

## Notes

### Mapping Our Road to Recovery

#### Part 3: Strategic Investments - Municipal Collaboration for Recovery

Wednesday, June 10th, 2020, 4:30-6:00pm via Zoom

**Partners:** Institute of Southern Georgian Bay, Town of Collingwood, On the Bay Magazine/The New Classical 102.9FM, Municipality of Meaford

#### Introduction

The work of the Institute was introduced and a review of the two previous virtual convenings in the Mapping Our Road to Recovery series was presented. The highlights included:

#### Part 1: Using Social Innovation to Inspire Regional Resilience

One participant said: This unprecedented situation has created a crack in the foundations of so many organizations and structures - and of course, "that's how the light gets in" (L.Cohen)

- COVID-19 has revealed the cracks in our systems. Systems cross geographic and social lines and require everyone to join together. Therefore, people are looking for the recovery work to adopt a regional approach and to see municipalities, business sector, nonprofit/charitable sector and philanthropy working together. They want the work to be inclusive of climate action and the arts.
- We also heard people want leaders to use the crisis created by the pandemic to push harder for a regional approach. Fear of the loss of our way of life and our planet is driving change. Now is the time to work together.
- Develop a common platform or structure for this collaboration to happen in a way that brings transparency and openness to the process and ensures access to everyone including those with limited technology.
- Within a regional approach ensure maintain the unique character, concerns and realities of each town and community.

#### Part 2: Facing the Future – A Collective Arts Strategy

The key outcome of the session was moving ahead on the creation of a regional Arts & Culture Strategy.

We heard about the importance of data in sharing the significant impact of Arts & Culture and how dependant our communities are on Arts & Culture. For example:

- 65% of Ontario business leaders say that a thriving arts and culture scene make it easier to attract top talent to their communities.

- On a provincial level, a 2016 Stats Can report showed that the Arts & Culture sector represented \$27.5 billion or 3.7% of Ontario's GDP. To put that in perspective that is larger than the utilities industries; mining, quarrying, oils and gas extraction industries; and agriculture, forestry, fishing and hunting industries combined!
- A 2016 economic impact report by the Canadian Arts Presenting Association showed the average Ontario arts and culture tourist spends almost twice as much per trip as a typical tourist – \$667 per trip versus \$374!
- A post-lockdown survey of local charities and nonprofit organizations in Grey Bruce revealed: 87% of respondents reported cancellation of fundraising events as a major challenge; 40% of organizations are facing financial difficulty; 60% have closed until restrictions are lifted; the loss of income and jobs was identified as the biggest concern; and, they reported collaboration and new ways of working will be key to moving forward.

In terms of critical next steps we heard:

- Think about Arts & Culture as an eco-system to ensure we capture the complexity and interconnectivity of this moment in time.
- About an approach called Collective Impact. It's an approach to collaboration that includes five key aspects: finding a common agenda; shared measurement; mutually reinforcing activities; continuous communication; and the support of a backbone organization.
- The need take inventory of the talent pools, assets, and resources. These include a broad spectrum of things including our art galleries, restaurant facilities, hotels, staff, and staff housing.
- Important role Arts & Culture plays in supporting a sense of well-being.

#### **Attendance and Geographic Distribution:**

There were 72 registered participants including panelists and facilitators. We had representation from across the region with a concentration of participants between Wasaga Beach and Meaford. There were people joining from Owen Sound, Grey Highlands and Creemore. Of the 65 participants 47 indicated they wanted to get more involved in Mapping the Road to Recovery.

#### **Dean Hollin performance and Participant Chat Reflection on new insights people have gained about themselves during the pandemic**

#### **Presentation on What is Social Finance by Marilyn Struthers**

Marilyn presented a comprehensive review of social finance tools that could be used to increase access to recovery capital financing. Slides that can be found [here](#). Access to funds for both the business sector and the social sector was highlighted and she made the point that what we need is not either/or but rather ways to smartly and strategically weave together all

available funds for the benefit of everyone. Marilyn then walked through key aspects of financing from a purchasing, selling, lending and investing perspective.

