

# Homeless in Canada



## A Funder's Primer in Understanding the Tragedy on Canada's Streets

Bri Trypuc  
Homeless Research Analyst/Client Advisor  
[btrypuc@charityintelligence.ca](mailto:btrypuc@charityintelligence.ca)

Jeffrey Robinson  
Homeless Research Analyst  
[jrobinson@charityintelligence.ca](mailto:jrobinson@charityintelligence.ca)

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The purpose of this report is to help people across Canada have a better understanding of our homeless situation based on evidence rather than myths, and bring to the public's attention programs that work in helping the homeless. With better information, we hope Canadians can make informed and intelligent giving decisions that will create results for those in need.

To make a donation to a Ci recommended homeless charity please visit the website [www.charityintelligence.ca](http://www.charityintelligence.ca)  
or call 905.833.0075.

“ Our small streams of contribution have  
the potential to fill expansive oceans. ”

—Tokyo Sexwale

## Key Research Findings

- An estimated 157,000 people are homeless each year in Canada.
- For the 20% who remain homeless for more than 3 months, the chronically homeless, life on the streets and in shelters creates cascading trauma leading to addiction, abuse and suicide.
- Chronic homelessness is deadly, resulting in an estimated 1,350 people dying each year which is half the number of Canadians killed in car accidents. The average life expectancy of a homeless person in Canada is 39 years.
- The chronically homeless are the hardest to help but present the greatest social return opportunity in Ci's opinion. The chronic homeless incur large economic costs – an estimated \$1.1 billion or \$35,000 cost per person each year through being inappropriately 'housed' in jails and temporary shelters and using hospital emergency departments.
- Escape from homelessness is possible – there are ways funders can effectively help. An innovative 'housing first approach' is producing breakout results with those who have been hardest to help. The Pathways program in New York City has an 88% success rate housing the chronic homeless for a cost of US \$24,000 each year.
- Organizations that work with the homeless have the best results when they provide individual choice, dignity, recovery opportunities, and community.<sup>1</sup>



“ We can be moved by the tragedy of mass starvation on a far continent... But it takes a greater effort of emotional imagination to empathize with the addict. We readily feel for a suffering child, but cannot see the child in the adult who, his soul fragmented and isolated, hustles for survival a few blocks away from where we shop or work. ”

— Gabor Mate

## Executive Summary

Andrew was a happy child, a boy scout and a good student in school. When he was 17 the voices began. His schizophrenia was difficult to control, he rebelled against medications which left him feeling numb. His family could no longer cope alone with Andrew's erratic behaviour and he went to live in a group facility. When this did not address his needs, Andrew struck off on his own. Living alone was too great a challenge, and without steady wages, Andrew was evicted from his apartment and became homeless.

Carrie has long blond hair and beautiful blue eyes and loves to read Dostoevsky. At age 8 her step-father began raping her. Living with ongoing sexual abuse, Carrie escaped from 'home' at age 16. Carrie lives on the streets with Patches, her part-Rottweiler dog. Patches is her only source of unconditional love and companionship, offering protection, trust and body heat. Dogs are not allowed in the emergency shelters, so for four years Carrie has lived in a make-shift shanty camp.

Rob drank his first beer with his dad when he was 11. Within 2 years he was an alcoholic, hiding his daily drinking from his parents. To pay for booze, Rob began stealing, starting first with petty theft escalating to bank robberies. By 20, Rob was in federal jail. For the next 22 years, he was either in jail or drinking, moving from job to job. Rob would be dry for sometime, holding a job, but his alcoholism was always lurking, leading Rob to homelessness for years.

Homelessness is the result we see – people lining up at shelters, sleeping on park benches, and squatting in doorways. But the causes of homelessness are varied. Addiction, severe mental illness, and child abuse are primary causes of years living on the streets. In most every case homelessness is triggered by a single crisis beyond a person's control which cascades. Without effective early intervention and family or community support, people fall through the gaps leading to a desperate life on the streets. Homelessness can happen to anyone. But for the Grace of God we too could be homeless.

Sadly we may view the homeless through the distorting lens of morality or character, judging those living on the streets as lazy, undeserving or less worthy than ourselves. Worse is the attitude that people choose to be homeless. No one in their right mind would choose to be homeless with its violence, stress and degradation. Sometimes sleeping on the streets is safer than being in a crowded emergency shelter. Homelessness reflects a failure in us and organizations to provide appropriate and responsive care.

It doesn't have to be this way. There are effective programs and services that work to intervene with those who are homeless. The waitlists of these programs and their capacity to work with more people, is only constrained by the lack of funding.

This is where you can help: to read this report, to understand the key factors of Canada's homeless crisis, and to learn about organizations that have track records and proven results in restoring the lives of the homeless. With the expertise of outstanding organizations and your funding we hope to take a step in meaningful support to help Canada's homeless – providing them with a community of shelter and support, to restore their dignity and humanity. You can make a difference in helping fellow Canadians regain their lives and achieve their potential.



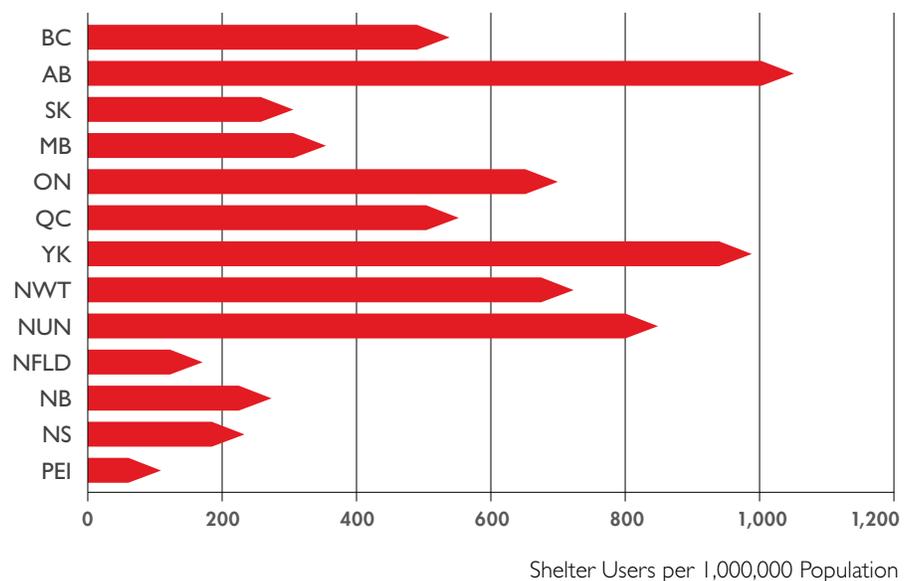
## Canada's Homelessness

In Canada, Ci estimates 157,000 people experienced homelessness in 2006.<sup>2</sup> Homelessness is not new: it has been around for centuries. However, in recent years homelessness has increased and also has a different composition due to urban renewal, changes in the labour market and the closure of mental health facilities. Beginning in the 1950s, cheap shelter, like “skid row” hotels, were demolished and the land reused for office buildings and condominiums in urban renewal. The shortage of inexpensive housing increased the number of homeless in the 1970s and this trend accelerated through the 1980s.<sup>3</sup> Earlier in the century urban employers needed muscle to handle cargo, providing jobs and wages to the pool of transient labour. With the advent of fork lift tractors and other machines, using casual labour was no longer cost-efficient and was no longer needed. Lastly the closing of mental health institutions impacted the composition of the homeless population. While deinstitutionalization began in the 1960s, the impact was felt more after 1975 when mental institutions discharged the more disturbed patients.<sup>4</sup>

## Distribution of Canada's Homeless

Homelessness occurs in every region of Canada. It is believed by some that homelessness is primarily found in major cities; however, this is not the case. Homeless counts and Census shelter counts reveal that it is a significant issue in cities of all size (see Appendix 3). Provincial Census counts show that the prevalence of shelter users is higher in Alberta, Ontario, and the northern territories, while being lower in Atlantic Canada (see Figure 1); however, no region of Canada is immune.

Figure 1: Prevalence of Shelter Users by Province, 2006



Source: 2006 Statistics Canada Census, Shelter and Dwelling Count

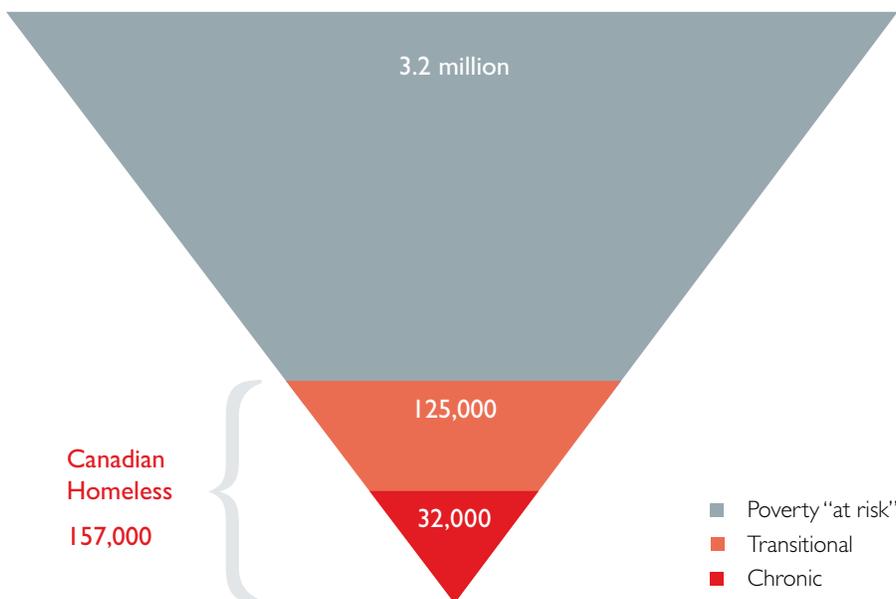
## Defining Homelessness

This report focuses on the absolute homeless, those who have no housing, are “roughing it” on the streets or living in shelters. Other reports on homelessness include those who live in inadequate or crowded housing, or the invisible homeless who are “couch surfing”, sleeping with friends. The absolute homeless is a much smaller group of people representing an estimated 157,000 people compared with the larger group living in poverty and at-risk of homelessness. It is this smaller group of absolute homeless that has the greater and more immediate need.

Poverty is the major contributor of homelessness in Canada. Most people become homeless due to economic circumstances, driven to shelters by unemployment or the inability to afford rising living costs. There are an estimated 3.2 million Canadians living in poverty who may benefit from social assistance, housing improvements, and low-cost housing.<sup>6</sup> These Canadians are living on the cusp of homelessness, only one or two paycheques away from living on the streets. Spending on food, shelter, and clothing take over 60% of their after-tax income.<sup>7</sup> In 2008, 95,700 (3%) of Canadians living in poverty became homeless.<sup>8</sup>

**The Homeless Divide** There are two distinct groups of homeless people: those who are temporarily homeless, the transitional homeless, and those who are chronically homeless, living on the streets repeatedly and for more than one year.

Figure 2: Tip of The Homeless Crisis



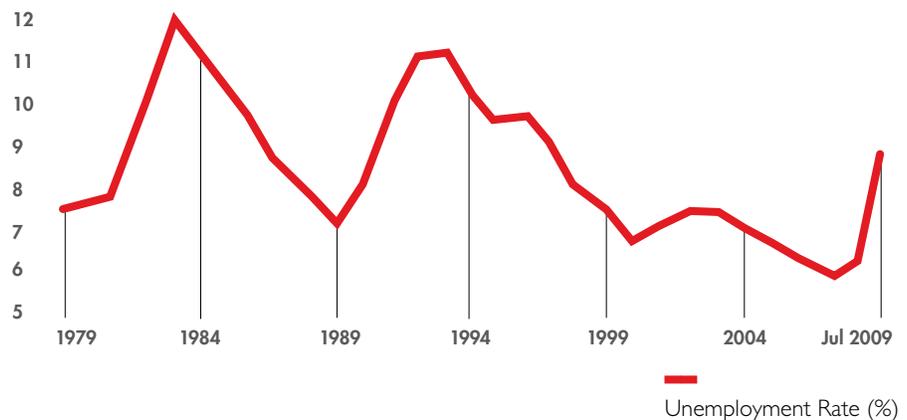
Most homeless people use the shelter system as intended, as an emergency service from which they exit and do not return.<sup>14</sup>

**Transitional Homelessness** Each year, 80% of Canadians who experience homelessness are temporarily homeless.<sup>9</sup> The transitional homeless experience homelessness only once lasting less than 3 months.<sup>10</sup> This group of people generally become homeless due to an unforeseen circumstance such as losing a job, moving to a city to find work, being evicted since failing to pay rent or fleeing from an abusive relationship, many times with children in tow.<sup>11</sup> The transitional homeless are typically younger than the chronic homeless, and include most of the Canadian children who are homeless. The transitional homeless do not have the prevalence of multiple conditions like mental health or addiction frequently seen in the chronically homeless.<sup>12</sup>

In 2008, Ci estimates 125,000 people in Canada were transitionally homeless. Their homeless experience is relatively short-term, using the emergency shelter system as needed, for an average stay of 20 days then exiting back on their feet, rarely to experience homelessness again.<sup>13</sup>

The current economic recession will likely cause an upward spike in Canadians experiencing homelessness this year and next.<sup>15</sup> Job losses are a major trigger event creating homelessness. In July 2009, the unemployment rate in Canada rose to 8.6%, the highest rate in 11 years (see Figure 3). Since October 2008, 186,000 people have lost their jobs, with men and young workers the most affected.<sup>16</sup> Canadian frontline charities are reporting significant increases in people using food banks (an early intervention for homelessness) and higher shelter use.

Figure 3: Canada's Unemployment Rate



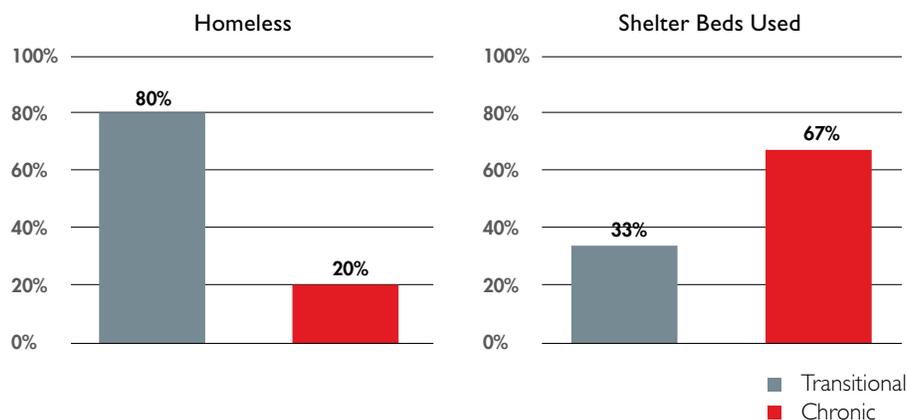
Data courtesy of Scotia McLeod and Nesbitt Burns.



**Chronic Homelessness** The smallest group of Canadian homeless people are those who are chronically homeless, representing 20% of the homeless population or an estimated 32,000.<sup>17</sup> These people use shelters as long-term housing often for more than a year or ‘stay’ in other institutions, like mental health hospitals, detoxification centres and jails.<sup>18</sup> These homeless are 75% single men who are unemployed, often those experiencing mental health and addiction.<sup>19 20</sup>

The chronically homeless are likely to be entrenched in the shelter system staying many years or their lifetime. They occupy 67% of the available shelter beds throughout the year.<sup>21</sup> Shelter beds apparently work for transitional homeless but become a warehouse for those who are chronically homeless. If alternative, appropriate and effective services can be provided to the chronic homeless removing them from shelters, Ci estimates shelter bed availability for the transitional homeless would increase by 55%.

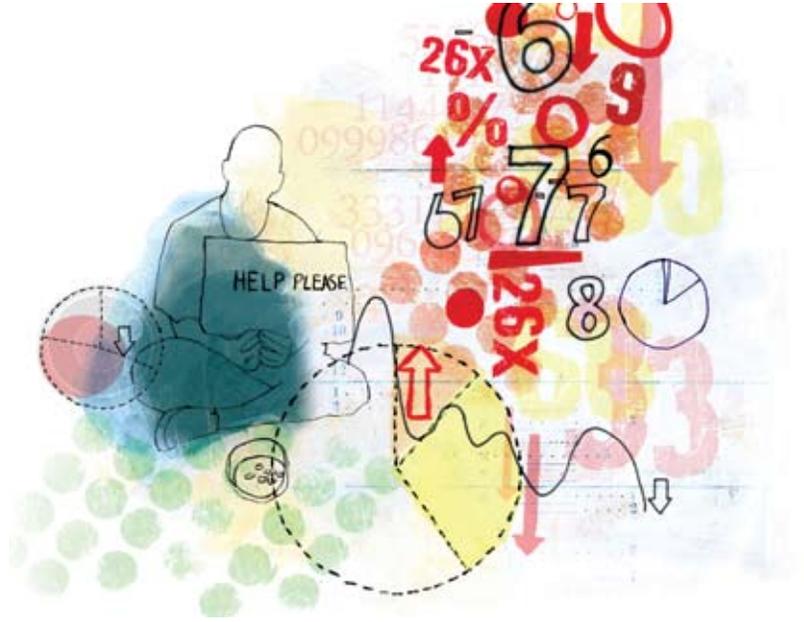
Figure 4: Chronically Homeless Shelter Use



Source: Kuhn & Culhane, as cited in Culhane & Metraux, 2008

“...the greatest suffering is being lonely, feeling unloved, having no one. I have come more and more to realize that it is being unwanted that is the worst disease that any human being can ever experience.”

