FOOD RESILIENCE ALLIANCE REPORT

EC DEV Findings and Future

Southern Gulf Islands Agriculture Sustainability and Economic Development Report

Prepared for Board discussion

A practical foundation for regional food infrastructure, producer collaboration and resilient island economies

PREPARED BY	Food Resilience Alliance Southern Gulf Islands Community Resource Centre Society
REPORT DATE	July 13, 2026
STATUS	Working final report subject to site, legal, planning, and financial due diligence

PURPOSE PEOPLE PLACE RESILIENCE

Report scope

- 2025-2026 poultry processing project findings
- Agriculture Sustainability Survey results
- Regional processing, storage, commercial kitchen and farm-market concept
- Hub-and-spoke island sales model
- Micro-housing and seasonal worker accommodation concept
- Governance, funding and implementation recommendations

Board Dashboard

The survey sample is small (n=6) and should be treated as directional rather than statistically representative. However, the consistency of the responses provides a practical basis for the next stage of project development.

1. Poultry pilot did not reach its operating threshold **Approximately 12-15 producers were engaged and early interest represented an estimated 360-450 birds, but insufficient firm bookings were received. Do not relaunch without deposits, minimum volume and a fixed go/no-go date.**	**2. Processing remains a recognized need** **6 of 6 respondents rated shared processing at least moderately important; 4 of 6 said they would participate. Assess flexible, multi-use processing rather than a poultry-only service.**
3. Economic viability is the underlying constraint 4 of 6 identified money, low return, production costs or difficulty making a living as the largest growth barrier. Investments must reduce costs, increase sales or create value-added revenue.	4. Labour and housing are inseparable 5 of 6 experienced recruitment difficulty; 5 of 6 said workforce housing would or might improve their operation. Include worker housing in the food-hub feasibility study.
5. Water and climate resilience are urgent 4 of 6 rated water storage high or critical; drought and climate change were each selected by 4 of 6. Water and energy systems should be designed into the project from the beginning.	6. Producers favour shared regional systems 5 of 6 were willing or potentially willing to share equipment or resources. Use one primary hub with island-based outlets, pickup points and existing markets.

Recommended Board Direction

1. Formally close the 2026 poultry processing pilot and retain the feasibility lessons for future projects.

2. Authorize a regional food-hub feasibility and investment-readiness process that includes processing, storage, commercial kitchen, storefront, distribution and worker housing.

3. Name North Pender as the preliminary preferred island, subject to a comparative site assessment and a stronger opportunity emerging elsewhere.

4. Use existing island stores, markets and community facilities as sales and pickup spokes rather than constructing a full independent store on every island.

5. Ask SGICRC, through the Food Resilience Alliance, to lead development; assess the Gulf Islands Food Co-op as the producer-governance and operating partner.

6. Require confirmed producer volumes, user fees, letters of commitment, site control and a sustainable operating plan before any major capital commitment.

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1. Executive Summary

Over the past year, the Food Resilience Alliance explored practical ways to strengthen agricultural production, food security, and producer viability across Pender, Mayne, Galiano, and Saturna Islands. A major focus was a proposed mobile poultry processing pilot intended to reduce ferry travel, cost, scheduling barriers, and live-animal transport (Food Resilience Alliance [FRA], 2026).

Initial engagement showed that processing is a recognized concern, but the project did not secure enough firm, time-specific producer commitments to justify mobilization. The 2026 poultry event was therefore cancelled. This was a responsible decision: Interest alone was insufficient to establish the required processing volume, schedule, and cost recovery (FRA, 2026).

The broader Agriculture Sustainability Survey identified a more complex picture. Producers are not asking for one isolated project. They are seeking an interconnected system that improves economic viability, labour access, workforce housing, water security, processing and storage, market access, shared delivery, and regional coordination (FRA, 2026).

Central Finding

The strongest future opportunity is a Southern Gulf Islands Regional Food Hub and Farm Market: one primary processing, storage and aggregation centre; partner sales outlets and pickup points on each island; and a small workforce-housing component that supports farm and food-system employees.

North Pender is the preliminary preferred location because it combines the largest year-round population among the four smaller Southern Gulf Islands, the strongest current survey representation, an established Farmers' Institute food hub and existing project administration. Mayne Island remains the strongest alternate if it offers a substantially better site, lower capital cost or stronger ferry-adjacent logistics.

The recommended development lead is the Southern Gulf Islands Community Resource Centre Society through the Food Resilience Alliance. The Gulf Islands Food Co-op should be assessed and strengthened as the preferred producer-governance and operating partner. The CRD, Islands Trust, participating First Nations and island producer organizations should join a formal steering committee before a site or ownership structure is finalized.

2. Purpose and Scope

This report consolidates the findings and research developed through the 2025-2026 economic-development and agriculture work. It is intended to support board discussion and provide a defensible starting point for feasibility, funding and partnership development.

The report addresses:

- the outcome and lessons of the mobile poultry processing initiative;
- the quantified priorities identified in the Agriculture Sustainability Survey;
- the concept for a regional processing, storage, commercial kitchen and farm-market facility;
- the potential addition of micro-housing or seasonal yurt accommodation for workers;
- the preferred island and regional outlet model;
- existing facilities and organizations that should be connected rather than duplicated;
- recommended project leadership and governance;
- current and prospective funding programs; and
- a phased implementation and stage-gate decision process.

