



Western Economic
Diversification Canada

Diversification de l'économie
de l'Ouest Canada

Evaluation of the Vancouver Agreement

WESTERN ECONOMIC DIVERSIFICATION CANADA

Audit & Evaluation Branch

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EXECUTIVE SUMMARY

Introduction and Background

This report presents the findings, conclusions and recommendations of the evaluation of the Urban Development Agreement (UDA) in Vancouver. A similar evaluation study was undertaken for the Saskatoon and Regina Agreements.

The Vancouver Agreement (VA) was a partnership of the federal, provincial, and municipal governments to support to support local community solutions to economic, social, health and safety issues. This urban development initiative focuses on Vancouver's inner city and in particular the Downtown Eastside (DTES). The VA focused on four key priority areas: Economic Revitalization, Safety & Security, Housing, and Health & Quality of Life. In line with departmental mandate, most of Western Economic Diversification Canada's (the department) funds under the agreement went to support economic development projects. The initial agreement was signed in 2000 and renewed in 2005 for another five-year term.

The evaluation covered the period of 2000 to 2010. The focus was to assess the relevance and performance (efficiency, effectiveness, and economy) of WD's investments in economic development projects within the VA. The evaluation issues were developed taking into account the fact that the VA will not be renewed after the expiry of the current agreement. The methodology for the evaluation included file, document and literature review, database review, case studies, key informant interviews and a focus group organised in Vancouver.

Relevance

The VA's origins stemmed from a public health crisis ascribed to the Downtown Eastside (DTES), where established policies were seen to be failing. High-level political support for a new governance approach led to the adoption of an urban development partnership such as the VA. Representatives of the three governments recognized that a coordinated approach was needed to achieve long-term, sustainable solutions. The VA was the agreed tool for each of the three levels of government. The VA was seen as a collaborative partnership, featuring intergovernmental, public-private sector, and community cooperation.

Key informants in the evaluation were unanimously positive in their response on the need for the VA. Two main reasons were cited for there being a need for the agreement. The first is the difficult social and economic conditions in the DTES. The second factor is the jurisdictional fragmentation in the DTES which required a collaborative effort to deal with the level of complexity of the issues and overlapping responsibilities.

This view of a need for a tripartite agreement was shared by representatives of the other UDAs in Winnipeg, Regina, and Saskatoon, who recognize that there is, and always will be, the need for a long-term strategic framework to address socio-economic problems posed by urban development such as poor economic development, higher than average unemployment, insufficient housing, an epidemic of HIV infection and drug addiction crime, health issues, and infrastructure renewal.

The Auditor General of Canada reviewed federal participation in the VA in November 2005. The audit report found the VA to be a promising governance model for federal government participation in tripartite agreements. The report however expressed concern about the lack of clarity for federal roles and responsibilities for lead and participating departments. The department undertook an accountability framework study which responded to the concerns in the audit report and identifies a mechanism to best deliver and measure federal performance and accountability in future horizontal agreements. The department stands to benefit from using this document as the basis for the governance of any future bi-lateral and multi-lateral agreements or initiatives.

The objectives of the VA linked to the department's strategic outcome of Community Economic Development. The goals of the economic revitalisation strategy created for the VA directly linked to the federal government priority of Strong Economic Growth.

The VA was seen as being complementary to the economic development strategies pursued by the federal, provincial and municipal governments. The VA strengthened relationships, found collective solutions and built a strong foundation for ongoing efforts and future collaborative initiatives. 19 out of the 20 project partners indicated that the assistance of the department or the VA was at least 75% responsible for successful implementation of their project. With funding set to end in 2010, many of the VA activities are being integrated into other government programs. Many respondents believed that the VA was successful in engaging the community and developed key relationships with many community partners and with the private sector in general. This was achieved through a constant commitment to work collaboratively and the effective coordination of resources to ensure effective and efficient investment. Strong working relationships were forged, particularly between the three orders of government at the working level, and this resulted in advancing projects that met VA objectives.

Performance (Achievement of Expected Outcomes)

The key outputs generated by the department's investments in economic development projects within the VA included business advisory services, employment training, procurement initiatives, and financing. The delivery of these projects also promoted community planning and strategies to meet the goals of the VA. The outcomes to be derived from the projects included: increase in the level of investment and total employment in the VA area; increased community participation; viable and growing community economies; creation of mechanisms for community and government coordination and collaboration; and enhanced capacity of the communities to implement strategies that promote sustainable development. The final outcome was to create increased economic activity that improves the viability, prosperity and quality of life in Vancouver.

Participants in the focus group recognized that trying to use a normal evaluation framework to prove cause and effect in the VA is problematic. A variety of factors was mentioned to drive economic development in the DTES. Many of the effects of the VA such as changes in the attitudes of people were seen as not quantifiable. As a result of these factors, key informants mentioned that it will be a challenge to prove a direct correlation between the VA and positive impacts experienced throughout the DTES. Some of the VA's contribution to positive impacts in the DTES includes reduced property crime rate by 14% between 2000 and 2005, an increased

employment income by about 32% for men and 29% for women from 2004 to 2007, a reduced death rate due to HIV/AIDS and suicides, and an improved collaboration among all levels of government. All agencies with projects funded by the department's investments believe their projects were successful to very successful in achieving their outputs. Key informants from project partner organizations rated the success of their projects very high on the success measure.

Most projects began before the establishment mandatory reporting into WD's Project Gateway database for projects that ended after 2007. The database could therefore not be used to assess whether targets for indicators have been met or not. Analysis of results from the file review, case studies and key informant interviews indicated that results exceeded targets set for each of the indicators in Project Gateway.

Outcomes identified in the evaluation were based on the performance measurement framework of the WDP. These outcomes are based on a broad framework and present challenges in the ability of the evaluation to directly attribute project results to outcomes. In order to improve on its data collection, the department should implement strategies that would result in the development of performance measurement frameworks for individualised initiatives that would support reporting to the database.

Ratings for the impact of the department's investments within the VA on economic revitalization goals indicated the presence of some positive impacts. Key informants ratings were above average for all economic revitalization activities. Projects from partners which include job training, entrepreneurial support, and employment services were seen as highly successful in contributing to the VA's economic revitalisation goals.

Most key informants believed that the department's projects within the VA made progress towards the achievement of its economic development outcomes. The major outcome supported by all lines of evidence was in the area of creating mechanism for community and government coordination and collaboration. Key informants indicated that the VA may not have succeeded in establishing a permanent formal structure for government cooperation but there does appear to be a legacy of cooperation between individuals and groups that had not experienced such a level of collaboration previously.

The VA received the Institute for Public Administration of Canada's highest annual prize for innovative management; a United Nations Public Service Award for improving transparency, accountability and responsiveness in the public service; and a Partnership Award from the Association of Professional Executives of the Public Service of Canada.

Performance (Demonstration of Efficiency and Economy)

Resources utilised for the VA included membership on the various committees by the different government departments and agencies, and the VA Coordination Unit. Each government and public agency retained its respective mandate, accountabilities, and reporting requirements. The Coordination Unit oversaw the day-to-day work of the VA by providing administration, financial management, communications, monitoring and reporting requirements. The total expense for the unit from 2002 to 2010 was about 9% of the total VA funding of \$28 million.

Respondents in the comparative analysis viewed the administration of the VA as being cost-effective. This view of a cost-efficient mechanism was shared by all key informants in the evaluation with a relatively high rating.

From the key informant interviews and the comparative analysis, no alternatives were offered for the delivery of the VA. The tripartite approach was almost unanimously seen as the only approach that would have any chance of success in such an environment. Future tripartite agreements would benefit from examining the organizational structures in each jurisdiction to identify leading practices and lessons learned for incorporation into their design. Within the evaluation period from 2000 to 2010, the department invested \$7.7 million into projects undertaken within the VA. The provincial government and the private sector invested \$20.3 million. This means that every departmental dollar invested leveraged another \$2.6 from the other parties.

The key informants were unanimous in their agreement that the department's projects within the VA were implemented as planned without significant implementation issues. Suggestions offered for improvement include: reducing the number of subcommittees; clarifying the mandate to enhance focus; enhancing access to information in a coordinated fashion; and minimizing reporting requirements. Key informants suggested some conditions that would be necessary for tripartite agreements to succeed and also to develop and maintain momentum on such agreements which include clarity of purpose and responsibilities, and collaboration between stakeholders. Some leading practices and lessons learned mentioned by key informants, case study respondents, and focus group participants include:

- Streamlining project approval processes;
- Building in performance indicators into every aspect of the agreement;
- Maintaining high visibility for the initiative;
- Designing an appropriate accountability structure tailored for a horizontal initiative; and
- Effectively communicating benefits and successes.

Recommendation

Since the Vancouver Agreement will not be renewed after its expiry in 2009-10, the one recommendation from this evaluation focuses on the need for improved performance information for specialized initiatives like the Vancouver Agreement.

The department should formulate individualized performance measurement strategies for current and future initiatives such as the UDAs that use the Western Diversification Program authority.

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SECTION 1: INTRODUCTION

1.1 Acknowledgement

Western Economic Diversification Canada (the department) would like to thank all of the key informants who generously gave of their time and knowledge to take part in the study. Without their participation and their insights, this report would not have been possible. The department also acknowledges the work done by Ference Weicker & Company in conducting the key informant interviews, comparative analysis and focus group for the evaluation.

1.2 Introduction

This report presents the findings, conclusions and recommendations of the evaluation of the department's investment in the Urban Development Agreement (UDA) in Vancouver. A similar evaluation study was undertaken for the Saskatoon and Regina Agreements. A formative and summative evaluation was conducted for the Winnipeg Agreement.

UDAs were agreements between federal, provincial, and municipal governments that address broad issues through partnerships and shared goals. UDAs focus on addressing key challenges facing various cities, realizing opportunities in innovation, and ensuring the full participation of all groups in the economies of those cities. The department established UDAs in Winnipeg, Vancouver, Regina and Saskatoon. While the agreements were similar in concept, they also reflected the different priorities and needs of the provincial and municipal partners. The UDAs fell under the department's previous strategic outcome of Community Economic Development.

The Vancouver Agreement (VA) was a partnership of the federal, provincial, and municipal governments to support local community solutions to economic, social, health and safety issues. . Vancouver's Downtown Eastside (DTES) was the first focus for action under the agreement. The VA focused on four key priority areas: Economic Revitalization, Safety & Security, Housing, and Health & Quality of Life. In line with departmental mandate, most of Western Economic Diversification Canada's (the department) funds under the agreement went to support economic development projects. The VA promoted partnerships between governments, community organizations and businesses. The goal was to work together to create healthy, safe neighbourhoods that are economically and socially prosperous, making them desirable places to live and work for all residents. The initial agreement was signed in 2000 and renewed in 2005 for another five-year term.