The highlights included:

### **Purchasing**

- **Social procurement:** Every purchase has an economic, environmental and social impact, even if we don't measure it. Social procurement looks to capture those impacts to make a strategic contribution to community. This is particularly so in large scale purchasing in businesses and institutions. The bigger the purchasing power, the bigger the potential for social impact. This requires changes in procurement checklists so that best value also includes value returned to the community. Example: At Ryerson – we routinely broke procurement regs to source great conference food from minority Social Enterprises.
- **Buy Local/by social initiatives** such as local food hubs or buy local campaigns can be seen as direct consumer approaches to social procurement, nurturing small business.
- **Community Benefit Agreements (CBA):** These agreements are opportunities for large infrastructure projects to include added requirements such as: source green, support skilled trades or the local supply chain. Municipalities particularly have leverage here.
- **Public policy incentives such as Community Employment Benefit (CEB):** federal funding is tied to project hiring targets for priority groups.

### **Selling**

- **Social Enterprise (SE):** A business model with social mission and double or triple bottom line accounting: profit, social good and environmental value. An SE reinvests a portion of profit into mission. SEs are actually undefined in our tax structures and so can be either for profit or nonprofit, and some are sister organizations to registered charities. There are some good sector definitions emerging that set standards for how much is reinvested.
- **Corporate Social Responsibility (CSR)** is another way of producing social value. These are self-regulating business models where companies are conscious of and sometimes accountable to the economic, social, and environmental impact of doing business and their capacity to contribute to public good. It is an important growing area over the last 10 years. Phillip Haid, Public Inc stated in Fast Company “62% of customers want companies to take a stand on current and broadly relevant issues like sustainability, transparency, or fair employment practices.” Example: Shoppers & the flu shot.
- **B Corps** formally balance purpose and profit through the requirements of a certification process and are required to report on public benefit impacts and consider the impact of their decisions on their workers, customers, suppliers, community, and the

environment. Not so many in Canada: Think Patagonia, Dannon Foods, TAS Design development firm.

## Lending

- **Community Loan Funds** are established in many communities with a range of objectives such as: supporting entrepreneurs and independence, enabling home ownership or building the capacity of social sector organizations. The loans are usually small, include capacity building and are supported by socially-minded investors. Traditionally these loan funds have better repayment track records than commercial banks.
- **Partner Loan Funds:** Partnering with CSR-driven lending businesses or a government brings these loan funds to scale. For example: **City of Toronto** The Youth Micro Loan Pilot is funded by the City and the Community Foundation, with Community Housing and Alterna Savings. They provide youth in Toronto's west-end priority neighbourhoods with coaching, business development training, mentoring and small business loans.
- **Foundation Loan Funds:** Typically, foundations grant only returns on endowment investment. There was a fair bit of pressure after the 2008 market crash when many foundations found themselves unable to access funds to grant just as the community needed more support. [London Community Foundation](#) began making community loans in 2012 with a commitment of 1% of their principal assets. They now offer a range of financial offerings including loans, lines of credit, letters of guarantee and mortgages that align with mission.
- **Peer to Peer lending:** Small, but an interesting, model brokering investor/entrepreneur meet-up opportunities - KIVA model.

## Investing

- **Community Bonds (CB)** are interest bearing instruments that offer a combination of financial and social returns intended for small scale community investors. They can only be issued by a nonprofit organization. CBs inject capital that enables NPOs to leverage other investment. Example: Centre for Social Innovation's Community Bond launched with a municipal guarantee enabled them to acquire a bank mortgage to purchase the Spadina location and then leverage the purchase of a second location - \$42M in assets in play.
- **Impact Investing** channels capital to drive measurable social as well as financial returns. Attracting capital to tackle issues at scale requires an eco-system that connects the social sector to capital markets and new financial tools. Social Venture Exchange or SVX at MaRS Discovery District aims to create such an ecosystem. At the community level, so does the [Vancity Credit Union](#). Its *strategic investment framework* is on their website.

They say: “We use your deposits to lend to and invest in local businesses, organizations, and initiatives that create positive economic, social, and environmental impacts in your community. That way, we can grow your wealth while making a difference in areas such as creating jobs, reducing greenhouse gases and fighting homelessness.” [McConnell Foundation](#) has added impact investing to financial portfolio.

- **Angel Investors:** High net worth individuals invest in new entrepreneurial ventures combining investment with the chance to give back to the community.
- **Social Impact Bonds:** are a social policy tool that bring together different groups — governments, corporations, private investors, foundations, service providers and social enterprises — to deliver prevention-focused solutions.
- **Public Policy Driven Instruments: Example** - RDSP Registered Disability Savings Program/Registered Education Savings Program. Preferred environment to encourage private investment in social goals.

Marilyn has produced a primer on the materials which is available on the Institute’s website.