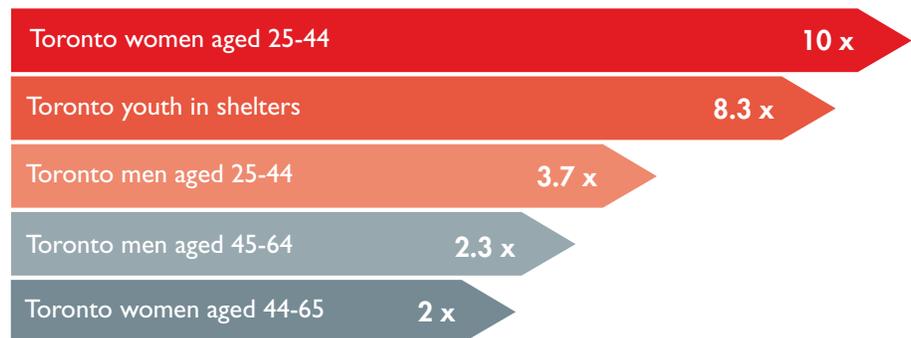
— Mother Teresa



### Human Costs

Homelessness has devastating effects on an individual's life. The average night on the street is lonely and violent. The average life expectancy of a homeless person in Canada is 39 years, half the national average.<sup>22</sup> Overall, homeless individuals have 127 times higher chance of dying an early or preventable death than the average Canadian, with an estimated 1,350 homeless deaths in 2008.<sup>23</sup> Half of these deaths are a result of suicide, with homeless people likely giving up life in the desperation of their circumstances. The suicide rate among the homeless is 460 per 100,000 compared with an average Canadian suicide rate of 11.6, nearly 40 times higher.<sup>24</sup>

Fig.5: Homeless vs. Non-Homeless Mortality Rates



Source: Hwang, S. (2000). Mortality rates among men using homeless shelters in Toronto Ontario. *JAMA*, 283:2152-7

Cheung, A. & Hwang, S. (2004). Risk of death among homeless women: a cohort study and review of the literature. *Canadian Medical Association Journal*, 170:8.

Roy, E. (August, 2004). Mortality in a cohort of street youth in Montreal. *Journal of American Medical Association*, v4.

Homelessness and living on the streets is particularly hard on women creating a death rate 10 times greater than other women in Toronto.<sup>25</sup> Homeless women die due to high levels of depression, suicide, AIDS, and drug overdoses.<sup>26</sup>

Both homeless men and women are more likely to experience violence. Homeless people are assaulted more in one year than the average person will experience in a lifetime.<sup>27</sup> Homeless women experience high levels of violence, 37% of homeless women surveyed in Toronto had been physically assaulted in the past year and 21% were raped in a year.<sup>28</sup>

### Economic Costs

There are extremely high costs associated with homelessness in Canada. Ci estimates that in 2006, it cost Canadian taxpayers \$1.25 billion in criminal justice, social services and emergency shelter costs and emergency health care for Canada's homeless (see Appendix 2: The Economic Costs of the Homeless)

Although the smallest segment of the homeless population, the chronically homeless accrue the highest costs. Ci estimates that each chronically homeless person incurs costs of \$35,000 each year. Relative to the other Canadian homeless groups, it is this chronically homeless group that has the largest need for appropriate housing and services providing the largest social returns.

**Criminal Justice System** Roughly 15% of the prison population consists of those who were homeless in the year before incarceration.<sup>29</sup> In 2006, it cost Canadian taxpayers a total of \$412 million to house the homeless in correctional institutions, parole supervision, and police services.<sup>30</sup>

**Social Services** The cost to provide emergency services, social assistance, income support, child protection, and drug and alcohol treatment to homeless Canadians in 2006 totalled \$285 million.<sup>31</sup>

The longer people remain homeless, the worse their health becomes and their chances of escape diminish.<sup>32</sup> The most effective and cost-efficient approach is to quickly respond to homelessness – to remove a person from life on the streets as quickly as possible, before it is too late.

**Health Care Costs** When a person is left to scavenge for survival, basic health care needs are neglected and become a distant priority. Homeless people have high levels of health care use, are admitted to hospitals five times more than the general population, stay longer, and often obtain their health care use from emergency departments.<sup>33</sup> Mental health is the top reason for emergency visits and hospitalization, accounting for 52% of all homeless hospital treatments.<sup>34</sup> Faced with struggling to survive, 50% of homeless people are unable to take the proper medications as prescribed

“ The irony of all this is that it actually costs more to leave these people on the street than to provide homes for them. ”

— Frank Giustra,  
Streetohome Board Member  
President and CEO,  
Fiore Financial Corporation

“ We can go out there and fill up the cells every night, but that's the wrong thing to do. There is the education. There is prevention. We need to get some of the people who are homeless into shelters. Some of the people who suffer from emotional disturbances, we need to get them to a place of help. These are people who don't belong in jail, they need to be somewhere where they can get the help they need. ”

— Staff Supt. Glenn De Caire

by doctors.<sup>35</sup> Common injuries are left to fester and progressive common illnesses lead to increased use of emergency department visits and acute care hospital admissions.<sup>36</sup> Homelessness magnifies poor health and exposes those in crowded shelters to TB and influenza.<sup>37</sup>

While the chronic homeless are high users of the health care system, 25% cannot access health care due to lack of a health card or proof of health insurance coverage, and are unable to afford prescriptions for medication.<sup>38 39</sup>

### Events Leading to Homelessness

Homelessness is something that is never planned. It can happen to anyone. Homelessness is the direct result of circumstances frequently beyond an individual's control. The nature and complexity of individual issues will greatly alter how long they endure homelessness. The more complicated needs an individual has, the longer he will remain homeless. The longer someone remains homeless, the higher the costs incurred. For both the person and Canada, it is rational to deal with each individual's homeless situation as quickly as possible.

### Homeless Youth – Runaways or Throwaways?

A traumatic childhood experience is the main factor causing young people to become homeless. A Canadian study of youth living on the streets found that a third had been raped as young children.<sup>40</sup> Most homeless youth had been beaten.<sup>41</sup> Most chronic substance abusers came from abusive homes (see Appendix 4).<sup>42</sup>

These early childhood traumatic experiences leave permanent marks, with children becoming troubled youth suffering from depression and high suicide rates.<sup>43</sup> Those held in 'institution care' like foster homes hardly fare better – a US study shows that half of children in the foster care system become homeless. Of the teenagers who run away from home in the US, 40% do not return but live on the streets as highly vulnerable homeless.<sup>44</sup>





### Mental Health: The Tragedy of Compassion

Beginning in the 1960s the trend in mental health has been ‘deinstitutionalization’ with psychiatric hospitals closing, replaced by community care and outpatient treatment. With breakthroughs in drug treatments and psychotherapy in treating mental illness it was argued that patients would make more complete recoveries and be able to live more well-rounded lives if they were reintegrated into the community. As a result, governments removed psychiatric beds from asylums and hospitals. Between 1960 and 1976, 27,630 beds for mental illness were eliminated, reducing available beds by 57%.<sup>45</sup>

The good intention was that with strong community care, people needing psychiatric care could live in the community. This has occurred in some regions, but in most communities, the necessary support is inadequate. This leaves a highly vulnerable group of people displaced and left to fend for themselves. This has created a revolving door method of treating the mentally ill that often involves hospital stabilization and then discharge without the necessary follow-up treatment. Those with serious mental health illness are frequently homeless.

As a consequence, the rate of people with mental illness now institutionalized in jails increased 24% between 1997 and 2001. In sector jargon this is called “transinstitutionalization” where people are transferred from one institution to another. For those with mental illness, inadequate community support has meant that they are now re-institutionalized in Canada’s jails.

With the decline in readily available long-term mental health treatment programs and community support, many with mental health illness are unable to control their symptoms. The Canadian Mental Health Association reports that the unemployment rate of those with serious mental illness ranges from 70%-93%.<sup>46</sup> This is an acute need as participating in a productive work environment is a significant factor in promoting mental health wellness and enriching the lives of those with mental illness.<sup>48</sup>

### Reckless Discharging

In London Ontario, a psychiatric hospital discharged 194 people to shelters or ‘no fixed address’ in 2002. Without basic assistance to secure housing, a study proved that all those people discharged would be homeless. Yet, where psychiatric hospitals take simple steps collaborating with community resources to fast-track first and last month rent offered in government programs, all those discharged remained housed.

The transition from hospital to the community is a critical transition period for people with mental illness. Discharging patients to ‘no fixed address’ leaves the most vulnerable unable to escape homelessness. This is not a rare occurrence but a common practice – at this particular mental facility, 7% of patients receiving mental illness care were discharged to no fixed address in 2002 and 11% in 2001, which results directly in homelessness.<sup>47</sup>

Mental health disorders are highly prevalent in the chronic homeless. Based on US studies, Ci calculates that 35%-50% of Canada's chronic homeless suffer from schizophrenia.<sup>49</sup> Manic depression, or bi-polar disorder, is also highly prevalent, affecting 38%-48% of the chronically homeless.<sup>50</sup> Many homeless people experience concurrent conditions.<sup>51</sup>

Where for some mental illness causes homelessness, others become mentally ill as a direct result of homelessness. The daily stress and trauma of living in shelters and on the streets triggers the onset of mental illness.

### Addiction

Alcoholism and drug addiction is highly prevalent in the chronically homeless. In a Calgary study, 80% of the chronically homeless are addicts.<sup>52</sup> Most homeless addicts abuse alcohol or drugs – anything from rice wine or mouthwash, cocaine or heroin “good rock or up, down.”<sup>53</sup> It is often the case that hurt is at the centre of all addictive behaviours, with addictions acting as the emotional anaesthetics.<sup>54</sup>

As with mental health, addiction is the root cause causing their homelessness for some. For others, addiction is acquired from living on the streets as a way of coping with the stresses and trauma of homelessness. 50% of homeless youth are drug and alcohol abusers, using their addiction as a coping mechanism.<sup>55</sup> This triggers relapses into homelessness. Only half of these youths were addicts before they became homeless.<sup>56</sup> In addition, drugs and alcohol are used as a survival tool, which helps people to stay awake at night to avoid exploitation.<sup>57</sup>



## Eradicating Chronic Homelessness: a Housing First Approach

Back when New York City Health and Hospitals psychologist Sam Tsemberis was treating homeless people for their mental health and substance abuse problems, he recognized that ‘business as usual’ was not working. The most vulnerable population cycled repeatedly through the streets, emergency rooms, drop-in shelters, and jail cells. When he asked them, “what is the first thing you want,” they invariably answered, “a place to live.”

**What is housing first** The housing first approach simply provides housing for the homeless. The New York Pathways program collaborated with private landlords and secured apartments for the chronic homeless. By taking the homeless away from the dangers of life on the streets, their lives stabilize and their conditions improve. In addition, Pathways provides access to 24/7 integrated and comprehensive support by community treatment teams.

The housing first approach is innovative. It differs from traditional care of the homeless which required abstinence from alcohol and drugs before receiving housing and services. The housing first approach reverses this – providing housing before any treatment or other care. Once housed, individuals can voluntarily choose to access an array of mental health, addictions and support services.

The housing first approach is an effective intervention which is a break through solution to the chronic homeless.<sup>58</sup> The chronic homeless have the most complex issues and have been bounced through the system with little success or change. The Pathways program has achieved an 88% success rate in keeping people housed compared with a 47% housing rate for those using the usual New York City mental health system.<sup>59</sup> Once removed from surviving on the streets and put in an apartment, 30% of Pathways to Housing clients get jobs.<sup>60</sup>

The Pathways Housing program is better and cheaper. In New York City it costs US \$23,717 each year to house the homeless in apartments relative to \$65,000 for a community residence, \$27,000 for a cot in a public shelter, \$85,000 for a bed in a jail cell and \$175,000 for a bed in a state psychiatric hospital.<sup>61</sup>

If we are to replicate the New York Pathways cost, Ci estimates that to provide housing for Canada’s 32,000 chronic homeless would cost \$800 million. The housing first approach is more effective and cheaper, saving \$10,000 in costs for each chronically homeless person each year. Assuming an 85% success rate can be replicated, the housing first approach would produce cost savings of \$272 million a year. Numerous Canadian and international studies have identified supportive housing as one of the most cost-effective and most qualitatively positive solutions to end homelessness.

“Housing is the cure for homelessness. It’s that simple.”

— Sam Tsemberis,  
Founder of Pathways to Housing.

### Effective Funder Solutions

There are solutions to ending chronic homelessness in Canada, solutions that potentially could help over 85% escape life on the streets. Given the high societal costs, these solutions are also highly cost-efficient. In assessing organizations working with the homeless, the 'silver bullets' funders should focus on are quality tailored programs and services that promote:

- individual choice,
- dignity,
- recovery opportunities, and
- community.<sup>62</sup>

“ While homelessness is not just a housing problem, it is always a housing problem. ”

— Sabine Springer, 2000  
(Voices, NAPO document)

The new housing first approach shows outstanding results and is being replicated in communities across Canada. Funders need to be aware that each community has modified the original Pathways program in some respects and it is critical to assess each program on its individual results. The key concerns raised are whether a housing first approach is 'warehousing' the homeless, perhaps in insecure buildings with high crime, leaving them again vulnerable to abuse.

Good family support is the most important safety net to prevent people from becoming homeless. Where the family is abusive or unable to adequately meet an individual's needs, strong bonds made with an alternative community can provide the critical support to give those that have been homeless a sense of belonging. Canadian organizations that provide this community, respecting the dignity and individual choice of those leaving homelessness, will likely produce high success results.

Private philanthropy has largely vacated the homeless sector, abdicating involvement and support to government agencies. Ci believes that private philanthropy, which may be more result-orientated rather than 'output' driven, needs to re-engage. By funding organizations with top results in addressing homelessness, more people will be able to escape the homeless crisis.



## Ci Recommended Charities 2009 - Homelessness

### PREVENTION: FOOD BANKS

- Calgary Inter-Faith Food Bank** specializes in the collection and distribution of emergency food in Calgary and to food banks in surrounding regions. Calgary Food Bank diligently maintains a policy that all clients need to get referred to appropriate social service within 3 visits. As a result, only 14% of clients require food hampers for longer than 90 days. Alberta's food banks serve the highest percentage of working poor in Canada and the Calgary Food Bank has successfully increased food donations by 30% in preparation for the continued trend.  
Calgary, Alberta ..... page 18
- Edmonton Food Bank**, the first food bank in Canada, is led by an Executive Director who has been recognized with the Order of Canada for her over 20 years of work with the organization. Edmonton Food Bank collects surplus and donated food and in 2008 distributed over 48,000 nutritionally balanced hampers to people facing hunger in the community. Despite collecting over \$13,000,000 in donated food last year, reserves for Edmonton Food Bank (16% of program costs) indicate a vital need for funds in order to sustain their great results.  
Edmonton, Alberta ..... page 20
- Fort York Food Bank** is a multi-service agency assisting some of downtown Toronto's most vulnerable citizens through food distribution and counselling/advocacy services. In the last fiscal year, the Fort York Food Bank successfully increased donations by 30% to match the 30% increase in clients served. However, the Fort York Food Bank still finished the year with reserve funds amounting to only 6% of the annual programs costs. This fiscally responsible, volunteer-driven organization has an extreme funding need in order to continue delivering great results.  
Toronto, Ontario ..... page 22
- Inner City Home of Sudbury** is the agency of last resort, providing counselling, outreach and continued support to the largest growing client base of all food banks surveyed. In 2008, two staff members and over 120 volunteers worked diligently to stabilize program costs while addressing the 33% year over year growth in new clients. Inner City Home of Sudbury expects this dramatic increase to continue in 2009 and requires additional funds to purchase perishable food items as donations for these important staples have been declining.  
Sudbury, Ontario ..... page 24
- Second Harvest** makes certain that good food does not go to waste. Running a distribution network, Second Harvest delivers perishable food within 24 hours that would have otherwise been disposed of to over 200 member agencies operating 250 different meal programs across Toronto. Second Harvest also trains underemployed individuals in culinary training programs to provide meals to those agencies lacking food preparation facilities. Each dollar donated to Second Harvest generates \$9.13 of fresh surplus food delivered, and improved efficiencies have lowered the amount of wasted food to 6% from 14% in 2004.  
Toronto, Ontario ..... page 26

**HOMELESS YOUTH:**

- Bladerunners** provides training and employment services to homeless and neglected youth, placing them in construction jobs where they earn wages, learn new skills and become self-reliant. It costs only \$6,800 per youth through the Bladerunners program, where after 3 weeks of training, 90% of youth are placed in jobs, with a success of 80% remaining employed 2 years later.  
Vancouver, British Columbia ..... page 28
- Eva's Phoenix Print Shop** is a social enterprise program run within the charity Eva's Initiatives. Eva's Phoenix gives homeless youth jobs and hands-on experience. Eva's Phoenix has graduated 81 youth through its training program, where 56 entered into full or part time employment, returning an additional 16 youth to the school system. Eva's Phoenix sales increased 23% approaching break even, with a loss of only \$3,368 in 2008.  
Toronto, Ontario ..... page 30
- Turnaround Couriers** is a for-profit, bicycle courier social enterprise providing one hour deliveries in Toronto. Turnaround Couriers hires homeless youth as couriers, employing 100 youth to date. Through work experience, Turnaround Couriers enables youth to get job skills, wages, and access to the mainstream labour market.  
Toronto, Ontario ..... page 32

**INTERVENTION:**

- Fresh Start Recovery** is an exceptional addiction treatment program that produces top results for men who are addicts. Where industry averages are 5-10%, Fresh Start maintains a success rate of 35% of men living clean and sober. Fresh Start is building a 50 bed facility and requires funding of \$5 million to expand upon its success with men who are addicts.  
Calgary, Alberta ..... page 34
- Potential Place** provides a clubhouse for 454 'members' people with severe mental illness being a place where they belong, become involved with programs and have opportunities to get meaningful jobs. 27 members live independently in Potential Place apartments. Here, Potential Place achieves better results than the Pathways to Housing program in New York with 85% of resident members employed. Potential Place is seeking \$2.2 million in funding to house 50 people on its waitlist and to buy a clubhouse facility.  
Calgary, Alberta ..... page 36
- Pathways Clubhouse** is a clubhouse for people with severe mental illness, with 70 of its 131 members living in Pathways apartments. Members are involved in work during the day reflecting the Clubhouse philosophy that work enriches lives. With a majority of members living in Pathways apartments, program costs are \$14,272/member, a cost savings to those who would otherwise be at high-risk of homelessness.  
Richmond, British Columbia ..... page 38

**REMEDIAL:**

- Evangel Hall Mission** provides community, independence, dignity and hope to homeless men, women and children in Toronto. Evangel Hall offers hot meals, social activities, counselling, transitional housing and a medical and dental clinic. In 2008, Evangel Hall served over 1,200 homeless people, housed 130 people in transitional housing and an additional 200 people were housed working with Evangel Hall's housing coordinator. Evangel Hall needs \$4.3 million to pay down mortgages and meet a 20% increase in clients.  
Toronto, Ontario ..... page 40