1.3 Evaluation Mandate

The 2009 Treasury Board Evaluation Policy calls for departments to develop a 5-year plan to cover 100% of programs spending in a five-year life cycle. It is in this context that an evaluation of the Vancouver Agreement was included in the approved Departmental Five-Year Evaluation Plan (2009-14). The authority and source of the department's funding for the VA was the Western Diversification Program (WDP). The evaluation was therefore based on the performance measurement framework of the WDP, and the VA Strategic Plan. The evaluation covered the period of 2000 to 2010.

The evaluation focused on the relevance and performance (efficiency, effectiveness, and economy) of the department's investments in economic development projects within the VA. The evaluation issues were developed taking into account the fact that the VA will not be renewed after the expiry of the current agreement.

The evaluation is intended to provide stakeholders with appropriate information to enable judgments relative to the VA's relevance and performance. It is also expected that the evaluation will provide insight and recommendations to potentially enhance the delivery of current departmental programs and initiatives, and any future bi-lateral and multi-lateral agreements.

1.4 Organization of this Report

The report is organized as follows:

Executive Summary

Section 1: Introduction

Section 2: Profile of the Vancouver Agreement

Section 3: Methodology

Section 4: Relevance

Section 5: Performance (Achievement of Objectives)

Section 6: Performance (Demonstration of Efficiency and Economy)

Section 7: Conclusions and Recommendations

SECTION 2: PROFILE OF THE VANCOUVER AGREEMENT

This chapter provides an overview of the VA in terms of its history, structure, funding, priorities, and initiatives, and compares the VA to the other UDAs in Saskatoon, Regina and Winnipeg.

2.1 Agreement History

The VA formally began in 2000 for a five-year term and was renewed in 2005 for a second five-year term. Initially, it was an un-funded agreement that committed all parties to cooperate in promoting and supporting economic, social, health and safety issues in Vancouver. Federal government involvement in the VA was led by Western Economic Diversification Canada and included eleven other federal organizations, most notably the Public Health Agency of Canada, Health Canada, and Service Canada. As work continued between 2000 and 2003, a small secretariat (the Coordination Unit) was established in the VA to coordinate the increasing number of VA projects.

In 2003, the VA became a vehicle to coordinate and disperse funds targeting the problems of the Vancouver Downtown Eastside. Government partners collaborated to contribute and leverage funding for projects that addressed health, economic, social, housing and public safety challenges in the inner city.

2.2 Governance of the Vancouver Agreement

The Vancouver Agreement was an example of how greater collaboration between governments, communities, and business can be achieved. Collaboration between the government partners was facilitated by regular meetings at a number of levels. This collaboration resulted in unique approaches and partnerships being developed.

The governments of Canada, British Columbia and the City of Vancouver worked together and coordinated resources to implement a comprehensive strategy to promote and support sustainable economic, social, and community development in Vancouver. Federal government responsibility for the agreement rests with Western Economic Diversification Canada, while the Ministry of Community Services represents the Province of British Columbia, and the City Manager's Office represents the City of Vancouver.

Numerous ministries, departments and public agencies from each level of government were involved in delivering the Agreement. The Vancouver Police Department and the Vancouver Coastal Health Authority played key roles in several VA projects and initiatives. The formal structure of the Vancouver Agreement was designed to support coordination, innovation, policy change, and strategic investment within and amongst public agencies. At the same time, the VA was designed to respect the separate mandates and accountability process of each public agency. Each public agency maintains its statutory responsibility and reporting processes, working within the Vancouver Agreement to coordinate their respective efforts. As such, decisions made throughout the governance of the Vancouver Agreement are made through consensus.

The governance structure of the VA included the Governance Committee, Management Committee, Operational Managers' Working Group, and Coordination Unit.

- **Governance Committee:** The federal and provincial governments each appointed a Minister responsible for the VA and the Mayor of Vancouver represented the municipal government. This committee had ultimate responsibility for the VA, including decision-making and accountability. Much of the strategic guidance and implementation responsibilities were delegated to the Management Committee.
- **Management Committee:** Each government partner was represented by an executive-level staff member on this committee. The committee was responsible for inter-governmental relationships, external communication, monitoring and evaluation, investment decisions, and oversight of operational activities.
- **The Planning Table:** This committee was comprised of the senior public officials of the governments involved. The VA Planning Table is responsible for setting the vision for the VA, strategic thinking, coordination, policy change, and innovation. Members of this committee sit as ex-officio members of the management committee to support discussions and decision making. To support the VA Management Committee, this group meets more frequently and maintains ongoing communication amongst members between meetings.
- **Task Teams:** Comprised of program and operational level public servants, Task Teams are responsible for the 'on the ground' implementation of VA programs. This includes coordinating, managing and/or operative direct government programs and government-funded programs operated by third party, community level organizations. Task Teams are struck on an as-needed basis and work cooperatively on projects or groups of projects, organized thematically (e.g. Economic Task Team or Housing Task Team). The number and structure of the Task Teams is dependent upon the strategic focus of the VA and the need at any given time. Prior to or following a Task Team, public servants will also maintain thematic-based communication between organizations. This communication assists in the 'on the ground' coordination or identification of projects needing greater coordination.
- **Coordination Unit:** A small secretariat, comprised of an Executive Coordinator and staff, oversaw the day-to-day work of the Vancouver Agreement

2.3 Funding

In 2003, the Vancouver Agreement became a vehicle to coordinate and disperse funds targeting the problems of the DTES. Government partners collaborated to contribute and leverage funding for projects that addressed health, economic, social and public safety challenges in the inner city. The federal and provincial governments each contributed \$10 million to the Vancouver Agreement, which was in addition to staffing resources, coordination and financial support for projects from a number of ministries and departments. Federal government funding to support the VA's goals and strategies came from a number of departments and agencies, primarily: Western Economic Diversification Canada, Human Resources and Skills Development Canada, Health Canada and Status of Women Canada.

**TABLE 2-1: TOTAL FUNDS ALLOCATED TO THE VA
2002 – 2010**

Source	Funds
Federal Government (WD Funds)	\$7,663,000
Provincial Government	\$18,369,000
Private Sector	\$1,502,000
Total	\$27,534,000

The City of Vancouver contributed heritage preservation incentives and funding from their Downtown Eastside capital fund, as well as in-kind goods and services and staffing resources. VA funds complement other available funding sources for projects that address one or more of the Agreement's goals. Interest earned on all funds also contributed to the available financial resources of the VA.

2.4 Agreement Priorities

Over the years, VA initiatives in the DTES focused on four key priorities:

- Economic revitalisation;
- Safety & security;
- Housing; and
- Health & quality of life.

These priorities work together to support the goals of the VA. The priorities have been reflected in projects implemented across a wide range of areas including infrastructure, health, housing, economic development, neighbourhood safety, and job training and creation initiatives. The number of initiatives funded by the VA by type of projects including the funding provided by the department is summarized in Table 2-2 below.

**TABLE 2-2: NUMBER AND VALUE OF INITIATIVES SUPPORTED UNDER THE VA
2002 – 2010**

Source	All VA Funding Sources		WD Funding	
	Number	Value	Number	Value
Economic Revitalization	79	\$13,370,000	40	\$6,480,000
Safety & Security	9	\$2,205,000	2	\$60,000
Housing	10	\$4,027,000	1	\$5,000
Health & Quality of Life	22	\$5,379,000	0	0
Vancouver Agreement Coordination Unit Operating Expenditures	1	\$2,553,000	1	\$1,118,000
Total	121	\$ 27,534,000	44	\$ 7,663,000

2.4.1 Economic Revitalization Goals

In 2003, the program developed an economic revitalization strategic plan to guide its programming. The goals developed for the strategy focused on the issues of demand, supply, and employment. More specifically, the three goals of the strategy were stated as:

- **Increase the Demand for Products and Services from the DTES.** To increase demand, by addressing safety and security concerns, taking advantage of potential economic drivers such as the 2010 Winter Games and Woodwards, expanding the supply of market housing, creating strong neighbourhood brands in the minds of consumers, rebuilding the links between neighbourhoods, and making the DTES a better place to live, work, and visit.
- **Strengthen the Capabilities of Local Suppliers.** To strengthen the capabilities of local suppliers by addressing the financial and other constraints that keep property owners and businesses from making needed upgrades to building infrastructure, improving the rate of business retention and expansion, attracting new businesses to the region, and enhancing the ability of local suppliers to take advantage of the opportunities that are emerging.
- **Increase Labour Market Participation Rates among Local Residents.** To increase labour market participation rates by focusing on helping local residents to prepare for employment, and encouraging employers to hire local residents and work cooperatively with local employment organizations.

2.5 General Comparison of the Four Western UDAs

The unique social and economic conditions of each city resulted in different Agreement visions, goals, and strategies for each UDA.

The populations of Vancouver and the province of British Columbia both increased by more than 5% between 2001 and 2006. This increase was greater than the increases experienced by Winnipeg (2.2%), Saskatoon (1.6%), and Regina (0.6%) over the same period. In all four cities, the percent of the population aged 15 years and over slightly increased from 2001 to 2006 indicating that all of these populations were aging. Vancouver had a significant immigrant population (45% in 2006) compared to the other three cities: the percent of Winnipeg's immigrant population in 2006 was 18.4%, Saskatoon's was 8.2%, and Regina's was even less at 7.9%. The Vancouver DTES is the oldest part of the city, and, for most of last century, was a stable community. However, the area faces many significant social and economic challenges. In 2004, almost 70% of the more than 16,000 residents were considered low income. In 2001, almost half (45%) of all DTES residents were immigrants. The expanding drug trade and the serious social problems that accompany drug abuse, such as criminal activity and serious health and social problems contributed to business closings, buildings being vacated, very low levels of business investment, decrease in legitimate economic activity and, for many residents, a significant decline in the quality of life.