Evidence Limitation

Six survey responses were received: three from Pender and one each from Galiano, Mayne and Saturna. The results are valuable directional evidence but are not statistically representative of the entire Southern Gulf Islands agriculture sector. Major capital decisions require a larger producer-validation phase.

3. Work Completed During 2025-2026

- Developed and promoted a mobile poultry processing concept with The Good Abattoir.
- Identified a potential Pender host site and assessed ferry, accommodation, ice, equipment and operating requirements.
- Conducted producer outreach through email, telephone, surveys and island networks.
- Engaged approximately 12-15 producers, with early expressions of interest representing an estimated 360-450 birds.
- Explored preferred processing dates and determined that producers generally need five to six months of advance notice.
- Made a go/no-go decision when firm participation did not meet the required threshold.
- Designed and launched the Southern Gulf Islands Agriculture Sustainability Survey.
- Gathered evidence on producer economics, labour, housing, water, processing, storage, markets, transportation and shared services.
- Reviewed existing food-system assets, including the Pender Farm Food Hub, the Gulf Islands Food Co-op and The Root on Salt Spring Island.
- Reviewed current economic-development, community-infrastructure, food-processing and housing funding pathways.

The work produced a clear shift in direction: from testing one specialized mobile processing event to considering a permanent, flexible and regionally coordinated food-system asset.

4. Mobile Poultry Processing Initiative

4.1 Why the Project Was Explored

Southern Gulf Islands producers face limited local processing options. Off-island processing can require multiple ferry trips, fuel and vehicle costs, transportation of live animals, inflexible dates, overnight logistics and time away from farm operations. A mobile service was explored to aggregate island volume and bring licensed processing closer to producers.

4.2 Outreach and Participation

Measure	Preliminary result	Interpretation
Producers engaged	Approximately 12-15	The need reached a meaningful group, but engagement was not the same as a booking.
Follow-up participation	Approximately 8-10	A smaller group continued into scheduling and feasibility discussions.
Early estimated volume	Approximately 360-450 birds	Potential volume was identified but not secured through deposits or contracts.
Planning notice requested	Approximately 5-6 months	Future processing dates must be confirmed before producers order and raise birds.

Note. Data are from internal FRA project outreach records and working estimates. Confirm figures against the project contact log before external publication.

4.3 Decision Not to Proceed

By the decision point, there were not enough firm producer commitments to demonstrate that the service could operate successfully. Proceeding would have exposed the organization and service provider to underutilization, avoidable cost and reputational risk. The pilot was cancelled for 2026.

4.4 Lessons for Future Infrastructure Projects

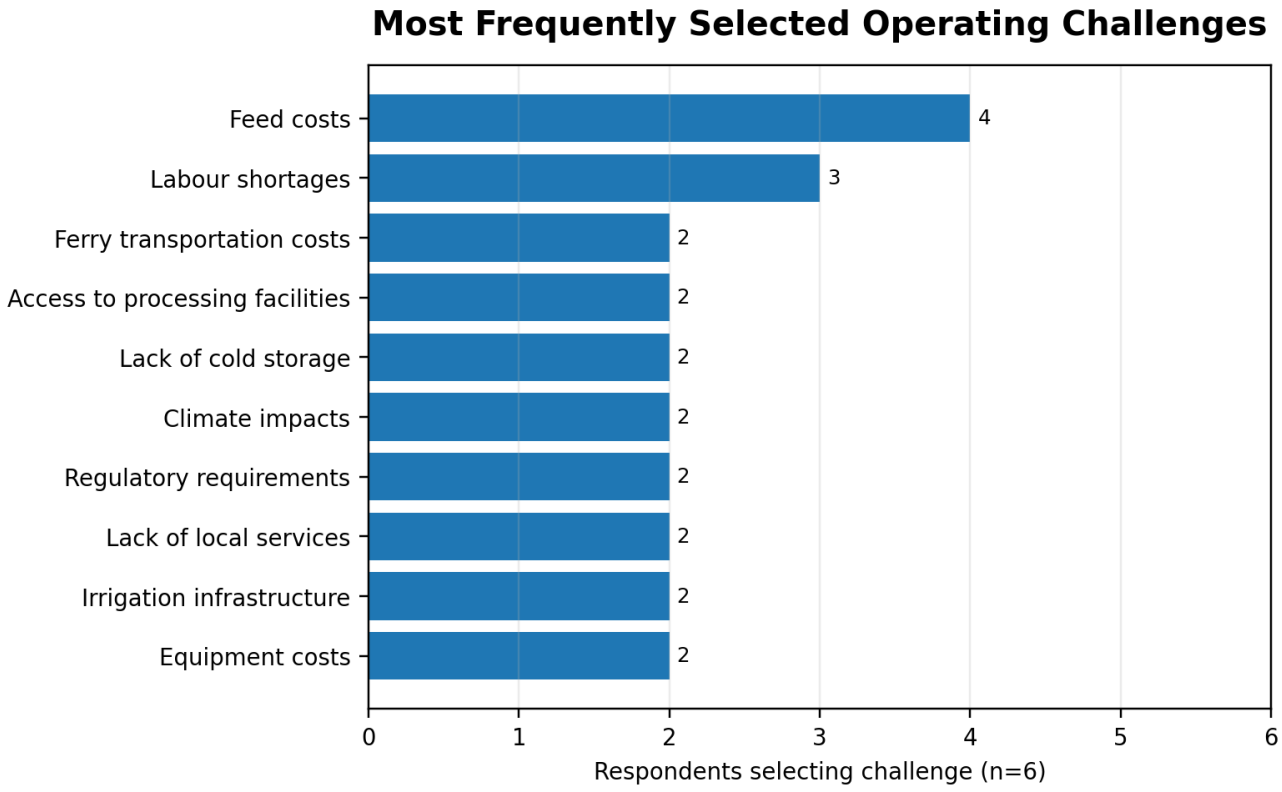
- A stated need is not the same as confirmed demand.
- Projects must be timed before production decisions are made.
- Producer price, minimum volume and service conditions must be known in advance.
- Letters of interest should be followed by deposits or binding reservations.
- A single-species or single-day service may not generate enough use in a dispersed small-scale sector.
- Flexible infrastructure serving fruit, vegetables, livestock, poultry and value-added producers may have a stronger year-round business case.
- Every pilot should have a documented stage-gate decision and an agreed stop point.

