

A NEW GENERATION OF LEADERS

We are excited to kick off the new year with a new leadership team at Urban Matters! We are Jade Arignon, Erin Welk, and Jen Casorso, co-CEOs of Urban Matters and the new generation of professionals spearheading the next phase of UM's growth and impact. In December 2022, our founding leader Ken Gauthier transitioned out of his formal role and entrusted us with the future of the company. With our work in systems change being inherently collaborative, it made sense to apply this same approach to company management. Together, the three of us are modelling an approach known as distributed leadership.

This model recognizes that leadership can show up in many forms and promotes collaborative decision-making. The three of us have different backgrounds and perspectives in how we approach our work, making us stronger as we embark on a variety of initiatives over the next several years.



Erin is our fearless innovator. Never satisfied with the status quo, she is constantly pushing the team at Urban Matters towards new horizons. Her career at Urban is characterized by exploring various challenges, testing new approaches, and designing impactful initiatives. Naturally entrepreneurial, she brings a flare for innovation and an undeniable energy to go for big things.



Jen can be described as our nurturer – of relationships, of clients, and of UM values. She is a natural facilitator with a strong internal sense of empathy and curiosity. She balances commitments to community and organization in a way that leaves you wondering how she does it all. All of this while growing our team and practice areas with optimism and humility.



Jade brings it all together. She builds the connective tissues from operations to strategy, team members to clients, and projects to market demand. She provides a safe and trusting environment for our team members to pursue their passions and do their best work. She gives incredible pep talks and brings deep insight into company culture and operations. In a people-focused organization, Jade's humour, empathy, and listening skills are invaluable.

As you can see, we each have our own strengths and differences. But together, we are solidly aligned on one vision: inclusive communities where everyone has opportunity to thrive.

Over the next few years, you will see a strong focus on systems change funding and investing from Urban Matters. As a Community Contribution Company (CCC) with a mandate to direct at least 60 percent of our profits back to community, we are poised to amass annual community contributions upwards of \$500,000. We want to use these contributions to empower communities and drive systems-level change. Furthermore, we will be looking to partner with other companies and organizations to amplify our impact.

Though we are excited to forge ahead, we also want to express our deep appreciation for Ken, our former president and close mentor. Ken laid the foundation, set the stage, and started the show. His immense vision, coupled with his tenacity and steadfast approach, formed the foundation on which this company was built. None of this (or us) at Urban Matters would exist without him.

It may not be easy to follow in the footsteps of a founding leader, but we are looking forward to seeing the team grow and achieve incredible things. We are truly humbled to be in this position and will work hard to carry out the original mission of Urban Matters: **to co-create innovative solutions with communities that improve lives and create opportunities.**

Sincerely,


Jade Arignon


Erin Welk


Jen Casorso



A Look Back at 2022

GROWING OUR IMPACT

There is a lot for us to appreciate and be grateful for as we look back at 2022. The easing of COVID-19 pandemic health restrictions meant there were more opportunities for us to connect back with our communities in person. After a challenging couple of years, we found that communities were keen to move forward and focus on resiliency.

Within our team, we grew by bringing in talent in a variety of focus areas (e.g., social planning, communications, data analysis, and research) to help us provide even greater service to our clients. While our geographic reach continues to be strong in B.C., we are excited to see growth in Alberta and value the existing and new client connections we have made over the course of the year.

Our work benefits from co-creation with our clients and the value we bring is shown by the diverse array of initiatives our team has undertaken. These initiatives are aligned with our purpose and measured against our Impact Metrics, a set of evaluation questions that illustrate whether we are moving towards our North Star as a sustainable and impactful business.

This year, we achieved an impact score of 20.3 out of a possible 27, an increase of 7.4 percent compared to 2021. In particular, our team improved on our ability to reflect on key project learnings and made stronger efforts to reflect on and share key project learnings in order to bolster collective knowledge in the sector and support other community development projects. We are also making a concerted effort to invest in monitoring and evaluation, which is allowing us greater perspective in understanding how our efforts are contributing to systems change.