The total number of Aboriginals living in the four cities led to the formulation of strategies by some of the UDAs to specifically target this group with their Agreements. In 2001 and in 2006, Vancouver had the largest total population, but had a significantly smaller Aboriginal population than the other three cities. Vancouver had a significantly larger immigrant population than Winnipeg, Saskatoon, and Regina, and, as a result, formulated strategies that would equally help Aboriginals and immigrants alike. In comparison, Winnipeg, Saskatoon, and Regina all had Aboriginal identity populations that made up close to one-tenth of their respective total populations in both 2001 and 2006. Regina and Saskatoon face similar socio-economic challenges to Winnipeg, such as the out-migration of youth, needed infrastructure renewal and downtown revitalization, and lower education and labour force participation of the cities' Aboriginal population. The Aboriginal Employment Development Program¹ noted that by 2012, an additional 46,000 Aboriginal persons will be ready to enter the provincial workforce, representing a significant untapped economic resource. As a result of their large Aboriginal population, the Saskatoon, Regina and Winnipeg Agreements contain components devoted to Aboriginal challenges.

¹ The Aboriginal Employment Development Program (AEDP) was created in 1992 to respond to the changing needs of the Aboriginal population in Saskatchewan. To help address high unemployment rates in the Aboriginal community, and meet the human resource demands anticipated by labor shortages in the future, the Government of Saskatchewan created the AEDP. The AEDP works with employers to identify employment needs and remove barriers to ensure a workplace that is grounded in fairness, respect and dignity, trust and open communication.

SECTION 3: METHODOLOGY

3.1 Scope of Work

This evaluation of the department's investments in the Vancouver Agreement included a wide range of data collection methods, each of which is described below. The scope of the evaluation included the following evaluation issues: relevance and performance (efficiency, effectiveness and economy). The objectives of the evaluation and the core evaluation issues are presented in Table 3-1.

Table 3-1
Core Evaluation Issues

Evaluation Issues	
Relevance	<ol style="list-style-type: none"> 1. How does the economic development goals within the VA fit into overall economic development strategy pursued by the federal, provincial, and municipal governments? 2. Was the VA the appropriate mechanism to address the need for a community and economic development strategy for Vancouver? 3. Would projects have proceeded in the absence of funding? 4. In what manner and to what extent does the VA: <ul style="list-style-type: none"> - Complement other programs? - Overlap or duplicate other programs? - Network with other programs/organizations? - Serve as a basis for other initiatives within the public and private sector? 5. Are there other agreements that serve the same need?
Performance (Achievement of Outcomes)	<ol style="list-style-type: none"> 6. To what extent has the department's economic development projects within the VA realized their outputs? Outputs include: <ul style="list-style-type: none"> - Business advisory services - Employment services - Training - Loans and grants - Procurement contracts 7. Did the implementation of the VA Economic Strategic Plan strategies led to the achievement of planned outcomes in: <ul style="list-style-type: none"> - Level of investment - Total employment in the VA area - Participation of local residents in the work force - Range of goods and services available 8. To what extent has the department's economic development projects within the VA realized their outcomes? <p>Outcomes are:</p> <ul style="list-style-type: none"> - Increased community participation - Viable and growing community economies

Evaluation Issues	
	<ul style="list-style-type: none"> - Creation of mechanisms for community and government coordination and collaboration - Enhanced capacity of VA communities to implement strategies that promote sustainable development <p>9. To what extent did the implementation of the department's economic development projects within the VA achieved its other agreement goals in:</p> <ul style="list-style-type: none"> - Improvements to residents housing - Increased public safety - Improvements in residents health <p>10. What factors impact or facilitate the achievement of program results?</p> <p>11. Were there unintended positive or negative impacts from the program?</p>
Performance (Demonstration of Efficiency and Economy)	<p>12. Was the delivery of the VA the most efficient means to achieve expected results? Are there alternatives for reaching the same results more effectively?</p> <p>13. What are the important characteristics to making an agreement like the VA work well and cost-effectively? What conditions are necessary to develop/maintain momentum on a tripartite initiative?</p> <p>14. Was the department's economic development projects within the VA implemented as planned? Have the partners coordinated their programming effectively? Were there any implementation issues?</p> <p>15. Are funded projects clearly informed about performance expectations? Have projects submitted performance reports that clearly identified outputs and outcomes realized?</p>

3.2 Evaluation Study Activities

3.2.1 Preliminary Consultations and Evaluability Assessment

Preliminary consultations were conducted with departmental officers responsible for the agreements in the development of the evaluation framework and also to discuss data availability. The officers were also consulted in developing the list of key informant interviewees and case studies. Through these consultations, the scope of the evaluation was established and final terms of reference developed for the evaluation. Based on the evaluability assessment, a consultant was engaged to collect some of the data for the evaluation. The final report was written using internal evaluation resources.

3.2.2 Document and Literature Review

The evaluation included the review of documents and literature containing information relevant to the Saskatoon and Regina Agreements. The review was used primarily to assess relevance and performance of the agreements.

The main types of documents assessed and analyzed during the evaluation were:

- General background documentation (e.g., TB Submissions, agreement documents, websites, media reports, committee meeting minutes etc.); and

- Specific documentation (e.g., Reports on Plans Priorities, Departmental Performance Reports, WD website, Terms of Reference, VA's Economic Revitalisation Strategy, WDP Results Based Management and VA Accountability Framework).

Information from the review was used in developing the logic model for the evaluation and to complete the Terms of Reference for the evaluation.

3.2.3 Project File Review and Data Analysis

The evaluation team reviewed the project files related to the VA and conducted an analysis of project data available through the department's database.

Within the evaluation period of 2000 to 2010, a total of 121 projects were undertaken within the VA. Departmental funding went to 44 projects including funding for the VA Secretariat. Most of funding went to support projects related to the economic revitalisation priority area (Table 2 – 2). A total of 24 project partners including the VA Secretariat were involved in departmentally funded projects.

3.2.4 Key Informant Interviews

The key informant interviews were mostly conducted by telephone and summarized in a technical report developed by the consultants. Table 3 – 2 illustrates the participation of the various groups in the interview process.

**Table 3 – 2
Description of Respondents**

Type of Respondent	Number	Percentage of Total
Departmental Officers	6	10%
Past and present members of VA Management and Executive Committees	10	17%
Representatives from Other Government Departments involved with the VA	17	29%
Project partners	22	37%
Experts knowledgeable about VA	4	7%
Total	59	100%

3.2.5 Comparative Analysis

The Vancouver Agreement was compared to the Saskatoon, Regina and Winnipeg Agreements in order to examine similarities and differences and also to provide insight into possible improvements and leading practices. The methodology for this comparative analysis included a blend of document reviews and interviews with representatives from the department's offices in Vancouver, Saskatoon and Winnipeg. The consultants completed this analysis.

3.2.6 Case Studies

Case studies for the evaluation were selected to provide detailed information on the success of the VA and challenges/obstacles encountered. A total of four case studies of project partners were completed. Each case study consisted of a file and document review plus telephone or in-person interview. For each case study, one or two stakeholders were interviewed. The list of project partners included in the case studies is as below:

- Building Opportunities with Business Inner City Society (BOB).
- Eastside Movement for Business and Economic Renewal Society (EMBERS).
- Vancouver Chinatown Business Improvement Association.
- Strathcona Business Improvement Association.

3.2.7 Focus Group

A focus group was facilitated by the consultant in Vancouver. The focus group session was opened with a power point presentation, which provided background information on the work of on the VA evaluation project and presented preliminary results. After the presentation the participants were asked for their comments on the results of the VA with a focus on the real outcomes, the barriers to success, and the factors that facilitated the successes the agreement achieved. The comments of the participants were summarized into a technical report.

3.2.8 Limitations of the Evaluation

- The length of the VA: The agreement has been in place almost 10 years. In that time, many people involved in the process changed jobs, retired, or changed their focus of involvement. Consequently, it was difficult to analyse the responses by role as the roles often changed. For example, a number of key informants have worked for both for the federal government and the other levels of government during their participation in the VA.
- The turnover in key personnel over the length of the initiative: The majority of key informants were involved with the agreement for a relatively short time. The average length of involvement for the people interviewed was 4.2 years. Over 40% of those interviewed were involved for two years or less. There was a regular turnover of people in key positions.
- The amount of time between involvement in the VA and the interviews for many of the key informants: It was difficult for some people to remember details of their involvement, as it had often been a number of years since they worked on the VA. Few were able to judge the results and impacts of the VA over the whole length of the project.
- Challenges in using performance indicators to measure results: An economic revitalisation strategy was developed for the VA in 2004. The plan identified the goals, outcomes and strategies for the VA. It was not clear how project indicators in the database were linked to the economic revitalisation strategy. WD instituted the Project Gateway in 2005 with mandatory reporting for projects that ended after 2007. Most of the projects for the VA were before this period and therefore not reported in the database. The evaluators therefore used

information from file reviews, case studies, and key-informant interviews to aggregate results.

- Outcomes of the department's economic development projects within the VA: The outcomes in the logic model for the evaluation were based on the performance measurement framework of the WDP which was the funding authority for WD's investments in economic development projects within the VA. These outcomes are based on a broad framework and present challenges in the ability of the evaluation to directly attribute project results to outcomes. The evaluation therefore used Contribution Analysis² to assess the immediate and, to a certain extent, the intermediate impacts of the projects. The evaluation also assessed the likelihood of projects contributing to the long-term impacts of the VA.

² John Mayne: Addressing Attribution Through Contribution Analysis - Using Performance Measures Sensibly; A Discussion Paper June 1999

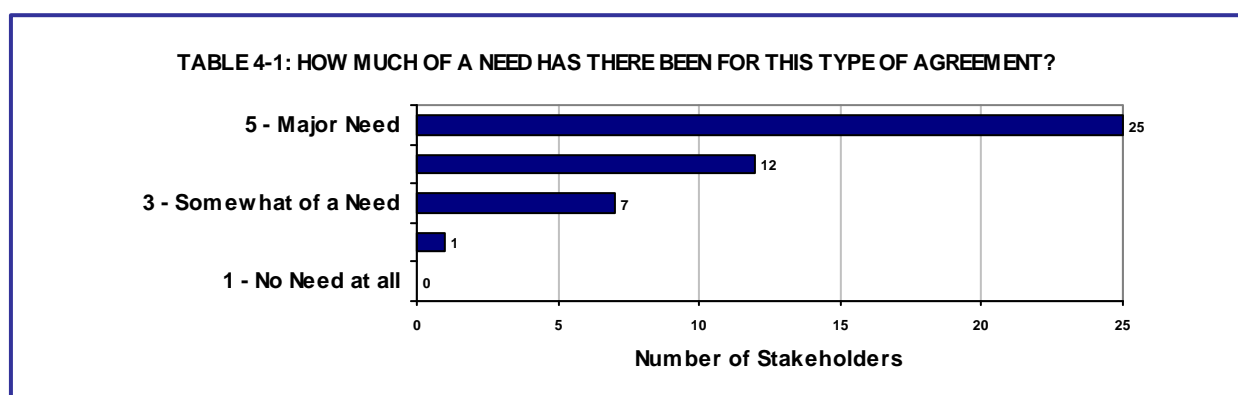
SECTION 4: RELEVANCE

4.1 Need for Tripartite Agreements

Tripartite agreements such as the VA provide a mechanism for cooperation, emphasizing strategic partnerships with community groups and organisations. Respondents in a Canada West Foundation³ study proposed enhanced tripartite agreements to improve federal, provincial and municipal structures. Respondents in the study viewed tripartite agreements favourably since they allow for desperately needed urban projects to proceed.