5. Agriculture Sustainability Survey Findings

5.1 Respondent Profile

Indicator	Result	Implication
Island representation	Pender 3; Galiano 1; Mayne 1; Saturna 1	Pender is overrepresented; further validation is required on all islands.
Years operating	4 of 6 had operated at least 6 years	Responses include experienced producers, not only new entrants.
Revenue	4 of 6 reported under $10,000; 2 declined	Much of the sector operates on a small financial base.
Operating model	1 full-time; others hobby, part-time, supplemental or nonprofit	Affordability and shared costs will determine service use.
Production represented	Fruit, vegetables, livestock, poultry, beekeeping, flowers, nursery, value-added food and agri-tourism	The future facility should be multi-use rather than commodity-specific.

5.2 Leading Operational Challenges



Note. Data are from the EC DEV SGI Agriculture Sustainability Survey (FRA, 2026; N = 6). Respondents could select multiple challenges.

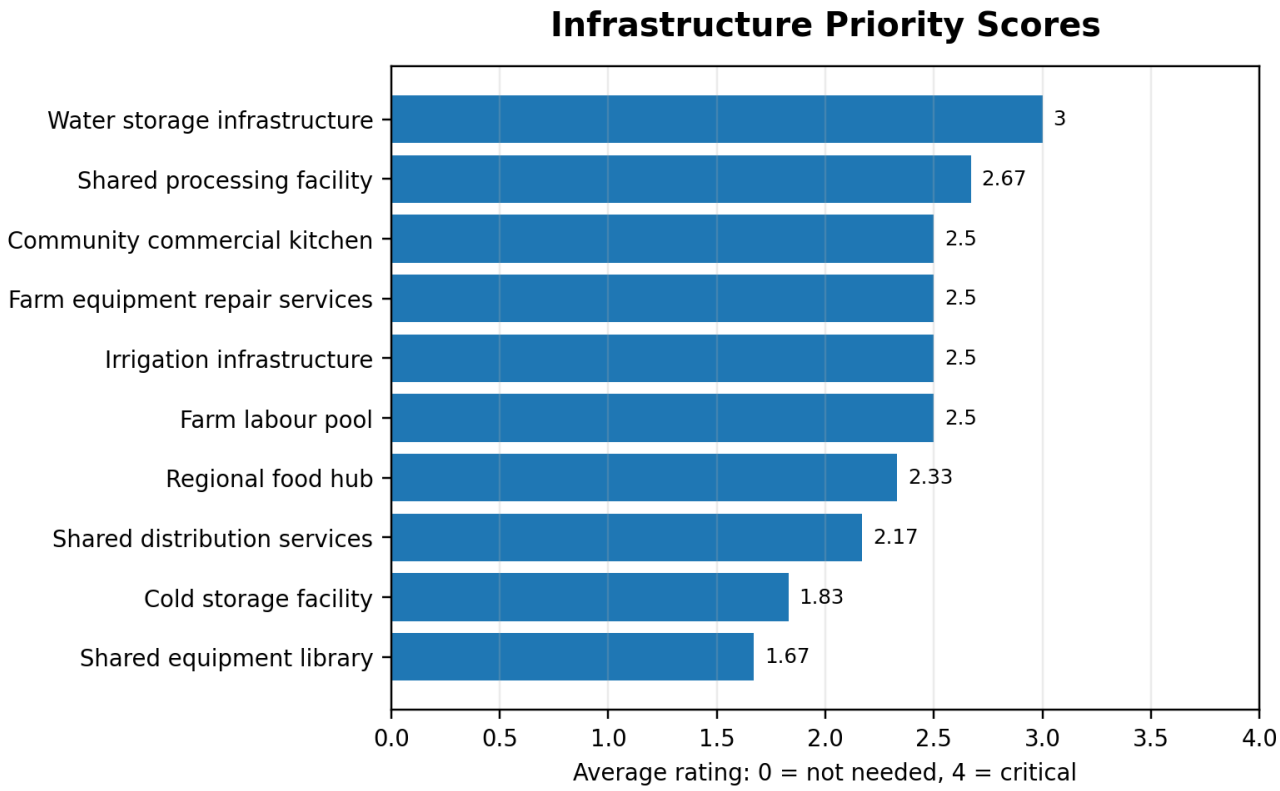
Feed cost was the most frequently selected challenge. Labour shortages were second. Processing, transportation, cold storage, climate, regulations, local services, irrigation and equipment costs formed a second cluster of recurring pressures. Written responses also identified fencing, barn construction, poor soil, scaling and low financial return.

