



# City of Richmond

## Report to Committee

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**To:** General Purposes Committee **Date:** September 1, 2023  
**From:** Katie Ferland **File:** 08-4150-01/2023-Vol  
Director, Business Services 01  
**Re:** Richmond Food Hub Implementation Plan

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### Staff Recommendation

That the staff report titled, "Richmond Food Hub Implementation Plan", dated September 1, 2023 from the Director, Business Services, be received for information.

Katie Ferland  
Director, Business Services  
(604-247-4923)

Att. 1

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER	
SENIOR STAFF REPORT REVIEW	INITIALS:
APPROVED BY CAO	

## Staff Report

### Origin

This report responds to a referral from Planning Committee dated February 3, 2021:

*That staff investigate opportunities for establishing a food hub in Richmond, possibly in conjunction with the Steveston Harbour Authority, explore potential food hub partnership with the Ministry of Agriculture, Food and Fisheries in terms of funding, and look at the fisheries food hub in the City of Port Alberni, and report back.*

When staff initially responded to this referral in early 2022 following research and discussion with potential partners, Ministry staff had advised that funding was no longer available through the B.C. Food Hub Network Grant Program. The most immediate opportunity identified for the creation of a food hub in Richmond was the attraction of a for-profit business that was in the process of establishing a shared-use commercial kitchen in the city. This facility is expected to open in 2024.

A new opportunity has now emerged for the City to pursue the development of a Richmond Food Hub with support from the Government of B.C.

On March 7, 2023, the Government of B.C. announced an overarching investment of \$200 million in food security, noting that the Ministry of Agriculture and Food would be investing in new and enhanced programs to strengthen B.C.'s food supply chain and expand local food production. Subsequently, the Ministry indicated a commitment to provide a \$1 million grant to the City of Richmond toward establishing a commercially-focused Richmond Food Hub, which would be the 14<sup>th</sup> hub in the B.C. Food Hub Network.

In a previous memorandum dated April 20, 2023, Council received notification of the \$1 million grant from the Ministry of Agriculture and Food to conduct a feasibility study and support the development of a commercially-focused food hub as part of the B.C. Food Hub Network. The grant was publicly announced by the Ministry of Agriculture and Food in a News Release<sup>1</sup>, dated June 13, 2023.

The purpose of this report is to provide information on the project implementation plan for this initiative.

This report supports Council's Strategic Plan 2022-2026 Focus Area #2 Strategic and Sustainable Community Growth:

*Strategic and sustainable growth that supports long-term community needs and a well-planned and prosperous city.*

*2.5 Work collaboratively and proactively to attract and retain businesses to support a diversified economic base.*

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<sup>1</sup> <https://news.gov.bc.ca/releases/2023AF0035-000926>

This report supports Council's Strategic Plan 2022-2026 Focus Area #5 A Leader in Environmental Sustainability:

*5.4 Support agriculture and local food systems to enhance food security.*

This report supports Council's Strategic Plan 2022-2026 Focus Area #6 A Vibrant, Resilient and Active Community:

*Vibrant, resilient and active communities supported by a wide variety of opportunities to get involved, build relationships and access resources.*

## **Analysis**

### Background

The B.C. Food Hub Network<sup>2</sup> was created to foster growth and innovation in the food processing sector through improved industry access to facilities, technology, technical services and business supports.

A "Food Hub" in this context refers to the provision of shared-use commercial facilities for food and beverage processing, storage and distribution as well as services and resources to support business development and growth.

The network of food and beverage processing and innovation hubs is being developed in collaboration with industry, communities and post-secondary institutions.

Richmond is home to many existing strengths in the agri-food and seafood processing ecosystem, and this grant funding provides the opportunity to build on that strong foundation. This initiative can also explore how to bolster the innovation ecosystem in this specific sector, providing a platform for newer entrepreneurs and growing businesses to access key resources, information, equipment, tools and space.