EMPLOYEES WENT FROM 9 TO 15

NEW PROJECTS OPENED = 84,
83% SOLE SOURCED, 17% RFP

GEOGRAPHICAL SPLIT = 91%
BC, 8% AB, INTERNATIONAL/
NATIONAL 1%

Impact Score Year over Year





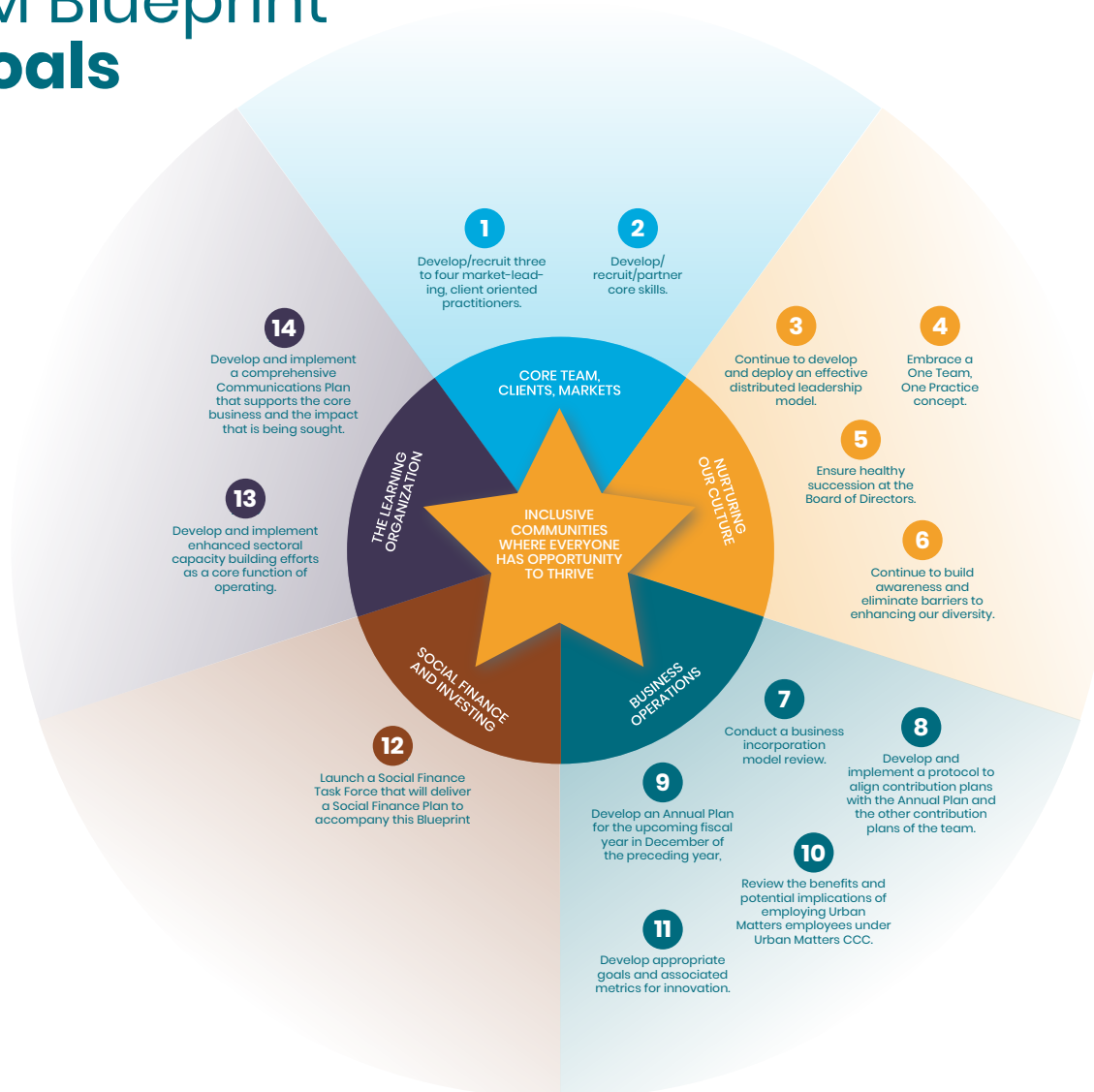
OUR 3-YEAR STRATEGIC PLAN

In 2022, our team reached a major milestone. We completed “The Blueprint,” Urban Matters’ first strategic plan. Within the document is a historic record of the conditions and thinking behind the establishment of Urban Matters CCC as well as the evolution of the company into its current state. It also provides context to its position and framing as a subsidiary company within the Urban Systems Ltd. (USL) family of companies.