5.3 Labour and Workforce Housing

83%	83%	83%	50%
5 of 6 experienced difficulty recruiting workers	5 of 6 identified labour cost as a barrier	5 of 6 said housing would or might help	3 of 6 identified housing affordability

The survey supports treating housing as economic infrastructure. Recruitment efforts alone will have limited impact when workers cannot find stable, affordable accommodation close to their place of work.

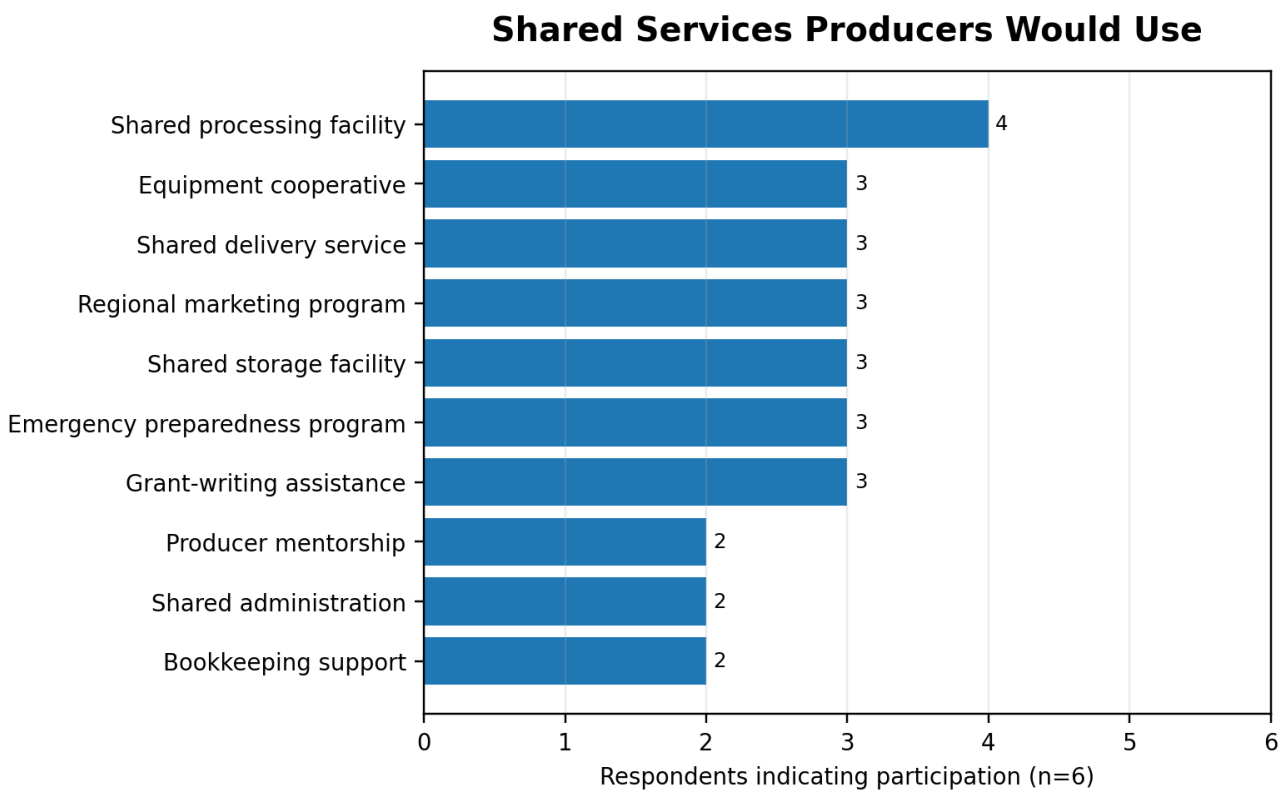
5.4 Infrastructure Priorities



Note. Survey ratings were converted to a 0-4 scale: not needed = 0, low = 1, moderate = 2, high = 3, and critical = 4.

Water storage received the highest average rating. Shared processing and a community commercial kitchen received support from every respondent at the moderate, high or critical level. A regional food hub received four high-priority ratings. The pattern favours infrastructure that serves several commodities and several stages of the value chain.

5.5 Shared Services Producers Would Use



Note. Data are from the EC DEV SGI Agriculture Sustainability Survey (FRA, 2026; N = 6). Respondents could select multiple services.

