



TORONTO STAFF REPORT

September 29, 2004

To: Community Services Committee
From: Commissioner of Community and Neighbourhood Services
Subject: Grant Program Support to Food and Hunger Initiatives

Purpose:

This report reviews the need for the creation of grant program to support food and hunger action initiatives in 2005.

Financial Implications and Impact Statement:

A request for \$1,000,000.00 to support a food security grant program is included in the Community Partnership and Investment Program 2005 budget submission, and will be subject to the 2005 budget process.

Recommendations:

It is recommended that:

- (1) the Community Services Committee endorse the design of a \$1 million food security grant program as described in this report and as recommended by the Food and Hunger Action Committee, with 10 percent of the fund applied to development support, 15 percent of the fund applies to short-term initiatives and small capital requests, 65 percent of the fund applied to ongoing food security programs, and a maximum of 10 percent of the fund applied to fund administration;
- (2) this report be forwarded to the Budget Advisory Committee for consideration during the 2005 budget process; and
- (3) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Background:

At its special meeting on April 19, 20, 21, 22, 23, 26, 27 and 28, 2004, City Council adopted Report No. 3, Clause No. 2, of the Policy and Finance Committee titled "City Of Toronto 2004 Budget Advisory Committee Recommended Operating Budget" with amendments. Council amended the recommendations for the Consolidated Grants Program and requested that the Commissioner of Community and Neighbourhood Services, in consultation with the Food and Hunger Action Committee, report to the Community Services Committee on the creation of a grants program to support Food and Hunger Action initiatives in the City of Toronto. Council also requested that the Commissioner of Community and Neighbourhood Services consult with the Province of Ontario on possible sources of funding for food security initiatives. This report responds to these two requests.

Comments:

In May 2000, Toronto City Council voted unanimously to adopt the City of Toronto Food Charter and work towards making Toronto a food secure city. In March 2001, Council recognized that community organizations have a strong role to play in this work when it adopted the Food and Hunger Action Committee's (FAHAC) Phase II report, "The Growing Season."

One of the approaches proposed in the "The Growing Season" to making Toronto a food secure city was a community grants program that would support the development and ongoing operation of food access and security initiatives and capacity building in communities. The Food and Hunger Action Committee proposed that three complementary mechanisms would strengthen the contribution of community-based organizations to food security:

- (1) Development support: four community food co-ordinators in community-based organizations were proposed to work with neighbourhood leaders and City departments. The co-ordinators would facilitate community needs and opportunity assessments, with a focus on communities lacking the capacity to address food security issues;
- (2) Short-term funding: short-term project funding would support the development of new food access and security initiatives and build capacity in communities across the city. The funding would be primarily used to build the capacity of less well-established and less formal groups; and
- (3) Ongoing funding: ongoing program funding would provide stable support to food access and security programs provided by established community organizations.

At its meeting of July 22, 23, 2003, Council received the Food and Hunger Action Committee's final report on the implementation of the recommendations in "The Growing Season." This report, entitled "Tending the Garden," recommended that the City endorse a \$1.0 million permanent food security grant program that supports community farmers' markets, community kitchens and community gardens.

Ontario Works Targets Incentive Funds have allowed the City to pilot two facets of the FAHAC's proposed support to community food security. In 2003 \$750,000.00 was directed to the Food and Hunger Action Fund (FHAF), a community grants program that supported short-term projects and small capital requests that built community food security capacity. During 2004-5, Ontario Works Targets Incentive Funds will be used to pilot the Community Food Animator Project. This project will test the provision of development support to build community food capacity.

This report reviews the continued relevance of approach proposed by the Food and Hunger Action Committee in "The Growing Season" in the context of the recommendations made in "Tending the Garden" and trends identified during the implementation of the 2003 Food and Hunger Action Fund (FHAF), and the initial findings from the Community Food Animator Project.

Development Support:

Applications under the Food and Hunger Action Fund were received from organizations located in all low income neighbourhoods across the city with the exception of the central area of Scarborough bounded by Victoria Park Avenue, Highway 401, Eglinton Avenue East, and the city limits. In addition, few applications were received from the Jane and Finch area, and few from the Agincourt area. All of these areas have significant food security issues, including community members without sufficient income to purchase safe and adequate food, a lack of access to culturally appropriate foods, and a lack of adequate retail facilities. The small number of applications received from these areas suggests that the capacity to identify food security issues and to develop appropriate solutions is currently inadequate.