In a study⁴ that examined the VA, the origins of the agreement were explained in the context of a public health crisis ascribed to the Downtown Eastside (DTES), where established policies were seen to be failing. High-level political support for a new governance approach led to the adoption of an urban development partnership such as the VA. The VA was seen in the study as a collaborative partnership, featuring intergovernmental, public-private sector, and community cooperation. The study stated that when tasked with developing policy responses to complex social problems or restructuring service-delivery in order to meet demanding targets, partnerships such as the VA are one response to a widely recognised need for greater coordination in public administration. The VA shared the core urban renewal vision of the Winnipeg Partnership Agreement: the development and implementation of a coordinated strategy to support long-term sustainable economic, social and community development.⁵

Key informants in the evaluation were asked to rate the level of need for the VA on a scale of 1 to 5 where 1 is no need at all, 3 is somewhat of a need, and 5 is a major need. There was a near unanimous positive response the need for the VA. The average rating for all groups was 4.0. Table 4 – 1 illustrates the key informant responses.



³ Dennis Wong: Cities at the Crossroads – Addressing Intergovernmental Structures for Western Canada’s Cities; Canada West Foundation study; August 2008

⁴ Michael Mason: Collaborative Partnerships for Urban Development: A Study of the Vancouver Agreement; Research Papers in Environmental & Spatial Analysis No. 10; London School of Economics; March 2006.

⁵ Government of Manitoba, 2004, “Winnipeg Partnership Agreement”, http://www.gov.mb.ca/ia/programs/wpg_partnership/index.html

Two main reasons were cited for there being a need for the program. The first is the difficult social and economic conditions in the DTES. The second factor is the jurisdictional fragmentation in the DTES. There are 12 federal departments, 19 provincial ministries, and 14 city departments involved in DTES revitalization. In addition, it is estimated that there are over 300 service agencies active in the area. It was recognized that a collaborative effort was required to deal with the level of complexity of the issues and overlapping responsibilities.

This view of a need for a tripartite agreement was shared by representatives of the other UDAs in Winnipeg, Regina, and Saskatoon. They recognized that there is, and always will be, the need for a long-term strategic framework to address socio-economic problems posed by urban development such as poor economic development, higher than average unemployment, insufficient housing, an epidemic of HIV infection and drug addiction, crime, health issues, and infrastructure renewal. All project partners from the case studies indicated that their projects were implemented to address needs in the DTES related to creating economic opportunities that are designed to stimulate the area's economy.

4.2 Continued Role for the Federal Government in Tripartite Agreements

Key informants in the evaluation viewed the VA as an appropriate mechanism to address the need for an economic development strategy for Vancouver due to the complexities of the issues which require a coordinated approach. The federal government therefore continue role to play in any future tripartite agreements. Respondents in the Canada West Foundation study⁶ mentioned that the advantages of a tripartite agreement include:

- Having targeted policies and programs;
- Development of multiple step policies and programs to address complex city issues;
- Reduced financial burden on cities;
- Opportunity for public-private partnerships; and
- Greater visibility for the federal government.

The Auditor General of Canada (OAG) reviewed federal participation in the VA in November 2005⁷. The OAG report recognized that the federal government needs to find effective ways to work on complex socio-economic issues that cross organizational or jurisdictional boundaries, defy simple solutions, typically have multiple causes, and have developed over a long time. Such problems cannot be addressed by individual departments or governments; they require a response by a number of departments, often through horizontal initiatives such as the VA. The report found a promising governance model in the VA, where the provincial, municipal, and federal governments work together to meet community needs. The report noted that the VA approach was developed from the ground up and evolved from an unfunded initiative to collaborate to one that is funded.

⁶ Dennis Wong: Cities at the Crossroads – Addressing Intergovernmental Structures for Western Canada's Cities; Canada West Foundation study; August 2008

⁷ 2005 November Report of the Auditor General of Canada, http://www.oag-bvg.gc.ca/internet/English/parl_oag_200511_04_e_14942.html

The OAG report expressed concern about the lack of clarity on federal roles and responsibilities for lead and participating departments. Even though the agreement is set to end in March 2010, the department undertook an accountability framework study⁸ which responded to the concerns in the audit report and identifies a mechanism to best deliver and measure federal performance and accountability in future horizontal agreements. The department stands to benefit from using this document as the basis for the governance of any future bi-lateral and multi-lateral agreements or initiatives.

4.3 Alignment of Vancouver Agreement Objectives to Departmental and Federal Priorities

The objectives of the VA link to the department's strategic outcome of Community Economic Development. The goals of the economic revitalisation strategy created for the VA directly links to the federal government priority of Strong Economic Growth. The stated objectives of the economic revitalisation strategy and linkages to departmental and federal priorities are as in Table 4 – 2.

Table 4 – 2: Linkage to WD and Federal Priorities

Goals of VA's Economic Revitalisation Strategy	Link to WD Priorities	Link to Federal Priorities
<ul style="list-style-type: none"> - Increase the Demand for Products and Services from the DTES - Strengthen the Capabilities of Local Suppliers - Increase Labour Market Participation Rates among Local Residents. 	Community Economic Development – Economically viable communities in Western Canada	Strong Economic Growth

All government key informants agreed that the VA contributed to achieving the priorities of their department and government.

The priorities in the economic revitalisation strategy of the VA included the flexibility to fund projects improving social and economic conditions. In 2006, the department undertook a series of roundtable discussions with Western Canadian business, academic and community leaders across the West and in Ottawa to obtain their views on the role, activities and future directions for the department. Three priorities emerged as a focus for the department as a result of these discussions. They included: diversifying the western economy; strengthening business growth and competitiveness; and building strong economic foundations.

This new focus called for closer alignment of the projects funded under the UDAs with the department's economic diversification and development mandate. To implement this change, the department required that the funds be directed to projects that support economic and business activities that have clear benefits for western Canada. As a result of this change in mandate, the

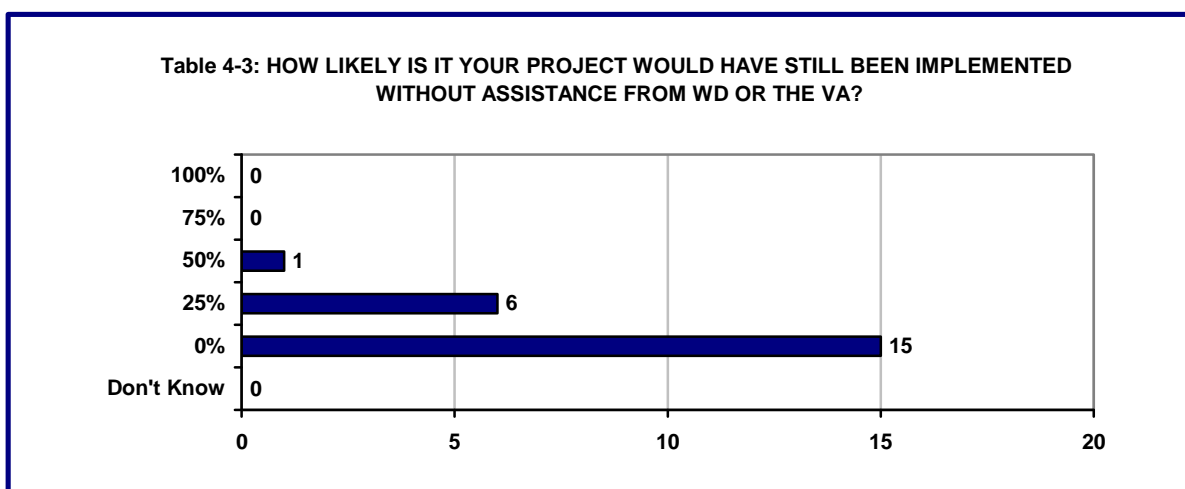
⁸ Accountability Framework for the Vancouver Agreement, March 2009 report prepared for WD by the Performance Management Network Inc.

department funding for projects mostly went to projects that have economic revitalisation as the priority. Key informants and case study respondents indicated that most of their projects supported by WD were in the economic revitalisation priority area. Projects in this priority area were stated by key informants as likely to contribute indirectly to other social benefits.

4.4 Extent to Which the VA Complements or Duplicates Other Initiatives

The VA was seen as being complementary to the economic development strategies pursued by the federal, provincial and municipal governments. Each government department had a different emphasis and reason for participating in the VA. Key informants from all three orders of government participating in the VA agreed that the VA was supportive of the economic development strategies of their organizations. Many of those interviewed had served on specific task forces within the VA that related to their organizational priorities.

Project partners indicated that the majority of the projects would not have proceeded without the help of the VA. The VA was mentioned as having a coordinating influence to bring parties together to support projects. 19 out of the 20 project partners indicated that the assistance of the WD or the VA was at least 75% responsible for successful implementation of their projects. The chart below in Table 4 – 3 illustrates the responses by project partners.



All key informants indicated that VA funding was critical to making their projects a reality. Key informants who indicated that their projects may have occurred without the funding also mentioned that the projects would not have gone ahead at the same scale or level of effectiveness that the funding made possible. Larger projects were somewhat more likely to proceed than were projects that required smaller amounts of funding. Most respondents in the case studies indicated that their projects would not have gone ahead without VA funding.

Many respondents believed that the VA was successful in engaging the community and developed key relationships with many community partners and with the private sector in general. This was achieved through a constant commitment to work collaboratively and the effective coordination of resources to ensure effective and efficient investment. Strong working

relationships were forged, particularly between the three orders of government at the working level, and this resulted in advancing projects that met VA objectives.

