



## REPORT

Report Date: February 24, 2020  
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Meeting Date: March 10, 2020  
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TO: Vancouver City Council

FROM: General Manager, Arts, Culture, and Community Services in conjunction with General Manager, Real Estate and Facilities Management

SUBJECT: Licence Agreement for Portions of City-owned Land at 215 West 1st Avenue and 1850 Spyglass Place to Sole Food Street Farms for Urban Agriculture Purposes

### **RECOMMENDATION**

A. THAT Council authorize the Director of Real Estate Services to negotiate and execute an amended licence agreement (the "Licence") with Cultivate Canada Society, dba Sole Food Street Farms ("Sole Food"), for an approximate 95,000sf portion of City owned lands located at 215 West 1st Avenue, legally described as PID: 026-979-772 Lot 327 False Creek Plan BCP28525 and 1850 Spyglass Place, legally described as PID: 026-498-502, Lot 308, except part on Plan BCP29724, False Creek Plan BCP20723 (collectively, the "Property") on the terms and conditions outlined in this report, including:

- a term of 3 years and 7 months, commencing April 1, 2020;
- a nominal rental rent of \$10.00 for the term; and
- subject to an early termination provision in favour of the City upon 6 months' notice.

All terms and conditions to be to the satisfaction of the General Manager of Arts, Culture, and Community Services, the Director of Real Estate Services and the Director of Legal Services.

As the rent under the Licence for the Property will be below the applicable market rate, Recommendation A constitutes a grant valued at approximately \$380,000 per annum, or \$1,360,000 for the 3-year 7 month term of the licence.

- B. THAT Council approve a grant of up to \$220,000 to Cultivate Canada Society, dba Sole Food Street Farms (“Sole Food”) for urban agriculture moving expenses and hereby deems the grantee to be contributing to the welfare of the City. Source of funds is Arts, Culture, and Community Services 2020 Operating Budget.
- C. THAT Council authorize the General Manager, Arts, Culture and Community Services to negotiate and execute agreements to disperse the grant described in Recommendation B on the terms and conditions set out herein or such other terms and conditions as are satisfactory to the General Manager, Arts, Culture and Community Services and the Director of Legal Services.
- D. THAT no legal rights or obligations will arise or be created by Council's adoption of Recommendation A unless and until all legal documentation has been executed and delivered by the respective parties.

Recommendations A and B are grants and require an affirmative vote of two-thirds of Council members per Section 206(1) of the *Vancouver Charter*.

### **REPORT SUMMARY**

The report seeks Council's approval for an amended licence for portions of city-owned property at 215 West 1st Avenue and 1850 Spyglass Place (collectively, the “Property”) to Cultivate Canada Society, dba Sole Food Street Farms “Sole Food” for urban farm use. Use of the Property will enable Sole Food to consolidate programming and activities from three city sites to one expanded site, allowing the Property Endowment Fund to redeploy two of the sites for market rents. The report also includes a grant recommendation to Sole Food for the costs of moving greenhouses and other urban agriculture infrastructure, as Sole Food would not be able to continue operations if they had to cover these moving expenses. Sole Food provides residents who have limited resources with paid training and employment to grow fruits and vegetables for distribution to markets, restaurants, and non-profit organizations and promote healthy and green development in Vancouver. Staff recommend a 3-year and 7 month licence term due to anticipated development of the site as set out in the Southeast False Creek Official Development Plan. The Licence is subject to an early termination provision.

### **COUNCIL AUTHORITY/PREVIOUS DECISIONS**

- **Greenest City Action Plan** – In 2010, Council adopted the Greenest City Action Plan that included the need for a food systems strategy and identified a target to increase food assets, including urban farms, by a minimum of 50%.
- **Sole Food Lease Agreements** – In 2012, Council authorized three lease agreements for Sole Foods to develop and deliver urban farming programs at 1580 Vernon Drive, 1500-1550 Main Street and 331 West 1<sup>st</sup> Avenue (also referred to as 215 W 1<sup>st</sup> Avenue), with Vernon Drive and Main Street commencing immediately. The West 1<sup>st</sup> Avenue lease was postponed pending a consolidation of Sole Food's third-party leases with adjacent landowners. In December 2016, Council authorized the renewal of the Vernon Drive and Main Street lease agreements for an additional three years. In November 2017, the City

entered into a separate licence agreement for a portion of 215/331 West 1st Avenue, adjacent to the Cambie Street Bridge.

- **Vancouver Food Strategy** – In 2013, Council adopted the Vancouver Food Strategy including goals and actions to support urban farming.
- **Southeast False Creek Official Development Plan** – In 2005, Council adopted the Southeast False Creek Official Development Plan that includes goals to encourage a complete community with demonstrated sustainability strategies including urban agriculture.
- **Healthy City Strategy** – In 2014, Council adopted the Healthy City Strategy that supports goals of Feeding Ourselves Well and Making Ends Meet and Working Well.
- **Urban Farming By-law and Guidelines** – In 2016, Council adopted the urban farming guidelines, zoning and development by-law, and license by-law that allow urban farming as a defined use on zoned lands.
- **Sole Food Grants** – In May and October 2017, Council approved grants to Sole Food of \$50,000 for urban agriculture moving expenses, and \$34,000 for urban agriculture programming.