Most importantly, the Blueprint outlines 14 business goals that form a road map for the next three years. Together, these goals are designed to propel UM into its next stages of growth, expand its market reach and momentum, and deepen its social impact and systems change.

There are five core focus areas along with the 14 key priorities.

UM Blueprint Goals





CORE TEAM, CLIENTS, AND MARKETS

As we enter a growth and scaling stage, we have a particular focus on expanding our team across a broader geography, moving eastward into Alberta, Saskatchewan, and Manitoba at minimum. Over the coming years, we will collaborate closely with our USL colleagues to hire and develop a number of additional market-facing practitioners.

Additionally, our team has identified a number of skill and competency-based needs that we would do well to grow into by developing and recruiting additional practitioners. In particular, we are looking to recruit those who can help us reach our upstream aspirations within our innovation model. We anticipate focus areas to include social finance and community innovation, evaluation, diversity and inclusion, and more.



NURTURING OUR CULTURE

As our team grows, our culture is continually emerging and needs consistent nurturing. How might we develop an organizational culture that suits our unique position as both a service provider in the systems change market, as well as a funder of systems change?

A focus for us in the coming years will be to continue to distribute leadership across the company, so that opportunities for inspired leadership exist at various tenures and levels of experience. Establishing healthy opportunities for leadership development, continuous cross-collaboration within practice and subject matter expertise, and a focus on our own diversity and inclusion practices are just some of our priorities.



BUSINESS OPERATIONS

Although the focus of our storytelling is often about supporting community and human development in tough arenas, as well as community reinvestment, the reality is that there is no Urban Matters without a sound and resilient business structure. Urban Matters is self-financing and financially independent. Running a sound and resilient business is foundational to being able to live up to our company purpose and the promise that we make to community.



SOCIAL FINANCE AND INVESTING

For the first time in Urban Matters' history, we have arrived at a point in our income reliability and scale of operations where we are both a professional service provider as well as a funder of social impact initiatives. This is a new paradigm, and coming to terms with the duality of these roles will require due consideration. We are interested in exploring what it means to utilize social finance tools to amplify and extend our reach as a funder.



THE LEARNING ORGANIZATION

Through our work tackling complex social issues, we generate a wealth of knowledge about communities, systems, and the overall process of systems change. As a learning and sharing organization, we are committed to sharing this knowledge and engaging in capacity building in the social development sector. Beyond reinvesting a portion of our profits to effect systems change, we will share best practices and lessons learned in order to improve collective impacts and form new partnerships. Additionally, this same practice applies to our own team as we continue to build our collective knowledge and capacity.



Project Highlights

urban
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FINDING OUR WAY HOME

COMMUNITY PARTNERS:

SURREY URBAN INDIGENOUS LEADERSHIP COMMITTEE (SUILC) AND THE CITY OF SURREY

This year, our team continued its strong partnership with the [Surrey Urban Indigenous Leadership Committee](#) to complete an important research project on Indigenous homelessness in Surrey. "[Finding Our Way Home](#)" underscores the urgent need for more deeply affordable non-market housing and outlines key recommendations for addressing Indigenous homelessness.

An environmental scan revealed that 1 in 26 Indigenous individuals experience homelessness in Surrey compared to 1 in 239 non-Indigenous people. Additionally, the team conducted organizational interviews to uncover the causes and contributing factors to Indigenous homelessness as well as current gaps in policy, funding, and resources.

While point in time counts happen every few years, this is the first time a study like this has been done in Surrey where the focus was hearing directly from Indigenous people experiencing homelessness. The team conducted meaningful engagement with Indigenous people who have lived or living experience of homelessness. Beyond being housed, the interviews also shed light on the individual's profound disconnection to land, family, and identity as well as a deep desire to reconnect with culture.

Overall, this report highlights a historical underinvestment in social and housing supports for Indigenous households in Surrey and will be used to inform immediate actions as well as future strategies.



1 IN 26 INDIGENOUS PEOPLE EXPERIENCED HOMELESSNESS IN SURREY IN 2020: REPORT



[CLICK HERE](#) FOR FULL STORY.

