



CITY OF VANCOUVER

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ADMINISTRATIVE REPORT

Report Date: July 7, 2008
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Meeting Date: July 22, 2008

TO: Vancouver City Council

FROM: Chief License Inspector and General Manager of Engineering Services in consultation with the Project Civil City Commissioner

SUBJECT: Soliciting for Charity License Requests

CONSIDERATION

- A. THAT Council issue to the registered charity, Hope in Shadows, a Soliciting for Charity license to raise funds and assist marginalized individuals by selling the Hope in Shadows calendar and book, and the Megaphone street paper year-round on City streets on a one-year trial basis subject to the conditions outlined in this report.
- B. THAT Council issue to the non-profit society, Street Corner Media Foundation, a Soliciting for Charity license to raise funds and assist marginalized individuals by selling the Megaphone street paper, as well as the Hope in Shadows calendar and book year-round on City streets on a one-year trial basis once the society attains registered charity status with Canada Revenue Agency and subject to the conditions outlined in this report.
- C. THAT Council support a policy that no further applications be considered until the results of the trial period are reported back to Council.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services puts forward the aforementioned for Council's consideration.

COUNCIL POLICY

On August 1, 1972, Council passed a By-Law amending the License By-Law which created regulations pertaining to solicitation for charities in Vancouver. The License By-Law regulates the issue of Soliciting for Charity licenses as follows:

Sec 25.4 (1) No person shall carry on any soliciting for charity without first obtaining or being the holder of a license for the specific or particular object or purpose for which the soliciting is to be done.

(2) The provision of subsection (1) shall not apply to appeals made by church organizations, religious denominations or other bona fide societies where such appeals are made solely and exclusively to members of such organizations or societies.

(3) Notwithstanding any other provision of this by-law, a license to permit soliciting for charity on a street may only be issued by Council.

The License By-Law defines *"Soliciting for Charity"* as *the act of canvassing or soliciting for the purpose of collecting or receiving money or property of any kind, the whole or any part of which either directly or indirectly is, or is intended to be, used or disposed of for any charity, relief or benefit, or any philanthropic, patriotic, religious or educational purpose.*

Council policy restricts the amount charged by a professional fund raiser or canvasser to 20% or less of the funds raised, minus the cost of any items purchased for resale as a fund raising item ie. candy bars, flowers, cookies, etc. If the amount charged exceeds 20%, the application is referred to Council for its ruling. As required by the License By-Law, all applications for soliciting on City streets require Council approval.

In December 2006, Council adopted the Project Civil City initiative. There are a number of Council activities and policies on topics that pertain to Civil City work. In this case, the licensing to charities reflects Project Civil City's work in relation to panhandling and social enterprise initiatives.

PURPOSE AND SUMMARY

At the March 11, 2008 meeting, Council passed a motion directing staff to report back on options to license the activity proposed by Hope in Shadows. Hope in Shadows is a common name for a registered charity incorporated as the Society for the Advancement of Marginalized Persons.

Following that meeting, staff was approached by a joint delegation representing Hope in Shadows and the non-profit society, Street Corner Media Foundation, which publishes Vancouver's street paper, Megaphone (formerly called the Street Corner and Spare Change), requesting approval to coordinate their efforts on City streets. This meeting was further to early meetings with the Street Corner Media Foundation and the Project Civil City Commissioner concerning ways to support this social enterprise. The intent is for both organizations to sell the Megaphone paper as well as the Hope in Shadows calendar and book on City streets. This would increase exposure for all three products and enable a greater number of marginalized individuals to become gainfully employed.

This report responds to Council's request to report back on the Hope in Shadows initiative and incorporates Street Corner Media Foundation's proposal to coordinate sales of Megaphone with the activities of Hope in Shadows. It also puts forward for consideration that these activities be licensed for one year.

BACKGROUND

The Vancouver Charter (Sec. 272(o)) permits Council from time to time to make by-laws for licensing persons who solicit or collect gifts or alms, or the promise thereof, whether in the form of money, merchandise or otherwise, and for preventing such soliciting or collecting on any street without a permit issued under the provisions of the by-law. Council exercised those powers by enacting section 25.4 of the License By-law.

In the past, Soliciting for Charity licenses have been issued to charities registered with the Canada Revenue Agency. These licenses are issued on an annual basis, valid from January 1 to December 31, at a cost of \$10.00. All requests are submitted on a Soliciting for Charity application form. First-time applicants are requested to supply a copy of the association's Society Act registration.

Street vending, on the other hand, is regulated through the Street Vending By-Law which allows a limited amount of street vending at fixed locations, mobile food vending (ie. Ice cream) and vending at special events. Currently, there is a limit of 120 vending locations in the City. The street vending policy is intended to add interest to the streetscape and animate the public realm. Street vending permit fees vary depending on the type of vendor.