- The Salvation Army Gateway** is a shelter and drop-in centre for homeless adults in downtown Toronto. Gateway works with clients who are chronically homeless with multiple barriers so they can get back on their feet to independence. Services range from emergency and crisis management through food and health care, to long-term case management with addictions, counselling, life skills, community housing and job searches. Gateway housed 529 people in 2008. Gateway needs additional funding to hire one staff member to meet the increased demands for its drop-in services.  
Toronto, Ontario ..... page 42
- Gateway Linens** is a social enterprise providing jobs to homeless men living in shelters with the opportunity to get back on their feet. Gateway Linens provides commercial laundry services to homeless shelters in Toronto. Following strong growth last year, Gateway Linens is seeking \$92,000 to expand by purchasing more commercial washers and dryers, which will allow Gateway Linens to hire more homeless men.  
Toronto, Ontario ..... page 44
- Inner City Development** is a social enterprise which is renovating Winnipeg’s inner-city and fighting systemic poverty by hiring Aboriginal and other low-income, poorly-educated unemployed people. Through hands-on work experience and mentoring from trade journeymen, each year Inner City Development trains 25 people in construction job skills creating cost savings of \$665,000 in welfare payments and has built over 225 projects.  
Winnipeg, Manitoba ..... page 46
- Inn From the Cold Society** is Calgary’s first emergency shelter for families. It provides support, emergency shelter and referrals to secure proper housing for families in a homeless crisis. A network of over 100 “inns” churches and community agencies served 1,013 people. In 2008 100% of families found housing, 75% got jobs and 90% of children immediately entered school. IFTC needs \$1.6 million to meet the rising needs of homeless families.  
Calgary, Alberta..... page 48
- Portland Hotel Society** uses a community housing first approach to provide long-term housing to the chronically homeless. In 2008, Portland Hotel Society was at full capacity housing 700 people at a cost of \$1,324 per person. Through programs and enriched community living, formerly homeless people remain housed for years. Portland Hotel is at capacity and needs funding of \$4.9 million to open more hotels, pay down mortgages, and expand client programs.  
Vancouver, British Columbia ..... page 50
- Wesley Urban Ministries** works with poor and homeless people of all ages providing a ‘hand-up’ so they can break the cycle of poverty. At its core, Wesley Urban Ministries serves neglected and homeless children, providing enriched learning and care to stop them from entering a life on the streets. Through its adult addictions program, Wesley Urban Ministries stabilized the health of 46 homeless adults, reducing their jail time by 95% and decreasing hospital stays by 86%. There is a funding need of \$3.2 million to provide ongoing addictions programming and to build supportive housing for homeless youth.  
Hamilton, Ontario ..... page 52



## CALGARY FOOD BANK

### Sector: Food and Shelter

Location: 50000 11 Street SE  
Calgary, AB T2H 2Y5

Website: [www.calgaryfoodbank.com](http://www.calgaryfoodbank.com)

Charitable registration number: 13016 7349 RR0001

Chris Murphy, CFA  
[cmurphy@charityintelligence.ca](mailto:cmurphy@charityintelligence.ca)

Tom Kasprzycki  
[tomk@charityintelligence.ca](mailto:tomk@charityintelligence.ca)

August 20, 2009

#### About Calgary Food Bank:

The Inter-Faith Calgary Food Bank (CFB) is the centralized food collector and distributor of emergency food in the city and its surrounding regions. Over the past year, close to 90,000 people were served by CFB, representing 7% of the city's population. The city may have experienced strong economic growth, but individuals sometimes require a hand up when faced with illness, job loss and other challenges. CFB diligently maintains a policy of all clients requiring a referral to an appropriate social service agency within their first 3 visits. As a result, only 14% of clients require hampers for over 90 days. Each hamper is nutritionally balanced and provides approximately one week's worth of food. The organization receives tremendous local support from over 3,800 volunteers who gave over 75,000 hours to CFB last year.

#### Social Results:

- CFB distributed 34,686 Emergency Food Hampers (each containing 7-10 days of food) in 2008. For 45% of clients, only 1 visit was necessary to tide them over until they were back on track.
- 12,766 ready-to-eat Hampers for the Homeless were distributed by 16 partner agencies.
- CFB provides 3,600,000 lbs. of food to 40 rural food banks outside of Calgary.

#### Financial Overview:

- Program cost coverage (including 3 months of food) remains consistent at 48%.
- Fundraising costs (as a % of donations) remains efficiently low at 4.5%.
- Administrative costs remain low relative to charity value at 2.1%.

#### Investment Highlights:

- CFB saves 82 partner charities and non-profit organizations approximately \$60,000/year with food for snacks and meal programs – allowing them to concentrate on programming.
- For every dollar donated in 2008, \$5.20 of food was distributed. A \$37 donation was enough to feed the average client and their family during their time of need.
- CFB increased their food donations by 30% in F08 to prepare for an expected increase in demand. This was accomplished by implementing systems over the past two years and leveraging contacts with 200 donors from the food industry.

**CALGARY FOOD BANK**

Year ending August 31<sup>st</sup>

Program Data	2008	2007	2006
Program costs	3,086,182	3,103,047	2,863,454
Total volunteers	3,821	5,048	4,200
Total volunteer hours	75,765	79,800	95,800
Volunteer turnover rate (%)	n/a	14%	19%
Clients served	89,586	87,212	94,689
New clients	13,517	11,680	12,838
Hampers distributed	47,452	45,494	47,644
Food value/client	191	154	148
Clients referred (%)	100%	n/a	n/a
Food industry donors (est.)	200	n/a	n/a
Value food/\$ donated	5.20	4.26	4.90
Food Waste (% total est.)	13%	24%	20%

**Charity Analysis**

Revenues (less interest income)	3,915,988	3,999,831	3,664,699
Value of volunteer time	1,136,475	1,197,000	1,437,000
<u>Donated goods &amp; services</u>	<u>17,082,569</u>	<u>13,453,450</u>	<u>14,036,985</u>
Charity value	22,135,032	18,650,281	19,138,684
Community size (pop.)	1,135,100	1,106,800	1,079,300
Community ownership (local support \$ / pop.)	\$17.69	\$15.04	\$16.05
Scope of service (clients' % of pop.)	7.9%	7.2%	8.8%
Administrative costs (% of charity value)	2.1%	2.7%	2.5%
Fundraising costs (% of donations)	4.5%	4.4%	3.9%
Program cost coverage (%) including 3 months of food	48%	49%	45%

**Audited Financials**

(All figures in \$)

Donations	3,510,689	3,852,714	3,599,474
Fees for services	–	–	–
Government funding	145,365	147,117	65,225
Interest income	87,446	23,931	78,483
<u>Special events and other</u>	<u>259,934</u>	<u>n/a</u>	<u>n/a</u>
Total revenues	4,003,434	4,023,762	3,743,182
Program costs	3,086,182	3,103,047	2,902,523
Administrative costs	460,862	508,631	480,859
<u>Fundraising costs</u>	<u>158,918</u>	<u>169,336</u>	<u>141,683</u>
Operating cash flow	297,472	242,748	218,117
Capital expenditures	331,551	455,601	541,115
Funding reserves	3,530,738	3,200,342	2,885,273

**History:** CFB began in 1982 as a small, volunteer-led initiative in a church basement, responding to financial suffering caused by the large fallout in the oil and gas industry. CFB has stayed true to its roots as a charitable operation, distributing emergency food to Calgary and to rural food banks across Western Canada.

**Management:** The core leadership team at CFB has over 20 years of experience in the non-profit sector. They have recently managed to add more breadth to the organization by recruiting successful professionals with complementary skills. The group continues to advance and refine its processes through automation, analysis of statistics and computerization.

**Community need:** Alberta's food banks serve the highest percentage of working poor in Canada (27% in 2008). Over the past 3 years, approximately 7% of Calgarians have used the services of the CFB despite the economic growth in the region.

**Investment risks:** The data indicates that CFB hasn't yet experienced the same growth in clients as other food banks studied (number of clients has decreased 5% F08 from F06). This may be a function of a stronger regional economy. At the same time, donated goods and services have increased 26% in anticipation of increased demand for services in F09.



## EDMONTON'S FOOD BANK

### Sector: Food and Shelter

Location: 11508–120 Street  
Edmonton, Alberta T5M 4B5

Website: [www.edmontonsfoodbank.com](http://www.edmontonsfoodbank.com)

Charitable registration number: 129 185 310 RR0001

Chris Murphy, CFA  
[cmurphy@charityintelligence.ca](mailto:cmurphy@charityintelligence.ca)

Tom Kasprzycki  
[tomk@charityintelligence.ca](mailto:tomk@charityintelligence.ca)

August 20, 2009

**About Edmonton's Food Bank:** Originally incorporated as Edmonton Gleaners Association, Edmonton's Food Bank (EFB) was the first food bank in Canada. Their mission is to be stewards in the collection of surplus and donated food for the effective distribution, free of charge, to people in need in their community while seeking solutions to the causes of hunger. EFB collects approximately 70% of its supplies from local industry and they also purchase \$250,000 to \$300,000 worth of food to ensure that their hampers are nutritionally balanced. The EFB works collaboratively with over 160 charitable organizations, churches and food depots throughout Edmonton to distribute over 6.5 million lbs. annually. That's enough to feed approximately 100,000 people with hampers and to provide an additional 3 million meals and snacks. Community support, in terms of financial contributions, volunteering and food donations is very strong.

#### Social Results:

- EFB distributed 48,347 hampers to people in need during F08.
- Over \$13,000,000 worth of food is collected annually by the organization.
- 5% of Edmonton's population accessed an EFB emergency hamper in F08.
- Working with Alberta Food Banks, EFB shared 972,942 lbs. of surplus food across the province as a part of the National Food Sharing System. Hungry Albertans across 33 communities from Athabasca to Whitecourt benefited from the generosity of Edmonton donors.

#### Financial Overview:

- Program cost coverage (including 3 months of food) of 16% indicates a significant funding need.
- Fundraising revenues have increased each year while costs associated with fundraising activities remain low (0.6% of charity value), reflecting efficiency.

#### Investment Highlights:

- Administrative costs represent only 0.4% of the total calculated EFB charity value.
- In F08, every dollar donated to the EFB resulted in \$8.40 of food distributed to people in need.
- Food value/client of \$406 in F08 represented the highest value in food banks studied.

**EDMONTON GLEANERS ASSOCIATION**

Year ending December 31<sup>st</sup>

Program Data	2008	2007	2006
Program costs	1,483,704	1,332,177	1,192,637
Total volunteers	n/a	n/a	n/a
Total volunteer hours	34,000	31,917	32,449
Volunteer turnover rate (%)	n/a	n/a	n/a
Clients served <sup>1</sup>	39,026	36,829	32,322
Hampers distributed	48,347	43,787	48,734
Food value/client	\$406	\$352	\$431
Clients referred (%)	n/a	n/a	n/a
Food industry donors (est.)	188*	188	188
Value food/\$ donated	\$8.40	\$7.15	\$9.24
Food Waste (% total est.)	4%*	4%	4%
<b>Charity Analysis</b>			
Revenues (less interest income)	1,886,506	1,812,783	1,507,415
Value of volunteer time donated	510,000	478,755	486,735
<u>Donated goods &amp; services</u>	<u>15,851,506</u>	<u>12,958,686</u>	<u>13,931,570</u>
Charity value	18,248,011	15,250,224	15,925,720
Community size (pop.)	782,739	752,412	712,391
Community ownership (local support \$ / pop.)	23.32	20.29	22.36
Scope of service (clients' % of pop.)	5%	5%	5%
Administrative costs (% of charity value)	0.4%	0.4%	0.4%
Fundraising costs (% of donations)	5.0%	4.1%	6.2%
Program cost coverage including 3 months of food	16%	18%	13%
<b>Audited Financials</b> (All figures in \$)			
Donations	1,886,505	1,812,783	1,507,415
Fees for services	—	—	—
Government funding	—	—	—
Interest income	125,596	116,525	104,634
<u>Special events and other</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total revenues	2,012,101	1,929,308	1,612,049
Program costs	1,483,704	1,332,177	1,192,637
Administrative costs	70,421	53,917	58,559
<u>Fundraising costs</u>	<u>93,423</u>	<u>74,138</u>	<u>93,993</u>
Operating cash flow	364,553	469,076	266,860
Capital expenditures	148,135	25,443	—
Funding reserves	876,435	841,561	620,272

Financial Note: <sup>1</sup>Hamper Program only. \*EFB management "best estimate"

**History:** The origins of Canada's first food bank began at Sacred Heart Church in April 1980. A year later, the formalized organization named Edmonton Gleaners Association was created to bridge the gap between the increasing need for food amongst the poor and the waste created by surplus production in the food industry. While initially it salvaged only excess food, by 1983 it also began distributing food hampers on the front lines.

**Management:** Executive Director, Marjorie Bencz was awarded the Order of Canada for her role as a leading advocate on behalf of the poor for 20 years at EFB. She described the event as recognition of the entire group's work in serving the EFB community. She is joined by a well-rounded management team that is experienced in warehouse operations, health care and nutrition.

**Community need:** Alberta is the province with the highest percentage of employed food bank recipients in the country. Management has observed a 60% increase in monthly demand (YOY) for their services during the past Spring 2009. Many of the clients served are families as 40% of the food is distributed to children.

**Investment risks:** Despite management observing 2009 increases, stats gathered indicate only a 6% YOY increase in number of clients from F07 to F08. Donated goods and services have increased 25% in anticipation of increased demand for 2009.



## THE FORT YORK FOOD BANK

### Sector: Food and Shelter

Location: 797 Dundas Street West  
Toronto, ON M6J 1V2

Website: [www.fyfb.com](http://www.fyfb.com)

Charitable registration number: 86714 7464 RR0001

Chris Murphy, CFA  
[cmurphy@charityintelligence.ca](mailto:cmurphy@charityintelligence.ca)

Tom Kasprzycki  
[tomk@charityintelligence.ca](mailto:tomk@charityintelligence.ca)

August 20, 2009

**About The Fort York Food Bank:** Founded in 1998, the Fort York Food Bank (FYFB) is a grassroots, volunteer-driven (one paid staff member) charitable organization that directly assists families and individuals living in need in downtown Toronto. Being a local organization, FYFB staff and volunteers take the time to speak with every client that comes through their door. Every client contact is an opportunity to establish trust and identify their core needs beyond the immediacy of food. Most clients live off less than \$4/day after occupancy costs and the FYFB is a vital service that can help prevent homelessness amongst this vulnerable population. FYFB goes beyond distributing food to really reconnecting clients with their community through a holistic group of services that help people get back on track through counselling, training and advocacy so they can find jobs, safe housing and appropriate social/community programs.

#### Social Results:

- The FYFB delivered 14,388 food hampers (3 days of food) to 3,713 downtown Toronto clients in F08.
- The number of unique clients increased by 29.3% in F08 from F07.
- The FYFB provided 1,266 counselling (2-3 sessions each) or external referrals to agency partners.
- In addition, the FYFB served over 31,350 meals in F08 in their Community Kitchen which represented a 49% increase over F07 numbers.

#### Financial Overview:

- Administrative costs to charity value remained consistently low at 0.5% from F06 to F08.
- Donations increased by 30% year-over-year to match the 30% increase in unique clients served.
- Fundraising costs to donations remains very low at 4%.

#### Investment Highlights:

- Volunteer driven organization (volunteers have generated 25% of charity value) has been able to successfully handle increases in unique clients, meals provided and referrals by fiscally managing their budget and increasing donations.
- Program cost coverage (incl. 3 months of food) of 6% highlights an extreme fundraising need.
- Very low administrative costs and fundraising costs indicates a focus on program delivery.
- High amount of counselling/referrals (1,266 in F08) to unique clients suggest that this organization is following its mission of helping to get people on track.

**THE FORT YORK FOOD BANK**

Year ending March 31<sup>st</sup>

Program Data	2008	2007	2006
Program costs	86,247	74,262	88,409
Total volunteers	612	545	462
Total volunteer hours	18,730	15,442	12,104
Volunteer turnover rate (%)	n/a	n/a	n/a
Clients served	3,713	2,871	2,616
New clients	1,300	1,281	1,110
Returning clients	2,413	1,590	1,506
Hampers distributed	14,388	10,911	9,793
Food value/client	\$189	\$178	\$196
Clients referred (%)	48%	44%	58%
Food industry donors (est.)	n/a	n/a	n/a
Value food/\$ donated	\$6.35	\$6.18	\$6.28
Food Waste (% total est.)	n/a	n/a	n/a

**Charity Analysis**

Revenues (less interest income)	110,476	82,560	81,394
Value of volunteer time donated	280,950	231,630	181,560
<u>Donated goods &amp; services</u>	<u>732,255</u>	<u>556,237</u>	<u>571,664</u>
Charity value	1,123,681	870,427	834,618
Community size (pop.)	218,780	218,780	218,780
Community ownership (local support \$ / pop.)	5.14	3.98	3.81
Scope of service (clients' % of pop.)	1.7%	1.3%	1.2%
Administrative costs (% of charity value)	0.4%	0.5%	0.5%
Fundraising costs (% of donations)	4%	3%	3%
Program cost coverage including 3 months of food	6%	12%	2%

**Audited Financials**

(All figures in \$)

Donations	89,376	73,917	74,358
Fees for services	–	–	–
Government funding	21,100	8,643	7,036
Interest income	–	–	12
<u>Special events and other</u>	<u>–</u>	<u>–</u>	<u>–</u>
Total revenues	110,476	82,560	81,406
Program costs	86,247	74,262	88,409
Administrative costs	4,158	4,359	3,869
<u>Fundraising costs</u>	<u>3,197</u>	<u>2,465</u>	<u>2,074</u>
Operating cash flow	16,874	1,474	(12,946)
Capital expenditures	–	–	–
Funding reserves	15,365	24,972	5,539

**History:** The FYFB was founded in 1998 to serve an area in downtown Toronto previously served by the Daily Bread Food Bank, which was moving its operations to the suburbs. FYFB originally focussed on providing emergency supplies but has evolved based on the changing needs of its clients. It now provides an integrated set of services including counselling and advocacy, community drop-in centre, and community vitality programs.