PEER NAVIGATOR AND CAPACITY BUILDING

COMMUNITY PARTNER:

City of Kelowna, PEOPLE Employment Services, and Health Canada

Fueled by funding from Health Canada's Substance Use and Addictions Program, the Peer Navigator and Capacity Building program has been transforming harm reduction in the Central Okanagan. The program creates pathways of access for those struggling with substance use and other social issues by connecting them with an Indigenous peer navigator.



Designed as a community-level approach to harm reduction, peer navigators are people with lived or living experience of homelessness and/or substance use who are embedded within unlikely places (think libraries and recreation centres) and social serving organizations through a work placement. This approach recognizes that peer navigators are better equipped to connect and provide support to vulnerable community members as they have first-hand insight into the challenges, stigma, and needs that the community member may be facing.

Through their role, the peers serve as both ambassadors for the host organization as well as an ally for community members seeking help. The organization and peer navigator also take a step towards Reconciliation by building their capacity to deliver cultural teachings and practices. By reviving Indigenous knowledge and tradition as a form of empowering individual healing and community connection, the program hopes to increase a sense of belonging and safety as well as provide increased and alternative avenues to continue the healing journey for both Indigenous and non-Indigenous individuals.

In the two years of the program, Indigenous Peer Navigators worked in the Downtown Kelowna Library Branch, Parkinson Recreation Centre, and the Ki Low Na Friendship Society, The Bridge, and Metro Community. As a community-driven systems change effort, the project is building the capacity, skills, and confidence of peers, helping to remove stigma within host organizations, and embedding cultural knowledge in unlikely spaces. Learnings from the program is informing future program development with the goal of scaling the program and bringing it to other communities.



Our Community Contributions

Urban Matters was incorporated in 2014 as a Community Contribution Company. Our business model aligns with our mission to achieve positive outcomes in the communities where we live and work. That's why we contribute a minimum of 60 percent of our profits into innovative, community-led projects in Canada. Since 2016, we have contributed a total of \$625,000 back into communities.

IMPACT AND INSIGHTS FROM OUR 2021 COMMUNITY CONTRIBUTIONS

Last year, we directed our annual community contributions to two organizations that aim to empower the voices and agency of people with lived and living experience. One year later, we have been able to see the impact of this funding on people and communities.



COMMUNITY PARTNER:
ALBERTA ALLIANCE WHO EDUCATE AND ADVOCATE RESPONSIBLY (AAWEAR)



CONTRIBUTION AMOUNT:
\$100,000

Despite the challenges of the COVID-19 pandemic, Alberta-based organization AAWEAR has been busier than ever. AAWEAR, which stands for the Alberta Alliance Who Educate and Advocate Responsibly, is an organization run almost entirely by people with lived or living experience of substance use (PWLLE). Its members serve as either "peer outreach workers" or "peer navigators" who strive to improve the quality of life of those in the drug-using community by offering peer-to-peer mentorship and harm reduction services.

The Urban Matters team originally learned about AAWEAR through the Alberta Intermunicipal Overdose Collaborative, a coalition of Alberta municipalities working together to develop a coordinated response to the drug poisoning and overdose crisis. In 2021, we chose to contribute \$100,000 to AAWEAR through our annual community contributions. One year later, AAWEAR has doubled its peer outreach capacity and continues to expand its network across Alberta.

"We have been able to rent office and programming space that allows our team to stay closely connected and offer room for events and training," says Kathleen Larose, AAWEAR's Executive Director. "Our Calgary chapter also partnered with community-based organizations and the City of Calgary to provide a low-barrier primary care and shower program for community members. This created a safe space where underserved individuals would feel welcomed and unburdened by barriers to access. Over four months, the program grew from four participants to 53."



COMMUNITY PARTNER:
COMMUNITY ACTION INITIATIVE



CONTRIBUTION AMOUNT:
\$100,000

Next door in B.C., we partnered with granting organization Community Action Initiative (CAI) to create a micro-grant program that would provide groups in the Provincial Peer Network to access a one-time boost in funding to complete underfunded yet crucial projects. Urban Matters provided \$100,000 in seed funding alongside additional contributions from CAI. Our team also provided in-kind support to the grantees by serving as a thinking partner for peer groups.