Five of six respondents said yes or maybe to sharing equipment or resources. This indicates general acceptance of cooperative systems, provided access is reliable, pricing is fair and someone is responsible for scheduling, maintenance and administration.

5.6 Climate and Food-System Risks

Risk	Respondents	Strategic response
Climate change	4 of 6	Water storage, energy efficiency, protected growing and resilient crops.
Drought	4 of 6	Rainwater capture, irrigation planning and drought operating protocols.
Rising operating costs	4 of 6	Shared purchasing, processing, storage, distribution and value-added sales.
Housing shortages	4 of 6	Small-scale rental housing and worker accommodation partnerships.
Aging producer population	3 of 6	Succession, mentorship and lower-barrier access to land and infrastructure.

6. What the Agriculture Sector Is Asking For

Improve economic viability
Reduce operating costs, increase sales, support value-added products, improve access to capital and create reliable market channels.

Connect labour and housing
Develop housing and labour systems together, including seasonal accommodation, shared labour and stable rental options.

Invest in water and climate resilience
Support storage, irrigation, drought planning, protected growing and climate-adapted crops.

Create flexible processing and storage
Provide commercial kitchen, washing, packing, pressing, bottling, cooling, freezing and dry-storage functions that can serve multiple producers.

Strengthen markets and distribution
Improve farm-stand promotion, grocery access, inter-island sales, online ordering, delivery and regional branding.

Provide implementation capacity
Move beyond reports by maintaining producer data, coordinating grants, managing shared services and delivering measurable projects.

7. Proposed Regional Food Hub and Farm Market

7.1 Working Project Description

Southern Gulf Islands Regional Food Hub, Farm Market and Workforce Campus

A community-owned or long-term community-controlled facility providing shared processing, commercial kitchen access, cold and dry storage, produce aggregation, distribution, producer services, a public storefront and a small affordable rental-housing component for farm and food-system workers.

7.2 Core Facility Components

- Year-round farm-market storefront selling approved products from participating islands.
- Commercial kitchen available to producers, food entrepreneurs, nonprofit programs and training providers.
- Produce washing, grading, packing and food-safe preparation areas.
- Walk-in cooler, freezer and dry-storage capacity.
- Apple pressing, bottling, preserving, dehydrating and other value-added equipment developed in phases.
- Aggregation, loading and online-order fulfilment area.
- Shared delivery crates, inventory system and product traceability.
- Training, business-support and meeting space.
- Emergency food-storage and distribution capacity.
- Rainwater storage, efficient refrigeration, backup power and other resilience features.
- Micro-housing or seasonal accommodation for a limited number of workers.

7.3 Operating Principles

- Local first, regional second: food is offered first on the island where it is produced, then moved where confirmed demand exists.
- Not every product must travel through the main hub; the hub coordinates movement and services.
- Producer fees and retail commissions must be transparent and approved through producer governance.
- Community benefits and emergency resilience should be balanced with commercial discipline.
- The facility should complement existing markets, stores, kitchens and food hubs rather than displace them.
- The project should be phased, beginning with existing buildings and partner outlets before new construction.

8. Workforce Micro-Housing and Seasonal Yurt Concept

8.1 Why Housing Belongs in the Project

The survey provides a direct economic rationale: Five of six respondents had experienced recruitment difficulty, and five of six said workforce housing would or might improve their operation (FRA, 2026). The North Pender Housing Access and Affordability Project also identifies workers, families, and seniors as groups requiring more diverse and affordable housing options (Islands Trust, n.d.-e).

8.2 Recommended Housing Model

The preferred approach is a small code-compliant micro-housing cluster rather than relying primarily on yurts. A practical first phase would be six to ten insulated studio or one-bedroom rental units, supported by shared laundry, bicycle and tool storage, outdoor gathering space and secure tenant parking.

Component	Suggested scale	Purpose	Key caution
Micro-cottages or modular studios	6-10 units	Year-round affordable rental for farm and food-system workers	Requires zoning, building permits, water, wastewater and a viable operating budget.
Accessible unit	At least 1 unit	Ensure inclusive access and broaden eligibility	Accessibility requirements must be incorporated at concept design.
Shared amenity building	1 small building	Laundry, storage, meeting and tenant supports	Keep residential amenities separate from regulated commercial food operations.
Seasonal yurts	Optional 2-4 units	Short-term seasonal accommodation or pilot capacity	Yurts used regularly or year-round are buildings under the BC Building Code and are not a permit workaround.

8.3 Yurt Feasibility and Legal Caution

Important
The BC Building Code Appeal Board has determined that fabric-covered yurts used regularly year-round meet the definition of a building and are subject to applicable Building Code provisions. Alternative solutions may be required because the Code does not prescribe a complete yurt pathway. A yurt should therefore be treated as a design option, not as a way to avoid permits.

If the site is in the Agricultural Land Reserve, multiple residences or housing beyond permitted limits may require a non-adhering residential use application. The Agricultural Land Commission considers whether housing is necessary for farm use, proportionate to the farm operation, clustered with existing residential uses, and designed to minimize loss or fragmentation of agricultural land (Agricultural Land Commission, n.d.).