Other applications were successful in identifying significant food security needs, but proposed solutions that did not build significant capacity. These requests approached food security primarily as a form of need-relief, or allowed community members to better cope within a food-insecure system without building community capacity. In these cases, development support might have allowed these communities to develop capacity building approaches to meet their identified needs.

Finally, a number of very small groups and individuals approached the FHAF with innovative and strategic approaches to building food security capacity in their communities. However, additional development support would have been required to link these groups and individuals with the community organizations that could ensure these initiatives are effective, efficient and community-owned.

Short-Term Project Funding:

The Food and Hunger Action Committee identified that the food security needs and opportunities identified in communities cannot be addressed with development support alone. While development support may be sufficient to identify needs, opportunities, and solutions, financial resources are required for set-up, testing, implementing, evaluating, and sharing the learnings from food security initiatives.

The initial findings from the Community Food Animator Project suggest that, for development support to reach those communities most in need of it and for this support to be most effective, access to funding for short-term initiatives is also required. Without the complimentary funding support, it is very difficult to develop sustainable initiatives among groups who do not already have a moderate level of capacity.

The Food and Hunger Action Fund provided the kind of project funding proposed by the FAHAC to community organizations for the implementation of short-term initiatives and small capital purchases. Applicants identified that short-term initiatives to build new food security capacity in communities cannot be successful without appropriate financial support for staffing, travel costs, volunteer support and expenses, promotion and publicity, training, and essential items such as food and gardening supplies.

The maximum project grant available under the FHAF was \$20,000.00. However, even with the small grant amount available to support the financial costs of the initiatives, applicants were able to implement projects that reached a large number of individuals and had a significant immediate and longer-term impact on food security issues in their communities.

A total of \$393,174.00 was allocated to 27 short-term initiatives under the FHAF. These initiatives included 7,292 individuals as participants, 718 of whom also made important volunteer contributions to the initiatives. An additional 797 community members also volunteered with these projects. These volunteer contributions, in addition to the in-kind resources and donations provided by the organizations and their partners, allowed them to improve food security for their communities at an average cost to the City of only \$53.92 per direct participant over an eight month period, or \$6.74 a month.

This small investment produced significant outcomes not only for the direct participants, but also for their communities. In addition to improving the capacity of individuals and communities to address food security, the funded short-term initiatives also demonstrated that they achieved outcomes in a range of other areas, including:

- (1) skill and knowledge outcomes such as increased knowledge and skills for participants, increased community awareness of food security issues, increased community knowledge and skills to address food security, increased community leadership in food security, and new opportunities for community participation in addressing food security issues;
- (2) resource outcomes such as increased use of local resources to address food security, an increased range of culturally appropriate foods available, an increase in the number of information resources addressing food security, reduced costs, reduced waste and pollution associated with food production, and an increase in sustainable food production;
- (3) service-related outcomes such as increased accessibility of the food security program, increased service capacity in the food security program, increased sustainability in the food security program, and increased capacity to address food security within a program with goals in areas other than food security; and

- (4) innovations and new knowledge in food security such as new strategies and models, the identification and assessment of food security issues, new community plans to address food security, new training programs, and options for ongoing delivery of project activities.

Small Capital Funding:

The Food and Hunger Action Committee also identified that funding to support the capital requirements of both short-term initiatives and ongoing food security programs is crucial to their success. Community kitchens cannot operate without adequate cooking, cleaning and refrigeration facilities; community gardens cannot operate without a water supply, tools, and secure storage facilities; and community farmers' markets cannot operate without appropriate display facilities and equipment to ensure food safety.

These findings are being confirmed in the implementation of the Community Food Animators Project. Communities provided with development support must still have access to funds to support the purchase of small capital goods, such as gardening tools, to make their efforts successful and ensure their sustainability.

Small capital funding was requested under the FHAF both to support short-term initiatives, and also to build the capacity of existing food security programs. Wear and tear on existing equipment, changes in public health standards, and increased service demand all create pressures on organizations to find sources of funding for capital goods to ensure the success of their food security work.