**Management:** The FYFB is governed by a dedicated voluntary Board of Directors (12) including President and Vice-Chair that have been involved since inception. One paid staff member works with the BOD to drive the day-to-day operations and coordinating efforts of volunteers in delivering programs.

**Community need:** The FYFB covers a significant portion of downtown Toronto and that area has expanded over the past 10 years as other agencies have closed. There is a wide diversity in their ethnic population (38% in F08 are recent immigrants) and FYFB has recognized this by adding multi-lingual volunteers. Less than 10% of the clients are homeless and 20% are represented by children.

**Investment risks:** Reserve funds at the end of F08 were only sufficient to meet 6% of annual program costs. The FYFB faces continued pressure to fundraise and grow its volunteer base in order to sustain results. Expected growth in new clients and subsequent increase in program costs only emphasizes the urgency to raise additional funds in F09.

**Potential Conflict:** Ci's analyst of food banks, Chris Murphy, is a board member of Fort York Food Bank. The recommendation of Fort York Food Bank has been independently reviewed.



## INNER-CITY HOME OF SUDBURY

### Sector: Food and Shelter

Location: 251 Elm Street  
Sudbury, ON P3C 1V5

Website: N/A

Charitable registration number: 89126 0184 RR0001

Chris Murphy, CFA  
cmurphy@charityintelligence.ca

Tom Kasprzycki  
tomk@charityintelligence.ca

August 18, 2009

**About Inner City Home of Sudbury:** Inner City Home of Sudbury (ICHS) maintains a personal approach to caring for the poor. Operating as a food bank, ICHS also addresses the underlying issues of food insecurity by providing valued counselling for crisis needs, workshops and referral services to its clients. With minimal resources and paid staff (one full-time and one part-time), ICHS relies heavily on the 120 trained volunteers to run the programs and services. ICHS clients can access the food bank once a month, however given the local economy they are temporarily allowing clients to make additional visits. The effectiveness of ICHS is recognized by the countless referrals made to ICHS from other social service agencies, where ICHS is often the “agency of last resort.”

#### Social Results:

- In 2008, ICHS fed 6,457 individuals in Sudbury, which represents a 33% increase from the previous year. In addition, 499 clients were provided with counselling services, access to life skill workshops or referrals to external agencies.
- 1/3 of ICHS clients are referred to them by other agencies and partners.

#### Financial Overview:

- Program costs fell by 30% in 2008 to \$14/client, the result of costs remaining static while the number of clients served increased by 33% from F2007.
- The 33% year over year growth in clients served represents the biggest gain in the food banks studied.
- Administrative costs remained highly effective at 3% of the charity value.

#### Investment Highlights:

- One full-time employee and one part-time employee mobilized 120 volunteers to serve the growing need for food bank services in Sudbury.
- They are an incredibly efficient organization as evidenced by the fact that 36% of their charity value is generated by volunteer contributions.
- Despite keeping program costs static, ICHS has a funding need, as only 53% of annual program costs + 3 months of food value are covered by current funding reserves.

**INNER-CITY HOME OF SUDBURY**

Year ending December 31<sup>st</sup>

Program Data	2008	2007	2006
Program costs	\$92,940	\$95,496	\$89,877
Program hours	n/a	n/a	n/a
Total volunteers	120	115	119
Total volunteer hours	10,049	10,515	9,751
Volunteer turnover rate (%)	n/a	13%	5%
Clients served	6,457	4,839	4,900
Client visit to food bank	7,340	7,160	7,467
Counselling & referrals	499	480	325
Program costs / client	\$14	\$20	\$18
Food value/client	\$21	\$33	\$25
Counselling/total clients	8%	10%	7%

**Charity Analysis**

Revenues (less interest income)	\$126,953	\$122,169	\$99,444
Value of volunteer time donated	\$150,735	\$157,725	\$146,265
<u>Donated goods &amp; services</u>	<u>\$138,486</u>	<u>\$160,000</u>	<u>\$124,088</u>
Charity value	\$416,174	\$439,894	\$369,797
Community size (pop.)	158,900	158,400	157,900
Community ownership (local support \$ / pop.)	2.62	2.78	2.34
Scope of service (clients' % of pop.)	4%	3%	3%
Administrative costs (% of charity value)	3%	3%	3%
Fundraising costs (% of donations)	6%	7%	8%
Program cost coverage (%) including 3 months of food	53%	34%	37%

**Audited Financials**

(All figures in \$)

Donations	96,802	90,493	73,177
Fees for services	—	—	—
Government funding	—	—	—
Interest income	—	—	—
<u>Special events and other</u>	<u>30,151</u>	<u>31,676</u>	<u>26,267</u>
Total revenues	126,953	122,169	99,444
Program costs	92,940	95,496	89,877
Administrative costs	13,220	13,076	10,597
<u>Fundraising costs</u>	<u>6,059</u>	<u>6,394</u>	<u>5,755</u>
Operating cash flow	14,734	7,203	(6,785)
Capital expenditures	—	—	—
Funding reserves	67,500	45,595	44,588

**History:** Sudbury's desperate used to knock on the rectory door of Father Don McMillan for a sandwich and someone to hear their story. After the death of one who "fell through the cracks", Father McMillan rallied the parish to open a centre where people could be treated with dignity, have their story heard, and access basic necessities and counselling. ICHS was founded in 1986 in a gracious century home in the downtown area.

**Management:** The management team at ICHS has been working together for 9 years, with the Executive Director and President working together since 1988. Along with the Program Director, they are responsible for guiding the 120 volunteers in operating the ICHS.

**Community need:** In the Fall of 2008, monthly counselling cases increased by 51%. ICHS has seen a dramatic increase in new clients in the first half of 2009.

**Investment risks:** As a volunteer-driven organization, the ICHS must continue to recruit and keep high quality volunteers. The ICHS has been successful in maintaining a loyal base of volunteers and this is particularly important as food bank requirements are expected to increase in the Sudbury area. Despite keeping program costs static, there is an expectation that food purchases will need to increase as the donation of near-date expired food perishables (bread and eggs) is declining.



## SECOND HARVEST

### Sector: Food and Shelter

Location: 1450 Lodestar Rd. Unit 18  
Toronto, ON M3J 3C1

Website: [www.secondharvest.ca](http://www.secondharvest.ca)

Charitable registration number: 13386 5477 RR0001

Chris Murphy, CFA  
[cmurphy@charityintelligence.ca](mailto:cmurphy@charityintelligence.ca)

Tom Kasprzycki  
[tomk@charityintelligence.ca](mailto:tomk@charityintelligence.ca)

August 21, 2009

#### About Second Harvest:

Second Harvest (SH) feeds thousands every day with surplus food that would have been previously wasted. Thanks to partnerships with grocery stores and other food industry donors, SH operates a distribution network that delivers perishable food to over 200 member agencies operating over 250 different meal programs and food banks across Toronto. Using 7 refrigerated trucks and a system that delivers perishables in less than 24 hours, SH makes sure good food does not go to waste as people go hungry. SH has also partnered with 4 local culinary training programs to create Harvest Kitchens for underemployed individuals. SH delivers food to these Harvest Kitchens where it is prepared by trainees, it is then picked up by SH for delivery.

#### Social Results:

- SH delivered 5.97 million pounds of food in F08, an increase of 9% over F07. This translated into enough food for 15,000 meals being delivered on a daily basis to people in need.
- The Feed our Future program supplies 30,000 meals to summer camps for inner-city kids who are eligible for subsidized lunches during school.

#### Financial Overview:

- Administrative costs have remained low at 2-3% of charity value since 2006.
- Program costs have increased by 10% since F06 but the amount of food delivered to clients has increased by 27% over the same period, reflecting increased efficiencies.
- Program costs per client ranks the lowest amongst food banks studied at \$3.00
- Funding reserves account for only 61% of current year program costs indicating the need for additional fundraising. This is low considering the analysts did not include 3-month food costs as SH rarely stores food for more than 24 hours.

#### Investment Highlights:

- For every dollar donated, \$9.13 of fresh food can be delivered by SH to its partner agencies. This was the highest leverage factor in food banks evaluated.
- Effective strategic decisions have reduced waste during the delivery process to only 6%, down from 15% in 2004 – a very vital indicator of the effectiveness of the SH operations.
- SH saves member agencies on average \$60,000 per year on food costs – savings that can be used to pay for a counsellor or social worker to help their clients get back on track.

**SECOND HARVEST**

Year ending August 31<sup>st</sup>

Program Data	2008	2007	2006
Program costs	1,133,959	1,011,210	966,645
Total volunteers	1,230	1,400	1,300
Total volunteer hours	14,823	18,394	18,500
Clients served (Ci est)	450,000	412,000	354,000
Food value /client (Ci est)	26.53	26.62	26.56
Food industry donors <sup>1</sup>	230	267	285
Value food/\$ donated	9.13	9.51	8.62
Food Waste (% total)	6.0%	6.0%	7.0%

**Charity Analysis**

Revenues (less interest income)	2,364,261	2,120,838	2,022,315
Value of volunteer time	222,345	275,910	277,500
<u>Donated goods &amp; services<sup>2</sup></u>	<u>13,139,799</u>	<u>11,829,000</u>	<u>9,850,000</u>
Charity value	15,726,405	14,225,748	12,149,815
Community size (pop.)	2,511,800	2,507,500	2,503,300
Community ownership (local support \$ / pop.)	\$6.34	\$5.73	\$4.89
Scope of service (clients' % of pop.)	18%	17%	14%
Administrative costs (% of charity value)	3%	2%	2%
Fundraising costs (% of donations)	31%	31%	33%
Program cost coverage	61%	91%	71%

**Audited Financials**

(All figures in \$)

Donations	1,307,232	1,148,761	1,089,910
Fees for services	—	—	—
Government funding	—	—	—
Interest income	23,514	20,115	26,740
<u>Special events and other</u>	<u>1,057,029</u>	<u>972,077</u>	<u>932,405</u>
Total revenues	2,387,775	2,140,953	2,049,055
Program costs	1,133,959	1,011,210	966,645
Administrative costs	469,085	335,550	270,039
<u>Fundraising costs</u>	<u>725,880</u>	<u>648,278</u>	<u>658,661</u>
Operating cash flow	58,851	183,415	153,710
Funding Reserves	689,219	921,420	693,964

Financial Notes:

<sup>1</sup> only includes donors of a minimum of 1,000 lbs of food per year

<sup>2</sup> donated goods and services include food donations and in-kind donations (\$1,199,799 in F08, \$900,000 in F07 and \$450,000 in F06)

**History:** Almost 25 years ago, when food banks were still a recent phenomenon and meant to be a temporary measure of dealing with hunger, Ina Andre and Joan Clayton noticed something was not right. Literally tonnes of food were going to waste as the poor were going hungry. SH thus began as a collection service of perishable foods that would have been disposed of by restaurants and grocers. Most food is distributed within 24 hours to charitable agencies across Toronto.

**Management:** A new Executive Director was put in place last year to work with the existing professional management team on their 3-year strategic plan. The goal is to make an even greater impact on hunger relief in Toronto by increasing awareness of Second Harvest's work as a means to securing more food, funds and volunteers.

**Community need:** SH partners with 200 agencies in the Greater Toronto Area, some have indicated a 10% to 30% increase in demand for their services in the past year. They believe that much of the increase has come from first time users of drop-in programs and meal programs.

**Investment risks:** Although the 2008 figure of 230 industry food donors remains significant, the number has decreased by 19% since 2006.



## BLADERUNNERS

### Sector: Homeless Youth

Location: 100 Park Royal South, Suite 103  
West Vancouver, BC V7T 1A2

Website: [www.bladerunners.info](http://www.bladerunners.info)

Charitable registration number: Urban Spirit Foundation 82789 5368 RR0001

Kate Ruff

[kruff@charityintelligence.ca](mailto:kruff@charityintelligence.ca)

Paola Bernal

[pbernal@charityintelligence.ca](mailto:pbernal@charityintelligence.ca)

August 25, 2009

#### About Bladerunners:

BladeRunners (BR) is a BC Province employment program that helps at-risk youth between ages 15-30 build careers in construction and other industries. The Province of BC is the steward of the program and the Aboriginal Community Career Employment Services Society [ACCESS] is the manager. BR is the Provincial Manager of Lower Mainland and Vancouver Island. Other agencies in the province also provide the BR program, but we have focused our analysis on the one managed by ACCESS.

BR provides training and employment opportunities for youth at risk, placing them in construction jobs where they can earn sufficient income to become self-sustainable. BR has a long term impact on its participants, providing all trainees with 24/7 support. By having coordinators on staff to help youth deal with everyday issues, they attempt to ensure that participants will remain on track with their goals. They know that they have a support system they can rely on: "Once a BladeRunner, always a BladeRunner".

#### Social Results:

Since its inception in 1994, BR has seen 688 youth graduate from the program and is currently training 72 participants each year. After the 3-week training period, 90% of the participants are placed into a construction job, and after 2 years, 80% remain employed in the construction industry, while 30% have achieved journeyman status or moved onto entrepreneurship.

#### Financial Overview:

BR's strategy is to provide youth with the necessary training, followed by an employment opportunity that allows them to become self-sufficient. They also realize that youth at risk face everyday issues that might prevent them from continuing on track with employment and other goals, which is why they provide the 24/7 support for all participants, helping them with issues at work or with family, eviction and addictions.

#### Investment Highlights:

- BR has a very significant success rate amongst the youth-at-risk population; its format has been replicated and praised nationwide.
- BR has a long waitlist of youth wanting to access this program due to the employment opportunities it provides.
- BR has been successful at establishing and leveraging partnerships with construction companies in BC.

*Investment opportunity: Due to BR's structure, they can accept charitable donations only through the "Urban Spirit Foundation" a charitable organization set up for this purpose.*

**BLADERUNNERS**

Year ending March 31<sup>st</sup>

Income Statement	2009	2007	2006
Province of BC Grants	416,687	274,800	352,729
Private Funding	<u>38,550</u>	<u>62,702</u>	<u>28,424</u>
<b>Total Revenues</b>	<b>455,237</b>	<b>337,502</b>	<b>381,153</b>
<b>Expenses</b>			
Program Expenses	42,220	52,427	70,510
Salaries	309,880	300,076	308,767
Office & Admin.	106,491	62,955	67,914
Fundraising	10,550	9,962	9,621
<u>Advertising &amp; Comm.</u>	<u>23,461</u>	<u>11,208</u>	<u>9,214</u>
<b>Total Expenses</b>	<b>492,602</b>	<b>436,628</b>	<b>466,026</b>
<b>Cash Flow</b>			
Net profit (Loss)	(37,365)	(99,126)	(84,873)
<u>Amortization</u>	<u>—</u>	<u>—</u>	<u>—</u>
Operating cash flow	(37,365)	(99,126)	(84,873)
<b>Social Subsidy Analysis</b>			
Grants received	416,687	274,800	352,729
Total costs to produce social results	492,602	436,628	466,026
<b>Total cost per youth</b>	<b>6,842</b>	<b>6,064</b>	<b>6,473</b>
<b>Social Leverage</b>			
Number of people receiving the social benefit (participants)	72	72	72

**Financial Results:** BR spends approx. \$6,500 per youth going through its program, a significant achievement given that they provide 24/7 support for participants.

The financial results of participants are also significant: after training, 90% obtain full time jobs earning \$12-\$15 per hour.

**History:** BR was created in 1994 during the construction of GM Place in Vancouver. It was founded with the purpose of matching construction needs with opportunities for Inner City disadvantaged ‘street-involved’ youth. Since most of the problems for at-risk youth occur after working hours, a system of 24/7 support from BR coordinators was developed.

**Management:** BR has a province-wide manager, as well as 4 coordinators in charge of providing the 24/7 support for all participants. BR coordinators have a similar background to participants, having dealt with life on the streets, jail, etc. This is an integral part of BR’s success: participants can relate to coordinators.

**Case Studies:** “Patrick” had a history of drug abuse, family breakdown and a criminal record. He joined BR and his coordinator helped him deal with a learning disability which then allowed him to work at various large construction sites, learning valuable skills. Now, he has a steady job and is earning a competitive wage, increasing his self-esteem and pride in being a BR.

**Investment risks:** BR depends highly on federal and provincial funding. Also, donations cannot be made directly to the program; they have to go through its charitable arm, the “Urban Spirit Foundation”.



eva's initiatives

## EVA'S PHOENIX PRINT SHOP

### Sector: Social Enterprises

Location: 11 Ordnance Street  
Toronto, ON M6K 1A1

Website: [www.phoenixprintshop.ca](http://www.phoenixprintshop.ca)

Charitable registration number: N/A

Kate Ruff

[kruff@charityintelligence.ca](mailto:kruff@charityintelligence.ca)

Paola Bernal

[pbernal@charityintelligence.ca](mailto:pbernal@charityintelligence.ca)

August 25, 2009

**About Eva's Phoenix Print Shop:** Eva's Phoenix Print Shop (EPPS) is a social enterprise program run within Eva's Initiatives, a registered charity. EPPS provides high quality, competitively-priced printing services and operates Foundations of Print, an award-winning training program for homeless and at-risk youth. EPPS's training for at-risk youth consists of the soft skills necessary to successfully enter the labour market, as well as the hard skills associated with the printing industry jobs.

#### Social Results:

Since EPPS began in 2001, it has had 120 youth go through the program, of which 81 graduated. Of the youth entering the program, 87% were living in shelters or at risk of homelessness, and of these, 61% were successful at improving their housing situation. Upon departure from the program, 56 youth were employed (full and part time; 70% of them in print and related industries) and 16 returned to school.

#### Social Enterprise Strategy:

EPPS trains youth in printing because there is a strong labour market demand for these skills. There are no other social enterprises in this segment in Toronto, and this uniqueness adds value to EPPS. EPPS finds that youth are interested in printing because of its hands-on experience and tangible results. Career exploration and employment skills training is delivered concurrently with technical print training. The goal of youth graduating from the program creates a required turnover of trainees, but the core EPPS staff of 6 employees – including 2 program graduates – remains stable in order to deal with this challenge.

#### Investment Highlights:

- EPPS has successfully increased the scale of its program, initially on average 8-10 youth entered each year, currently 25-30 youth are trained in the same period.
- On a business-only, full-cost/revenue basis EPPS is near breakeven, with a loss of only \$3,368 for 2008.
- EPPS is expanding its program and its facility next year, planning to increase sales and youth trained.