### ***CITY MANAGER'S/GENERAL MANAGER'S COMMENTS***

The General Manager of Arts, Culture and Community Services and General Manager of Real Estate and Facilities Management recommend approval of the foregoing.

### ***REPORT***

#### ***Background/Context***

Sole Food has been operating in Vancouver since 2009, and is the largest urban farming organization in the city both in terms of area farmed and food produced. Sole Food turns underutilized or vacant lots into vibrant and productive growing spaces and, in doing so, provides essential training and employment for 27 people with barriers to traditional employment, and provides a local source of healthy food. They apply unique growing techniques in movable raised garden beds which do not disrupt the ground cover of the often contaminated sites. With these techniques, they produced 30,000 lbs of vegetables and fruit in 2018 and sold to 60 restaurants. A 2018 study calculated a \$4.11 social impact created for every \$1.00 paid to Sole Food mission-based staff.

Since 2012, Sole Food has operated on two City-owned parcels in the Property Endowment Fund (the "PEF"): 1580 Vernon Drive, and portions of 1500 Main Street. As of 2017, Sole Food's tenure on City-land expanded to include portions of the Property, which is also owned by the PEF. These were approved by Council at nominal lease rates of \$10/year. Leases on two of these sites (Main Street and Vernon Drive) have expired, with the agreements on overhold. Upon vacant possession and in keeping with the PEF's mandate, the intention is to lease the

Main Street and Vernon Drive sites at market rents. See Appendix A for a map of the existing Sole Food operations on City-owned sites and the site of the proposed consolidation.

### ***Strategic Analysis***

Sole Food is a leader in urban farming in Vancouver and North America with innovative business and operational models that directly align and advance the City's overarching sustainability objectives including:

- Supporting the Heathy City Strategy interests by helping to address food security, social, physical and mental health and addictions needs of residents;
- Supporting the Vancouver Food Strategy and Greenest City Action Plan targets including increased food assets and increasing the number of green jobs; and
- Aligning with the Vancouver Economic Strategy by supporting employment within the local, sustainable food sector.

The City's proposed nominal land lease (valued at approximately \$380,000 annually) leverages approximately \$300,000 annually in grants and foundation funding for Sole Food.

The Property is ideal for the consolidation of Sole Food's programming and activities from Main Street and Vernon Drive, allowing the PEF to redeploy the Main Street and Vernon Drive sites for market rents. The Property meets a number of requirements including appropriate size, proximity to the Downtown Eastside where employees reside, the ability to accommodate interim temporary uses while awaiting redevelopment, and the fact that portions of the Property are already being utilized by the organization.

The existing Sole Food Licence at the Property (which expires December 1, 2020) will be amended to allow for the proposed expansion of their operations and extension of the term to October 31, 2023.

Policy in the Southeast False Creek Official Development Plan permits rezoning on this site for residential uses with a permeable development fabric that includes pedestrian pathways running from 1st Avenue to the waterfront park. Under the site's existing M-2 zoning Urban Farm - Class B uses are conditionally permitted. The Southeast False Creek Official Development Plan's policy is supportive of urban agricultural uses, including a community demonstration garden in the park near the future elementary school site, and a site for a farmer's market. The size of the proposed farm exceeds 7000m<sup>2</sup> and will require a Director of Planning size relaxation, per urban farming regulations. The size relaxation is considered only because the Property is City-owned and therefore will not result in any taxation impact; and will be subject to a staff analysis of layout, operational plan, and water management plan.

Sole Food would temporarily activate the Property until the initiation of anticipated development of the Property as set out in Council policy, through the Southeast False Creek Official Development Plan. Policy in the Southeast False Creek Official Development Plan allows for interim uses that do not require permanent structures. Under the plan, interim uses are permissible for no more than three years subject to renewal dependent on the progress of long-term permanent uses. The proposed three year term for Sole Food will not hinder the development of the Property in this regard.

Sole Food operations include greenhouses, raised garden boxes, and fruit trees in planters. The costs of dismantling, moving, and reinstalling this infrastructure is estimated to cost \$220,000.

Sole Food's annual operating budget is approximately \$550,000, half of which is from produce sales and the other half from grants and foundations.. Sole Food would not be able to continue operations if they had to cover these moving expenses. Sole Food will continue growing in raised garden boxes in order to avoid any contamination concerns that could arise by disturbing the ground cover.