In playing a complementary role, key informants noted a few less successful program areas such as managing expectations, the positioning of the VA as a granting agency, and the amount of red tape involved in getting the funding. Other challenges mentioned include, the coordination of the number of agencies involved, the variety of agency mandates, and the complexity of the environment within the community.

4.5 Existence of Other Agreements/Programs to Assist Regional Economic Development Needs

The VA provided funding from 2003-04 to 2009-10. The Agreement will not be renewed after funding ends in 2009-10. Key informants viewed the VA as a unique and innovative agreement that was not duplicated anywhere in the region. The majority of the key informants from the department and VA Management Committee could not think of a similar agreement that filled the same collaborative and networking role.

From the VA website⁹, many of the VA activities are currently being integrated into other government programs. Examples are the province working closely with the City of Vancouver to increase the affordable housing stock in the inner city, and the City of Vancouver, in cooperation the federal and provincial governments embarking on several strategies for revitalization in the DTES.

A number of initiatives that deal with similar issues were mentioned as possible funding sources although none of them had the structure of an inter-government agreement like that of the VA. The initiatives mentioned by key informants include the following:

- **Greater Vancouver Regional Steering Committee on Homelessness:** It was established in March 2000 to bring together a range of people, organizations, funding facilities, services, and programs targeted to people who are homeless or at-risk of homelessness in the region.
- **Metro Vancouver Urban Aboriginal Strategy:** In 1997, the Urban Aboriginal Strategy was developed to support the growing Aboriginal populations living in Canada's urban centers. The main goal is to help create partnerships and increase collaboration to improve socio-economic conditions of urban Aboriginal Peoples.
- **Vibrant Communities initiative:** It is a community-driven effort to reduce poverty in Canada by creating partnerships that make use of valuable assets – people, organizations, businesses, and governments. Vibrant Communities links communities across Canada in a collective effort to test the most effective ways to reduce poverty at the grassroots level.

Some of the project partners mentioned that they are in the process of applying to the department's Western Economic Partnership Agreement for funding when the VA ends. The Western Diversification Program could also be a source of funding for VA projects.

⁹ Vancouver Agreement Website: <http://www.vancouveragreement.ca/history/>

SECTION 5: PERFORMANCE (ACHIEVEMENT OF EXPECTED OUTCOMES)

This section presents evidence to answer evaluation questions regarding the success of the department's investments in economic development projects within the VA, more specifically, in terms of whether the projects realized their outputs, the achievement of immediate and intermediate outcomes, and agreement goals, factors that constrain or facilitate achievement of program results, and the resulting impacts of the program.

5.1 Achievement of Objectives

The logic model developed for the evaluation was based on the WDP logic model and the VA Strategic Plan summarizes the activities, outputs, and intended economic impacts of the Agreement.

The major activities of the initiative involved increasing demand for DTES goods and services, strengthening supplier capabilities, and increasing employment opportunities for local residents. The key outputs generated from these activities included the provision of relevant services to businesses and individuals such as business advisory services, employment training, procurement initiatives, and financing. The initiative also promoted community planning and strategies to meet the goals of the VA. The immediate departmental outcomes were to increase the level of investment, total employment, participation of residents in workforce, and broadening suppliers' goods and services in the DTES area. The intermediate departmental outcomes were: increased community participation; viable and growing community economies; creation of mechanisms for community and government coordination and collaboration; and enhanced capacity of VA communities to implement strategies that promote sustainable development. The final outcome was to create increased economic activity that improves the viability, prosperity and quality of life in Vancouver.

Participants in the focus group recognized that trying to use a normal evaluation framework to prove cause and effect for the projects undertaken within the VA is problematic. The Agreement was seen as a dynamic process that involved many agencies, individuals, and programs. It was a process that affected the outcomes of many initiatives, some of which were part of the agreement and some that were not. Measuring outcomes and impacts was also hampered by the ad hoc nature of many activities, and the wide range of factors that contributed to the outcomes. While the VA was viewed as an appropriate mechanism to deal with the problems in the DTES, the agreement was indicated as needing a longer lifespan to have a major lasting impact. Many of the effects of the VA were seen as non-quantifiable. Some of these non-quantifiable effects are listed below:

- People involved at the community level stated that the VA changed people's attitudes and improved the atmosphere among agencies in the DTES. It was mentioned that before the VA, there was a great deal of animosity between various groups in the area. However, by working together on VA projects, these groups improved their attitude towards each other. Groups such as businesses, residents, police, prostitutes, and drug users had a different and more positive view of each other after their experiences in the VA.

- The VA created a significant amount of spin-off activities in its legacy such as the establishment of events, agencies and community efforts that will continue on after the initiative is over. One example given in the focus group session was the Heart of the City Festival, which has found a way to sustain itself beyond VA support. The Festival was described as a “flag ship activity” that changed many people’s opinion of the neighbourhood and created employment.
- The VA left a legacy of cooperation. The VA process brought people together who were previously unaware of each other’s efforts and responsibilities. Focus group participants reported being surprised at the extent of other government activity and level of staffing for VA projects. These relationships are likely to continue after their involvement in the VA.

As a result of these factors, key informants mentioned that it will be a challenge to prove a direct correlation between the VA and positive impacts experienced through the DTES. WD’s investments in the VA was viewed as contributing to positive impacts in the DTES such as a reduced property crime rate by 14% between 2000 and 2005, an increased employment income by about 32% for men and 29% for women from 2004 to 2007, a reduced death rate due to HIV/AIDS and suicides, and an improved collaboration among all levels of government.

5.2 Factors that Facilitated/Impeded Achievement of Desired Outcomes

The constraints mentioned most often by the key informants dealt mainly with the nature of the governance. A major constraint to success was the lack of a horizontal accountability mechanism that outlined roles and responsibilities for the partners, and provided a strategic framework to measure results. This constraint was also observed in the November 2005 OAG Report. Other constraints to achieving VA results mentioned by key informants from the focus group, key informant interviews, and comparative analysis included:

- Inconsistent political support (elections changed priorities and support levels);
- Bureaucratic nature of the VA/decision layers/delays in approvals;
- Personnel turnover which resulted in removing VA champions;
- Territoriality/individual mandates among the participating agencies;
- Low involvement of the community in the decision-making process;
- The scope of the Agreement which was mentioned as too large; and
- The joint-decision making process which was at times challenging and slow.

The success of the agreement was attributed mainly to the collaboration and the coordination within the VA and the dedication of key people in the various government departments. Factors that facilitated the achievement of program results mentioned by key informants from the focus group, and key informant interviews included:

- The high level of commitment of the people involved/champions;
- The resources dedicated to the VA effort;
- A focus on innovative programming/risk taking;
- Initial political support;

- The relationships that were developed; and
- The high level/seniority of the people involved.

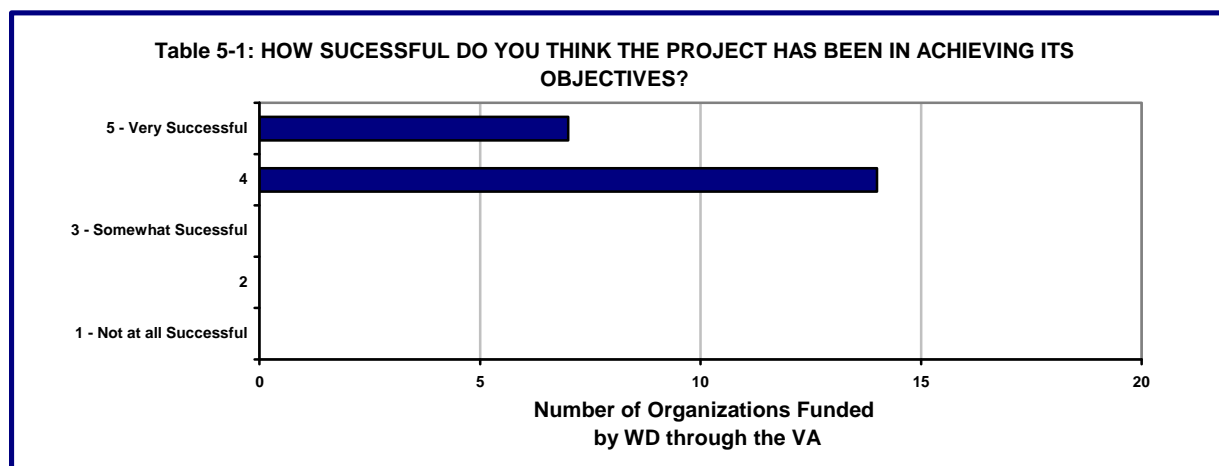
In the comparative analysis, key informants from the other UDAs supported the factors above as contributing to the achievement of results in their jurisdictions. Other factors mentioned by these key informants included:

- The building of community capacity to effectively address socio-economic problems; and
- The quality and number of information sharing opportunities and the ability to bring key decision-makers together to identify and work on priorities.

5.3 Outputs Generated by the Department's Projects under the VA

Most of the department's projects within the VA involved creating and assisting small businesses in the DTES, developing courses and training local residents for employment. The key program activities were the development and funding of projects that increase demand for goods and services, support local supplier capabilities, and increase employment for local residents. These activities led to outputs in: business advisory services, employment services training, loans and grants, and procurement services; community viability and increased participation in the local economy; adjustment to economic realities; and community planning and strategy.

All agencies and organizations with projects funded by the department under the VA believe their projects were successful to very successful in achieving their outputs. Key informants from project partner organizations rated the success of their projects very high on the success measure. The average success rating was 4.4 on a scale of 1 to 5 (Table 5 – 1).



When asked for major accomplishments of their project, project partners mentioned a range of positive outcomes generated by their projects including:

- Leveraged departmental funding with funding from other sources;
- Many best practices;
- Planning for future projects;
- Innovative programming;

- Increased capacity for future endeavours;
- Long lasting partnerships with other agencies; and
- Increased client satisfaction.

Case study respondents indicated that their projects were either successful to very successful in generating their outputs. Some of the outputs mentioned as being generated include loan portfolios, assistance to business, training programs and employment services.

Key informants provided many examples of how the department's projects under the VA performed against its range of outputs. Table 5-2 illustrates some of the examples of how the projects performed against the type of output.