*Investment opportunity: EPPS needs \$60,000 for digital printing equipment in order to keep approx. \$30,000 worth of business in-house annually, business which is currently outsourced due to the lack of proper equipment.*

**EVA'S PHOENIX PRINT SHOP**

Year ending December 31<sup>st</sup>

Income Statement	2009E	2008	2007
Sales	443,080	369,234	300,353
<u>Cost of Goods Sold</u>	<u>190,383</u>	<u>182,652</u>	<u>170,872</u>
Gross profit	243,694	186,582	129,481
Gross profit (%)	55%	51%	43%
Expenses			
Business Expenses	221,540	189,950	179,589
Social Expenses	200,000	204,333	201,930
<u>Education Awards</u>	<u>3,000</u>	<u>3,403</u>	<u>2,814</u>
Net Profit (Loss)	(180,846)	(211,104)	(254,852)
Social Subsidy			
Grants	200,000	210,022	302,145
Education Funds	<u>1,500</u>	<u>1,276</u>	<u>2,676</u>
Net Profit (Loss) incl. Subsidies	20,654	194	49,969
Social Leverage			
Number of trainees	27	26	26
Funding : Earned	1 : 2.22	1 : 1.76	1 : 0.99

**Financial Results:** EPPS saw a 23% increase in sales for 2008, while its cost of goods sold and business expenses increased only 6%. This improved the profitability of the business which was able to reduce the net loss by 17% despite social expenses increasing by 1%.

**History:** Eva's Initiatives was interested in developing a social enterprise that provided employment skills to youth. After research, printing, particularly digital and wide format, was identified as a good entry point due to its employment potential for trainees.

**Management:** EPPS has a leadership team of 3 people. The Enterprise Manager focuses on business operations and strategy decisions while the Graphics Instructor and Program Coordinator have the respective industry and social expertise to lead the organization to its goals.

**Case Study:** "Wong" ran away from home after being physically abused by his father. He ended up in an Eva's Initiatives shelter in Toronto and joined the EPPS as a trainee. He graduated and found a job at a downtown printing shop, operating the equipment and hopes to learn more about graphic design, his true passion.

**Investment Risk:** EPPS is planning to grow and expand in the near future. They face the challenge of maintaining quality of products and social outcomes as the enterprise becomes larger, while executing succession plans due to a change in management.



## TURNAROUND COURIERS

### Sector: Social Enterprises

Location: 252A Carlton Street, Suite 302A  
Toronto, ON M5A 2L1

Website: [www.turnaroundcouriers.com](http://www.turnaroundcouriers.com)

Charitable registration number: N/A

Kate Ruff

[kruff@charityintelligence.ca](mailto:kruff@charityintelligence.ca)

Paola Bernal

[pbernal@charityintelligence.ca](mailto:pbernal@charityintelligence.ca)

August 25, 2009

**About Turnaround Couriers:** TurnAround Couriers (TC) is a for-profit, social-purpose bicycle courier service with annual revenues of approx. \$350,000. Along with providing competitive rates and quality service, TC hires only at-risk youth for courier and back office staff positions.

To date, TC has provided transitional employment to over 100 work-ready, at-risk youth with 58 of them remaining employed for more than 3 months. Many of the youth are high school drop-outs with criminal records who have experienced homelessness. Transitional work experience at TC enables them to stabilize their lives and access the mainstream job market.

**Social Results:** Since its inception in 2002, TC has employed over 100 youth, of which 35% were recruited directly from shelters. Of these, 90% were able to get out of the shelter system and secure independent housing within 6 months of employment, saving \$162,000 in shelter costs. 51% of the youth hired were receiving social assistance when hired, of which 79% were able to get off and stay off, saving \$154,000 in income support payments.

**Social Enterprise Strategy:** TC competes in the 1-hour delivery niche market, differentiating themselves from competitors based on quality of service. As a private for-profit company TC covers the majority of its social and operational costs with its sales revenue. In addition, TC receives a small job development subsidy for each youth hired, and an ongoing subsidy from the manager/owner who takes a substantially below-market pay for his level of experience and skills.

**Investment Highlights:**

- Start-up investment of \$182,000 has generated a total cost savings to society of \$432,000 or 238% Social Return on Investment plus the unquantified value of dignity of work.
- On average, each package sent through TC saves society \$2.12 in shelter and income support costs.
- A corporate account sending 10,000 packages annually with TC saves society \$20,000.

*Investment opportunity: none. TC is not currently expanding and does not need charitable support. TC would like the opportunity to earn your business.*

**TURNAROUND COURIERS**

Year ending September 30<sup>th</sup>

Income Statement	2009E	2008	2007
Sales	362,500	354,405	294,289
<u>Total Expenses</u>	<u>–</u>	<u>361,426</u>	<u>284,872</u>
<b>Net Profit (Loss)</b>	<b>–</b>	<b>(7,021)</b>	<b>9,417</b>
Sales growth (%)	2%	20%	23%
<b>Social Subsidy</b>			
Wage subsidy	n/a	n/a	n/a
<u>Grants</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Subsidy	n/a	n/a	n/a
<b>Social Leverage</b>			
Number of target employees	7	7	7
Funding: Earned	n/a	n/a	n/a
Social Capital Partners SROI	–	202%	285%

**Financial Results:** TC has grown their sales to \$354,000 since inception and are now operating close to breakeven. This has been accomplished by capturing a niche market in 1-hour deliveries in the Toronto downtown area, as well as by focusing on big clients such as RBC.

**History:** TC was established in 2002 when Richard Derham, founder and manager, had the idea of creating a profitable courier service that provided opportunities for youth at risk. The business began with a loan of \$100,000 from Social Capital Partners. TC developed outstanding social impact measurement and transparency.

**Management:** TC is managed by Richard Derham, a former management consultant. The dispatcher, an experienced courier, fulfills management duties should Mr. Derham be absent or on vacation.

**Case Study:** “Jim” came to Toronto with only the clothes on his back. He ended up living in Covenant House – a youth shelter – where he was hired by TC to become a courier. At 21 years old, he has been working since 2007 at TC and now has an apartment, a bike and motivation to finish his high school degree.

**Investment Risks:** N/A.



## FRESH START RECOVERY CENTRE

### Sector: Addiction and Mental Health

Location: 808 Abbeydale Drive NE  
Calgary, Alberta T2A 5X9

Website: [www.freshstartrecoverycentre.com](http://www.freshstartrecoverycentre.com)

Charitable registration number: 13672 0737 RR0001

Bri Trypuc

[btrypuc@charityintelligence.ca](mailto:btrypuc@charityintelligence.ca)

Jeff Robinson

[jrobinson@charityintelligence.ca](mailto:jrobinson@charityintelligence.ca)

Kate Bahen, CFA

[kbahen@charityintelligence.ca](mailto:kbahen@charityintelligence.ca)

August 24, 2009

**About Fresh Start Recovery Centre:** FS provides treatment and support to men with addictions through a recovery continuum of effective programs, so they can live clean and sober. Serving over 300 people in F2008, FS offers an 8-16 week abstinence-based program anchored in the 12-step recovery model. It provides progress testing, individual and group counselling, and financial and family reintegration. FS's residence houses 28 men in treatment for up to 18 months and 2 transitory post-recovery homes house 10 men for as long as needed. FS's clients are referred through detox centres, hospitals, homeless shelters and various health and legal referrals. In F2008, the average age of the 104 men served in the program was 35-45 years old, they were homeless, had concurrent mental health disorders, 90% suffered from multiple addictions (alcohol, cocaine) and 70% had "lost" families. FS's facilities are at 100% capacity with 60 men on waitlists for service in F2008. Waitlist clients attend a pre-treatment component of the FS recovery continuum where FS counsellors prepare clients for recovery. FS holds weekly recovery meetings for 144 alumni for continued support, celebrating all anniversaries of sobriety.

#### Social Results:

35 men are celebrating their first year of living clean and sober having completed FS's program in 2007 – a success rate of 35% (industry averages are 5-10%). The pre-treatment component continues to increase individual client success by at least 20%, and FS was able to help 40% of the sober men re-build lost family relationships.

#### Financial Overview:

It costs Fresh Start \$18,533 to achieve one successful client. FS's administrative costs are 6% of its charity value and fundraising costs are 14% of donations. FS has funding reserves that amount to 21% of its annual program costs. FS continues to be in a capital campaign.

#### Investment Highlights:

- FS's management continually monitors and builds its team, adding 20% of former clients as volunteers every year who provide valuable peer support to clients undergoing treatment.
- Facility expansion will add an additional 50 beds to its capacity, serving approximately 100 additional men each year, and addressing a history of capacity limitation issues at FS.

**FRESH START RECOVERY CENTRE**

Year ending December 31<sup>st</sup>

Program Data	2008	2007	2006
Program costs	742,066	648,639	487,394
Program hours	202,664	8,760	8,760
Total volunteers	135	192	60
Volunteer hours	8,218	10,285	5,000
Volunteer turnover rate (%)	n/a	20	10
Clients served	104	117	116
Program hours / clients	1,949	75	76
Program costs / hour	\$3.66	\$74.05	\$55.64
Program costs / client	\$7,135	\$5,544	\$4,202
Program cost per successful client	\$18,533	\$16,246	\$19,760

**Charity Analysis**

Revenues (less interest income)	927,231	2,646,059	547,422
Value of volunteer time donated	123,270	154,275	75,000
<u>Donated goods and services</u>	<u>n/a</u>	<u>161,000</u>	<u>34,000</u>
Charity value	1,050,501	2,961,334	656,422
Community support (\$)	889,688	2,146,059	547,422
Community size (pop.)	1,135,100	1,106,800	1,079,300
Community ownership (local support \$ / pop.)	\$0.78	\$1.94	\$0.51
Scope of service (clients as % of pop.)	0%	0%	0%
Administrative costs as % of charity value	6%	2%	7%
Fundraising costs as % of donations	14%	1%	1%
Program cost coverage(%)	21%	18%	18%

**Audited Financial Statements**

(All figures in \$)

Revenue breakdown:			
Donations	327,293	1,685,919	159,044
Fees for services	562,395	460,140	388,378
Government funding	37,543	500,000	—
Interest income	—	—	—
<u>Special events and other</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total revenues	927,771	2,646,059	547,422
Program costs	742,066	648,639	487,394
Administrative costs	66,732	52,279	47,226
Fundraising costs	46,852	15,526	1,380
<u>Interest expense</u>	<u>887</u>	<u>3,175</u>	<u>4,391</u>
Cash flow from operations	70,694	1,926,440	7,031
Capital expenditures	51,335	1,798,331	115,50
Funding reserves	152,516	118,932	87,771

**History:** Originally founded in 1992 as CLASP, the co-ed drug and alcohol rehabilitation centre officially changed its denominational name to Fresh Start (FS) in 1996. Today, FS provides men with addictions treatment, housing and support through effective programs so they can live clean and sober.

**Management:** Management brings multiple years of professional and personal experience in addiction recovery. Key management members are a highly complementary team driving forward agency results and future progress.

**Funding Need:** In the Fall 2008, FS acquired land on which to build its new 38,000 sq.ft., 50 bed LEED designed residential facility, increasing treatment capacity by 50 in the addiction sector. The facility is part of a 10-year plan of various partner agencies in Calgary to end homelessness. Fresh Start has raised \$4.2 million of their \$11.5 million capital campaign goal. They will need to raise \$7.3 million from private and government sources to allow them to open in 1 year. With increased space, FS will double the number of staff and fund an additional family program. Due to the success of the informal pre-treatment component implemented to address men on waitlists, FS would like to hire a dedicated counsellor to have mandatory pre-treatment in the new facility.

**Investment Risks:** Their succession plan is rather informal. With increased growth and expansion over the next year to the new facility, FS is focusing on financial and human resources to have the capacity to match its growth.



## POTENTIAL PLACE CLUBHOUSE

### Sector: Homeless

Location: 1130 10 Avenue SW  
Calgary, AB T2R 0B6

Website: [www.potentialplace.org](http://www.potentialplace.org)

Charitable registration number: 89528 2358 RR0001

Kate Bahen, CFA  
[kbahen@charityintelligence.ca](mailto:kbahen@charityintelligence.ca)

Jeff Robinson  
[jrobinson@charityintelligence.ca](mailto:jrobinson@charityintelligence.ca)

August 6, 2009

**About Potential Place Society:** Potential Place Society (PPS) is the Calgary chapter of an international clubhouse movement for people suffering from severe mental illness, such as schizophrenia, bipolar disorder and chronic depression. PPS provides a restorative environment for members to come together, feel accepted and belong to. Since 1995, PPS has provided a variety of programs and services, with a strong focus on meaningful employment and community housing.

**Social Results:** Potential Place has 454 members who used the Clubhouse in 2008. It owns 2 buildings which have 27 apartments for independent living. The residents living in these buildings form a supportive peer community and experience fast-track recovery with exceptional results. In F08, 65 members had first-step transitional work, with 160 members in permanent jobs. Management estimates that of the 1,500 people who have been PPS members, 750 are living independently to their full potential.

**Financial Overview:** Potential Place is cost efficient with administrative costs representing 8% of charity value and no fundraising costs. Rent payments made by members account for 15% of annual revenues, with government funding for specific programs accounting for most of the balance.

**Investment Highlights:**

- Potential Place Clubhouse provides an innovative community-oriented housing approach with industry-leading results.
- Compared with the NYC Pathways to Housing program, formerly homeless residents recover in 30 days with 85% getting meaningful jobs, relative to a 3-6 month recovery time, with 35% getting jobs.

**Funding need:** Potential Place has 50 members waiting for independent living apartments and is seeking \$2.2 million to purchase a clubhouse and an additional apartment building.

**POTENTIAL PLACE CLUBHOUSE**

Year ending March 31<sup>st</sup>

Program Data	2009	2008	2007
Program costs	928,442	828,347	808,068
Program hours	n/a	n/a	n/a
Total volunteers	0	0	0
Clients served	454	375	372
Program hours / clients	n/a	n/a	n/a
Program costs / hour	n/a	n/a	n/a
Program costs / client	\$2,045	\$2,209	\$2,172

**Charity Analysis**

Revenues (less interest income)	1,061,341	1,106,530	1,038,462
Value of volunteer time	—	—	—
<u>Donated goods and services</u>	—	—	6,694
Charity value	1,061,341	1,106,530	1,045,156
Community support (\$)	759,890	986,038	895,307
Community size (pop. mil.)	1,164,000	1,135,100	1,106,800
Community ownership (local support \$ / pop.)	\$0.65	\$0.87	\$0.81
Administrative costs as % of charity value	8%	22%	22%
Fundraising costs as % of donations	—	—	72%
Program cost coverage (%)	-20%	-9%	-31%

**Audited Financials**

(All figures in \$)

Revenue breakdown:

Donations	32,321	70,554	19,456
Fees for services	215,510	224,498	203,403
Government funding	808,679	805,067	808,804
Interest income	1,009	224	2,227
<u>Special events and other</u>	4,831	6,411	6,799
Total revenues	1,062,350	1,106,754	1,040,689
Program costs	928,442	828,347	808,068
Administrative costs	86,873	243,900	232,081
Fundraising costs	—	—	18,843
<u>Interest costs</u>	14,428	21,486	24,374
Operating cash flow	32,607	13,021	(42,677)
Capital expenditures	5,543	1,834	1,257,730
Funding reserves	(186,819)	(75,944)	(247,765)

**History:** The International Clubhouse program was started by parents of people with severe mental illness, and adults personally afflicted. They sought an alternative to “just sitting around for the next 50 years doing arts and crafts”. Specifically, the clubhouse sought to fill the gap seeking employment supports and developing soft skills necessary to work.

**Management:** “We don’t do clinical treatment” is the mantra of Potential Place. “We empower our members to make their own choices and decisions.” PP focuses on the International Clubhouse mission of members having ownership and involvement in the Clubhouse programming, providing opportunities for members to regain their self-confidence. PP’s management has worked together for an average of 8 years, with over 80 years of combined experience in the mental health sector.

**Community need:** As helpful as medication and therapies can sometimes be, there are few community organizations who look beyond the symptoms to the person. PP helps to create a “launching pad” for opportunities in a caring community to achieve meaningful work. People with severe mental illness face the largest discrimination in employment, renting apartments and social integration.

**Investment risks:** The majority of Potential Place’s funding comes from government funding (76%) which leaves it exposed to potential funding cuts. Given the diversity of the needs of people with severe mental illness and government funding perhaps controlling the types of programs and services provided, management may be challenged to focus on its innovative programs that produce the greatest success rates.



## PATHWAYS CLUBHOUSE

### Sector: Homeless

Location: 7351 Elmbridge Way  
Richmond, BC V6X 1B8  
Website: [www.richmond.cmha.bc.ca](http://www.richmond.cmha.bc.ca)

Charitable registration number: 10686 3905 RR0001

Kate Bahen, CFA  
[kbahen@charityintelligence.ca](mailto:kbahen@charityintelligence.ca)

Jeff Robinson  
[jrobinson@charityintelligence.ca](mailto:jrobinson@charityintelligence.ca)

August 22, 2009

**About Pathways Clubhouse:** Pathways Clubhouse is the International Clubhouse in Richmond, BC which provides belonging and a community for 170 active members with severe mental illness. In its membership roster, 70 people attend the Clubhouse daily. PC fulfils its mission of giving “people with mental illness hope and opportunities to reach their full potential.” PC’s programs provide the optimum of security and stability while providing members with dignity and meaningful work.

**Social Results:** Pathways Clubhouse provides supportive housing to 131 members; 33 members are involved in employment training and 22 work independently in local jobs. Compared with other Clubhouses, PC has significantly more members housed (77%) relative to other clubhouses. PC provides a diverse range of programs and social events, allowing members greater choices and opportunities to operate in a community and participate in society.

**Financial Overview:** With members doing most administrative tasks, administrative costs are 2.2% of charity value. Fundraising costs are 24% of donations due to the low level of donations. Funding reserves are negative \$1.3 million due to mortgages on buildings, creating high financial risk.

**Investment Highlights:**

- Pathways Clubhouse provides effective support and independent living for those with severe mental illness who face the largest barriers to community participation and jobs.
- Annual programs cost \$14,272/member which, relative to the costs of homelessness, is a good social investment.

**Funding Need:** \$3.7 million to pay off mortgages and run annual programs with additional funding needed to buy local apartment buildings.