A total of \$341,826.00 was allocated to 27 small capital projects under the FHAF. Because a single small capital project may improve the capacity of several food security programs, this funding had a very wide impact. Funded small capital projects built capacity in ongoing programs that serve a total of 303,184 individuals, 833 of whom also make important volunteer contributions to the programs they participate in. These programs are supported by an additional 622 community volunteers, and employ 81.23 full-time equivalent staff. The City's investment of \$1.13 per program participant allows funded organizations to achieve the same range of food security and other outcomes achieved by funded short-term initiatives.

Ongoing Funding for Food Security Programs:

The Food and Hunger Action Committee recognized that for Toronto to become a food secure city, community organizations must have the ongoing financial support that allows them to address food security issues in their communities. Development support to identify needs and opportunities, project and capital funding to build capacity, and ongoing funding to ensure continued effectiveness are all necessary if community organizations are to maximize their contribution to Toronto's food security. This is the one component of the FAHAC's recommended approach to supporting community food security that the City has not tested for its effectiveness.

All levels of governments have shied away from providing ongoing program funding to community organizations over the last decade. Motivated by financial crises, a lack of research demonstrating the impact of community-based programs, and the perception that community organizations can do “more with less,” short-term project funding has become the most common grant mechanism among governmental and non-governmental funders.

Research by the Canadian Centre for Philanthropy has demonstrated that securing the kind of funding that ongoing government grants provide from donations and corporate sponsorships is an impossible task. Without the commitment of governments to ongoing funding, community organizations have scrambled to keep key programs operating with short-term project funding, user fees, and the redirection of available resources from programming to fundraising.

From the perspective of organizations involved in the development and delivery of food security programs, there is a clear need for ongoing funding to ensure their effectiveness and continuity, and like organizations in other sectors, they have advocated for this support. The question that remains in this context is whether the City needs a permanent grant program to help make Toronto a food secure city.

The City’s commitment to making Toronto a food secure city is a commitment to making long-term, systemic changes in our relationship with food production and distribution. Such a change cannot be made with one-time initiatives alone. It also requires ongoing, strategic investments that develop Toronto as a food secure city.

Community farmers’ markets, community kitchens and community gardens are a crucial part of a food secure city, and ongoing municipal investment is required to ensure their continuity. While project funding is appropriate to small capital projects, pilot programs, and other short-term initiatives, its one-time nature cannot create and sustain the system changes required as Toronto moves towards being a food-secure city.

The central role that food plays in daily and community life allows community food security programs to advance the goals of Council’s Strategic Plan in virtually all areas. For example, they advance the City’s goal of economic vitality by providing opportunities for individuals to develop marketable skills, generating and strengthening local economic development, contributing to a dynamic economic base with entrepreneurship and innovation, and enhancing Toronto’s international image as a desirable place to work, visit, invest and conduct business.

The impact of community food security initiatives on local economies can be significant. For example, a University of Guelph study of 19 farmers’ markets in Ontario titled “Farmers’ Markets in Ontario and their Economic Impact, 1998” found that over 50% of the market customers stopped to shop at local businesses on their way to or from the market. Almost all of 100 businesses near the markets that were surveyed clearly recognized that they were busier on market days, and often tailored their hours and marketing strategies towards market customers.

Community-based food security programs also make strong contributions to the City’s social development goals by building community capacity, enhancing individual well-being, ensuring

equitable access to resources, supporting diversity as a core strength, and by promoting community interaction and engagement.

For example, community kitchens enhance individual well being and ensure equitable access to resources by providing opportunities for diverse, low-income community members to access and prepare nutritious foods at a very low cost. This kind of support has become increasingly important as the costs of healthy eating rises. In a September 2004 report to the Board of Health, the Medical Officer of Health found that the average weekly cost of nutritious eating for a family of four has risen to \$523.71 per month, an increase of 13.25 percent from 1999. Over this same period of time, the purchasing power of Ontario Works participants and low-income families for basic food items decreased by 9.67 percent.