Table 5 – 2: Examples of VA Performance against its Outputs

TYPE OF OUTPUT	VA PERFORMANCE
Result in business advisory services, employment services, training, loans and grants, and procurement contracts	<p><i>Building Opportunities with Business (BOB) Organization</i></p> <ul style="list-style-type: none"> • BOB Loan program • Social Purchasing Portal • Business plans for social enterprises • BOB employment/training programs • BOB business mentoring • BOB Job Recruitment Service <p><i>Eastside Movement for Business and Economic Renewal Society (EMBERS)</i></p> <ul style="list-style-type: none"> • EMBERS training • Expansion of Business Development Centre • EMBERS Workshops/coaching for self employment • EMBERS micro-business and self-employment instruction <p><i>BC Institute of Technology (BCIT)</i></p> <ul style="list-style-type: none"> • BCIT Business Education Development • BCIT DTES Business Development Program
Create community viability and increased participation in the local economy	<ul style="list-style-type: none"> • Creation of Women's economic institute/business incubator • DTES Business Database • Community Arts Calendar • Social housing initiatives • Safe Injection site • Community Court
Help the VA region adjust to economic realities	<ul style="list-style-type: none"> • Business leaders forum • Awareness raising for business executives • Community Benefits Agreement
Promote community planning and strategy	<ul style="list-style-type: none"> • Chinatown Marketing Strategy • Marketing and planning for Native Youth Centre • Chinatown Tourism Development Strategy • Strathcona Marketing Strategy • Strathcona Branding Strategy and Marketing Campaign • Capacity and business plan for emergency food program • Business Retention and Expansion Strategy

TYPE OF OUTPUT	VA PERFORMANCE
	<ul style="list-style-type: none"> Arts and Culture Strategic Framework Children of the Street Society Business Planning

Some factors were mentioned by key-informants as factors that impeded the achievement of projects outputs. These factors include:

- Delays in accessing funding which slowed momentum and reduced the effectiveness of products;
- Lack of sufficient promotion of service or activity reduced the level of activity;
- Lack of sustained capacity building; and
- Lack of continued funding which limited the impacts.

Achievement of Performance Indicators

Most projects began before the establishment mandatory reporting into WD's Project Gateway database for projects that ended after 2007. These projects were not reported in Project Gateway. The database could therefore not be used to assess whether targets for indicators have been met or not. A review of the database noted that some departmental performance indicators linked to the outputs in the logic model. Table 5 – 2 below summarises the results from these indicators.

Table 5 – 2 WD PAA Indicators for the Agreements

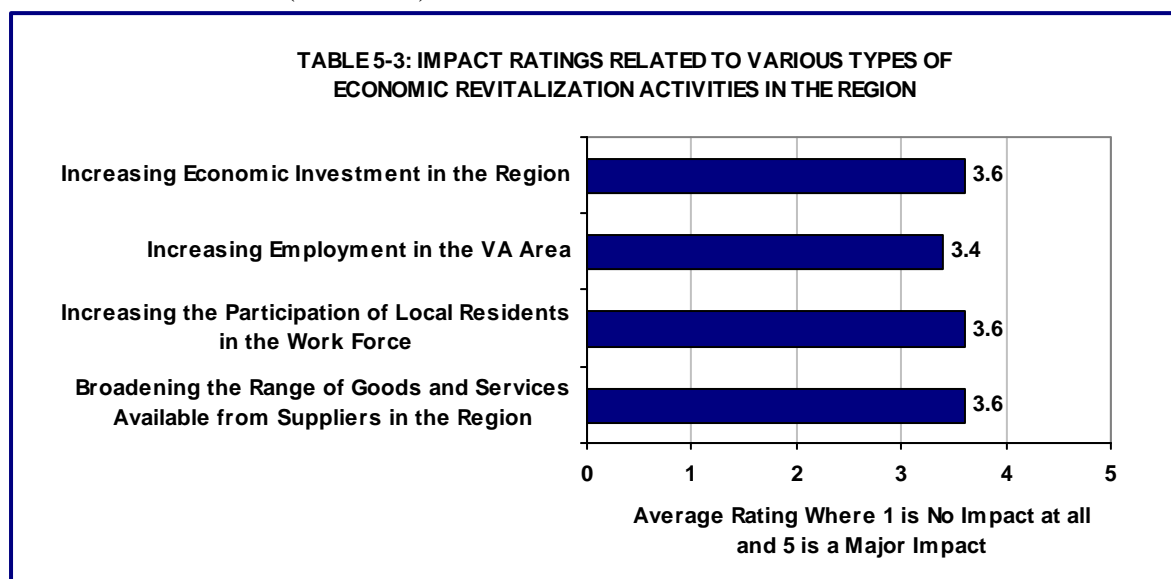
PAA Indicator Name	Number of Projects Using as Indicator	Target	Reported Outcome in Database
Number of instances of increased community stability	5	16	Not available
Number of businesses created/maintained/expanded	5	113	356
Number of jobs created	2	151	Not available
Number of people trained	6	750	469
Number of training courses developed	3	11	4

Analysis of results from the file review, case studies and key informant interviews indicated that results exceeded targets set for each of the indicators.

Outcomes identified in the evaluation were based on the performance measurement framework of the WDP. These outcomes are based on a broad framework and present challenges in the ability of the evaluation to directly attribute project results to outcomes. In order to improve on its data collection, the department should implement strategies that would result in the development of performance measurement frameworks for individualised initiatives that would support reporting to the database.

5.4 Contribution towards the Department's Immediate Outcomes

Ratings indicate the department's economic development projects within the VA had some positive impact on economic revitalization. Key informants were asked to rate impacts in a variety of economic revitalization categories. The ratings were above average for all economic revitalization activities (Table 5-3).



Project partners rated the achievement of immediate outcomes higher than other groups of key informants (overall rating of 4.1 on a scale of 1 to 5). This is likely due to the fact that project partners were able to measure the impacts of their projects on the micro-level as compared to other groups of key informants who will be measuring the aggregate impacts of all projects. Case study respondents who are project partners indicated that their projects were successful to very successful in realising their immediate outcomes. The overall rating was 4.6 on a scale of 1 to 5.

From the file review, case studies and key informant interviews, several VA partners were profiled as having achieved very significant results in each of these economic revitalisation outcomes. Two of such partners are profiled below.

Building Opportunities with Business Inner City Society (BOB): BOB is a non-profit organization that supports local business development and revitalization without displacement in the DTES. The goals of BOB are to: strength the inner city's community capacity; identify and capitalise on untapped business opportunities in the inner city; improve employment opportunities for residents; and increase investment and visitors to the DTES. BOB targets unemployed and underemployed inner city residents. The VA funded the establishment of BOB and has provided over \$7 million from 2002-2010 for BOB activities. The funding from the VA contributed to BOB achieving the results below:

- 320 people found employment through BOB programs since 2006, with the goal to connect a total of 410 people with employment by 2010.
- \$26.5M in purchases from inner city suppliers or supporters since 2007, well exceeding the goal of \$16.9M.
- 161 businesses assisted through BOBs Business Development and HR Services Programs since 2007 with the goal to assist 170 businesses by 2010.
- The establishment of the Community Benefits Agreement, a partnership between the City of Vancouver, BOB and the Millennium Development Corporation to ensure inner city residents and businesses benefit economically from the development of the 2010 Olympic Athletes Village. An evaluation of this agreement indicated that it resulted in \$42 million in procurement from the inner city and employment for 124 individuals.
- The establishment of the Social Purchasing Portal to facilitate the procurement of services and goods by providing a list of participating suppliers in the DTES.

Eastside Movement for Business and Economic Renewal Society (EMBERS): EMBERS is a non-profit agency that facilitates community-based business development by helping individuals and groups start small businesses and social enterprises. EMBERS targets low-income, under-served entrepreneurs who cannot afford to start a business; part-time/causal workers starting business; individuals with disabilities; individuals recovering from addictions; new immigrants; long-term unemployed single parents; and existing microenterprises. From 2002-2009, the VA provided over \$600,000 in funding for four projects with EMBERS which included: entrepreneurship training; business management and incubation; a business development support project; and an expansion of EMBERS' microenterprise development program. VA funding contributed to the EMBERS results outlined below.

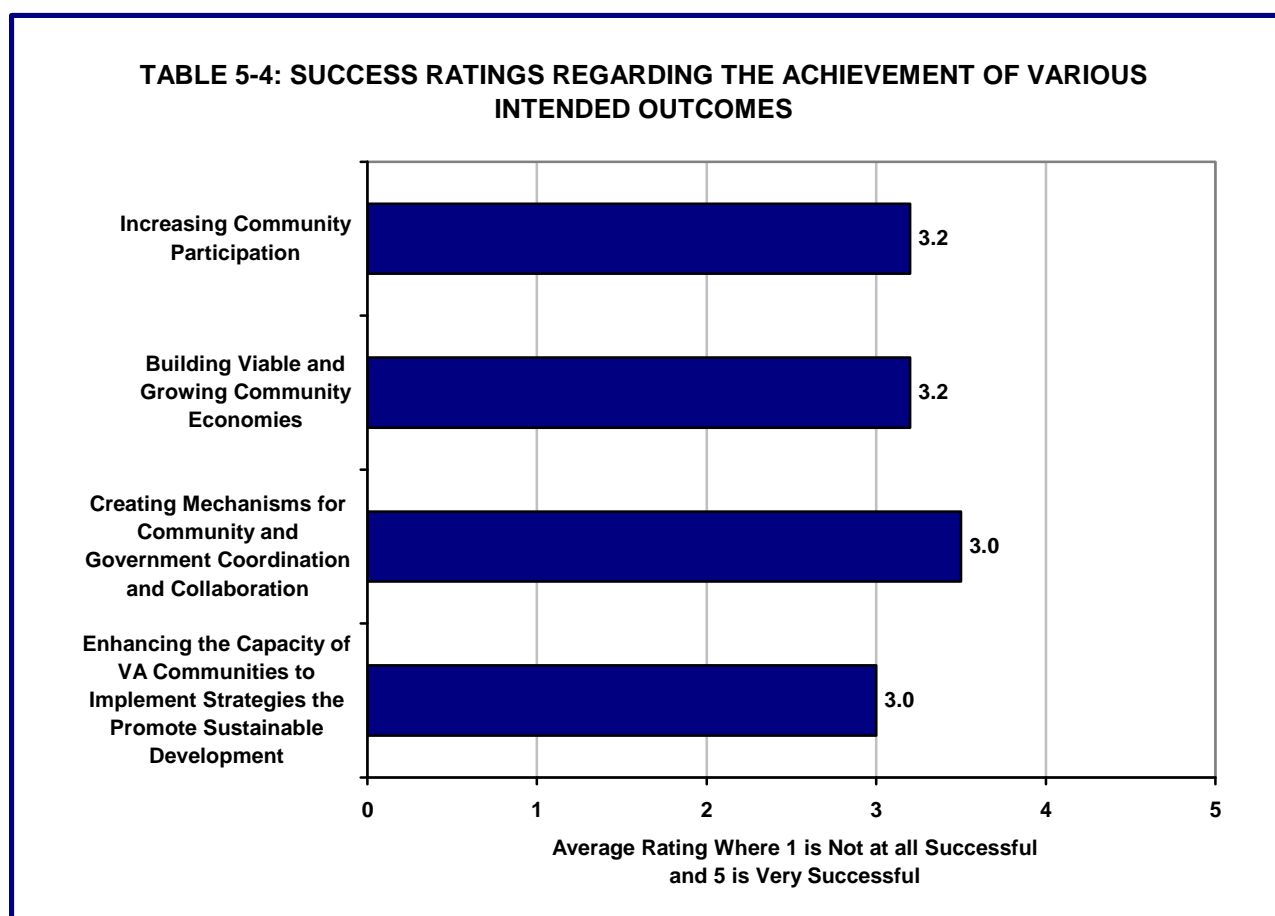
Description	Projected Outputs	Actual Outputs;
# of participants that received training	90-100	161
# of Training workshops presented	13 sessions (96 workshops)	15 sessions (116 workshops)
# of new training sessions developed	3	4
Business plans completed	20 – 30	25
Businesses started/maintained/expanded	20-25	89
New businesses launched or ready to launch	16-25	29
Business networking workshops / events	12	14