**PATHWAYS CLUBHOUSE**

Year ending March 31<sup>st</sup>

Program Data	2008	2007	2006
Program costs	2,426,195	2,334,311	2,316,264
Program hours	82,616	n/a	n/a
Total volunteer	15	15	15
Volunteer hours	1,032	1,032	1,032
Volunteer turnover rate (%)	7%	n/a	n/a
Clients served	170	n/a	n/a
Program hours / clients	486	n/a	n/a
Program costs / hour	\$25.12	n/a	n/a
Program costs / client	\$14,272	n/a	n/a

**Charity Analysis**

Revenues (less interest income)	2,623,650	2,624,164	2,567,528
Value of volunteer time donated	15,480	15,480	15,480
<u>Donated goods and services</u>	—	—	—
Charity value	2,639,130	2,639,644	2,544,949
Community support (\$)	583,956	528,903	507,428
Community size (pop. mil.)	180,800	178,700	176,600
Community ownership (local support \$ / pop.)	\$3.23	\$2.96	\$2.87
Administrative costs as % of charity value	2.2%	2.0%	2.6%
Fundraising costs as % of donations	24%	33%	70%
Program cost coverage (%)	-64%	-67%	-65%

**Audited Financials**

(All figures in \$)

Donations	50,208	39,657	27,688
Fees for services	496,268	459,766	450,260
Government funding	2,070,992	2,112,958	2,082,481
Interest income	6,544	10,061	8,693
<u>Other</u>	6,182	11,783	7,099
Total revenues	2,630,194	2,634,225	2,576,221
Program costs	2,426,195	2,334,311	2,316,264
Administrative costs	59,125	51,481	66,490
Fundraising costs	12,068	12,901	19,275
<u>Interest</u>	70,529	74,309	88,599
Operating cash flow	62,277	161,223	85,593
Capital expenditures	14,911	18,638	3,681
Funding reserves	(1,325,698)	(1,381,241)	(1,493,647)

Financial Notes: In F07, PC received \$1,965,950 in government funding to repair an apartment building which is excluded from operating figures.

**History:** The organization was originally a Canadian Mental Health Association sheltered workshop. In 1987, it underwent a paradigm shift – moving from a workshop to a Clubhouse, providing support, choices and opportunities for people with severe mental illness to realize their personal goals.

**Management:** Management has worked together for over 5 years with a combined 44 years of industry experience. Clubhouse members work with the staff to run the clubhouse and programs.

**Programs:** The Clubhouse revolves around a work-ordered day reflecting the philosophy that work enriches lives. Members choose their daily jobs: producing newsletters, arranging social activities, greeting new members, reception, running the restaurant, snack bar, and thrift shop.

**Community needs:** PC is the referral agency for local health organizations for people with severe mental illness; they are seeing new members with higher rates of personality disorders and addiction. More than 30% of members are of Chinese origin.

**Investment risks:** PC is dependent on government funding for 79% of revenues. Recent government funding cuts will significantly affect its programs and services. In addition, apartment buildings for members may be lost when leases expire, with condo developers interested in purchasing and re-developing the apartment properties.



## EVANGEL HALL MISSION

### Sector: Homeless: Shelter, Centre, Drop-In

Location: 552 Adelaide Street West  
Toronto, Ontario M5V 3W8

Website: [www.evangelhall.ca](http://www.evangelhall.ca)

Charitable registration number: 11890 3129 RR0001

Bri Trypuc  
[btrypuc@charityintelligence.ca](mailto:btrypuc@charityintelligence.ca)

Patrick Manley  
[pmanley@charityintelligence.ca](mailto:pmanley@charityintelligence.ca)

Jeff Robinson  
[jrobinson@charityintelligence.ca](mailto:jrobinson@charityintelligence.ca)

August 6, 2009

**About Evangel Hall Mission:** Since 1913, Evangel Hall Mission (EHM) has helped homeless, isolated, and marginalized men, women, and children in Toronto. Starting as a small soup kitchen, today EHM helps about 1,200 homeless individuals. EHM provides a sense of community, independence, dignity and hope. EHM clients are mostly on welfare, transient, without family, and living with mental and physical afflictions.

**Social Results:** Roughly 150 individuals use EHM's drop-in everyday, with 60,000 meals served in 2008. EHM builds client trust quickly to foster positive client change within 3-4 visits. In 2008, EHM provided 130 clients with transitional housing, with 30 units housing people with mental health issues and 6 units dedicated to those with acquired brain injury. The housing coordinator worked to house an additional 200 homeless clients in the community. Roughly 250 individuals attended AA and NA meetings. In the dental clinic, 5 hygienists and one dentist provided 1,365 hours of oral hygiene care. The health clinic nurses and doctor provided 780 hours of health care service.

**Financial Overview:** EHM's administrative costs represent 12.1% of its total charity value, with fundraising costs being 24% of donations. The organization's funding reserves are in the negative, indicating an extreme funding need in order to keep the services in operation.

**Investment Highlights:**

- EHM saw 1,200 people walk through their doors last year. This is a 20% increase from the previous year. Furthermore, of the 1,200, 40% were first-time visitors, indicating the need for EHM's services is high. Repeat clients are indicative of EHM's positive reputation on the street for providing quality service. A third of EHM's clients are women, as result of a safe community model.

**Funding Need:**

- The most pressing need is ascertaining funding to ensure that the drop-in program can be maintained.
- \$4.3 million to reduce debts – management indicates a need to pay down the outstanding mortgage and meet the 20% increase in clients served.

**EVANGEL HALL MISSION**

Year ending March 31<sup>st</sup>

Program Data	2008	2007	2006
Program costs (\$)	1,343,701	1,369,450	1,146,270
Program hours	176,916	128,947	104,947
Total volunteers	1,500	600	60
Volunteer hours	23,140	12,500	12,500
Volunteer turnover rate (%)	n/a	0	0
Clients served	1,200	1,000	750
Program hours / clients	147	129	140
Program costs / hour (\$)	7.60	10.62	10.92
Program costs / client (\$)	1,120	1,369	1,528

**Charity Analysis**

Revenues (less investment income)	1,872,320	2,686,892	1,774,017
Value of volunteer time donated	347,100	187,500	187,500
<u>Donated goods and services</u>	<u>250,000</u>	<u>150,000</u>	<u>150,000</u>
Charity value	2,469,420	3,024,392	2,111,517
Community support (\$)	1,611,627	2,688,398	1,774,017
Community size (population)	2,511,800	2,507,500	2,503,300
Community ownership (local support \$ / pop.)	0.64	1.07	0.71
Scope of service (clients as % of pop.)	0.0	0.0	0.0
Administrative costs as % of charity value	12.1%	12.7%	7.8%
Fundraising costs as % of donations	24.0%	12.8%	4.5%
Program cost coverage (%)	-322%	-247%	-49%

**Audited Financial Statements**

(All figures in \$)

Donations	760,496	1,479,962	1,411,501
Fees for services	837,031	802,539	148,115
Government funding	159,376	208,321	145,609
Investment income	65,179	26,425	46,148
<u>Special events and other</u>	<u>115,417</u>	<u>196,070</u>	<u>68,792</u>
Total revenues	1,937,499	2,713,317	1,820,165
Program costs	1,343,701	1,369,450	1,146,270
Administrative costs	297,647	384,399	165,147
Fundraising costs	210,555	214,675	67,206
<u>Interest charges</u>	<u>280,133</u>	<u>233,108</u>	<u>117,287</u>
Cash flow from operations	(194,537)	511,685	324,255
Capital expenditures	219,291	183,047	525,816
Funding reserves	(4,324,669)	(3,387,855)	(556,201)

Financial note: Revenues exclude unrealized market gains (F2008 loss \$260,692, F2007 gain \$89,847).

**History:** Evangel Hall was founded by a minister who wanted a place where support could be offered to the needy, and opened in 1913 as a soup kitchen. EHM has grown substantially. While continuing to offer a hot meal through its drop-in centre, it provides housing for 130 individuals, provides health and dental care, and provides rehabilitation for those addicted to drugs and alcohol. While services have expanded, EHM has always stayed true to its original goal of providing support for its clients.

**Management:** The five key individuals driving results for Evangel Hall consist of the Directors of Programming and the residence, the President and a member to the board. They have almost 23 years combined experience working together at Evangel Hall and over 90 years of experience working in the sector.

**Operating risks:** EHM's cost coverage ratio is -322% as a result of ongoing mortgage payments, indicating an extreme funding need. In 2008, there was a decline in donations received by EHM by nearly 50% with additional health and dental clinic start-up costs covered by EHM.



## THE SALVATION ARMY THE GATEWAY

### Sector: Homeless: Shelters & Drop-Ins

Location: 107 Jarvis Street  
Toronto, ON M5C 2H4

Website: [www.thegateway.ca](http://www.thegateway.ca)

Charitable registration number: 10795 1618 RR0548

Bri Trypuc  
[btrypuc@charityintelligence.ca](mailto:btrypuc@charityintelligence.ca)

Jeff Robinson  
[jrobinson@charityintelligence.ca](mailto:jrobinson@charityintelligence.ca)

August 25, 2009

#### About The Gateway:

The Salvation Army Gateway (TSAG) is a shelter and drop-in center for adults in the downtown core of Toronto. TSAG provides everything from emergency needs to a comprehensive case management program that works alongside abstinent homeless people on their journey out of the shelter system towards becoming contributing members of the community. Open 24/7, TSAG has a health care clinic with a nurse and a physician, ID clinic, life skills groups, laundry facilities, chaplaincy, addictions counselling and support groups, recreational activities and computer/web access for its community to do housing and job searches. There is a volunteer program for people trying to stay active while on the streets. TSAG provides an outreached hand, rather than a hand-up and notes it is not a warehouse for humans. It is a community-based model of assistance to those who are chronically homeless with multiple barriers to accessing day-to-day service needs.

#### Social Results:

In F2008, TSAG worked with 1,259 unique individuals, with 35% staying longer than 7 days – a commitment to open a case file and begin toward positive change. As a result, 529 individuals were housed, with an additional 12 men housed directly from the street outreach services. The health clinic saw 92 people each month with a total of 1,103 visits. The drop-in serves 60 meals each day, with a total of 18,000 meals served in F2008.

#### Financial Overview:

Funding reserves cover only 3% of annual program costs, with all salaries counted within administration, with zero fundraising costs.

#### Investment Highlights:

- A residents meeting is held once weekly to gain feedback from TSAG clients on services and improvements.
- Dr. Stephen Wang of St. Michael's hospital partnered with TSAG for studies on homelessness and shelter service provision.
- TSAG offers a training ground for inexperienced staff.

**THE SALVATION ARMY THE GATEWAY**

Year ending March 31<sup>st</sup>

Program Data	2008	2007	2006
Program costs	1,965,665	904,924	777,047
Program hours	n/a	n/a	n/a
Total volunteers	727	n/a	n/a
Volunteer hours (estimate)	7,575	7,494	6,169
Clients served	1,503	1,644	n/a
Program hours / clients	n/a	n/a	n/a
Program costs / hour	n/a	n/a	n/a
Program costs / client	\$1,308	\$550	n/a

**Charity Analysis**

Revenues (less interest income)	2,362,298	2,204,003	2,033,573
Value of volunteer time donated	113,625	112,410	92,535
<u>Donated goods and services</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
Charity value	2,475,923	2,316,413	2,126,108
Community support (\$)	2,362,298	2,204,003	2,033,573
Community size (population)	2,511,800	2,507,500	2,503,300
Community ownership (local support \$ / pop.)	0.94	0.88	0.81
Scope of service (clients as % of pop.)	0.06%	0.07%	n/a
Administrative costs as % of charity value	8.2%	55.6%	58.9%
Fundraising costs as % of donations	—	—	—
Program cost coverage (%)	2.8%	28%	-7.4%

**Audited Financial Statements**

(All figures in \$)

Donations	308,934	232,877	153,877
Fees for services	—	—	—
Government funding	2,044,748	1,949,359	1,850,877
Interest income	2,947	3,341	475
<u>Special events and other</u>	<u>8,616</u>	<u>21,767</u>	<u>28,819</u>
Total revenues	2,365,245	2,207,344	2,034,048
Program costs	1,965,665	904,924	777,047
Administrative costs	203,766	1,287,403	1,251,340
<u>Fundraising costs</u>	<u>—</u>	<u>—</u>	<u>—</u>
Cash flow from operations	195,814	15,017	5,661
Capital expenditures	85,201	—	47,905
Funding reserves	54,391	257,077	(57,156)

**History:** In 1979, a Salvation Army officer started to use the Eaton Centre sanctuary to serve meals to the homeless. With increasing demand for service and care, the Gateway was moved from that location to across the street and became a shelter and drop-in for adults.

**Management:** When Dion Oxford was a student, he started as a cook at the original Gateway location. Moving on to school and further education, he realized he had loved the work and found his calling in helping people. Returning many years later, he became director and has led the Gateway team toward achieving excellence in delivering client service.

**Funding Need:** Need for one staff person to meet the increased capacity of the drop-in so that clients receive more programming beyond receiving food and hanging out. There is a dream to expand beyond life skills training and literacy to include recreational arts and education for those homeless individuals who do not have any positive group-focused activities/hobbies.

**Investment risks:** The drop-in's increasing demand for services will be an ongoing challenge for the staff. As a training ground for inexperienced staff to gain skills, TSAG has higher staff turnover rates as people gain work experience and eventually move on to better paying jobs.



## GATEWAY LINENS

### Sector: Social Enterprises

Location: 107 Jarvis Street  
Toronto, ON M5C 2H4  
Website: [www.salvationarmy.ca/2007/05/28/gateway-linens/](http://www.salvationarmy.ca/2007/05/28/gateway-linens/)

Charitable registration number: N/A

Kate Ruff  
[kruff@charityintelligence.ca](mailto:kruff@charityintelligence.ca)

Paola Bernal  
[pbernal@charityintelligence.ca](mailto:pbernal@charityintelligence.ca)

August 24, 2009

#### About Gateway Linens:

Gateway Linens (GL) is an industrial laundry service run within The Salvation Army (SA), created by SA to provide transitional employment to men living in shelters who have criminal records, past addictions, and other issues that prevent them from securing steady employment.

GL is innovative, with a 'triple pay structure'; it pays employees \$350 per week of which \$100 is paid in cash, \$125 is held in a savings account paid on departure, and \$125 held in a savings account paid upon program completion. A private sector partnership with K-Bro Linens guarantees employment for all graduates.

#### Social Results:

To date, GL has engaged 16 individuals: 4 graduated; 6 dropped out; 6 are currently working. \$70,000 has been paid to homeless men, covered entirely by sales from laundry services. Of the graduates, 4 have moved on to steady employment. In addition, 6 shelter residents have gone directly into employment with K-Bro Linens.

#### Social Enterprise Strategy:

GL provides laundry service to homeless shelters, particularly SA shelters. Each year, SA shelters in Toronto spend \$325,000 on laundry. GL's business model is simple: low skill, consistent service and regular customers. In addition, GL's private sector partner provides back-up to maintain service quality should GL not be able to serve all orders promptly. It is expected that in F2010, revenue from the sale of goods and services will cover all salaries and all variable costs. Grants and donations have been needed only for capital costs related to start-up and expansion.

#### Investment Highlights:

- The start-up social investment of \$250,000 returned \$23,000 in social benefit in GL's first 12 months of operation in stipends to shelter residents, plus intangible returns such as dignity and hope.
- The start-up social investment will generate \$250,000 in stipends to shelter residents in 24 months at capacity.
- GL is currently at capacity and turning away new clients.

*Investment opportunity: A gift of \$92,000 for 2 new industrial washers and 3 new industrial dryers will enable GL to more than double the size of its business and staff.*

GATEWAY LINENS

Year ending March 30<sup>th</sup>

Income Statement	2010E	2009
Revenues	324,000	61,844
<u>Linen Service Costs</u>	<u>45,600</u>	<u>49,371</u>
<b>Gross profit</b>	<b>278,400</b>	<b>12,473</b>
Gross profit margin (%)	86%	20%
<b>Expenses</b>		
Salaries	166,227	69,841
Office & Admin.	10,500	15,612
Equipment & Property	82,884	59,796
<u>Amortization</u>	<u>12,000</u>	<u>11,477</u>
<b>Net Profit (Loss)</b>	<b>6,789</b>	<b>(144,253)</b>
<b>Cash Flow</b>		
Net profit (Loss)	6,789	(144,253)
<u>Amortization</u>	<u>12,000</u>	<u>11,477</u>
Operating cash flow	18,789	(132,776)
<b>Social Subsidy</b>		
Grants	125,000	199,000
Net Profit (loss) incl. subsidies	131,789	54,747
<b>Social Leverage</b>		
Number of trainees	12	4
Funding : Earned	1 : 2.59	1: 0.31

**History:** GL began in April 2008 after much planning. It was started with \$250,000 in seed donations and reached scale on April 6, 2009.

**Management:** GL has a full-time manager and unofficial leader amongst employees. SA's Gateway Director contributes time to GL's strategic planning.

**Financial Results:** GL's sales were \$61,844 in its first partial year of operations. In FY 2010 to date, GL had sales of an estimated \$27,000 each month, leading to an expected profit of \$6,800.

**Case Study:** "Joe" was living at Gateway shelter following time in jail. Since he was hired by GL, Joe has become the unofficial shop supervisor and is living on his own. He hopes to get his 'A' license back and become a truck driver.

**Investment Risk:** With only 5 months operating at scale, GL has little track record. The social returns are compelling at scale.



## INNER CITY DEVELOPMENT INC.

### Sector: Social Enterprises

Location: 539 Jarvis Avenue  
Winnipeg, MB R2W 3B2

Website: [www.icdevelopment.ca](http://www.icdevelopment.ca)

Charitable registration number: N/A

Kate Ruff

[kruff@charityintelligence.ca](mailto:kruff@charityintelligence.ca)

Paola Bernal

[pbernal@charityintelligence.ca](mailto:pbernal@charityintelligence.ca)

August 25, 2009

**About Inner City Development Inc:** Inner City Development (ICD) is a for-profit social-purpose construction company committed to creating quality employment and advancement opportunities in the construction industry for low income, inner-city Winnipeg residents. ICD is completely owned by non-profit community organizations committed to poverty reduction. ICD has completed more than 225 construction projects for for-profit and non-profit customers, and has annual revenues of approximately \$1.6 million.