A combined food-hub and worker-housing project may be easier to approve on appropriately zoned non-ALR land or on a site where housing and commercial or community uses can be explicitly supported. If an ALR property is considered, early consultation with Islands Trust, the CRD building authority, and the Agricultural Land Commission is essential (Agricultural Land Commission, n.d.; Islands Trust, n.d.-f).

8.4 Housing Governance Safeguards

- Use a nonprofit or cooperative housing operator with clear tenant-selection policies.
- Prioritize workers in agriculture, food processing, distribution and essential community services while retaining enough flexibility for funding eligibility.

- Keep housing agreements legally separate from employment agreements to reduce vulnerability and clarify rights and responsibilities.
- Establish a replacement reserve, maintenance plan and professional property-management function.
- Complete a legal review of tenancy, employment-linked housing, insurance and human-rights obligations.
- Do not include the housing component in the same capital application unless the funder explicitly allows mixed-use costs; use separate cost centres and funding streams.

9. Best Island and Hub-and-Spoke Sales Model

9.1 Preliminary Preferred Island: North Pender

North Pender is the strongest preliminary location for the main hub, subject to site-level feasibility. It has the largest 2021 year-round population among Pender, Mayne, Galiano, and Saturna, the strongest current survey representation, an established Farmers' Institute food hub, year-round market activity, and existing SGICRC/FRA administration (Islands Trust, n.d.-a, n.d.-b, n.d.-c, n.d.-d; Pender Islands Farmers' Institute, n.d.-a).

Island	2021 population	Recommended network role	Preliminary assessment
North Pender	2,470	Primary hub, processing, storage, storefront and administration	Preferred candidate, subject to site and servicing.
Galiano	1,395	Partner outlet, collection point and Vancouver-facing sales	Strong tourism and market potential; less central for Saturna/Pender logistics.
Mayne	1,310	Strong satellite outlet or alternate hub	Excellent ferry-node potential; may become preferred if site economics are superior.
Saturna	465	Preorder pickup, refrigerated micro-outlet and seasonal pop-up	Full independent store is unlikely to be viable initially.
Salt Spring	Larger regional market	Wholesale, technical and processing partner	Important market, but governance must protect the outer-island mandate.

Note. Population figures are from the 2021 census profiles for North Pender, Galiano, Mayne, and Saturna (Islands Trust, n.d.-a, n.d.-b, n.d.-c, n.d.-d). Salt Spring is shown for its market role rather than as a comparable survey island.

9.2 Recommended Outlet Model

Every participating island should have a sales and pickup presence, but the project should not initially build and staff a separate full storefront on every island. Five independent stores would duplicate rent, utilities, refrigeration, staffing, insurance, inventory loss, cleaning and administrative overhead.

Tier	Location and format	Functions
Tier 1 - Main hub	North Pender or best feasible site	Processing, kitchen, storage, aggregation, primary storefront, administration, training and housing.
Tier 2 - Partner outlets	Mayne, Galiano and Salt Spring	Branded shelving/refrigeration, preorder pickup, local collection and surplus sales through existing stores or markets.
Tier 3 - Micro-outlet	Saturna	Online preorder, scheduled delivery, hosted refrigerator/freezer, seasonal pop-ups and producer collection.

9.3 Conditions That Could Change the Location Recommendation

- A donated or deeply discounted site on another island.
- An existing building that can be converted at substantially lower total cost.
- A long-term lease with appropriate zoning and expansion rights.
- Adequate water and wastewater capacity for food processing and housing.
- Reliable power, loading, parking and freight access.

- A stronger local operating partner and paid management capacity.
- Lower total construction and operating cost after ferry logistics are included.
- A site that can support both the hub and housing without unacceptable agricultural or ecological impact.

10. Existing Southern Gulf Islands Assets and Gaps

The region does not start from zero. Several useful assets already exist, but they operate as separate pieces rather than an integrated four-island system.

Existing asset	Current contribution	Gap or partnership opportunity
The Root, Salt Spring Island	Commercial kitchen, temperature-controlled storage, walk-in fridge/freezer, processing space, equipment and business incubation.	Use as a technical model and possible training or overflow partner; avoid unnecessary duplication.
Pender Farm Food Hub / PIFI	Year-round and seasonal markets, commercial refrigerators/freezers, food distribution and newly funded processing equipment.	Potential pilot site or Pender outlet; existing facilities need capacity and compliance assessment.
Gulf Islands Food Co-op	Nonprofit community service co-op, producer registry, inter-island relationships, shared equipment and sales initiatives.	Potential producer-governance and operating partner; capacity must be assessed.
Existing island stores and markets	Local customer base, retail systems and trusted island presence.	Potential branded outlets, pickup points and consignment partners.
SGICRC / Food Resilience Alliance	Regional coordination, project administration, grant experience and cross-sector relationships.	Best development lead, but should not operate a major facility alone without specialist capacity.

Defensible Gap Statement

The Southern Gulf Islands have valuable but dispersed food-system assets. What is missing for Pender, Mayne, Galiano and Saturna is an integrated regional system connecting those assets through shared processing, storage, aggregation, distribution, year-round market access and workforce support.

