements.ca/>

A guidebook produced by Rush University Medical Center provides a technical guide to implementing social procurement and community benefits into your organization, with specific emphasis on anchor institutions but relevance to organizations more broadly: <https://www.rush.edu/sites/default/files/anchor-mission-playbook.pdf>



References

- 1 “LEED® v4 Rating System Selection Guidance,” Canada Green Building Council, accessed October 11, 2017, http://www.cagbc.org/CAGBC/Programs/LEED/LEEDv4/LEED_v4_Rating_System_Selection_Guidance.aspx.
- 2 “USGBC Statistics,” US Green Building Council, July 1, 2017, <http://www.usgbc.org/articles/usgbc-statistics>.
- 3 Canada Green Building Council, “LEED Canada for New Construction and Major Renovations 2009; LEED Canada for Core and Shell Development 2009: Rating System,” accessed October 24, 2017, http://www.cagbc.org/cagbcdocs/LEED_Canada_NC_CS_2009_Rating_System-En-Jun2010.pdf.

Acknowledgments

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LEDlab

An initiative of
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