### Project Plan

There are three key phases planned for this project. First, this funding provides the opportunity to conduct a gap analysis and needs assessment to better understand Richmond's current strengths and identify how a Food Hub could respond to gaps and benefit the economy of the local community (Phase 1). It is expected that significant public and stakeholder engagement will be a key part of this process. This phase is expected to start in Fall 2023 and be completed by the end of 2024. A report to Council will be prepared that will provide a summary of the engagement activities, gap analysis and needs assessment, and recommended next steps.

Based on the results of Phase 1, and depending on Council direction and the ability to secure sufficient additional funding, the City could then proceed with Phases 2 and 3. This could

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<sup>2</sup> <https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/growbc-feedbc-buybc/bc-food-hub-network/regional-food-processing-and-innovation-hubs-in-bc>

include issuing a Request for Proposals or similar competitive procurement approach to seek an entity (or partnering entities) to provide the location and/or facility to establish a Food Hub. This would include a business plan for its operations and governance structure. Phase 2, during which an appropriate site and operating structure would be established, is anticipated to take place during Spring 2025. Phase 3, the construction and/or redevelopment of the potential site with partners would follow, with a potential launch date in Fall 2026.

Depending on Council direction, it is anticipated that the City's role in this initiative may include assessing needs, supporting start-up activities, and governance oversight, while the Hub would be self-sustaining in the future.

Funds from the Government of B.C. will be used to support staff resourcing, consultant costs, and Hub implementation costs related to advancing an identified site/facility toward launch. It is anticipated that approximately 24% of the grant will be spent in Phase 1, 2% in Phase 2, and 75% in Phase 3. For a more detailed implementation plan, including information on activities expected to take place in each phase, see Attachment 1: Detailed Implementation Plan.

### **Financial Impact**

There is no expected financial impact in 2023. Proposed expenditures in 2024, 2025, and 2026, up to the total amount of the \$1 million grant received from the Government of B.C., will be included in the Five-Year Financial Plan.

### **Conclusion**

With many existing agri-food and seafood sector strengths in Richmond and a past referral from Planning Committee to explore the establishment of a Food Hub, this recent \$1 million grant from the Ministry of Agriculture and Food provides an opportunity to advance this initiative. This seed funding to explore the gaps in the current agri-food and seafood processing ecosystem and establish a new Richmond Food Hub will help move the city toward a strong, connected, and innovative food system that provides opportunities for growers, fishers, processors, and creators in the local community.

As a next step, staff will proceed with Phase 1, which includes commissioning a gap analysis and needs assessment study. Plans for public engagement and information to support decision-making on key milestones will be provided to Council as this project develops.



Jill Shirey  
Manager, Economic Development  
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Att. 1: Detailed Implementation Plan: Richmond Food Hub



# City of Richmond

## Detailed Implementation Plan: Richmond Food Hub

### Description

- As a member of the Government of B.C.'s successful network of commercial food hubs, the Richmond Food Hub will be a key connection point in the city's agri-food and seafood ecosystem, providing space, infrastructure, and services for local food businesses to innovate and grow.
- With an emphasis on connecting local farming and fishing businesses, food processors, restaurants, and other culinary businesses, the Richmond Food Hub will be home to shared-use food processing facilities, training, innovation, product development, and business services opportunities for the full agri-food and seafood value chain.

### Goal

- To identify and explore the gaps in the current agri-food and seafood processing ecosystem and establish a new Richmond Food Hub that will address those gaps and move the city toward a strong, connected, and innovative food system that provides opportunities for growers, fishers, processors, creators, and customers.
- It is anticipated that the Richmond Food Hub will act as an incubator for nascent, innovative food businesses, will help provide market opportunities for local farming and fishing communities, and will support food security and community food systems.

### Objectives

- Depending on the results of the gap analysis and specific needs identified, the benefits of the Richmond Food Hub will include:
  - New shared-use food processing equipment, facilities and services for value-added food production, including for innovation and new product development; and
  - Food industry training and job opportunities.
- It may also include:
  - Storage and related facilities for distribution and retail of locally produced food, which can help encourage increased production and local sales by farmers and fishers; and
  - Space for programs and initiatives offered by community partners that support community food systems and food security, including those focused on circular economy and reduction of food waste.