11. Recommended Lead Organization and Governance

11.1 Development Lead

The Southern Gulf Islands Community Resource Centre Society, working through the Food Resilience Alliance, should lead feasibility, partnership development, and capital fundraising. FRA is publicly described as a collaborative network supporting food and agriculture initiatives across the Southern Gulf Islands; SGICRC provides the incorporated nonprofit structure and administrative capacity (Food Resilience Alliance, n.d.).

11.2 Preferred Producer and Operating Partner

The Gulf Islands Food Co-op is the organization whose mandate and cooperative structure most closely match producer aggregation, shared resources, inter-island sales, and producer participation. It should be invited as the prospective producer-governance and operating partner, subject to an organizational-capacity assessment (Gulf Islands Food Co-op, n.d.).

11.3 Government and Island Partners

Partner	Recommended role	Why it matters
CRD / CESC	Capital partner, land and servicing discussions, regional legitimacy and matching funds	The project crosses island boundaries and may require public infrastructure support.
Islands Trust	OCP, zoning, density, land-use approvals and housing policy	Site viability depends on land-use permissions.
Participating First Nations	Early partnership, governance, economic reconciliation and cultural/territorial interests	Engagement must begin before the site and model are fixed.
Pender Islands Farmers' Institute	Pender producer representation, market pilot and potential facility/outlet partner	PIFI already operates the strongest small-island food-hub starting point.
Mayne, Galiano and Saturna organizations	Local producer representation, outlet hosts and distribution coordination	The project must be regional in practice, not only in name.
RIEP and business-support partners	Economic impact, business planning, investment readiness and replication	Useful strategic support, but not the primary operator.

11.4 Preferred Governance Structure

1. Create a regional project steering committee with island, producer, First Nations, government, retail, housing and technical representation.
2. Have SGICRC hold and administer feasibility funding during project development.
3. Complete a formal capacity assessment of the Gulf Islands Food Co-op.
4. Determine whether the eventual operator will be the existing Co-op, a new multi-stakeholder cooperative, a dedicated nonprofit food-hub society or an SGICRC social enterprise.
5. Separate asset ownership from day-to-day operations where this reduces risk. A nonprofit or public body may own the facility while a cooperative or contracted operator runs commercial functions.
6. Execute agreements covering building use, fees, reserves, staffing, maintenance, insurance, housing, producer representation and island access before construction.

Governance Safeguard

SGICRC should not commit to owning or operating a major mixed-use facility until feasibility confirms demand, qualified management, working capital, legal compliance and an operating reserve.

12. Funding and Grant Strategy

The project should be financed as a stack of separate but coordinated components. Food-hub construction, equipment, water infrastructure, housing and operating launch may require different funders and separate budgets. Program status changes frequently; every application must be verified immediately before submission.

12.1 Immediate and High-Priority Opportunities

Program	Potential role	Published funding/status	Recommended action
Build Communities Strong Fund - Local Impact Stream (PacifiCan)	Publicly accessible community infrastructure and major renovation/construction	Open; normally $125,000-$1 million and up to 50% of eligible costs. 2026-27 deadline: Sept. 14, 2026.	Use only if the project is sufficiently shovel-ready; otherwise prepare for a later round or another stream.
BC Community Gaming Capital Project Grant	Facility, community infrastructure, acquisition or equipment	2026 intake July 17-Aug. 31; up to $250,000, generally 20%-50% of total cost; matching funds required.	Confirm SGICRC or partner eligibility based on previous Community Gaming Grant approval.
PacifiCan Community Economic Development and Diversification	Equipment, productivity, shared infrastructure, business growth and diversification	Accepting applications on an ongoing basis; contribution amount varies.	Request a pre-application discussion and submit an expression of interest after the business case is developed.
Island Coastal Economic Trust - Investment Readiness	Feasibility, business planning, capital plan, regional collaboration and investment preparation	Published program provides up to $30,000.	Strongest first-stage fit; contact ICET to confirm current intake and eligible scope.
Island Coastal Economic Trust - Capital and Innovation	Community-owned agrifood infrastructure and sustainable economic assets	Published program provides up to $200,000.	Use for a defined capital component after site control, cost estimates and operations plan.
Federal Food Security Fund - Regional Tariff Response Initiative	Domestic processing, food production, storage, distribution and delivery	$150 million announced nationally in June 2026; delivery details are emerging.	Monitor PacifiCan implementation and seek early program guidance.

12.2 Programs to Monitor

Program	Fit	Current planning assumption
Rural Economic Diversification and Infrastructure Program (REDIP)	Feasibility, economic capacity and capital infrastructure	The 2025-26 intake is closed; the program is described as annual. Prepare for the next intake.
Investment Agriculture Foundation of BC programs	Water, processing, storage, distribution, traceability and workforce initiatives	Programs open and close throughout the year. Maintain a grant watch and project-ready equipment list.
Local Food Infrastructure Fund	Food-security infrastructure and equipment	Recent large- and small-scale intakes are closed; monitor future federal food-security rounds.
FCC AgriSpirit and local foundations	Defined equipment, accessibility, refrigeration or community components	Use as smaller matching contributions rather than core construction financing.