In order for the requested vending activities to proceed, both the Street Vending By-Law and the soliciting for charity provisions in the License By-Law need to be considered.

DISCUSSION

Motion

At the March 11, 2008 Council Meeting, Councillor Ladner moved the following Motion on Notice:

WHEREAS:

- 1. Hope in the Shadows Inc., a federally registered charity, screens, trains and organizes vendors of an annual calendar to sell on the streets of Vancouver, generating funds for the charity to enhance its work providing part-time jobs to marginalized populations;*
- 2. Having a valid license legitimizes these vendors in the eyes of pedestrians, police and security guards;*
- 3. Hope in the Shadows Inc. would like to expand its product offerings to provide more year-round street-selling opportunities to raise money for the charity's public education and low-threshold employment programs;*
- 4. The City of Vancouver License By-Law 4450 states that a license is required to permit soliciting for charity on a street may only be issued by Council;*

THEREFORE BE IT RESOLVED THAT staff report back by memorandum on issues involved in licensing the activity proposed by Hope in Shadows.

Further to the above Motion on Notice, staff was advised that Hope in Shadows wished to coordinate their efforts with the non-profit organization, Street Corner Media Foundation, which publishes Vancouver's street paper "Megaphone" (formerly Street Corner and Spare Change), on City streets year-round. The intent was for both organizations to have the ability to sell all three products (ie. Hope in Shadows calendar; Hope in Shadows book; & the street paper "Megaphone").

Registered Charity: Hope in Shadows

The Hope in Shadows charity has been in operation for five years and has enabled between 100 and 200 low-income individuals to collectively earn more than \$150,000 selling photography calendars. The calendars represent a compilation of winning photographs from an annual photography contest where Downtown Eastside residents are encouraged to take photos depicting their community. To date, the Hope in Shadows photography contest and calendar project has generated more than 20,000 personal images of the Downtown Eastside community and is an important source of empowerment for Downtown Eastside residents. In past years, Hope in Shadows calendars have been sold by marginalized individuals over a period of approximately three months. Staff have supported the activity because of the relatively short sale period, the tangible benefits to marginalized vendors and absence of complaints from the public.

Recently, Hope in Shadows has also published a book which presents a compilation of calendar photos with accompanying personal stories told in the voices and perspectives of the residents of the Downtown Eastside. Like the calendars, Hope in Shadows wishes to sell the book on city streets.

The marginalized individuals selling the Hope in Shadows calendar and book retain half of the \$20 sale price of the calendar or book with the other half used to offset production costs and generate funds for various leadership and employment assistance programs offered by the charity.

Non-Profit Society: Street Corner Media Foundation

The Street Corner Media Foundation publishes a street paper twice a month called the Megaphone (formerly called the "Street Corner" and "Spare Change"). Megaphone has been a voice for the city's homeless and low-income community for the past eight years, while providing a job for low-income individuals. The paper's goal is to build livelihoods for socially excluded citizens and to break down stereotypes by empowering individuals and informing the community. Selling these newspapers is an alternative to panhandling and other street activities and provides an important low barrier employment opportunity. Currently, individuals in the Street Corner Media Foundation program purchase copies of the Megaphone from distributors for 50 cents each and sell the paper for a fair donation.

Partnership: Hope in Shadows and Street Corner Media Foundation

Individually, both the Hope in Shadows calendar/book projects and the Megaphone street paper have proven uniquely successful in providing accessible, meaningful employment opportunities for marginalized individuals who have been unsuccessful in finding and or retaining traditional employment. A partnership between Hope in Shadows and the Street Corner Media Foundation would provide participants in these worthwhile programs more

flexibility to sell all three products thereby increasing the products' exposure and selling more products overall. In coordinating their efforts, Hope in Shadows and Megaphone are prepared to restrict the number of active participants selling on City streets to no more than 100 at any one time.

Soliciting for Charity License

As the intent of the Soliciting for Charity license is to allow registered charitable organizations to raise funds, normally through the use of volunteers, Soliciting for Charity licenses have historically been issued only to registered charities. The Hope in Shadows proposal could be considered more of an employment program involving vending on City streets rather than a charity fund-raising effort, in which case the provisions of the City's Street Vending By-Law would apply. However, Hope in Shadows has requested that the City consider its proposal as soliciting for charity under the License By-Law arguing that vendors are "collecting or receiving money.....the whole or part of which either directly or indirectly is intended to be used or disposed of for a charity."

On the other hand, the Street Corner Media Foundation is a non-profit organization, not a registered charity, albeit with a strong charitable mandate. Therefore, it does not qualify for a Soliciting for Charity license. For this reason, the Street Corner Media Foundation is currently in the process of applying to the Canada Revenue Agency for registered charity status.

