

2017

ANNUAL REPORT

December 1st, 2016 to November 30th, 2017

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Urban Matters CCC is a Community Contribution Company that develops innovative community solutions to support those whose most basic needs are not being met by society

2017 has been an tremendous year of growth for Urban Matters CCC, with a bit of pivoting, always a lot of learning and even some new faces joining our core team.

We continue to watch our previous incubations, *OGO Car Co-op* and *Purppl* do well in their respective markets, and though they operate independent of Urban Matters, we will continue to support them where needed, though mostly from a cheerleading capacity these days.

As more people discover the concept of combining social impact with business, more social enterprise start-ups are popping up than ever before--but simply because there is a need unfulfilled, a problem unsolved and a passion to give back, doesn't make everyone the right person for the job.

Whether it's consultation or launching a social venture, we ask ourselves 'who is best suited to do this work?' The best people are the ones closest to the communities they aim to serve. Who better to do the work than one with lived experience, who knows personally the intricacies, the history and the pain points? Urban Matters comes in alongside these community leaders, leveraging our expertise to support them in their efforts.

ANNUAL DISCLOSURE STATEMENTS

Urban Matters CCC held no positions in 2017 fiscal for which remuneration exceeded \$75,000

Urban Matters CCC's net-profit, after-tax, financial earnings were: \$64,770

Urban Matters CCC did not declare dividends in 2017 fiscal

Urban Matters CCC did not transfer any money or assets in 2017 fiscal

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Which brings us to our current ventures in the incubator: *Universal Access Design* and *Kanuu Indigenous Innovation Society*; both have exciting roads ahead of them and certainly no shortage of work.

With inclusion and accessibility being such a hot topic and *Accessibility 2024* on the horizon—the BC Provincial Government’s ten year action-plan to make B.C. the most progressive province in Canada for people with disabilities—organizations and municipalities are looking for support to implement new changes to their facilities and communities.

Stan Leyenhorst, lead design consultant for *Universal Access Design* and previously with the Rick Hansen Foundation, has spent the last several years performing assessments of existing sites, preparing recommendation reports, reviewing blueprints, and creating criteria manuals around accessible design.

In addition, he has been involved in educating customer service representatives, designers and engineers by means of simulation training and language and etiquette presentations.

When Stan approached Urban Matters about starting a social venture, we knew he was the one to do this work.

In 1977, a diving accident severed his spinal cord and since then Stan has lived his life as a quadriplegic. Today Urban Matters is helping to scale Universal Access Design and help Stan bring accessible design to more communities

In any business, there are times when the team needs to come back to the drawing board, and such is the case for our incubation, *Kanuu*. In haste, we focused too much on scaling up without first aligning governance and business processes to match our aspirations.

While it can be frustrating for any founder when progress stops (which could be for any number of reasons such as financing, Stakeholder/Board conflicts, further market research needs, etc), it pays to be nimble and open to restructuring in order to continue moving forward. *Kanuu’s* founder Danielle Levine has already impacted hundreds of Indigenous people through her work so we continue to help her build her venture so she can carry on supporting Canada’s aspiring Aboriginal social entrepreneurs.

SOCIAL INNOVATION READINESS CONSULTING

In 2017 we focused our efforts in a series of niche consulting projects to help accelerate social transformations and community innovation.

Why does social innovation matter for our communities?

Citizens are demanding leadership and action to address complex community challenges related to housing affordability and homelessness, inclusive economies, the opioid crisis, climate change, and social inclusion. We hear this loud and clear in every community.

While some challenges have long been the purview of local government service delivery, others are new having traditionally been led by senior levels of government. Rapid change and complex problems are requiring local governments to be more nimble, collaborative, and knit together the collective wisdom of multiple community actors.

A year “going big” on housing

In 2017 we took stock of the gaps in our housing system, and started to scale up the interventions and support we provide, both to local governments, and to housing providers. Data, data, and more data – we’ve been churning through the numbers to help shed light on community housing needs and gaps, community growth, and what to expect in the future. At the same time, we’ve introduced a resilience lens to our housing needs assessments that uses stories and anecdotes from people with lived experience, and those deeply involved in service delivery, to add colour and perspective to the numbers.

We also spent time creating the conditions and relationships for governments and service providers to get to implementation and ‘on the ground’ housing affordability outcomes.

This strategy work is taking different forms:

- sometimes it’s introducing or tweaking technical levers
- zoning and development process, financial (dis)incentives
- grants and DCCs, or establishing the conditions for effective partnerships.

More and more we are helping local governments create successful conditions for implementation. For us it’s about co-creating partnerships that will support the innovative approaches--land acquisition strategies, collective planning processes, and community land trusts to name a few--needed to change the housing landscape across Canada and make a deep impact on affordability.

2017

BY THE NUMBERS

Finding our sweet spot in community social innovation

We created opportunities to help communities use social innovation to begin to solve complex challenges. Here are a few highlights:

- **Taking a hard look at municipal barriers to climate change actions in the community** → In 2017 we began to explore how a City inhibits climate actions coming from members of the community. A parallel activity to the City's Low Carbon Plan, our organizational change work is helping to shift the dynamics between external stakeholders and internal City departments. More collaboration and more implementation of impactful community outcomes gets us to our sweet spot.
- **A Social Plan progress report** → We reviewed progress and outcomes to help one community take stock of their progress towards a series of social goals. While the local government and their community partners are making strong progress, it became clear through the engagement process that the community at large is not necessarily aware of all the work being done. It's a reminder that we all need to be sharing more about our work in communities – stories and gratitude are powerful catalysts for further action in community. As well, the review revealed that government bureaucracy can limit impact – knowing when to get out of the way continues to be a fine balancing act.