### Project Plan

#### Key Activities

- **Phase 1: Gap analysis and feasibility study.**
  - This will be undertaken by a proponent identified through a Request for Proposals or similar public, competitive procurement process.

- The analysis will identify and explore the current institutions, initiatives, and partners that are part of Richmond’s agri-food and seafood processing ecosystem and identify gaps and pathways toward a strong, connected, and innovative food system that provides opportunities for growers, fishers, processors, creators, and customers. It will also provide information on market demand and recommendations on the feasibility of various Food Hub business models in Richmond.
  - It is expected that public engagement and consultation will be a key part of this work.
  - Results of the gap analysis and feasibility study will be presented to Council for direction on next steps.
- **Phase 2. Food Hub site identification and business plan.**
    - Depending on Council direction, the City may issue a Request for Proposals or similar public, competitive procurement approach to seek an entity (or partnering entities) to provide the location and/or facility and establish a full-scale HACCP<sup>1</sup>-ready food hub, along with a business plan for its operations and governance structure.
    - The role of the City in the ongoing governance of the facility will be need to explored and confirmed, and depending on the business model, may include role(s) on the Board of Directors or similar body.
    - Depending on the site, business plan, and partners, the City may seek and/or allocate additional funding sources to support this project.
- **Phase 3. Construction/ redevelopment and launch.**
    - The successful proponent and partners will proceed with construction and/or appropriate redevelopment activities on the identified site to ready it for launch.
    - Staffing, identification of client businesses, and programming activities will commence to establish the Food Hub as outlined in the approved Request for Proposals, and toward the goal of moving toward a strong, connected, and innovative food system that provides opportunities for growers, fishers, processors, creators, and customers.
      - It is expected that the facility will be designed, managed, and programmed by the successful proponent in such a way as to be both commercially viable and welcoming of programs and initiatives offered by community partners that support community food systems and food security.
    - At launch, it is expected that early client businesses will have been confirmed and ready to operate, and that the Richmond Food Hub will have a plan in place for continued growth and additional services and programming.

**Key Milestones**

- Completion of Phase 1: Gap analysis and feasibility study (*Winter 2024-25*)
- Completion of Phase 2: Food Hub site identification and business plan (*Spring 2025*)
- Completion of Phase 3: Construction/redevelopment of site and Hub Launch (*Fall 2026*)

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<sup>1</sup> HACCP refers to “Hazard Analysis Critical Control Points,” which is a systematic preventative approach to food safety during production processes.

## **Estimated Timelines** (subject to change)

- **Phase 1: Gap analysis and feasibility study (Fall 2023 – Winter 2024-25)**
  - **Fall 2023.** Issue Request for Proposals (or similar public, competitive procurement process).
  - **January 2024.** Successful proponent confirmed and contracting completed.
  - **January 2024.** Resource hired to project manage the development of the Richmond Food Hub
  - **January-December 2024.** Gap analysis and feasibility study undertaken, including public consultation and engagement.
  - **Winter 2024-25.** Presentation of final report to Council; direction regarding next steps.
  
- **Phase 2: Food Hub site identification and business plan (Spring 2025)**
  - **Spring 2025.** Pending Council direction, the City may issue a Request for Proposals (or similar public, competitive procurement approach) to identify an entity to provide the location and/or facility and establish the Food Hub. The City may also seek additional funding partners and sources.
  - **Late Spring 2025.** Proponent and location identified; additional discussions and approvals as required.
  
- **Phase 3: Construction/ redevelopment and launch (Summer 2025 – Fall 2026)**
  - **Summer 2025 – Summer 2026.** Depending on the location and facility identified, the proponent's construction and/or redevelopment will proceed, including City permitting and licencing processes as required.
  - **Fall 2026.** Launch of the Richmond Food Hub, with early tenant businesses in place and operational.