License By-Law provisions require that soliciting for charity on City streets be approved by Council. Council has been hesitant in approving Soliciting for Charity license applications in the past due to concern that the retail activity would result in overly aggressive sales tactics, congestion on City sidewalks and competition with fixed-address businesses selling similar products. Examples of Soliciting for Charity licenses supported by Council on a short-term basis include solicitation for the Boy Scouts of Canada, the Vancouver Poppy Day Fund and the Vancouver Kinsmen Club.

Although the joint Hope in Shadows/Megaphone proposal benefits both marginalized individuals and the organizations themselves, staff note the following concerns:

- i) The proposal, if expanded to other organizations, could have an impact on City streets, something which was recently experienced with the proliferation of new newspapers and newspaper boxes. The explosive growth in the number of news boxes experienced in 2004 following the introduction of three new free daily papers generated a significant number of issues and public complaints related to littered newspapers, extra clutter on the sidewalks and blockage of pedestrian access. Subsequently, an extensive stakeholder review and consultation process was conducted resulting in the development of a city-wide newspaper box policy. The new policy continues to permit news boxes to be placed on City streets but introduces further restrictions regarding their placement and overall numbers and holds publishers accountable for cleaning and maintaining their news boxes.

As a considerable amount of work was undertaken in the development and implementation of a city-wide newspaper box policy, staff are concerned that the expanded sales of street papers may create an equity issue with existing publishers selling newspapers through news boxes.

- ii) The proposal could have an impact on fixed-address businesses selling similar goods/products. As the proposal does not propose precise sale locations, at times, vendors may be selling directly in front of a retailer offering similar goods. This may result some unfair competition and loss of business for the competing fixed-address business.
- iii) To maximize sale volumes, most vendors would likely frequent areas with high pedestrian traffic volumes. As a result, additional congestion on already busy city streets could be exacerbated through the introduction of additional street vendors. This would create mobility difficulties for pedestrians and the potential for aggressive and unsafe sales tactics.
- iv) The proposal could be setting a precedent for the sale of other similar goods/products on city streets. The City has already received a number of proposals involving the sale of certain publications on city streets which would be, to some extent, in competition with newspaper boxes. These interested parties have been advised of the City's newspaper box policy.

For the reasons above, staff recommend that Council consider issuing the Hope in Shadows registered charity a Soliciting for Charity license on a one-year trial basis and postpone the same approval for the Street Corner Media Foundation until the non-profit society attains registered charity status with the Canada Revenue Agency. The Soliciting for Charity licenses would permit both organizations to sell year-round on City streets over a one-year trial period subject to the following conditions:

- The products sold are restricted to the Hope in Shadows annual calendar, the Hope in Shadows book and the "Megaphone" street paper.
- The individuals involved must be low-income marginalized individuals as evaluated by these organizations.
- All individuals involved must:
 - receive training on how to sell on a street;
 - adhere to a code of conduct approved by the City;
 - move to a new location if the business they are in front of asks them to move; and
 - wear photographic identification with their name and the name of the organization and be willing to present this identification to City inspectors or police officers on request.

At the end of the one-year test period, staff will report back to Council on the results of this trial. Staff acknowledge that there may be other charities and/or non-profit societies that may request to undertake similar fundraising efforts over the one-year trial period. However, in order to monitor the impacts, it is recommended that only the two approvals (one conditional) outlined in this report be permitted during the testing period. At the end of the trial period, staff will assess the impacts of the Soliciting for Charity licenses and if necessary, would undertake the development of a larger policy around soliciting for charity requests through the creation of a work plan, identification of required resources and consultation with affected stakeholders, including Business Improvement Areas, community groups,

existing street vendors, newspaper publishers, charitable organizations and other related agencies. Staff would then report back on the results of the consultation.

CONCLUSION

The current Civil City initiatives and the City's Social Plan gives marginalized persons in the City a very high priority. The Hope in Shadows registered charity and the Street Corner Media Foundation non-profit society both have solid charitable mandates which strive to empower the lives of marginalized individuals. Allowing low-income persons to sell a certain product gives them a sense of fulfillment and hope, the ability to make a contribution to the community and offers an important alternative to panhandling.

Given that Hope in Shadows is a registered charity and the Street Corner Media Foundation (Megaphone) has made application to become a registered charity, it is recommended that Council give consideration to issuing the registered charity, Hope in Shadows, a Soliciting for Charity license to sell the Hope in Shadows calendars and book and the Megaphone street paper year-round on City streets on a one-year trial basis subject to the conditions outlined in this report. It is also recommended that consideration be given to issuing the same approval to the Street Corner Media Foundation which will partner with Hope in Shadows at such time as the Foundation becomes a registered charity.

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