

DATE OF MEETING December 1, 2023

AUTHORED BY CHRISTY WOOD, SOCIAL PLANNER

**SUBJECT MEAL PROGRAM FUNDING OPTIONS UPDATE**

## **OVERVIEW**

### **Purpose of Report:**

To provide the Finance and Audit Committee with an update on the funding options for the Breakfast Meal Program temporarily being funded by the City.

## **BACKGROUND**

At the 23-NOV-06 Regular Council meeting, Council made the following motion:

1. *Allocate \$60,000 to extend the existing Breakfast Meal Program contract to 2023-DEC-31, funded by \$52,880 from the Daytime Resource Centre project and \$7,120 from the Strategic Infrastructure Reserve Fund; and,*
2. *Direct Staff to bring forward a report to Council in December 2023 with the outcome of the Reaching Home Designated Funding Program and the responses received from the Minister of Social Development and Poverty Reduction and the Minister of Housing.*

For many years, the 7-10 Club Society has operated a regular breakfast program in Nanaimo for vulnerable populations. However, since the closure of a City-owned location rented by the 7-10 Club Society in 2021 (to make way for permanent supportive housing), the organization has not re-established in another location. To bridge the gap in service until another alternative solution was identified, the City funded the Salvation Army to provide an indoor breakfast program between September and December 2021 from the previously allocated Daytime Resource Centre budget.

With Strengthening Communities' Services Program (SCSP) Round Two funds, a contract was issued to the Salvation Army between November 2022 and August 2023 to provide a breakfast meal program. With indoor dining service being no longer possible, the Salvation Army has been preparing meals in an off-site commercial kitchen, and the 7-10 Club Society distributes the breakfast meals seven days per week between 8 a.m. and 12 p.m. at two locations in the city. The distributed model has increased staffing and operational costs. The SCSP funds for the Breakfast Meal Program ended in August 2023, with the Daytime Resource Centre budget and the Strategic Infrastructure Reserve fund providing funds until 2023-DEC-31. An estimated total of \$205,439 will be used from the Daytime Resource Centre budget and a total of \$7,120 from the Strategic Infrastructure Reserve fund between August 2023 and December 2023. Between 2022-NOV-22 and 2023-OCT-31, the Salvation Army prepared 33,155 breakfast meals, an average of 93 individual breakfast meals daily. The City provides \$730 daily to the Salvation Army to provide up to 100 meals, seven days per week. Monthly costs are approximately \$22,630 and are used to cover wages and food costs.

On 2023-MAY-08, the 7-10 Club Society started distributing breakfast meals prepared by the Salvation Army to two different locations; Caledonia Park at 110 Wall Street (Monday through

Friday), and the Overdose Prevention Site (OPS) at 250 Albert Street (seven days per week). The City provides \$440.58 daily to the 7-10 Club Society to cover wages, vehicle costs including fuel and lease charges, and other supplies such as water, garbage bags, and hand sanitizer. Monthly costs for the 7-10 Club Society to distribute meals is approximately \$13,438.

To date, the Salvation Army and the 7-10 Club Society have not been able to secure other funding to extend the Breakfast Meal Program after 2023-DEC-31. Nor has an appropriate indoor location been identified that meets the operational requirements that would allow for the 7-10 Club Society or the Salvation Army to resume meal programs indoors. Approximately \$35,750 will be needed monthly in order to continue operating the existing distributed Breakfast Meal Program. |

## **DISCUSSION**

| On 2023-SEP-27, the Reaching Home Designated Funding Program for Nanaimo closed a call for proposals to address local homelessness needs for the upcoming Federal 2024/2025 funding cycle. Nanaimo receives a total of \$851,266 from the Federal Government in designated Reaching Home community funds. New this year, the Reaching Home grant application recognized input from people with living/lived experience (PWLE) and they requested more options to access a drop-in centre in a variety of locations to access basic need services such as showers, laundry, meals, and warming/cooling services. Successful applicants were notified on 2023-NOV-30. Among the successful proposals, there is one proposal that will receive funding for bagged lunches that will be distributed through other programs and services however no breakfast meal program or drop in centre services will be funded in the 2024/2025 Reaching Home funding cycle. The bagged lunches are an existing service provided by the 7-10 Club Society and provides approximately 200 bagged lunches daily.

On 2023-SEP-15, a letter was sent to the Minister of Social Development and Poverty Reduction (SDPR) and the Minister of Housing requesting ongoing funding support for a permanent meal program to assist Nanaimo's unhoused population. In a meeting with City Staff and the Minister of SDPR, the Minister referred the City to the Critical Food Infrastructure Grant. This grant program is being funded by the Ministry of SDPR and distributed through United Way BC. The purpose of these funds are to improve access to nourishing and culturally appropriate foods through the creation of food infrastructure projects. Correspondence with United Way BC's Project Coordinator for Food Security and Infrastructure confirmed that the Breakfast Meal Program is not eligible for funding under this grant program and no other provincial funding options are available for meal services for the unhoused.

Currently, there are nine organizations providing a variety of emergency meals for unsheltered or precariously housed individuals in Nanaimo (see Attachment A). There are limited indoor meal services open on a drop in basis and only two options for a breakfast meal are available and this includes the City funded Breakfast Meal Program. In addition, there are two organizations offering emergency-bagged lunch/dinner meals, through street outreach, seven days per week.