#### Social Results:

As of FY08 year end, ICD has paid out \$3 million in wages and benefits to its employees, saving society \$665,000 in income support payments and creating an average of 25 new full-time jobs. Of the target employees recruited in the first year, 35% remain with ICD, 1 has become a journeyman and 8 have registered in the Apprentice Carpentry training program. Currently, ICD is providing full-time, year-round jobs with advancement opportunities to 20 target employees.

#### Social Enterprise Strategy:

ICD uses a private-sector, parallel-employment model to serve those who are not competitive in the mainstream job market due to weak educational, work, and criminal records. General Manager Marty Donkervoort says "I'll give anyone a chance." Employees work on mentoring teams with an experienced tradesman, an intermediate employee and a new employee. 62% of ICD employees are target employees. Target employees with ICD progress from 80% productivity in their first year up to full productivity by year 5. To cover these costs, ICD focuses on higher-margin construction projects and requires a modest on-going subsidy of \$100,000 to cover senior management salaries, and \$85,000 in job development funding from HRDC. ICD spends \$10,000 annually on a social calendar of events in order to encourage social connections of employees, family and society, an integral part of employee retention and productivity.

#### Investment Highlights:

- ICD has excellent social impact measurement, reporting a cumulative SROI of 53%.
- Strong and experienced management team with proven track record.
- In FY2009, ICD expects to cover 95% of its total costs through its operating revenue.

*Investment opportunity: A donation of \$4,800 covers the productivity gap of a novice employee, and allows that employee to come off social assistance (\$17,000), receive an annual salary of \$25,000, resulting in \$32,000 in benefit to society plus the unquantified value of human dignity that comes from meaningful work.*

INNER CITY DEVELOPMENT INC.

Year ending July 30<sup>th</sup>

Income Statement (figures in \$000s)	2009E	2008	2007
Construction	1,473	1,274	1,565
Other Services	4	8	67
<u>Interest</u>	<u>1</u>	<u>0.3</u>	<u>0.2</u>
<b>Operating Revenues</b>	<b>1,478</b>	<b>1,282</b>	<b>1,633</b>
<b>Cost of Sales</b>			
Materials	321	286	473
Wages and Benefits	465	460	502
<u>Construction</u>	<u>500</u>	<u>414</u>	<u>485</u>
<b>Gross Profit</b>	<b>192</b>	<b>124</b>	<b>173</b>
<b>Business Expenses</b>			
Management & Admin.	165	236	275
Office	93	86	112
Employees	3	12	7
Professional Fees	13	27	31
<u>Amortization</u>	<u>1</u>	<u>4</u>	<u>23</u>
<b>Total Expenses</b>	<b>275</b>	<b>365</b>	<b>447</b>
<b>Cash Flow</b>			
Earnings Before Tax	(83)	(241)	(274)
Tax (Recovered)	3	(3)	2
Net Profit (Loss)	(86)	(238)	(276)
<u>Amortization</u>	<u>1</u>	<u>4</u>	<u>23</u>
<b>Operating Cash Flow</b>	<b>(85)</b>	<b>(234)</b>	<b>(253)</b>
<b>Social Subsidy</b>			
Wage Subsidy	84	96	67
<u>Grants</u>	<u>40</u>	<u>101</u>	<u>205</u>
<b>Total Subsidy</b>	<b>124</b>	<b>197</b>	<b>271</b>
<b>Net Profit (Loss) after Subsidy</b>	<b>40</b>	<b>(41)</b>	<b>(4)</b>
<b>Social Leverage</b>			
Number of target employees	20	20	20
Funding : Earned	1 : 11.92	1 : 6.51	1 : 6.03
Social Capital Partners		53%	52%
Cumulative SROI			

**Financial Results:** ICD has had relatively stable operating revenues in the \$1.5 million range over the last 3 years. In FY2009, ICD expects to have a net loss of only \$47,000 as a standalone business, and after taking into account subsidies they expect a profit of \$188,000.

**History:** ICD is owned by Community Ownership Solutions (COS) and Social Capital Partners. To achieve profitability, ICD decreased its target employees to 65% and moved away from the affordable housing market.

**Management:** Currently ICD is managed by Marty Donkervoort, a former COS board member with experience in the construction and non-profit sector.

Mr. Donkervoort is retiring in 1 year and his succession plans include splitting his responsibilities between a social manager and a construction manager.

**Case Study:** “Kal” is an aboriginal and had been unemployed in the last 2 years. He never finished high school and his criminal record made it hard for him to get a job to take proper care of his family of 6. He heard of ICD from a friend, and his eagerness to work got him the job. Now, he is learning various construction trade skills and can provide a steady income for his family.

**Investment Risk:** ICD is sensitive to the current downturn in construction. Also, good succession planning is needed in order to mitigate the effect of the change in management.



## INN FROM THE COLD SOCIETY

**Sector:** Homeless

**Location:** Centre 110 Suite 106, 110 11th Avenue SW  
Calgary, Alberta T2G 0X5

**Website:** [www.innfromthecold.org](http://www.innfromthecold.org)

**Charitable registration number:** 87082 2364 RR0001

Bri Trypuc  
[btrypuc@charityintelligence.ca](mailto:btrypuc@charityintelligence.ca)

Jeff Robinson  
[jrobinson@charityintelligence.ca](mailto:jrobinson@charityintelligence.ca)

Patrick Manley, CA  
[pmanley@charityintelligence.ca](mailto:pmanley@charityintelligence.ca)

August 25, 2009

**About Inn From the Cold Society:** In 1997, the first church opened its doors to provide shelter and hope to Calgary's homeless families and others in need. Since then, an ever-growing number of inter-denominational churches, synagogues, community associations joined in, on an as-needed basis, to provide emergence and crisis shelter to Calgary's homeless families. The Inn offers two shelter options: Emergence Family Shelter and temporary emergency shelter program. IFTCS consists of 100 "Inns" with 4,000 volunteers, operating on a rotating basis, 365 days a year. Guests are screened for drug and alcohol use. Those who are known to be unduly disruptive or suffering from severe mental illness are referred to other agencies. The Inn offers outreach and advocacy and secures proper housing for families as soon as possible to break the cycle of homelessness. In July 2008, Inn from the Cold purchased Centre 110 from the Calgary Drop-In and Rehab Centre, creating Calgary's first emergency family shelter.

### Social Results:

Trust is the essence of change for those who are homeless. Guests typically use the Inn 3 times before accessing services to address their underlying poverty needs. In 2008, all the families who came to The Inn found housing, 75% found employment (some only temporarily), 90% of the families were provided childcare into schooling and 80% of the families who found housing achieved their ongoing personal goals.

### Financial Overview:

Inn From the Cold's administrative costs are 12.3% of charity value with fundraising costs 1.8% of donations. Last year, IFTC bought a building for \$6 million partly funded by donations and partly by a \$2.5 million mortgage. Consequently, funding reserves are now negative \$1.5 million.

### Investment Highlights:

IFTCS is highly successful in running a seamless collaborative network of hundreds of Inns to meet family needs. Families stay an average 3 months before getting back on their feet. IFTCS is experiencing 38% client growth over 2007 due to the economic recession.

**INN FROM THE COLD SOCIETY**

Year ending December 31<sup>st</sup>

Program Data	2008	2007R	2006
Program costs	904,915	655,609	647,933
Program hours	67,930	n/a	n/a
Total volunteers	4,000	3,975	3,800
Volunteer hours	26,820	10,179	9,600
Clients served (estimate)	1,013	688	1,212
Program hours / clients	67	n/a	n/a
Program costs / hour	\$13	n/a	n/a
Program costs / client	\$893	\$953	\$535

**Charity Analysis**

Revenues (less interest income)	3,629,135	1,563,000	1,855,005
Value of volunteer time donated	402,300	152,685	144,00
<u>Donated goods</u>	<u>11,006</u>	<u>12,692</u>	<u>10,402</u>
Charity value	4,042,441	1,728,377	2,009,407
Community size (pop)	1,135,100	1,106,800	1,079,300
Scope of service (clients as % of pop.)	0.09%	0.06%	0.11%
Administrative costs as % of charity value	12.3%	15.3%	7.4%
Fundraising costs as % of donations	1.8%	2.1%	3.4%
Program cost coverage(%)	-168%	277%	176%

**Audited Financial Statements**

Donations	3,458,763	1,423,228	1,592,719
Fees for services	—	—	—
Government funding	—	—	—
Interest income	10,953	45,283	11,311
<u>Fundraising events</u>	<u>170,372</u>	<u>139,772</u>	<u>262,286</u>
Total revenues	3,640,088	1,608,283	1,866,316
Program costs	904,915	655,609	647,933
Administrative costs	495,903	265,092	147,930
<u>Fundraising costs</u>	<u>64,471</u>	<u>32,812</u>	<u>62,341</u>
Operating cash flow	2,174,799	654,770	1,008,112
Capital expenditures	6,037,162	40,612	22,576
Funding reserves	(1,517,405)	1,816,929	1,140,377

Financial note: Figures exclude unrealized gains or losses on investments (\$2,356 loss in 2007, loss on selling equipment \$381)

**History:** John Robson was on the streets, in jails and an addict; he saw what the streets dished out. In the bitterly cold winter of 1996-1997 a number of downtown churches in Calgary met together to respond to the homeless freezing on the streets. Robson banded together with them in 1997 to form an organization that would provide home less people a safe place to stay.

**Management:** IFTCS has a strong and knowledgeable management team with an estimated 30 years combined experience in the sector. The management team is highly effective in the collaborative and organizational efforts and skills with the community.

**Funding needs:** IFTCS has recently completed a capital campaign. To meet the rising number of homeless families and demand for shelter, Ci estimates IFTCS needs \$1.6 million.

**Investment risks:** With a client increase of 38%, and expected growth in demand for services, Inn from the Cold will become increasingly reliant on community Inns to open their beds and provide service to Calgary's homeless on a more frequent basis.



## PORTLAND HOTEL SOCIETY

**Sector: Homeless:  
Shelters, Centres, Drop-ins**

Location: 20 West Hastings  
Vancouver, B.C. V6B 1G8

Charitable registration number: 89141 3791 RR0001

Bri Trypuc  
btrypuc@charityintelligence.ca

Jeff Robinson  
jrobinson@charityintelligence.ca

Paola Bernal  
pbernal@charityintelligence.ca

July 29, 2009

**About PHS Community Services Society:** At Portland Hotel Society, the services fit the people rather than making the people fit the services. PHS provides permanent, semi-private long-term supportive housing to the “hard to house”-persons with concurrent disorders of mental health, chronic addictions and criminal histories. Emphasis is placed on a community model of harm reduction and housing first, accepting residents as they are, and being flexible, responsive and creative in working with them to remain housed and healthy. In F2008, PHS was at full capacity, housing 700 people at its 12 “hotel” sites and delivering to hundreds more through its community services. PHS is a village community, with community support workers onsite around the clock. The community offers medical and dental clinics, a credit union, life skills, pre-vocational skills training, employment opportunities, sobriety and detox programs, counselling, home support services and arts and recreational activities. PHS tenants and others service users have investment in the community they live in, and are treated with dignity. Tenants pay rent based on the housing portion of their social assistance income.

### Social Results:

Portland Hotel stabilizes residents’ housing and through that people’s lives. If a resident seeks to reduce or end a substance dependency, he or she will be actively supported in that choice, given the tools and guidance necessary. The PHS has a no eviction policy, and as a result 40 % of residents stay at PHS for an average of 9 years, 60% stay 2-4 years. This contrasts dramatically with the prior history of residents, who typically registered 6 to 8 addresses or homelessness in the year prior to moving to PHS with little or no access to services.

### Financial Overview:

Portland Hotel does not report any administrative costs or fundraising costs. Funding reserves are -53% of annual program costs.

### Investment Highlights:

- PHS is world-renowned in harm reduction and homelessness.
- Portland Hotel has rigorous staff training which is vital to meet the challenging needs of their clients.

**PORTLAND HOTEL**

Year ending March 31<sup>st</sup>

Program Data	2008	2007	2006
Program costs	9,265,538	8,404,068	7,408,217
Program hours	n/a	n/a	n/a
Total volunteers	0	0	0
Clients served (estimate)	7,000	6,500	6,000
Program hours / clients	n/a	n/a	n/a
Program costs / hour	n/a	n/a	n/a
Program costs / client	1,324	1,293	1,235

**Charity Analysis**

Revenues (less interest income)	9,734,573	8,942,278	8,087,099
Value of volunteer time donated	0	0	0
<u>Donated goods and services</u>	<u>5,000</u>	<u>—</u>	<u>—</u>
Charity value	9,739,573	8,942,278	8,087,099
Community support (\$)	8,868,527	8,198,596	7,386,849
Community size (population)	2,170,684	2,143,462	2,116,581
Community ownership (local support \$ / pop.)	4.09	3.82	3.49
Scope of service (clients as % of pop.)	0.32	0.30	0.28
Administrative costs as % of charity value	0	0	0
Fundraising costs as % of donations	0	0	0
Program cost coverage(%)	-53%	-63%	-72%

**Audited Financial Statements**

Revenue breakdown:			
Donations	148,044	244,340	202,603
Fees for services	1,358,097	1,241,291	1,204,883
Government funding	8,228,432	7,154,189	6,761,431
Interest income	452,788	446,351	451,129
<u>Special events and other</u>	<u>—</u>	<u>302,458</u>	<u>(81,818)</u>
Total revenues	10,187,361	9,388,629	8,538,228
Program costs	9,265,538	8,404,068	7,408,217
Administrative costs	—	—	—
Fundraising costs	—	—	—
Interest costs	460,530	483,660	481,253
<u>Grant to Unity Housing</u>	<u>202,800</u>	<u>192,770</u>	<u>—</u>
Cash flow from operations	258,493	308,131	457,525
Capital expenditures	—	—	—
Funding reserves	(4,903,110)	(5,262,075)	(5,319,238)

**History:** After returning from Portland Oregon, Jim Green (anthropologist) brought the concept of supportive housing in single room occupancy hotels to Vancouver and opened the original Portland Hotel to house homeless in the Downtown Eastside of Vancouver. Liz, Kerstin and Mark worked in the building from the start and established the PHS in 1993. Unmet needs for housing people specifically with severe mental health and chronic addiction problems was soon identified. PHS added buildings to offer housing to people in need and expanded services to meet people where they were at.

**Management:** Management strength is tremendous, with roughly 90 years of combined experience in health care and issues of homelessness. All three founders manage PHS as a team with focus in their area of expertise.

**Funding Need:** PHS is at capacity and needs funding of \$4.9 million to open more housing, pay down mortgages and expand client programs. Funding to cover the cost of an HR staff person for PHS's 400+ staff is needed. PHS wants to expand its life skills programs with increased pre-vocational training and additional employment and job skills training programs. Funding will also help expand appropriate services in the women-only housing, and detox and stabilization centre. The Credit Union serves 4000 people, operating without government funding.

**Investment risks:** There is currently no use of volunteers at PHS due to the complex needs of its clients and the lack of a volunteer coordinator. Trained volunteers could potentially expand PHS's capacity. PHS does not have staff to fundraise, advertise, market or publicise services on a full-time basis, perhaps limiting their program cost coverage from turning positive.

The information in this report was prepared by Charity Intelligence Canada and its independent analysts. Factual material information is obtained from the charitable agency and reliable sources. Information may be available to Charity Intelligence Canada or its analysts that is not reflected in this report. Charity Intelligence Canada and its analysts have made endeavours to ensure that this data in this report is accurate and complete, but accept no liability.



## WESLEY URBAN MINISTRIES

### Sector: Homeless: Shelters & Drop Ins

Location: 195 Ferguson Avenue North  
Hamilton, Ontario L8L 8J1

Website: wesleyurbanministries.ca

Charitable registration number: 11929 1946 RR0001

Bri Trypuc  
btrypuc@charityintelligence.ca

Jeff Robinson  
jrobinson@charityintelligence.ca

August 21, 2009

**About Wesley Urban Ministries:** Working with the poor, the marginalized and those who are lost and alone, WUM, serves people of all ages with a ‘hand-up’ so that they can break the cycle of poverty and achieve a real measure of success. WUM offers basic shelter, health, emergency services and resources for men, women and youth and a 16 bed unit that serves individuals experiencing chronic homelessness and chronic dependence on alcohol under a “wet” model of non-abstinence programming. WUM’s core service delivery is in child, youth and family programs focused on enriched early childhood care, academic support, teen drop-in, gang and drug activity reduction, youth housing and family home visitor programs for healthy childhood development in poverty stricken homes, complimenting the public health nurses. Additional programming in employment, education, health and housing services address the core poverty needs of WUM’s clients.

#### Social Results:

WUM are experts in addressing the cycle of poverty from a preventative and remedial nature. In 2008, WUM helped house 141 homeless people and 36 clients gained employment. Through Claremont House (addiction rehabilitation), 46 people stabilized their health and social behaviour, decreasing time spent in jail by 95%, with an 86% decrease in hospital stays. WUM provided quality end of life palliative care to 6 chronically homeless individuals and helped 35 homeless youth find and maintain housing-a program success of 73%. Results on early childhood care programs are anecdotal. Upon entry, school teachers easily identify WUM program children as having advanced development of social and learning skills.

#### Financial Overview:

Despite high levels of community support, WUM’s funding reserves only cover 32% of its annual program costs. High levels of community support yield administrative costs at 2% of charity value.

#### Investment Highlights:

- WUM is responding to lower demand for shelter programs by moving towards the closure of their emergency shelter to focus on housing support services and prevention programs in their core area of expertise. Other emergency shelters in Hamilton will receive these clients and WUM will provide support services. WUM will be at the forefront of creating and supporting transitional and permanent housing in Hamilton and will expand its Claremont House Services.