Community food security programs also contribute to the City's goals in the area of environmental sustainability. For example, community gardens provide opportunities to increase environmental awareness, allow community members to contribute to an environmentally sustainable food system, and providing opportunities for food production that enhance environmental health.

Taken together, community food security programs are an excellent fit with vision Council's vision for the city as a caring and friendly city, a clean, green and sustainable city, a dynamic city, and a city that invests in quality of life. The unique position of community organizations allows community-based food security programs to help realize Council's vision not with the production of grand institutions and ventures, but by engaging people with others in their communities and creating vibrant local public spaces. The experience of the Food and Hunger Action Fund has demonstrated that strategic grant funding in food security initiatives is an extremely cost-effective to realize Council's vision and move towards a food secure city.

Provincial Funding for Community Based Food Security:

The provincial government's support for community-based food security in many ways parallels that provided by the City: it provides short-term project and capital support to community food security initiatives, and an ongoing program to support student nutrition programs. Neither order of government provides ongoing support to community-based food security programs other than student nutrition.

The province supports these two kinds of food security initiatives with funding provided by the Ontario Trillium Foundation (OTF) and Breakfast for Learning, the Canadian Living Foundation (BFL). OTF considers applications for funding for food security initiatives from food banks and organizations providing food programs and child nutrition programs. Between April 1999 and June 2004, OTF approved 74 grants totalling \$5,756,900.00 to support food security. Eleven of these grants, totalling \$1,750,400.00, were made in Toronto. This represents 4% of the Foundation's Human and Social Services spending in Toronto over this period. This kind of support most closely resembles the support provided by the City in the one-time Food and Hunger Action Fund.

OTF grants have funded a range of projects, including projects that provided supplementary programs to food bank users; capital funding to enhance technological capacity, enhance food bank services, develop a community garden, and purchase vehicles; multi-year project funding to deliver nutritional programs to various communities including disadvantaged children in schools; and grants to support life and job skill training for food bank users. The Foundation does not provide any ongoing funding.

The provincial government also promotes food security with its support for Breakfast for Learning, the Canadian Living Foundation. In 2003/4, the province provided \$2.5 million to BFL, which allocated these funds to schools, and community groups that provide nutrition programs to Ontario students. A total of \$1,119,000.00 (45 percent) of these funds were allocated by the Foundation to support 312 student nutrition programs in Toronto. Council has also recognized the critical role played by student nutrition programs, and for the 2003/4 school year, provided \$1,999,340.00 to support 279 student nutrition programs.

A Permanent Food Security Grants Program:

In its 2003 report “Tending the Garden,” the Food and Hunger Action Committee recommended a \$1.0 million permanent grants program to develop and sustain food security capacity in Toronto’s communities. Such a program requires the flexibility to provide the three kinds of support proposed by the FAHAC in “The Growing Season” and which remain relevant today: development support, short-term and small capital funding, and ongoing program funding. Its design must also accommodate the fact that the capacity to address food security issues and access grant funds is uneven across the City.

This report recommends that to enable community organizations to meet Council’s food security and strategic goals in the long term, this permanent food security grants program dedicate more of its resources to ongoing program funding than it does to short-term funding.

Short-term funding would be used exclusively as a means of developing and piloting new initiatives, and for addressing small capital needs; it would not be used to temporarily fund ongoing services. In many cases, short-term initiatives may result in the development of ongoing programs. For this reason, the grant program must have a mechanism in place to redistribute ongoing funding to new programs as needs and priorities change.

In order to allow communities and organizations with lesser capacity sufficient time to develop and pilot food security initiatives before they apply for ongoing program funding, a three-year phase-in of the structure for a permanent food security grant program is recommended. A minimum of 90% of the total fund would be allocated to community food security programs and projects, and a maximum of 10% would be allocated to fund administration. The recommended phase in and grant program design is detailed in Table I.

In the first year, \$250,000.00 will be allocated to support ongoing programs in community organizations, \$500,000.00 will be available to support short-term initiatives and small capital projects, and \$150,000.00 will be allocated to provide development support to build capacity to address food security. In this first year, established community organizations will likely be the

most successful in accessing ongoing funding. Groups with very little capacity will be able access development support and groups with moderate capacity will have the time to pilot projects using short-term funding. Additional development support will also be provided through the Community Food Animator project.