She asked some key questions including:

- ***What might municipal level procurement messaging or incentive strategies could be offered to support a local recovery strategy?***
- ***How might we engage with building Social Enterprises and more locally-focused CSR - Corporate Social Responsibility?***
- **Who locally might be inclined to support a loan fund for regional recovery and what partnerships might be possible to take it to scale?**
- **What could we leverage if some of the region’s bigger corporations, Angel Investors and municipalities engaged in developing an investment ecosystem that supports elements of a just recovery in the region? What would those elements be?**

Marilyn left us with the invitation to consider how we might learn together to be strategic on our investments, especially given that Southern Georgian Bay is not the only area thinking about this.

## Panel Presentations:

Business Sector: **Tara Hunt**, Owner, [Anytime Fitness](#), Collingwood/Midland and Angel Investor

Tara Hunt introduced the many facets of the community she is engaged in. She is a business owner and a member of two Angel investing networks including the one in the area called the Georgian Angel Network. Tara described the success of the Anytime Fitness Franchise and the success of her two properties specifically in Collingwood and Midland. Of the 200 clubs these two have consistently ranked in the top 10.

She attributes the success to the 4P's (people, purpose, profit and play). She described how for her an investment is strategic when these four elements intersect. The culture of the organization was able to scale effectively because people could get behind a common mission - an ounce of prevention is worth a pound in cure. She noted how her team, including customers, are responsible for the success and noted they have no choice but to be agile, lean, creative and laser-focused if they want to both survive and thrive.

Tara described what pools of capital can be considered for strategic investments. She described how now is a tremendous opportunity to support each other and to take actions like owning the green innovation space. She described how we need access to talent pools, access to professional resources, services, suppliers and mentorship to be successful. As she said "It takes a village."

Tara sees a tremendous opportunity for Collingwood to own the green innovation space, modelling for other communities how it is done.

Tara reviewed elements of the 4P's she mentioned earlier as an example as she described the recent development of [Collingwood Commons](#). She noted that it isn't just about dollars; cash is just an energy exchange. When you don't have cash, you find other sources of energy exchange, the Collingwood Commons is a great example of this.

Tara addressed the question - How can we align objectives, pool resources, and accelerate municipal collaboration to build a more resilient and sustainable future? - with a succinct answer:

- Step 1: Identify the core values of the people living our community (People)
- Step 2: Establish a community vision and mission (Purpose)
- Step 3: Identify S.M.A.R.T Key Performance Indicators (Profit). Example: Accelerator Hub in community with access to mentorship, capital and talent pool.
- Step 4: Establish rewards system or celebration for a job done well (Play)

Finally, Tara described her involvement in Angel investing through both the Georgian Angel Network and the Vancouver Angel Network. Typically, Angel Investors offer smart money and

entrepreneurial experience to entrepreneurs needing equity capital to commercialize their innovations. She described how the Georgian Network, led by Michael Badham, invites pitches from small and medium enterprises who have met the criteria on a 15-point checklist to pitch to investors. If people meet the threshold they are placed on a watch-list and then typically two companies a month can pitch for up to \$25,000.00.

Nonprofit/Charitable: **Andrew Siegwart**, President, [Blue Mountain Village Association](#) and Chair, [Blue Mountain Village Foundation](#)

Andrew focused his comments on what he, and the organizations he works with, have learned through the pandemic and what they need to focus on going forward. He opened his comments by speaking about the Blue Mountain Village Foundation and the well-established practices they had come to rely on to raise the funds needed for their granting activities each year. They had already started to re-think these practices looking for ways to be more adaptive and responsive to community needs. Pre-pandemic they had begun to explore the ideas of “collaboration first” and how to work with their collaborative community partners and agencies. They were hoping the approach would help them learn more ‘from the ground’ about the issues of the day and what was needed. Then the pandemic hit.

In a very short time, the Foundation was able to recognize the acute needs in the community and then in a three-week period were able to develop a new grant program, communicate the opportunity, retool their process and get the funds to where they needed to go. The situation helped the Board to think differently. They realized the barriers that previously may have actually prevented some organizations from applying or some emergent organizations or issues may have been missed all together. They have now created a speed grant program that is simple and the application is one-page in length. On these grants they are also looking for how people are collaborating for impact.

The whole experience was tactical, and it now has them thinking in very different ways. Andrew also noted they learned that clarity and clear communication matters not just at the Foundation but also with the members of the Blue Mountain Village Association. He learned there is a need to be clear and direct and to not be afraid to challenge people when needed.