WE WORKED ON SOCIAL INNOVATION READINESS

- In **14** Communities
- Directly with **6** local governments and **11** service providers

OUR TEAM GREW FROM 2 MEMBER TO 8

Plus a host of collaborators with lived experience and specific expertise and perspective in the social transformations we are trying to create.

WE BECAME MORE DIRECT ABOUT SHARING STORIES AND CREATING A PLATFORM FOR EDUCATION

- Blogging to share successes *and* failures
- Convening events (our event at UBCM connected 25+ local government leaders)
- Broadening our reach through newsletters

SOCIAL IMPACT MEASURES DASHBOARD

In 2017 we set out to quantify the social impact Urban Matters is able to make by way of our incubations, our consulting practice and by simply doing business in the market.

We wanted a tool for decision makers to understand what kind of impact we are having in each of our areas of activity. This could be used for reporting, and to guide board-level conversations about where Urban Matters' future efforts should be focused.

Jerome Lengkeek, Urban Matters' Social Finance Lead, created a Social Impact Measurement Dashboard to allow us to look at our social impact across our various types of activities.

Areas of Activity: consulting; community contribution/research; incubation

Although the most precise way of understanding social impact would be to create specific and quantifiable measures such as the IRIS system used by impact investors, this would create a significant amount of ongoing reporting work. These efforts would be spread across all of our practitioners and incubated ventures.

It was determined that a better way of achieving our purpose would be to use a thematic mapping tool based on the UN's sustainable development goals. These 17 goals are gaining widespread use among social impact organizations around the world, so it makes sense that Urban Matters would adopt these widely recognized goals and terms to convey our own impact.

The tool was designed to be interactive, so that users can explore our impacts by activity area. This allows a visual way of seeing where our efforts are concentrated, and to plan where we should refocus efforts in the future.

We will be rolling out this tool to communicate our impact in 2018.

2018 OUTLOOK

CONTINUE TO DIG IN ON SOCIAL INNOVATION READINESS...

With an increased focus on community well-being like inclusion, collective action on the opioid crisis and social procurement. We want to do better at measuring social impact, perhaps even shift our decision making, donations or investments to generate greater social outcomes. Our team will grow as well, with a Community Housing specialist in Calgary, and a Social Planning Lead.

SCALING UP WITH A SERIES OF SOCIAL ENTERPRISE SOLUTIONS

We're exploring a social development and Indigenous renewable energy, plus a host of others.

REACHING OUT

Urban Matters is actively building our networks and creating partnerships in more provinces. We hope to explore collaborations at technology and start up community events to discover tech enabled solutions to some of the issues we are trying to address.

ADVISORY BOARD

We have pulled together a team of well-respected individuals with deep knowledge in the realm of social impact, to help guide Urban Matters as the organization evolves. The majority of the board members are based in Ontario and with more meetings taking place in the east, we have set-up shop at the Centre for Social Innovation, a co-working space in downtown Toronto.

CREATE A FOCUSED 'SPACE' FOR EXPERIMENTATION

A dedicated spot for innovation – think mobility, renewable energy, indigenous capacity building and more.

Urban Matters CCC Ltd.

Statement of Financial Position
(Unaudited)

November 30, 2017, with comparative figures for 2016

	2017	2016
Assets		
Current assets:		
Cash	\$ 215,178	\$ 126,337
Accounts receivable	104,830	1,050
Work in progress	50,385	15,630
Loan receivable	42,500	-
	<u>412,893</u>	<u>143,017</u>
	<u>\$ 412,893</u>	<u>\$ 143,017</u>
Liabilities and Shareholder's Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 30,373	\$ 13,926
Income taxes payable	22,956	7,259
Deferred revenue	54,953	21,715
Due to Urban Systems Ltd.	219,168	79,444
	<u>327,450</u>	<u>122,344</u>
Shareholders' equity:		
Share capital	12	12
Retained earnings	85,431	20,661
	<u>85,443</u>	<u>20,673</u>
	<u>\$ 412,893</u>	<u>\$ 143,017</u>

Urban Matters CCC Ltd.

Statement of Comprehensive Income
(Unaudited)

November 30, 2017, with comparative figures for 2016

	2017	2016
Revenues:		
Professional fees	\$ 214,023	\$ 74,913
Expense recoveries	42,143	7,825
Subconsultant recoveries	59,803	135,595
	<u>315,969</u>	<u>218,333</u>
Expenses:		
Advertising and promotion	20,000	1,000
Automotive allowances	448	-
Interest and bank charges	113	11
Legal and accounting	15,567	12,070
Office and administration	16,720	206
Subconsultants	48,722	126,966
Subcontractor fees	109,403	41,861
Travel	17,227	7,820
	<u>228,200</u>	<u>189,934</u>
Earnings (loss) before income taxes	87,769	28,399
Income taxes		
Current	22,999	7,259
Future	-	-
	<u>22,999</u>	<u>7,259</u>
Net earnings (loss)	64,770	21,140
Retained earnings (deficit), beginning of year	20,661	(479)
Retained earnings (deficit), end of year	<u>\$ 85,431</u>	<u>\$ 20,661</u>