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ADMINISTRATIVE REPORT

Report Date: November 30, 2010
Contact: Mary Clare Zak
Contact No.: 604.871.6643
RTS No.: 8865
VanRIMS No.: 08-2000-20
Meeting Date: December 14, 2010

TO: Vancouver City Council

FROM: Deputy General Manager, Community Services, in consultation with the Director of Planning

SUBJECT: Greenest City Neighbourhood Grants Funding Allocation: 2009 Carry Forward

RECOMMENDATION

THAT Council approve the recommendation described in this report to expend 2009 Greenest City Neighbourhood Grant funds in the amount of \$35,000 for a feasibility study and business case to develop a food incubator for small business entrepreneurs in the Downtown Eastside neighbourhood; source of funds to be carried forward from 2009 operating budget.

GENERAL MANAGER'S COMMENTS

The General Manager, Community Services Group recommends approval of the aforementioned.

COUNCIL POLICY

On July 8, 2003, Council approved a motion supporting the development of a just and sustainable food system for the City of Vancouver that fosters equitable food production, distribution and consumption; nutrition; community development and environmental health.

On February 15, 2007, Council adopted the Vancouver Food Charter which sets out Vancouver's commitment to the development of a coordinated municipal food policy.

On February 3, 2009, Council passed a motion to establish a Mayor's Greenest City Action Team (GCAT) as a type D Committee.

On April 7, 2009, Council approved the Final Budget Estimates allocating \$100,000 toward a Green Grants fund (referred to here as the City Neighbourhood Grants Fund).

On May 5, 2009, Council received a 'Quick Start' report from GCAT with forty-four recommendations on actions the City can take immediately to advance the goal of becoming the greenest city in the world by 2020. The recommendations included establishing a green grants program.

On November 17, 2009, Council approved the "Hastings Street Renaissance Program" as part of the economic revitalization strategy targeting vacant storefronts and deteriorating building stock issues along Hastings Street between Cambie Street and Gore Avenue in tangible, visible, and timely ways.

Approval of grant recommendations requires eight affirmative votes.

SUMMARY

This report seeks Council approval to allocate \$35,000 from the Greenest City Neighbourhood Grants Fund (carried forward from 2009) for a feasibility study and business case to develop a food incubator for small business entrepreneurs in the DTES. Business Incubators help start-up small businesses with the goal of improving opportunities to sustain themselves. *Food* Business Incubators in particular are being recognized as a 'growth area' in the broader terrain of business incubators.

The proposed physical location for this initiative is 43 West Hastings Street (Save-On-Meats) where aligned activities are being undertaken by Mark Brand Inc., who have secured the head lease for this building and support this project.

While funds will be administered by the Downtown Eastside Neighbourhood House, a registered non-profit organization, the DTES Kitchen Tables Network, a project supporting food security initiatives in the DTES, and Local Food First, a coalition that facilitates opportunities to improve local food system capacities, have agreed to collaborate and lead the initiative.

The project supports Council priorities of Greenest City and Urban Health by informing a comprehensive approach to food policy.

BACKGROUND

The goals of the Greenest City Neighbourhood Fund are i) advance efforts in *Vancouver 2020: A Bright Green Future* Action Plan; ii) promote civic engagement and strengthened social capital at the neighbourhood level, and iii) leverage other external funding, partnerships, and resources.

The \$100,000 annual allocation for 2009 and 2010 Greenest City Neighbourhood grants (totaling \$200,000) focused on supporting urban food system projects such as local food, ecological health, urban greening, a green economy, and building neighbourhood food assets. Approved 2009 and 2010 allocations of the Greenest City Neighbourhood Grant funds are reflected in the financial section of this report. Carry over from 2009 exists because the 2009 budget process was finalized late in the calendar year and a temporary staffing freeze precluded resources from being immediately available.

DISCUSSION

The feasibility and business case will provide a foundation for the Food Business Incubator's physical space and programming and will identify implementation needs, including core functions, criteria for selecting users, infrastructure and equipment required, teaching and learning programmes for potential users including low income groups, ownership and governance options, and community re-investment methods.

Funds will be administered by the Downtown Eastside Neighbourhood House on behalf of the collaborating partners. The DTES Kitchen Tables Network has extensive experience in food security needs and community economic development, and Local Food First has expertise in the needs of the broader food system in Vancouver.