In other community activity, Andrew noted over time people have learned to adopt a regional approach to collaboration and to look beyond the traditional geographic boundaries whether working on labour supply or attainable housing issues. What has helped is for people to focus on capacity and not traditional activities that are “within each other’s wheelhouses” . Post-pandemic they have come together and looked at what is needed and how to move ahead rather who should be doing the work. It now comes down to who has the tools and resources to do it and then distributing the tools and resources to everyone. Andrew shared an example of the development of a tool for small businesses on pandemic readiness whether they be a

retail store or restaurant. It also means this kind of collaboration provides consistency across the region.

In terms of the Blue Mountain Village Foundation's strategy going forward, Andrew noted they will not be relying as much on events-based fundraising but rather finding ways to be a better supporter of organizations and finding new ways to drive change. He also noted going forward he does not want to slip back into old ways of doing things.

The pandemic has shown us the cracks in the system. It has also shown what skills are most important. They include adaptability, the ability to be assertive and speak up, the ability to manage uncertainty or "shades of grey" as Andrew put it. These are the skills Andrew will be looking for in all future opportunities whether they are staffing roles or volunteers or community partners. Andrew also noted the need to be able to listen more. This is a skill he himself is working at strengthening noting we all need to have the courage to acknowledge when we need to work on something.

Finally, Andrew described going forward the need for capital and infrastructure to support this kind of regional collaboration. He indicated the need for an organization, existing like the Institute or something new to drive the effort forward. Volunteers can take things so far. We need people to step forward with some funds and capacity to move ahead.

**Government Sector: Brian Saunderson, [Co-Chair Economic Support and Recovery Task Force](#)**  
and Mayor of Collingwood

Brian spoke about the structure and process of the Recovery Task Force in Collingwood. The private and public sector leaders were very engaged and [generated 35 recommendations](#) in just a few weeks. Staff are now looking at how to implement them with the community.

He shared how the pandemic is shifting thinking and process. Pre-COVID, he saw the Town as a publicly-owned corporation, judged on how it invests tax dollars. The municipal council assists in making decisions on investments including everything from staff hires to reserve fund investments and these decisions are guided by a community-based strategic plan. He described how 8 months ago they discussed sustainability in all its forms whether it be social or economic, cultural or environmental. This led to a plan for making Collingwood a hub for sustainability; making a Collingwood a great place to live and work; and, making Collingwood investment ready. Brian gave examples to demonstrate how the plan was being enacted in day to day life. He described how each of the examples were under way but being supported in a traditional sense with the municipality operating in a third-party way.

With the onset of the pandemic there has been a huge disruption. It knocked apart the traditional role. There was no script and now the need to work more collaboratively is clear. Brian noted that we have to be working with our organizations and businesses to find our way, and to do it collaboratively. We have to work together to jump start our economy. He said we are looking at "what is the role of the municipal corporation now"? What are the investments



we have to make?”. He indicated this approach means needing to blur the boundaries that have traditionally been in place.

Brian indicated that 66% of the people who work in Collingwood also live there. This is a strength they can work with going forward. Going forward, the municipality will see itself as a participant in how it invests its money. Brian described some of the examples of the recommendations including the one Andrew shared about creating a common plan for local businesses and making it safe for people to return to shopping and eating out. It also includes the possibility of street closures and the removal of angle parking to create more space and make more room for pedestrians to social distance. They are also looking at building on the work of the local Optimist Club that started a new supply of PPE to a local business that is looking to retool as a local supplier.

Brian described how Collingwood has shifted from being in a policy regulator role to a participant.

His final comments related to community investment. One of the recommendations from the Task Force is to look at using the funds from the sale of municipal assets to create a community foundation. This could allow for matching dollar programs to raise funds quickly. The staff have also brought together 50+ agencies in a social service roundtable to assess where there are synergies and where there are gaps and where they can work together more co-operatively. Collingwood is also looking at creating a Community Investment Fund. Not yet legal in Ontario, New Brunswick is currently doing this and Collingwood hopes to establish one. Collingwood has water in its history with ship building and now could become a place for green tech investments with a water focus first but there are other opportunities too. Collingwood is clearly emerging as an active investor in its local economy and community and stepping away from a traditional third-party role as policy administrator. They are ready to work together with others and take some risks to do more things ahead with the right checks and balances.