**WESLEY URBAN MINISTRIES**

Year ending March 31<sup>st</sup>

Program Data	2008	2007	2006
Program costs	4,780,561	4,010,151	3,530,463
Program hours	n/a	n/a	n/a
Total volunteers	1,325	1,275	n/a
Total volunteer hours	32,000	30,750	n/a
Volunteer turnover rate (%)	2.6%	2.7%	n/a
Clients served	8,734	7,354	n/a
Program hours / clients	n/a	n/a	n/a
Program costs / hour	n/a	n/a	n/a
Program costs / client	\$547	\$545	n/a

**Charity Analysis**

Revenues (less interest income)	5,513,636	4,432,819	4,434,873
Value of volunteer time donated (\$)	480,000	461,250	n/a
<u>Donated goods and services</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
Charity value	5,993,636	4,894,069	4,434,873
Community support (\$)	5,779,386	4,673,759	4,671,959
Community size (population)	510,429	507,485	504,559
Community ownership (local support \$ / pop.)	11.32	9.21	9.26
Scope of service (clients as % of pop.)	1.7%	1.5%	n/a
Administrative costs as % of charity value	2%	2.9%	3.1%
Fundraising costs as % of donations	7.0%	7.9%	15.5%
Program cost coverage (%)	32%	31%	27%

**Audited Financial Statements**

(All figures in \$)

Revenue breakdown:

Donations	922,618	617,026	670,272
Fees for services	25,121	29,693	40,740
Government funding	4,131,509	3,467,695	2,928,619
Interest income	11,093	3,319	2,872
<u>Special events and other</u>	<u>434,388</u>	<u>318,405</u>	<u>795,242</u>
Total revenues	5,524,729	4,436,138	4,437,745
Program costs	4,780,561	4,010,151	3,530,463
Administrative costs	120,675	143,580	137,015
Fundraising costs	95,232	73,573	123,487
<u>Interest costs</u>	<u>6,278</u>	<u>13,369</u>	<u>6,937</u>
Cash flow from operations	521,983	195,465	639,843
Capital expenditures	273,324	560,187	617,645
Funding reserves	1,539,817	1,248,964	936,190

**History:** In 1955, a group of United Church volunteers began recreational and community activities in the basement of a church as a result of increasing poverty issues in the region. Offering meal programs and children's recreational work, WUM was incorporated in 1979 and has expanded through the years to include a focus on children, youth, adults, and seniors who are homeless or living in poverty.

**Management:** The management team has well over 100 years of combined sector experience. Paul Johnson, executive director, is highly knowledgeable in addressing community needs through focusing the organizational efforts on what they do best to meet client needs. Management actively implements a community driven collaborative leadership model believing this is the only way the organization will achieve its goal of poverty reduction.

**Funding Need:** There is funding need of \$3.2 million to provide ongoing addictions programming, to build supportive housing for homeless youth, and continue early childhood current programming.

**Investment Risks:** As WUM moves to stop providing emergency shelter there will be the need to manage program changes and staff realignment.

## Appendix I: Counting the Homeless

Counting the homeless is difficult. The challenge is to locate those who may intentionally hide, track their migrations, and do this in a way that respects their individual dignity. By its nature, homeless people live outside the system, which complicates data collection. In addition, only a few homeless agencies routinely collect information.

Counting the homeless has also become politically controversial. Some believe counting the homeless is futile, 'doomed to failure' and boycott participating in city counts. There is fear that homeless counts will be used to allocate funding. Ci sees the need for a homeless count differently. "That which gets measured, gets managed." A homeless count is useful and needed, however incomplete, to provide a basis for learning.

Most Canadian cities take a census of homeless people once every 5 years, which is a similar method to the national census. This count is a snapshot in time, using volunteers to walk the city streets counting and interviewing people. Some regions count the number of individuals using shelters over 12 months. Other cities and regions use their own definitions and methods rather than consistent measures.

While Ci has examined the counts from Canadian cities to better understand variations across the country, we have used the consistent Statistics Canada 2006 snapshot report on shelter usage as the basis of our count. Using a US research study which provides a detailed breakdown of shelter users and the average length of stay in shelters, the snapshot has been extrapolated into an estimated number of people accessing shelters through the year. To determine the number of homeless who do not use shelters at all, Ci has used a Canadian study of the unsheltered homeless along with the percentage of homeless people found unsheltered in the counts in Vancouver, Calgary, Saskatoon, Ottawa, and Toronto.

## Table I. Canada's Homeless Population

### Step 1: 2006 Census Dwelling and Shelter Count

Province	Shelter Count
British Columbia	2,215
Alberta	3,450
Saskatchewan	295
Manitoba	405
Ontario	8,500
Quebec	4,170
Yukon	30
Northwest Territories	30
Nunavut	25
Newfoundland	85
New Brunswick	200
Nova Scotia	215
Prince Edward Island	15
<b>Total</b>	<b>19,635</b>

### Step 2: Annualizing the Shelter Count

From Culhane's research:	Split	Duration (days)	Turnover Rate
Transitional	80%	20.4	17.9
Chronic	20%	154.0	2.4

Therefore, on any given night, of the people counted, 67% will be chronic, 33% will be transitional (assuming no seasonality). Knowing that the transitional turnover rate is 17.9x and the chronic turnover rate is 2.4x, from a static shelter count, the annualized number can be calculated. Shelter count x (% of snapshot being transitional 33% x transitional turnover rate 17.9x) + (chronic 67% x chronic turnover rate 2.4x) This yields an annualized multiple of 7.5x snapshot count.

### Step 3: Including the Chronically Unsheltered

Total Shelter Count	19,635
Annualized multiplier	7.5
Annualized shelter count	148,097
Percentage of homeless count found on streets	24%
Percentage of street homeless not using shelters in prior 12 months	24%
Percentage of chronically unsheltered	6%

**Ci's estimate – People experiencing homelessness in Canada in 2006** **157,149**

## Appendix 2: The Economic Costs of the Homeless

As with counting the number of Canadians who are homeless, there is little consensus on the costs incurred by the homeless. From a review of the research in this sector, most economic figures come from a single study done in British Columbia in 2001.<sup>63</sup> Through detailed interviews with homeless people, adding up the costs of using jails, ambulances, social services, health care, and hospital admittance, an average cost of \$24,017 was calculated. The people interviewed in this study were chronically homeless, all having lived on the streets for more than a year.

A University of California study tracked homeless people for 18 months and found that the costs incurred were \$200,000 each.<sup>64</sup> This represents over \$130,000 in costs per year. The Calgary Foundation on Homelessness estimates that it costs \$105,000 per homeless person in its city.<sup>65</sup> Obviously there is wide variation in the estimated economic costs of homelessness.

Conservatively, Ci's calculations are based on the British Columbia study since it provided the most detailed breakdown of costs. To this Ci has added in the costs of shelters from a four Canadian cities report.<sup>66</sup> From research, the chronically homeless account for 67% of the shelter costs. As such, 67% of the \$384 million spent on Canadian shelter beds each year is attributed to the chronically homeless. This produces a conservative cost estimate of \$35,000 for each chronically homeless person in Canada.

Ci estimates that the total cost of homelessness each year in Canada is \$1.25 billion, with 89% of this cost incurred by the chronically homeless. The transitionally homeless, who experience homelessness briefly, account for only an estimated 11% or \$113 million each year.

This asymmetric cost and benefit distribution presents an optimal situation for social investors; strategically targeted giving, focused on cost-efficiently meeting the needs of 32,000 people (the chronically homeless) has the potential to produce high impact.

Ci's calculations in this cost analysis are detailed in Table 2: Economic Costs of Homelessness.

Table 2. Economic Costs of Homelessness

<b>Step 1. Calculating the costs of Canada's homeless</b>	
BC Study Cost Breakdown:	Average Cost (\$)
Criminal Justice System	11,410
Social Services	7,893
Health Care	4,714
<u>Total</u>	<u>24,017</u>
CPI Inflation factor 2001-2006	12.9%
<u>Total 2006 Cost</u>	<u>27,120</u>
Ci estimate of chronic homeless people	32,000
Cost of services for the homeless	867,853,732
Cost of shelters for the homeless @ \$52/day	384,067,216
<b>Total costs of homelessness 2006</b>	<b>\$ 1,251,920,948</b>
<b>Step 2. Calculating the costs of the transitional homeless</b>	
In one year, the number of transitional homeless	125,000
Average shelter stay (nights)	20.4
Average shelter cost per night (\$)	52
<u>Transitional homeless costs of shelters</u>	<u>\$ 132,600,000</u>
<b>Step 3. Calculating the costs of the chronic homeless</b>	
Assuming transitional homeless not using homeless services	
Total Canadian homeless costs	1,251,920,948
Backing out the transitional shelter usage costs	132,600,000
<u>Costs of the chronic homeless</u>	<u>\$ 1,119,320,948</u>
Estimated number of chronic homeless	32,000
<b>Annual costs per chronic homeless person 2006</b>	<b>\$ 34,979</b>

## Appendix 3: Canada's Homeless Counts

City	Snapshot Homeless		Rate of Homelessness per 1,000 population	Source
	Count	Count		
Victoria	791		13.1	2007 (February) Capital Region Homeless Needs Survey (Victoria Coalaid Society) Victoria Vital Signs
Vancouver	2,660		6.8	2008 (March) Regional Steering Committee on Homelessness - The Homeless Count
Calgary	4,060		20.5	2008 (May) The City of Calgary Homeless Count
Edmonton	3,079		16.2	2008 (October) Homeward Trust Edmonton (End Edmonton Homelessness Committee)
Saskatoon	260		6.1	2008 (May) University Institute of Social Research
Regina	100		2.8	2007 City of Regina "A Home for All"
Winnipeg	2,000		17.2	2007 Siloam Mission, estimate
London	4,000*		8.7	2003 Key - University of Western Ontario & London Salvation Army
Sudbury	608		17.7	2003 (July 23-29) Homelessness in Sudbury - Time7 Social Planning Council Report on Homelessness
Kitchener/Waterloo	2,783*		5.8	2008 Report Card 2009 Waterloo Region (HHUG)
St. Catharines/Niagara	1,281*		3.3	2002 Community Plan - 4 different shelter counts combined
Hamilton	3,950*		5.7	2007 Hamilton Community Services
Halton Region	1,226*		3.3	2001 (July) A Journey Home: Community Plan for Halton Region, Regional Municipality of Halton
Mississauga/Peel Region	no data reported		-	
Toronto	5,052		11.0	2006 City of Toronto Street Needs Assessment
Oshawa/Durham Region	133		5.1	2007 University of Ontario Institute for Technology, Durham Region Homelessness Initiative
Ottawa	8,103*		7.2	2007 Salvation Army Street Count, Community Action Plan to End Homelessness
Laval	no data reported		-	
Montreal	2,212		4.6	2001 (May) Shelter Census Statistics Canada with growth of 24% to 2006 as per Quebec overall
Quebec excluding Montreal	1,958		6.1	2002 (May) Shelter Census Statistics Canada with growth of 24% to 2006 as per Quebec overall
Greater Saint John	200		8.9	2006 Regional Municipality Snapshot
Halifax	266		3.9	2005 (July 2004) Halifax Regional Municipality report portrait of streets and in shelters

\* Annual estimate

## Appendix 4: Case Studies of Homeless Youth

The numbers of homeless youth mask the experiences of the children. An Australian study into homeless youth traces the childhood traumas that lead to homelessness, addiction, depression and suicide. The study focused on detailed quantitative factors, but the qualitative cases clearly show how children become homeless youth.

Simon is an 18 year old aboriginal who lived with his parents. While he was growing up, his father beat him severely and often, sometimes requiring hospitalization. The physical beatings lasted until Simon was 16 throughout which he experienced post traumatic stress. Simon began using drugs when he was 13 and began drinking at age 14. At age 16 Simon's father kicked him out of the house. Just for good measure, Simon's father gave him one last beating from which Simon required hospitalization. When Simon left hospital he lived with friends until he moved into a homeless youth shelter. Once homeless, Simon began using speed daily, dropped out of school at 17, yet checked himself into a residential program for homeless youth when he was 18.

Josh was repeatedly sexually abused by his father beginning at age 6. At age 16, Josh tried to kill himself, was kicked out of his home for aggression and became homeless. Once homeless, Josh began using drugs on a weekly basis also becoming an alcoholic. Josh was intermittently homeless, sometimes returning home for periods of time, but became increasingly violent. He was arrested at age 18 for assaulting his mother and admitted to a psychiatric hospital where he was diagnosed with drug-induced psychosis and schizophrenia.

Peter lived with his mother who was a severe alcoholic. His father left home when he was 2. Peter began using drugs when he was 13 and had become an addict by age 15. When Peter was 17 he underwent drug rehabilitation after which he left home and lived with friends and shortly after lived in a youth shelter. Not long after becoming homeless Peter gave up all drug use and was hospitalized for withdrawal. At hospital, Peter developed a deep depression. On discharge, Peter began smoking pot and became involved in crime to support his drug habit. At 18 he was arrested for breaking and entry and served 6 months in jail.

Terry lived with her mother but had to visit her father on weekends after her parents' divorce. Her father repeatedly raped her from age 5 to 14. When Terry was 14 her mother kicked her out of the house and she lived with relatives and then moved into a youth shelter. At 16, Terry's father raped her again and she entered a major depression and attempted suicide. At 19 Terry remained homeless and was raped on the streets. She developed post-traumatic stress disorder and became an alcoholic. Terry attempted suicide again at age 23.

## Reference Notes

- <sup>1</sup> Tsemberis, S. & Stefancic, A. (2007). *Housing First for Long-Term Shelter Dwellers with Psychiatric Disabilities in a Suburban County: A Four Year Study of Housing Access and Retention*. Springer Science+Business Media, LLC.
- <sup>2</sup> See Appendix 1 – How Ci calculates this estimate, extrapolated from Canadian cities homeless counts.
- <sup>3</sup> Casavant, Lyne. (January, 1999). *Counting the Homeless*. Political and Social Affairs Division, Parliamentary Research Branch. Government of Canada. [PRB 99-1E].
- <sup>4</sup> Jencks, Christopher. (1994). *The Homeless*. Harvard University Press.
- <sup>5</sup> See Appendix 2 for CMA populations from Statistics Canada with homeless counts.
- <sup>6</sup> Statistics Canada. (2009). *Persons in low income after tax, by prevalence in percent, 2003 to 2007*. Accessed [Online] from <http://www40.statcan.ca/101/cst01/famil19a-eng.htm> June 2009
- <sup>7</sup> Statistics Canada. (1999). *Low Income Definitions*. Survey of Income and Labour Dynamics.
- <sup>8</sup> Winship, J. (July 14, 2007). *Emerging Trends: Roundtable Discussion on Case Management with Homeless Families*. 2007 Wisconsin Conference on Homelessness. Accessed from National Resource Centre on Homelessness and Mental Illness. U.S. Department of Health and Human Services Substance Abuse & Mental Health Services Administration, Center for Mental Health Services.
- <sup>9</sup> Kuhn, R., & Culhane, D. P. (1998). *Applying cluster analysis to test a typology of homelessness: Results from the analysis of administrative data*. *American Journal of Community Psychology*, 17:1, 23-43 quoted in Culhane, D. & Metraux, S. (Winter 2008). *Rearranging the Deck Chairs or Reallocating the Life Boats?* *Journal of American Planning Association*, 74:1.
- <sup>10</sup> Palermo, F. et al. (2006). *The Cost of Homelessness and the Value of Investment in Housing Support Services in Halifax Regional Municipality*. Dalhousie University.
- <sup>11</sup> Culhane, D. & Metraux, S. (Winter, 2008). *Rearranging the Deck Chairs or Reallocating the Life Boats?* *Journal of American Planning Association*, 74: 1.
- <sup>12</sup> Culhane, D. & Metraux, S. (Winter, 2008). *Rearranging the Deck Chairs or Reallocating the Life Boats?* *Journal of American Planning Association*, 74: 1.
- <sup>13</sup> Kuhn, R., & Culhane, D. P. (1998). *Applying cluster analysis to test a typology of homelessness: Results from the analysis of administrative data*. *American Journal of Community Psychology*, 17:1, 23-43 quoted in Culhane, D. & Metraux, S. (Winter 2008). *Rearranging the Deck Chairs or Reallocating the Life Boats?* *Journal of American Planning Association*, 74:1.
- <sup>14</sup> Culhane, D. & Metraux, S. (Winter, 2008). *Rearranging the Deck Chairs or Reallocating the Life Boats?* *Journal of American Planning Association*, 74: 1.
- <sup>15</sup> *Raising the Roof*. (2009). *Youth Homelessness in Canada: The Road to Solutions*.

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## Recommended Charities in Homelessness 2009

Charity Intelligence (Ci) champions excellent charities to funders. Through our rigorous analysis and independent research, those charities recommended excel in addressing a social issue, are cost efficient and more importantly, have a track record for producing outstanding results for Canadians in need.

In Charity Intelligence's opinion, these are "Blue Chip" charities. Their status is determined not by size, or popularity, but by their proven ability to offer funders the highest potential benefits from their giving.

## Ci's Research & Selection Process

Charity Intelligence's analysis is independent, objective and data-driven. Our evaluation process is open and transparent and we share our analysis methods and findings with funders and charities. Our research process is arduous. Our research analysts have thoroughly assessed these charities, starting with due diligence, transparency and accountability, and continuing with management interviews, cost efficiency and program evaluation of the charity's results.

In 2009, the research process began with a critical examination of the needs of Canada's homeless. From evidence-based research, Charity Intelligence's analysts believe that the most critical need in homelessness is to address absolute and chronic homelessness affecting people who live on our streets. From here, Charity Intelligence searched for charities that work with homeless individuals to support them back on their feet and into appropriate housing. Charities were referred by the executive directors of professionally run foundations, philanthropic advisors, community foundations, homeless network groups and United Way agencies. Charity Intelligence contacted 435 Canadian charities, of which only 103 provided financial statements and information on programs and services necessary to begin our research. The research analysts assessed that only 61 of these charities were working specifically to address issues of homelessness.

## Ci Recommendation Committee

Analysis is inherently subjective, so to mitigate this subjectivity, the research reports were reviewed and assessed by Ci's Recommendation Committee. This committee is composed of 5 volunteers with over 75 years combined experience in different professions, primarily investing and business. All of the Recommendation Committee members value the contribution that the charitable sector provides to society and have extensive experience working with, and for, charities. In addition, our Recommendation Committee members are funders.

The charities selected for Charity Intelligence's Recommended Charities 2009 fulfill all of the requirements and are endorsed to funders. These charities are Ci's "Top Picks".



# Giving Empowered by Intelligence

Charity Intelligence Canada

905.833.0075

P.O. Box 124, King City, ON L7B 1A4

[info@charityintelligence.ca](mailto:info@charityintelligence.ca)

[www.charityintelligence.ca](http://www.charityintelligence.ca)

Charitable RN 80340 7956 RR0001