The activities of BOB and EMBERS were seen by most key informants as having real impacts on the lives of people involved in the agreement. Projects from these partners which include job training, entrepreneurial support, the Community Benefit Agreement and the Social Purchasing Portal were all seen as highly successful.

5.5 Contribution towards the Department's Intermediate Outcomes

As noted earlier, departmental funding for the projects under the VA was under the authority of the WDP. The performance measurement framework of the WDP provided outcomes in: increased community participation; viable and growing community economies; creation of mechanisms for community and government coordination and collaboration; and enhanced capacity of VA communities to implement strategies that promote sustainable development. These outcomes contribute to the long-term outcome of improving the quality of life of residents in Vancouver. The contribution of results of projects towards these intermediate outcomes was assessed as part of the evaluation.

Most key informants believed that the department's projects within the VA have made progress towards achievement of the intermediate outcomes. Key informants were asked to rate a number of outcomes. The overall response rate was 3.2 out of a scale of 1 to 5 with each intermediate outcome scoring at least a 3 out of 5 (Table 5-4).



Note: Project partners were not included in the question regarding building viable and growing community economies

The key informants indicated their success ratings were somewhat low because of the challenge to prove direct correlation between the VA and its outcomes due to factors as outlined in section 5.1 and others such as many funded projects being on a small scale level. It was also mentioned that the VA took many other initiatives under its wing when it was established which, made it difficult to distinguish the impacts of these initiatives from the VA.

Case study respondents indicated that their projects were successful to very successful in contributing to their intermediate outcomes. The overall rating was 4.3 on a scale of 1 to 5. The projects were said to have contributed greatly to increased community participation (rating of 4.3), and the creation of mechanisms for community and government coordination and collaboration (rating of 4.8).

Key informants mentioned several reasons as examples of success or lack of success for the VA in contributing to their intermediate outcomes. Some of these reasons include:

Reasons for success of the projects

- *Increasing community participation*
 - Establishment of community forums as a result of VA projects.
 - The VA working closely with other social groups in the DTES.
 - Many projects employing a large number of volunteers from the community.
- *Building viable and growing community economies*
 - The work of BOB and EMBERS seen as contributing to Community Economic Development.
- *Creating mechanisms for community and government coordination and collaboration*
 - The committee structure and the task forces of the VA brought people together who never would have collaborated otherwise.
 - Funded VA projects brought many people and agencies together.
- *Enhancing the capacity of VA communities to implement strategies that promote sustainable development*
 - The training and jobs that people received through the VA projects had a sustainable impact.
 - An indication that some of the new businesses established would be sustainable over time.
 - The VA adding capacity to business organizations to serve their membership more effectively.

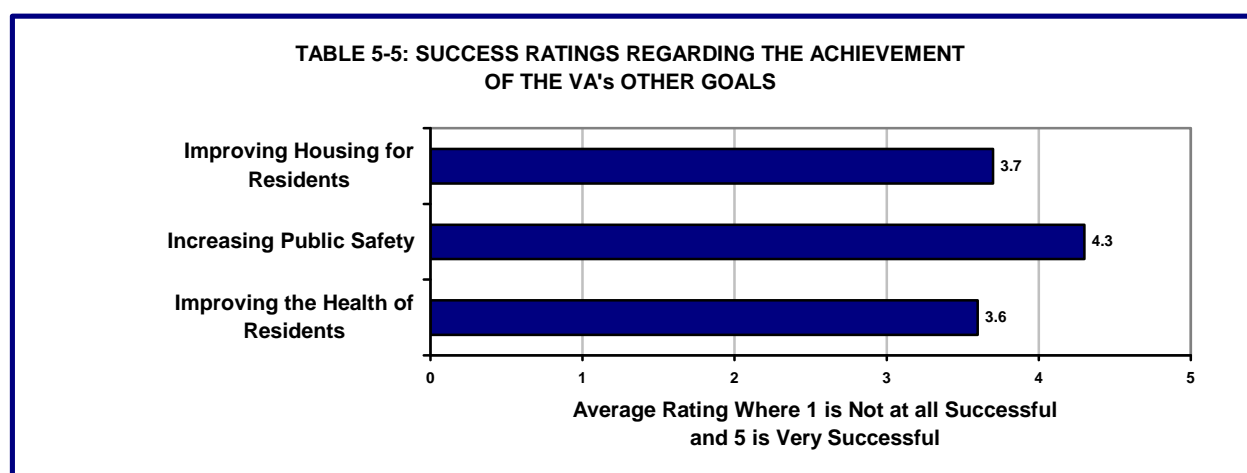
Reasons for lack of success in the projects:

- *Increasing community participation*
 - While there was considerable awareness of the VA among community organizations, there was confusion as to whether it was a funding or coordinating body.
 - The lack of insufficient community consultation due to the community not having a direct role in decision-making.
- *Building viable and growing community economies*
 - Hard to determine whether VA was the cause of some of the improvements as other factors also influence this outcome.
 - Much of the economy of the DTES being out of the control of the VA.

- *Creating mechanisms for community and government coordination and collaboration*
 - While there is a legacy of coordination among those who participated, there has been no formal structure created that will outlast the VA.

5.6 Contribution towards Other Outcomes in the VA Strategic Plan

The VA Strategic Plan provided for other goals in housing, public safety and health. Departmental funding for VA projects was targeted in the economic revitalisation priority area. Most key informants indicated that results from their projects indirectly contributed to results in the other goals. Table 5-5 indicates the response of key informants.



5.7 Major Departmental Outcome

The VA, with its horizontal management structure focused on revitalization, was recognized by all key informants as a groundbreaking strategy for the three governments involved. Federal representatives participating in the Vancouver Agreement described it as a 'living experiment in governance.'

Key informants indicated that the VA may not have succeeded in establishing a permanent formal structure for government cooperation but did leave a legacy of cooperation between individuals and groups that didn't exist previously. Relationships were built between individuals in different agencies and government departments that continue to support successful collaboration. Case study respondents and focus group participants indicated the creation of mechanisms for community and government collaboration and coordination were the major outcome of the VA.

The collaborative approach of the VA was widely acclaimed as a leading example of successful partnership working in urban governance. The VA was recognized for its innovative approach by a number of international agencies, resulting in three major awards:

- The Institute of Public Administration of Canada's Award for Innovative Management for Horizontal Collaboration in 2004;
- The United Nation's Public Service Award for "improving transparency, accountability and responsiveness in public service in 2005; and
- The Association of Professional Executives of the Public Service of Canada Partnership Award in 2005.

5.8 Unintended Impacts

56% of the key informants reported unintended results generated by the VA. The unintended positive impacts that were noticed by the key informants included:

- The extent of attitude change by government people involved in the project;
- The close relationships that have developed between government staff;
- The level of attention it brought to the problems of the DTES;
- The participation of the private sector in a significant way; and
- Groups that seemed unlikely to be able to work together were able to (e.g. sex trade workers, police, and private sector).

Examples of unintended negative impacts noticed by the key informants included:

- The unrealistic expectations of people regarding the extent and speed of changes; Negative media attention regarding extensive funding and a lack of results; and
- The shift from cooperation to competition among the agencies when the funding program began.

SECTION 6: PERFORMANCE (DEMONSTRATION OF EFFICIENCY AND ECONOMY)

6.1 Cost-effectiveness of Resources Utilised for the VA

In addition to project funding, the participating government departments and agencies contributed staff resources to participate on the various committees of the VA. Costs for participation in the various committees could not be quantified for the evaluation. In all aspects of the VA, each government and public agency retained its respective mandate, accountabilities, and reporting requirements. The parties jointly identify issues to address using their own resources, supplemented by VA funding where required. All decisions were made by consensus.

The Coordination Unit oversaw the day-to-day work of the VA. The Coordination Unit provided administration, financial management, communications, monitoring and reporting requirements for the VA. The unit comprised of a small secretariat which included an Executive Coordinator and staff.

Table 6-1 show the preliminary expense report for the Coordination Unit from 2002 to 2010. The total expense for the unit was about 9% of the total funding of \$28 million provided to the VA.