In the second year, the funds allocated to support ongoing programs in community organizations will increase to \$500,000.00, \$250,000.00 will be available to support short-term initiatives and small capital requests, and \$150,000.00 will be allocated to provide development support to organizations. This increase in ongoing funds will provide organizations that piloted projects in the first year with the ability to access ongoing program funding. Organizations that identified needs and opportunities in year one will be able to apply for short-term project funding to test and refine their proposed approaches. The overall level of development would be slightly reduced with the conclusion of the Community Food Animators Project.

In year three, \$650,000.00 will be allocated to support ongoing programs, \$150,000.00 will be available for short-term initiatives and small capital funding, and \$100,000.00 will be allocated to provide development support. This increase in the proportion of funds allocated to ongoing programs will allow groups that accessed short-term funding with the ability to apply for ongoing program funds.

In subsequent years, 65 percent of the fund would continue to be allocated to ongoing programs, 15 percent of the fund to short-term initiatives and small capital, and 10 percent of the fund to development support. Throughout the life of the grant program, a maximum of 10 percent of the fund would be applied to fund administration. An approach to ensuring that a portion of the funds available for ongoing program support are available for allocation to new or expanded programs in each year will be developed as an integral part of the grant program.

The Food and Hunger Action Committee has agreed that such a grant program is an appropriate mechanism for providing support to community based food security initiatives in Toronto.

Table I: Permanent Food Security Grant Program Phase In and Design:

Support Provided	Implementation Year		
	Year One	Year Two	Year Three and On
Development support	150,000.00 (15% of total fund)	150,000.00 (15% of total fund)	\$100,000.00 (10% of total fund)
Short-Term Initiative and Small Capital Funding	\$500,000.00 (50% of total fund)	\$250,000.00 (25% of total fund)	\$150,000.00 (15% of total fund)
Ongoing Program Funding	\$250,000.00 (25% of total fund)	\$500,000.00 (50% of total fund)	\$650,000.00 (65% of total fund)
Fund Administration	\$100,000.00 (10% of total fund)	\$100,000.00 (10% of total fund)	\$100,000.00 (10% of total fund)
Total Funding	\$1,000,000.00	\$1,000,000.00	\$1,000,000.00

Administration:

The administration of the permanent food security grant program described in this report requires one fund co-ordinator position, and one administrative support position. The total cost of supporting these two positions will not exceed \$100,000.00.

In the first year, the fund co-ordinator responsibilities will include co-ordination with other City staff to ensure the effective delivery of development support to organizations, the implementation of the grant program design, management of the allocations process, and evaluation of year-end results.

In the second year of the program, the fund co-ordinator's responsibilities will include the refinement of grant program based on year-end results, the development and implementation of a priority setting process and mechanism to ensure the redistribution of ongoing program funds, co-ordination with other City staff to ensure continued development support to community organizations, management of the allocations process, and evaluation of year-end results.

In the third and subsequent years of the program, the fund co-ordinator's core functions will include the ongoing refinement of the grant program, the management of the allocation process, and the evaluation of year-end results. The fund co-ordinator's key responsibility will be to ensure that grant program funds are allocated equitably and transparently according to established priorities, and in a way that complements other City food security initiatives.

The program administrative position will report to the fund co-ordinator position, and will be responsible for providing the administrative support required by the grant program. Areas requiring significant administrative support include the distribution and receipt of applications, preparation of recommendation documentation, contracting processes, and the ordering of cheques.

Conclusions:

This report has reviewed the need for a grant program to support community-based food security in light of the recommendations of the Food and Hunger Action Committee, the implementation of the Food and Hunger Action Fund, and the initial learnings from the Community Food Animators Project.

The Food and Hunger Action Committee's proposal to provide development support, short-term and small capital funding, and ongoing program funding to ensure the development and continuity of community kitchens, community gardens and farmers' markets across the city remains a relevant and well-considered approach to the development of Toronto as a food secure city.

A permanent food security grant program established in 2005 would help the City its commitment to making Toronto a food secure city in an extremely cost-effective way. City-supported community food security programs could have a significant positive impact on the City's economic, social and environmental goals.

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