### ***Implications/Related Issues/Risk***

#### ***Financial***

The rent under the Licence for the Property is proposed to be at a nominal rate, which constitutes a grant valued at approximately \$380,000 per annum, or \$1,360,000 for the term of the 3-year and 7 month licence. The consolidation of Sole Food on one PEF site provides the opportunity for the two vacated sites to be deployed at market rates in accordance with PEF's mandate. These sites are anticipated to generate approximately \$125,000 per year per site.

In addition to the nominal rent, a one-time cash grant of up to \$220,000 is recommended for moving related expenses; source of funding to be the ACCS 2020 Operating Budget.

It is important to note that the size relaxation is considered only because the Property is City-owned and therefore will not result in any taxation impact.

#### ***Environmental***

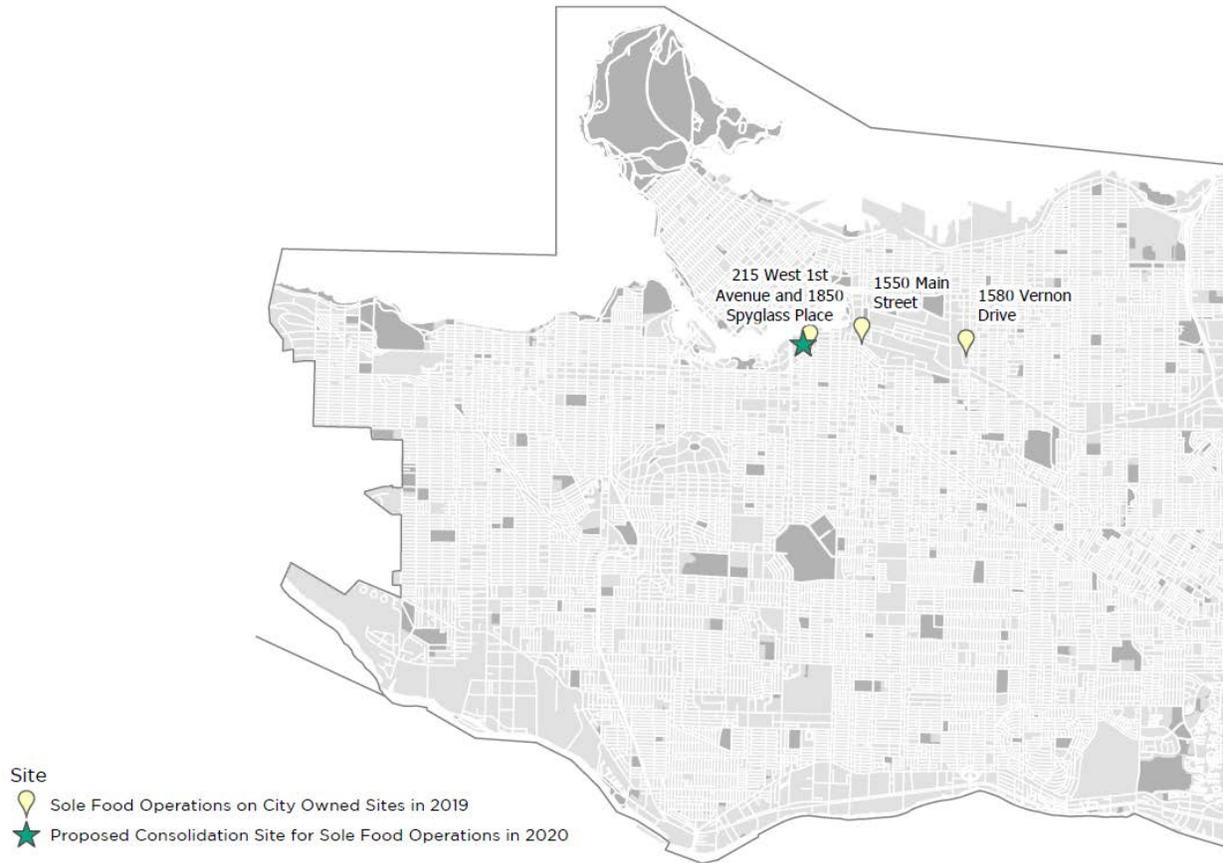
Sole Food will continue growing in raised garden boxes in order to avoid any contamination concerns that could arise by disturbing the ground cover. No negative impact to the Property is anticipated.

### ***CONCLUSION***

The urban farming activities and programs operated by Sole Food provide positive contributions to the City of Vancouver and the lives of their employees, and furthermore contribute to many Council priorities and goals outlined in the Vancouver Food Strategy, Greenest City Action Plan and the Healthy City Strategy. The General Manager of Arts, Culture, and Community Services is seeking Council's approval of the licence terms noted in Recommendation A, a one-time grant in Recommendation B, and authorization for the Director of Real Estates Services to enter into a licence agreement with Sole Food for a portion of the Property to allow for urban farming activities.

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Map 1 - Sole Food Sites Located on City Land



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