"Grant funding for peer-led organizations is scarce," says Prairie Chiu, Manager of Provincial Peer Partnerships and Community Development with CAI. "Yet we know that the overdose prevention and response activities led by peer groups are highly effective and impactful. This funding from Urban Matters allows CAI to flow funds to the organizations and groups that need it the most – those leading frontline, grassroots, innovative or bold initiatives that address mental health and substance use needs in B.C."

A total of 30 peer groups applied for the micro-grant, each receiving \$3,960 for projects related to skills development, mentorship, stigma reduction, and wellness.



COMMUNITY IMPACT HIGHLIGHTS:

- ◆ The Coalition of Substance Users of the North in Quesnel was able to add 180 hours of peer mentorship to their programming and complete additional capacity building to better invest in and prepare their mentors for future work.
- ◆ The Indigenous Harm Reduction Team in Victoria used their micro-grant to run a series of workshops on substance-use maintenance through an Indigenous harm reduction lens. They ran five workshops in total, each fully attended (10 people) with participants receiving honoraria.
- ◆ Recognizing the slow-down in community services and outreach during the COVID-19 pandemic, peer-led organization Bridging the Gap began a Self-Care in the Park program in their community of Port Alberni. They distributed care kits, administered first-aid, and provided a safe space to share Bad Date Reports for those working in the sex industry.
- ◆ The East Kootenay Network of People who use Drugs in Kimberley hosted drug user meetings for youth called Empowering Youth's Potential. The meetings provided a safe space for youth to meet, find connection, and talk openly about their substance use. The organization was able to mentor and support the capacity building of two youth coordinators who are passionate about harm reduction and anti-stigma initiatives.
- ◆ SOLID Outreach Society in Victoria used its microgrant to support a weekly drop-in Indigenous wellness circle. Each Sunday, they hosted about 20 people and provided culturally appropriate foods, cedar brushings, and other connections to traditional knowledge. For many urban Indigenous people in attendance, these were often the first instance of connection to culture.

These are just five stories out of 30 community projects that were made possible by the micro-grant program, with many more stories emerging. We are deeply humbled and inspired by the important work these groups do for their community every single day, inspiring us to continue this program for another year! When we combine efforts, resources and innovation, there is no limit to the positive outcomes we can achieve for our communities.

ANNOUNCING OUR 2022 COMMUNITY CONTRIBUTIONS!

Thanks to another strong year of community collaboration and projects, we were able to direct \$225,000 back to communities as part of our annual contributions. That's 87 percent of our profits in 2022!

As a company, our vision is to co-create inclusive communities where everyone has opportunity to thrive. For us, this means driving action at both the community level as well as system level. Our community contributions this year aim to do just that: empower the agency of people with lived and living experience in community and find solutions that have the power to fundamentally change how we approach systemic social issues.

Our latest round of community contributions goes to three outstanding community organizations: Green Violin in Edmonton, PEOPLE Lived Experience Society in Kelowna, and B.C.'s Community Action Initiative (CAI). Together, these three organizations are doing impactful work in affordable housing and the empowerment of people with lived and living experience (PWLLE). We are proud to be part of community solutions and support these organizations as they serve their communities in unique and impactful ways.



COMMUNITY PARTNER:
PEOPLE LIVED EXPERIENCE SOCIETY



CONTRIBUTION AMOUNT:
\$20,000

In the spirit of nurturing successful partnerships, we chose to contribute \$20,000 to PEOPLE Lived Experience Society, a social enterprise launched in Kelowna in 2019 that secures meaningful work opportunities for those with lived or living experience of substance use.

Over the years, Urban Matters has provided PEOPLE Lived Experience Society with organizational support as it has undergone transitions. First to launch it as a non-profit, and again as it transitioned to a new and very capable leader.

Together, our teams have worked together to design and deliver significant community projects with the City of Kelowna – first, the PEOPLE Peer Navigator and Capacity Building Project, and now the Indigenous Harm Reduction Team project.

PEOPLE has been an integral part of successful systems change in the Okanagan and we want to continue to support their goal of further embedding itself in the social serving sector. We will cap off our financial support with one additional year to support their organizational development.