Philanthropic Sector: **Rosalyn Morrison**, Chair, [The Institute of Southern Georgian Bay](#) and former Vice President Community Initiatives, Toronto Foundation

Roz opened her comments by saying how “jazzed” she was by the ideas of blurring the boundaries and risk-taking. She noted how philanthropy has taken a leadership role to propel things forward. She reviewed some of the recommendations in the Collingwood Economic Support and Recovery Task Force Report including the Social Service Roundtable and considered how it would interact with roundtables for business and municipal governments on a regional level. She also noted the need, potentially through the livability report mentioned, to track progress through data, and highlighted the need to invest in ways that will ensure we retain and attract talent.

In thinking about how we might accelerate progress and invest in a decade of well-being Roz reviewed some key items generated by community members at Institute events including:

- Building a regional community investment strategy that engages and leverages municipalities and corporate support to finance capacity in the social sector,
- Creating ways to think about public/private/charitable partnerships to create a community benefit fund,
- Accessing new funding streams for social innovation, collective impact and social finance,
- Creating measures to assess where we are and where we need to go, and
- Investing in a Regional Arts & Culture Strategy.

She was clear in her comments about how now is the time to recalibrate and think about issues we are facing currently but also how we can address issues we have had for a long time. We need to think about this both individually and collectively. As she said: “We are seeing a growing sense of urgency reflected in articles, social media, the news, indeed in the streets of our towns, about the need for building back better through this pandemic and beyond. People are wanting a more resilient, equitable, inclusive, and sustainable future.”

Roz went on to describe three stories about how philanthropy has accelerated change and helped people focus on and invest in strategic initiatives to address the challenges we face.

The first story related to the efforts by the Rockefeller Foundation in the US in the wake of Hurricane Sandy. With a multi-sector effort, a program was designed and funded to develop resilience strategies around the world to help cities be better prepared and build their capacity to respond to the increasing number of major disruptions. Resilient Cities included an investment in social infrastructure. A one million dollar investment was made to each of 100 selected cities, with the funds dedicated to hiring a Chief Resilience Officer (CRO), and building a collaboration to learn about, develop, and implement a resilience strategy . Over three years, 100 Resilience Strategies were developed, not only addressing climate change at the municipal level, but also chronic social issues, and a global learning network was created.

The second story was about how Toronto responded to the SARS epidemic in 2003 to address the loss of tourism. In the recovery from SARS, philanthropic, business, and tri-level government leaders, along with a number of leading artists and arts administrators worked together to create a recovery plan that included specific initiatives to successfully attract tourists back to that city. We can learn from these previous situations to consider how we might incorporate Arts and Culture in the regional plan to attract tourists to the region of Southern Georgian Bay.

The third story comes from the Toronto Foundation. They realized more trust, connections, and neighbourhood supports were needed to accelerate progress on addressing chronic social issues and an increasing number of crisis situations. The Foundation led a multi-sector collaboration to explore how to best work together to develop deeper social capital and invest in grassroots neighbourhood projects. Through that work, a number of ongoing partnerships

have developed to strengthen connections and networks and neighbourhood initiatives continue to be funded.

Roz closed with these questions:

- Could recovery strategies regionally consider the idea of equitable investment in the four major sectors of business, nonprofit/charities, government, and philanthropy?
- How robust are these sectors and what gaps might we have if we want to collaborate across the region and become a resilient 21<sup>st</sup> century region?
- And, have we yet fully unlocked the power of philanthropy?

### **Participant Responses and insights in Chat supported by Christy Deere and Marilyn Struthers as Chat facilitators.**

Throughout the webinar participants were invited to use the chat to share their ideas, responses and resources with everyone. The ideas generated within the chat included:

Reflections about a new skill acquired during this time of the pandemic. People noted that they have learned to slow down; to listen more and be less reactive; and to recognize when they need support and ask for it or take the time they need to address concerns.

On mental health, we heard about how a fundraising effort for the CMHA Grey Bruce Ride Don't Hide Event is going well. People seem more in tune with the needs and are paying what they can.

On regional collaboration, people supported it strongly and encouraged the ideas of working outside the box and taking risks to find better solutions.

On the theme of Collingwood as a hub for Sustainability one participant suggested we get more focused and consider pairing digital/tech/environment. They noted there is an influx of skilled designers, marketers and technologists and with a focus like this we could attract more. Building on investments with equity stakes would build in sustainability.

**The next session is June 24, 2020 from 4:30-6:00 pm with a focus on Working Together.**