



ADMINISTRATIVE REPORT

Report Date: February 7, 2012
Contact: Sadhu Johnston
Contact No.: 604.873.7627
RTS No.: 9472
VanRIMS No.: 08-2000-20
Meeting Date: February 14, 2012

TO: Standing Committee on City Finance and Services

FROM: General Manager, Community Services Group in Consultation with Deputy City Manager

SUBJECT: Grant to Support Plans for New City Market

RECOMMENDATION

THAT Council approve the contribution of a one-time grant of \$50,000, donated to the City of Vancouver by Vancouver City Savings Credit Union (VanCity), to Your Local Farmers Market Society for business and site planning for a central food hub, called New City Market, to include functions such as a year round farmers market, and provide food processing, distribution, training and community outreach opportunities for Vancouver citizens.

FURTHER THAT the Director of Legal Services be authorized to execute and deliver on behalf of the City all legal documents required to implement the recommendation above.

FURTHER THAT all such legal documents be on terms and conditions satisfactory to the General Manager of Financial Services, Director of Legal Services, and General Manager, Community Services.

FURTHER THAT no legal rights or obligations will be created or arise by Council's adoption of the recommendations above unless and until such legal documents are executive and delivered by the Director of Legal Services.

REPORT SUMMARY

This report seeks Council's approval to grant \$50,000 to Your Local Farmers Market Society for New City Market business plan development, consultation, and site planning efforts. In 2011 the City received \$50,000 as a donation from VanCity for the purpose of advancing business and site planning for a central food hub in Vancouver. The planning for and creation of a central food hub is a joint partnership between the City, VanCity, and Your Local Farmers Market Society.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

On July 12, 2011 Council adopted the Greenest City Action Plan presenting measurable goals and targets including increasing food assets by 50% and supporting the creation of local food infrastructure; including a food hub, and increasing the number of green jobs in Vancouver.

On March 1, 2011 Council approved a \$50,000 grant to EMBERS (Eastside Movement for Business & Economic Renewal Society) to support the social enterprise "EMBERS Green Renovations" with funds received from VanCity.

On February 15, 2007, Council adopted the Vancouver Food Charter setting out the City's commitment to the development of a coordinated municipal food policy supporting a health economy, ecology, and society.

On July 8, 2003 Council approved a motion supporting a just and sustainable food system for the City of Vancouver.

Approval of grant recommendations requires eight affirmative votes.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager recommends approval of the forgoing. The grant will advance efforts of an important partnership that helps achieve Greenest City 2020 objectives of local food access, purchasing and distribution. A central food hub will help stimulate local employment opportunities and aligns with Vancouver Economic Commission's Economic Action Strategy's intent to support business clusters, such as food, and entrepreneurial efforts. In addition, a year round farmers market will improve access to locally grown produce to citizens and advance the City's urban health priorities.

REPORT

Background/Context

Over the past few years, Local Food First, a steering committee comprised of organizations with an interest in scaling-up Vancouver's local food-chain infrastructure identified a central food hub as a key solution to improving access to local food, supporting a sustainable and local economy, and a means to address environmental damage by reducing carbon emissions.

Further, research demonstrates that demand for local food from citizens is growing, with 70% of adults reporting an increase in the amount of local food purchased. Additionally, farmers markets in Vancouver are witnessing an increased number of people attending seasonal markets. In 2010 Your Local Farmers Market Society had \$4.6 million in vendor sales, up from \$4.1 million in 2009. Local chefs also provide anecdotal evidence to confirm this trend, and the increase in urban farming attests to this, with over 20 urban farmers growing food in backyards throughout Vancouver.

At the time of the donation (September 2011), it was VanCity's desire to direct their funds to the Your Local Farmers Market Society to support a central food hub, however, a structure for the project, a project team, and appropriate governance had yet to be confirmed. Since

then, the City, VanCity and Your Local Farmers Market Society formed a steering committee to oversee the advancement of business and site planning. Your Local Farmers Market Society has established a structure, governance and experienced team to oversee the implementation of the project. Future funding from VanCity or other funding bodies will be granted to Your Local Farmers Market Society directly. The steering committee also appointed an advisory group that includes the Vancouver Economic Commission and others representing a range of relevant business, food, and planning expertise.

VanCity provided the donation through a Memorandum of Understanding specifying that the \$50,000 be used to further business plan development and site planning for this project, which include defining the scope of the business model, determining the structure, revenues and costs, suggested governance and financing options, and to undertake a consultation process involving local farmers, chefs, other food related businesses and the general public. Funds are payable to the Your Local Farmers Market Society based on the completion of the first phase of business plan consultation.

The entire project timeline proposes land acquisition, final business plan, governance structure and capital campaign to begin in the next year, with New City Market opening its doors in 2014.

*Strategic Analysis **

The grant supports a number of goals and targets embedded in the Greenest City Action Plan, Vancouver Economic Commission's economic strategy, and an urban health partnership with the local health authority and other partners. The Local Food Action Plan long term goal is for Vancouver to become a global leader in urban food systems. The food hub represents an important piece of food infrastructure that will contribute to this end. The food hub represents a unique and innovative model in connecting rural food supply to urban demand while providing resources for value added production and aggregation for urban food distribution.

The need for a central food hub is also identified as part of the Greenest City economic goals and aligns with the Economic Action Strategy (EAS). The central food hub has the potential to support existing urban and rural small farmers to promote and sell their products to local consumers and to stimulate emergent food entrepreneurs in producing and distributing products. Food sector development, expanding opportunities for employment and business expansions is also identified as part of the EAS. The EAS also supports key gaps needed for cluster or sector growth, and the Vancouver Economic Development Commission identifies a food hub as one of these gaps.

The food hub can potentially support a range of functions including, but not limited to:

- a year round farmers market;
- a chefs market;
- a commercial kitchen for food entrepreneurs to produce local value added products;
- training to build skills of emergent food entrepreneurs by providing education, training and marketing expertise;
- commissaries for local food vendors to store carts and supplies;
- commercial/office space.

Further, the central food hub can connect with and act as a resource and support to other food related initiatives, including Neighbourhood Food Networks of which there are 8 in Vancouver. The Networks work collaboratively to achieve food systems goals and seek to increase overall human capital and community capacity at the neighbourhood scale. The food hub could be a centre for resources, information and exchange for citizens and agencies working on sustainable food systems.

Staff are also currently developing a strategy for a just and sustainable food system for Vancouver. The strategy will outline the vision, goals and actions in moving the city towards being a leader in urban food systems. The food hub proposal aligns with proposed recommendations and actions in the draft strategy.

Implications/Related Issues/Risk (if applicable)

Financial

The source of funds for this grant is from VanCity as per a letter of agreement signed between VanCity and the City of Vancouver in 2011. Council approved a similar arrangement on March 1, 2011 involving a \$50,000 grant to EMBERS (Eastside Movement for Business & Economic Renewal Society) to support the social enterprise "EMBERS Green Renovations" with funds received from VanCity.

CONCLUSION

This grant, provided by VanCity, will support planning for a central food hub in Vancouver that helps the City achieve Greenest City, Economic Action Strategy and urban health objectives.

* * * * *