COMMUNITY PARTNER:
COMMUNITY ACTION INITIATIVE (CAI)




CONTRIBUTION AMOUNT:
\$100,000

Urban Matters has once again chosen to contribute \$100,000 to deliver a micro-grant program with CAI. After learning of the massive impact that peer groups generated in their communities with just a small boost in funding, we were inspired to continue this program and help uplift the work of PWLLE. We are eager to see how a second year of funding will build on momentum started from the previous year.

Our team is also looking forward to further supporting the peer network in skill and capacity building. We are exploring ways to offer a meaningful opportunity for professional development and networking. By investing in people development, we can help ensure individuals and communities have the tools they need to sustain efforts and create lasting change.



COMMUNITY PARTNER:
GREEN VIOLIN



CONTRIBUTION AMOUNT:
\$105,000

We are excited to form a new partnership with Green Violin, a community development company in Edmonton, Alberta, and launch an innovative housing project in 2023!

As two companies dedicated to supporting the well-being of neighbourhoods, we know that safe and stable housing is a key determinant of health. But with inflationary pressures affecting households across the nation, more and more individuals are slipping into housing insecurity or even homelessness.

Together, we will explore the potential of “unconventional actors” in becoming more central players in Edmonton’s affordable housing space. We believe there are many organizations out there that have something to offer (assets like land, funding, or expertise) that are simply not recognized or utilized enough by the mainstream housing system. Through a Community Innovation Lab, we want to test whether this is true, and if so, to what extent is it an issue and why?

Beyond research, we also want to experiment with implementing tangible solutions that we have identified through our exploration. This project is a bold leap forward for Urban Matters and Green Violin who seek to discover new opportunities and innovative solutions.

With that comes our annual disclosure statements, in legal ease for clarity, and coincident with our 2022 fiscal year end (December 1, 2021 to November 30, 2022). Every year, Urban Matters CCC must disclose:

- 1 The remuneration and position held of each person whose remuneration during that year was at least \$75,000, or, if there are more than 10 persons whose remuneration during that year was at least \$75 000, the remuneration and position held during that year of each of the 10 most highly remunerated persons

URBAN MATTERS CCC HELD NO POSITIONS IN FISCAL 2022 FOR WHICH THE REMUNERATION EXCEEDED \$75,000.

- 2 The financial position of the company in that year.

URBAN MATTERS CCC'S NET-PROFIT, AFTER-TAX, FINANCIAL EARNINGS WERE: \$22,908. SEE TABLES BELOW FOR A SUMMARY.

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

| | 2022 | 2021 |
|---|---------------------|---------------------|
| ASSETS | | |
| Current Assets | \$ 1,880,943 | \$ 1,161,474 |
| LIABILITIES + SHAREHOLDERS' EQUITY | | |
| Current Liabilities | \$1,474,219 | \$777,658 |
| Long-Term Debt | | |
| Shareholders' Equity | | |
| Share Capital (note 6) | 12 | 12 |
| Retained Earnings | \$ 406,712 | \$ 383,804 |
| | \$ 1,880,943 | \$ 1,161,474 |

STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

| | 2022 | 2021 |
|--------------------------------------|--------------|--------------|
| Revenue | \$ 2,864,200 | \$ 2,581,346 |
| Expenses | \$ 2,829,721 | \$ 2,308,923 |
| Earnings before Income Taxes | \$ 34,479 | \$ 272,423 |
| Income Taxes | \$ 11,571 | \$ 74,389 |
| Net Earnings | \$ 22,908 | \$ 198,034 |
| Retained Earnings, beginning of year | \$ 383,804 | \$ 185,770 |
| Retained earnings, end of year | \$ 406,712 | \$ 383,804 |

- 3 The following information about dividends declared in relation to shares of classes or series of shares:

- i. For each of those classes and series of shares, the aggregate amount of the dividends declared in that year in relation to shares of that class or series of shares
- ii. The identity of all entities that hold or beneficially own shares of that class or series of shares

URBAN MATTERS CCC DID NOT DECLARE ANY DIVIDENDS IN FISCAL 2022.

- 4 The amounts transferred with a fair market value in excess of the prescribed amount, other than to a qualified entity, to persons who are related to the company or to any other persons unless the provision of that financial assistance is in furtherance of the company's community purposes.

URBAN MATTERS CCC DID NOT TRANSFER ANY SUCH MONEY OR OTHER ASSETS IN FISCAL 2022.