By early 2011, the ground floor unit of 43 West Hastings will re-open as the Save-On Meats store, including a meat counter, groceries, and a café. The second floor will operate as a food commissary kitchen for several DTES commercial restaurants owned and operated by Mark Brand Inc., including Boneta, Diamond Lounge, and Monstr Sushi. Mark Brand Inc. has committed to training and hiring Downtown Eastside residents in partnership with Potluck Café Society through their supportive employment program. Through the Hastings Street Renaissance Project, the City is providing a façade grant to complete exterior façade upgrades to the building.

See Appendix A for a letter of support from Mark Brand Inc. in support of the Food Business Incubator project.

The project represents a step towards achieving DTES economic revitalization and community-building objectives and aligns with the DTES planning strategy by providing support for community engagement in DTES food security and planning projects. Furthermore, the project advances the City's city-wide food system goals. The incubator model will be strategically developed so that it can be replicated in other parts of Vancouver.

The Greenest City Neighbourhood Grants are part of an overall review of Social Policy granting initiatives, and are subject to report back to Council in 2011.

Requirements and Selection process for proponents:

Due to the highly specialized nature of the project as described in this report, DTES Kitchen Tables project and Local Food First were invited to submit a proposal because they have extensive experience in DTES community economic revitalization, food business incubator models and city-wide food system goals. The two organizations submitted a joint proposal which has been recommended for acceptance following evaluation. They have complimentary expertise and they have agreed to collaborate on this effort. Both organizations were screened for their ability to meet eligibility requirements of other Greenest City Neighbourhood Grant recipients, including:

- Requirement to be registered non-profit societies in good standing (or operate under the umbrella of a registered non-profit Society such as a Neighbourhood House);
- A proven track record in neighbourhood-based food projects;
- Experience in sound financial and project planning, including goals, outcomes, and budgets;
- Demonstrated ability to forge partnerships and garner community support;

- Contribution of resources (including volunteer time) towards the project beyond the City's contribution; and,
- Ability to establish cross neighbourhood knowledge transfer and capacity building.

Timelines and Grant Term

The project must be completed within one year of City Council's approval of the grant.

Accountability

A written evaluation outlining results achieved and lessons learned, in addition to financial reports will be submitted to staff upon project completion.

FINANCIAL IMPLICATIONS

This report requests that Council approve a \$35,000 allocation from the 2009 carry forward of the Greenest City Neighbourhood Grants fund for a feasibility study and business case to develop a food incubator for small business entrepreneurs in the DTES. The expenditure will be made from the \$50,032 remaining from the 2009 and 2010 Greenest City Neighbourhood Grant funds. The table below shows the prior disbursements from the Greenest City Neighbourhood Grant funds.

Funding Source	Project	GCAT Fund Budget	Funding Allocation	Amount Remaining	Date approved
2009 Greenest City Grants Budget (carry forward)	SOLE Food Urban Agriculture Project	\$100,000	\$50,000	\$50,000	April 20, 2010 (RTS 08629)
2010 Greenest City Grants Budget	Neighbourhood Urban Food Systems	\$100,000	\$83,968	\$32	June 22, 2010 (RTS 08468)
	Neighbourhood Small Grants Pilot		\$16,000		June 22, 2010 (RTS 08468)
Total		\$200,000	\$149,968	\$50,032	

After the expenditure of \$35,000 recommended in this report, there will be \$15,032 remaining in the Greenest City Neighbourhood Grants funds. The remaining funds will be earmarked for priority initiatives that will be the subject of future Council reports.

CONCLUSION

This report seeks Council approval to allocate \$35,000 from the 2009 Greenest City Neighbourhood Grant fund (carried forward to 2010) toward one project: a feasibility study and business case for a Downtown Eastside (DTES) Community Food Business Incubator which would be housed on the 3rd floor of 43 West Hastings Street (Save-On-Meats).

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To Whom It May Concern:

It is my intention as operator of the building located 43 West Hastings St. to support and help actuate the proposed Downtown Eastside (DTES) Food incubator project in partnership with Local Food First and the DTES Kitchen Tables Project. I am pursuing this and other partnerships with local community organizations in the Downtown Eastside to ensure that the re-opened Save-On Meats is inclusive of and relevant to local residents who have been long-time patrons.

Using all of my resources, along with those of the other parties, I believe we can ensure the success of this project for the term of lease (20 years) and beyond. The project will be given a very reasonable rent to help it remain feasible in it's formative years. I am interested in working with these community organizations on developing a business plan that is mutually beneficial, maximizing the opportunity of the third floor in way that enhances the overall program for the entire Save-On Meats building.

As a businessman and as a citizen of Vancouver, I'm thrilled to see the city working to support innovative social enterprise projects of this nature.

Kindest Regards,

A handwritten signature in black ink, appearing to be 'Mark Brand', written in a cursive style.

Mark Brand