The City provided funding for the Breakfast Meal Program as a temporary measure until other funding could be identified. No permanent funding source has been identified to continue the Breakfast Meal Program. Without an alternative solution to replace the current distributed Breakfast Meal Program, Council may wish to consider the following options:

### **Option #1 (Status Quo) - City Funding for the Breakfast Meal Program Contract Ends December 31, 2023**

- No motion or action required for this option.
- The advantages of this option: no further City funds or Staff time will be utilized for the Breakfast Meal Program.
- The disadvantages of this option: up to 100 unhoused or precariously housed individuals will no longer have access to a breakfast meal.

### **Option #2 - Add \$429,000 to Fund a Breakfast Meal Program for 2024 Only**

- Extend the existing Breakfast Meal Program contract to March 31, 2024.
- Launch an expression of interest (EOI) in January 2024 for a meal provider to provide an indoor breakfast meal between April 1, 2024 and December 31, 2024.
- The advantages of this option: the Breakfast Meal Program will continue to address gaps in meal provisions and provide food security for up to 100 unhoused or precariously housed individuals in 2024. In addition, this option will allow the City to explore a more efficient and effective model potentially with an indoor seating service. Staff can return to Council with the results of the EOI in February 2024.
- The disadvantages of this option: Staff time will be required to provide coordination supports and manage the service agreements and the EOI process. The funds required to provide a Breakfast Meal Program in 2024 will be required from other City budget sources.

Two Possible Motions for Option #2:

a) Funding Option A - Strategic Infrastructure Reserve Fund:

*That the Finance and Audit Committee recommend that Council add \$429,000 to 2024 of the 2024 – 2028 Financial Plan to fund a breakfast meal program for 2024 funded from the Strategic Infrastructure Reserve Fund.*

b) Funding Option B - General Revenue:

*That the Finance and Audit Committee recommend that Council add \$429,000 to 2024 of the 2024 – 2028 Financial Plan to fund a breakfast meal program for 2024 funded by general revenue.*

### **Option #3 - Add \$107,000 to Fund a Breakfast Meal Program to March 31, 2024**

- Extend the existing Breakfast Meal Program contract to March 31, 2024.
- Continue to explore other funding options through other services and initiatives. Staff will bring forward a report to Council in early March 2024 with any alternative solutions that may be available.
- The advantages of this option: the Breakfast Meal Program will continue to address gaps in meal provisions and provide food security for up to 100 unhoused or precariously housed individuals until March 31, 2024.
- The disadvantages of this option: Staff time will be required to provide coordination supports, manage the service agreements and advocate to potential funders. It is unlikely any solutions will be identified within the short timeframe and within the typical

funding cycles of senior levels of government. In addition, the distributed breakfast meal model emerged as a stop-gap solution due to a building issue faced by the Salvation Army. The City has extended the contract with the Salvation Army and 7-10 Club Society several times, and it would be best practice at this stage to issue a new EOI to potentially seek a more efficient meal program solution, and to achieve the original goal of offering an indoor meal service. The EOI process can take approximately one month, thus the longer the City delays an EOI process it will be challenging to seek alternative solutions and this will increase the likelihood of extending the current contracts. Finally, the funds required to provide the Breakfast Meal Program until March 31, 2024 will be required from other City budget sources.

#### Two Possible Motions for Option #3:

##### a) Funding Option B - Strategic Infrastructure Reserve Fund:

*That the Finance and Audit Committee recommend that Council add \$107,000 to 2024 of the 2024 – 2028 Financial Plan to fund a breakfast meal program to March 31, 2024 funded from the Strategic Infrastructure Reserve Fund.*

##### b) Funding Option B - General Revenue:

*That the Finance and Audit Committee recommend that Council add \$107,000 to 2024 of the 2024 – 2028 Financial Plan to fund a breakfast meal program to March 31, 2024, funded by general revenue.*

## **CONCLUSION**

Staff continue to advocate and work with other service providers and funders to identify additional opportunities to support the basic needs of Nanaimo's unsheltered population including adequate meals, hygiene and shelter services. As indicated by PWLE, ideally meals are provided on a drop in basis and are a part of a suite of services within existing shelters, daytime drop in centres, and other community support services.

## **SUMMARY POINTS**

- The current Breakfast Meal Program is operated in partnership between the Salvation Army and the 7-10 Club Society. The meals are prepared by the Salvation Army and distributed by the 7-10 Club Society seven days per week between 8 a.m. and 12 p.m. daily at two locations in Nanaimo. This model costs the City approximately \$35,750 monthly.
- The City sent a letter on 2023-SEP-15 to the Minister of Social Development and Poverty Reduction and the Minister of Housing requesting ongoing funding support for a permanent meal program to assist Nanaimo's unhoused population.
- Through the Reaching Home Federal grant funding program, only one program that provides distributed bagged lunches will receive funding in the 2024/2025 funding cycle. No new meal programs will be funded.
- Options are presented for Council's consideration to use City funds for a meal program for the unhoused in 2024.

## **ATTACHMENTS**

ATTACHMENT A: Meal Program Operators in Nanaimo (November 2023)

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