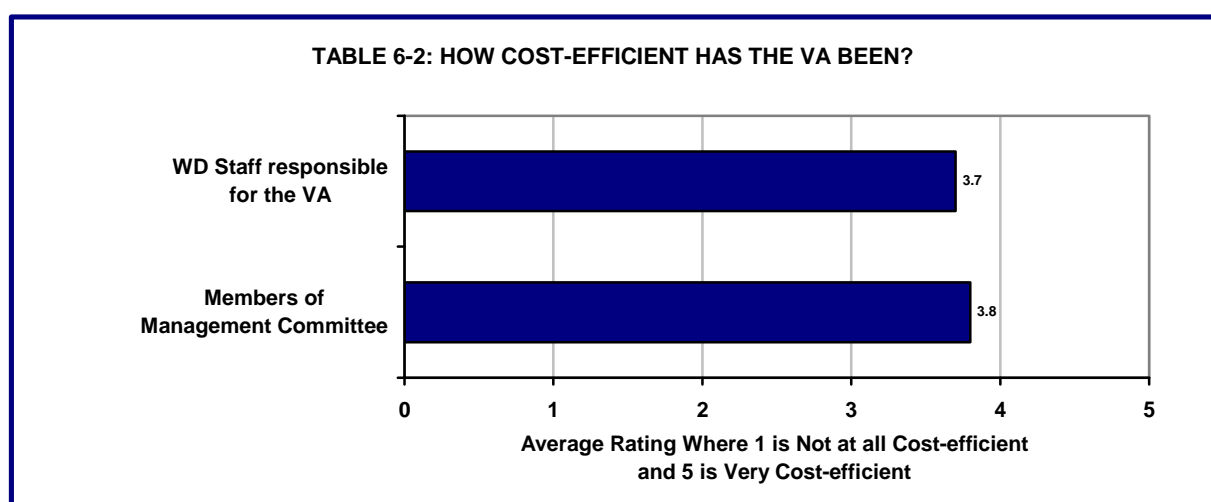
TABLE 6-1: PRELIMINARY EXPENSE REPORT FOR THE VA COORDINATION UNIT, 2002 - 2010

Expenses	2002 to 2009
Advertising and Promotion	\$48,368
Meetings and Events	65,671
Travel and Training	27,396
Office/General	74,976
Misc. Supplies and Services	186,637
Utilities	11,180
Occupancy	27,396
Contract Services and Consultants	1,581,221
Salaries and Benefits	556,720
TOTAL	\$2,553,000

By comparison, the organizational structure of the Winnipeg Agreement initially included setting up a physical office that administered, managed and coordinated all Agreement activities. The office was eventually shut down after an interim review showed it was ineffective. Some costs were incurred to shut the office down.

The two Saskatchewan Agreements, on the other hand, utilized a delivery mechanism whereby the agreement operated within the existing government structure. The operational costs were absorbed by each order of governments' own staff as a part of their on-going duties. In the Saskatoon and Regina evaluation, the administrative costs were estimated to be equivalent to one full time equivalent position.

Due to the different delivery structures, the administrative costs for the Winnipeg, Saskatoon and Regina Agreements could not be quantified for comparison to the VA costs. Respondents in the comparative analysis viewed the Saskatoon, Regina and Vancouver Agreements as being more cost-effective than the Winnipeg Agreement. This view of the VA as a cost-efficient mechanism was shared by the VA evaluation key informants. The key informant interviews gave the cost efficiency of the VA a relatively high rating (Table 6-2).



Key informants stated that the VA did not require a large bureaucratic organization to operate with the small secretariat to coordinate the initiative. The majority of the responsibility fell to members of the three governments involved with government staff working on the VA work in addition to their normal responsibilities.

6.2 Alternatives to Delivery of the VA

No alternative delivery approaches were obtained from the key informant interviews and the comparative analysis. The tripartite approach was almost unanimously seen as the only approach that would have any chance of success under the circumstances. Even though similar in concept, differences existed in the organizational structure of the Western UDAs.

A comparison of all the UDAs indicates that they shared similar vision, purpose, goals and expected outcomes. The organisational structure involved a federal minister, a provincial minister, and the mayor that make up the respective Policy or Executive Committees. It was the responsibility of the Policy/Executive Committee to establish and advise the Management Committee. It was the responsibility of the Management Committees to administer, manage, and coordinate the agreements.

The two Saskatchewan Agreements' organizational structure was less hierarchical than the Vancouver and Winnipeg Agreements' structures. The organizational structure of the VA and the Winnipeg Agreement included an Operational Committee level which did not exist in the two Saskatchewan Agreements. Compared to the Saskatoon, Regina and Winnipeg Agreements, the VA had a higher number of government agencies and officials involved in the management

and administration of the agreement. The VA's Management Committee consisted of nine senior public officials and which included representatives from each order of government. The Winnipeg Agreement consisted of six Management Committee members, and the Saskatchewan Agreements Management Committee consisted of four members. Under the two Saskatchewan Agreements, the project partners worked with both the Executive and Management Committees and were responsible for the administration and implementation of the agreements. The administration of the VA fell to task team members and the Coordinating Unit. The Winnipeg Agreement administration fell to various sub-committees established within the management structure.

Future tripartite agreements would benefit from examining the organizational structures in each jurisdiction to identify leading practices and lessons learned for incorporation in their design.

6.3 Departmental Investments in the Agreements

Within the evaluation period from 2000 to 2010, the department invested over \$7,671,000 into projects undertaken within the VA. The provincial government and the private sector invested an additional \$20,298,000. This means that every departmental dollar invested leveraged another \$2.6 from the other parties. The City of Vancouver invested mostly in-kind goods and services and dedicated staffing resources which were not factored into the calculations. Key informants mentioned that departmental investment was a catalyst for other private sector investments for most of the projects and in some cases served as the core funding for the project.

6.4 Efficiency in Program Delivery

The key informants and case study respondents were unanimous in their agreement that the projects were implemented as planned without significant implementation issues. Clear performance indicators and reporting requirements were defined. Project partners all reported being aware of the department's performance expectations. The requirement for performance reports was understood and complied with by all project participants. Respondents in the case studies indicated a high level of satisfaction in dealing with departmental staff, and with the way the Agreement was delivered.

Key informants and case study respondents however offered some few suggestions for improvement which include:

- Reducing the number of subcommittees;
- Clarifying the mandate to enhance focus;
- Enhancing the access to information in a coordinated fashion; and
- Minimizing reporting requirements

6.5 Conditions Necessary for Tripartite Agreements to Succeed

Based on their experience, key informants were asked to indicate the conditions that will be necessary to be in place for future tripartite agreements such as the VA to succeed. Some of the conditions mentioned included:

- Clarity of purpose and responsibilities;

- Ability to leverage funding;
- Collaboration between stakeholders;
- Participation of high level staff;
- Political support;
- Good communication among stakeholders; and
- Transparency and accountability.

The factors listed as conditions were also mentioned by key informants as necessary to develop and maintain momentum on any future tripartite agreements. Other factors to develop and maintain momentum stated include:

- Engagement of the media and the public;
- A more streamlined decision making process;
- Community involvement; and
- Consistent funding.

6.6 Leading Practices and Lessons Learned

Key informants in the evaluation, case study respondents, focus group respondents, and comparative analysis respondents were asked to indicate approaches that worked well and those that did not in order to be able to identify some leading practices and lessons learned that could be used in future delivery of similar agreements. These leading practices and lessons learned can also be applied to the delivery of other departmental programs or initiatives such as the WEPAs and WDP.

Some leading practices identified included:

- The setting up of sub-groups such as working committees among the parties to perform the due diligence on projects before going to the Management Committee for approval;
- Having the municipalities working with community organisations to identify and submit project proposals. This was helpful as the municipalities were closer to the community organisations than the provincial and federal governments;
- The flexibility for individual jurisdictional decision-making process with respect to the type of projects to fund; and
- The need to have one point of contact instead of different levels of contact for projects within the three orders of government.

Some lessons learned identified included:

- Building in performance indicators into every aspect of the agreement and at every phase;
- Consistent communication and coordination at all levels to keep program visibility high;
- The challenge for horizontally managed initiatives is to design an appropriate accountability structure; and
- Effectiveness in communicating benefits and successes through the media and other promotional outlets.

SECTION 7: CONCLUSIONS AND RECOMMENDATIONS

7.1 Overall Conclusions

Overall, the following conclusions can be drawn from the evaluation:

- There was a strong perceived need for the VA. Key informants rated the need as a 4.0 on a scale of 1 to 5. Representatives of the other UDAs recognize that there is, and always will be, the need for a long-term strategic framework to address socio-economic problems posed by urban development.
- The November 2005 report of the Auditor General of Canada found the VA to be a promising governance model for continued federal government involvement in tripartite agreements. The report however expressed concern about the need for clarity in roles and responsibilities. The department responded by developing an accountability framework which can be used for future tripartite agreements.
- The objectives of the VA link to the department's strategic outcome of Community Economic Development. The goals of the VA's economic revitalisation strategy directly link to the federal government priority of strong economic growth. The VA was seen as complementary to the economic development strategies pursued by other governments.
- Focus group participants indicated that many of the impacts of the VA such as changes in attitudes cannot be quantified. It was a common theme among key informants that it will be a challenge to prove direct correlation between the VA and its impacts.
- All agencies with economic development projects funded by the department's investments in the VA believe their projects were successful to very successful in achieving their outputs. The average success rating was 4.4 on a scale of 1 to 5. Project partners and case study respondents rated the success of their projects as being successful to very successful in achieving their outputs. Outputs achieved included business services, employment services, training, loans and grants, and in community planning and strategy.
- Analysis of results from the file review, case studies and key informant interviews indicated that results exceeded targets set for each of the indicators. Outcomes identified in the evaluation were based on the performance measurement framework of the WDP. These outcomes are based on a broad framework and present challenges in the ability of the evaluation to directly attribute project results to outcomes. In order to improve on its data collection, the department should implement strategies that would result in the development of performance measurement frameworks for individualised initiatives that would support reporting to the database.
- Ratings for the impact of the VA on departmental immediate outcomes indicate the presence of some positive impacts. Key informants ratings were above average for contribution to results achieved in all outcomes. Projects from partners such as BOB and EMBERS which include job training, entrepreneurial support, and employment services were seen as highly successful in contributing to the goals of the VA.

- Most key informants believed that the projects made progress towards the achievement of departmental intermediate outcomes. The major outcome from all lines of evidence was in the area of creating mechanism for community and government coordination and collaboration. Key informants indicated that the VA may not have succeeded in establishing a permanent formal structure for government cooperation but there does appear to be a legacy of cooperation between individuals and groups that had not experienced such a level of collaboration previously.
- The VA was viewed as a cost effective structure by key informants. No alternatives were offered for the delivery of the VA. Key informants and case study respondents were of the view that the VA was implemented as planned.

7.2 Recommendation

Since the Vancouver Agreement will not be renewed after its expiry in 2009-10, the one recommendation from the evaluation focuses on the need for improved performance information for specialized initiatives like the Vancouver Agreement.

The department should formulate individualized performance measurement strategies for current and future initiatives such as the UDAs that use the Western Diversification Program authority.

- The lack of a detailed performance measurement strategy was a challenge for the evaluation to report on results for the agreement.