12.3 Housing Funding Pathway

Housing should be developed as a parallel workstream. As of July 2026, the CMHC Affordable Housing Fund portal reported its budget fully committed and closed (Canada Mortgage and Housing Corporation, n.d.-a). The BC Housing Community Housing Fund remained an established program, but the next proposal date had not been published (BC Housing, n.d.-a). The project should therefore focus on site readiness, concept design, operating partnerships, and pre-development work while monitoring future intakes.

Housing pathway	Potential use	Current caution
BC Housing Community Housing Fund	Mixed-income nonprofit rental housing	Next proposal timing has not been announced; rental mix and operator requirements apply.
BC Builds	Middle-income rental housing using public, nonprofit or partner land	Requires discussion with BC Housing and a suitable land/partner structure.
CMHC programs and Build Canada Homes	Low-cost financing, forgivable loans or future housing investment pathways	Affordable Housing Fund portal is currently closed; contact housing specialists for successor pathways.
Co-op Housing Development Program	Nonprofit rental cooperative housing	Could fit a separate worker-housing cooperative if scale and eligibility are sufficient.
CRD Rural Housing Program and local contributions	Pre-development support, land, coordination and regional housing implementation	Engage early; funding and service structure will depend on CRD decisions and project readiness.

12.4 Recommended Funding Sequence

1. Secure planning and investment-readiness funding for a combined food-hub and housing feasibility study.
2. Confirm producer users, annual volumes, user fees, retail commissions and housing demand.
3. Secure site control through purchase option, donation, memorandum or long-term lease.
4. Complete zoning, ALR, water, wastewater, building-code, environmental and servicing due diligence.
5. Prepare a class-level capital estimate, operating pro forma and reserve plan.
6. Apply separately for building, food equipment, water systems and housing funding while identifying eligible shared costs.
7. Launch an outlet and distribution pilot before committing to a large permanent retail footprint.
8. Maintain sufficient bridge cash because many contribution programs reimburse costs after they are incurred.

13. Implementation Roadmap

Phase	Timing	Key activities	Decision gate
1. Organize and validate	0-6 months	Form steering committee; confirm mandate; expand producer survey; gather letters of commitment; assess GIFC capacity; contact funders and planners.	Proceed only if regional partners and a meaningful producer group commit to feasibility.
2. Feasibility and site analysis	6-12 months	Compare sites; assess buildings; complete zoning/ALR, water, septic, power, environmental and transport analysis; develop hub and housing concept.	Select preferred site only when servicing and land-use pathways are credible.
3. Market and outlet pilot	6-18 months, overlapping	Use existing Pender hub and partner outlets; test online ordering, island pickups, delivery, commissions, storage and winter demand.	Proceed to large retail space only if sales and logistics data support it.
4. Business and capital plan	12-18 months	Finalize ownership, operator, staffing, fees, housing rents, capital budget, funding stack, risk register and reserve requirements.	Board approves only if operations reach sustainable break-even with prudent assumptions.
5. Funding and approvals	18-30 months	Submit capital and housing applications; complete design, permits, agreements and procurement planning.	Do not begin construction until funding, site control and operating agreements are secured.
6. Construction and launch	30-48 months	Build or renovate in phases; recruit management; establish food-safety, retail, housing and maintenance systems.	Open only after commissioning, regulatory approvals and working-capital reserve are in place.

13.1 Immediate 90-Day Actions

1. Approve the project concept for feasibility only, not for construction.

2. Invite SGICRC/FRA, GIFC, CRD/CESC, PIFI, island representatives and First Nations to a project formation meeting.

3. Request preliminary planning meetings with Islands Trust, CRD Building Inspection and the Agricultural Land Commission before identifying a preferred parcel.

4. Expand the producer demand survey to capture annual volumes, seasonal timing, storage needs, kitchen uses, price tolerance and letters of commitment.

5. Survey farm and food-system workers regarding unit type, rent range, seasonality and transportation needs without collecting unnecessary personal information.

6. Prepare a concise ICET Investment Readiness concept and schedule funder meetings with PacifiCan and ICET.

7. Identify three to five potential sites or existing buildings on Pender and Mayne for comparative analysis.

8. Design a 12-month island outlet pilot using existing markets and retailers.

9. Create a grant calendar and assign an owner to each opportunity.

14. Risks, Safeguards and Stage-Gate Decisions

Risk	Why it matters	Required safeguard
Insufficient producer use	The poultry pilot showed that interest may not become paid use.	Require volumes, deposits, service agreements and a minimum user threshold.
Retail seasonality	Summer demand may hide weak winter economics.	Run a 12-month pilot and model monthly cash flow.
Site and servicing failure	Commercial food use and housing require substantial water, wastewater, power and access.	Complete technical due diligence before site purchase or capital application.
Land-use or ALR conflict	Mixed commercial, processing and residential uses may not fit existing zoning or ALR rules.	Obtain written planning advice and identify approval pathways early.
Yurt compliance assumptions	Yurts may be treated as buildings and require alternative code solutions.	Use yurts only after design, code, fire, sanitation and occupancy approval.
Operating-capacity gap	A nonprofit may secure a grant but lack retail, food-safety, facility and housing management expertise.	Hire qualified management and separate governance from operations.
Grant dependence	Capital grants do not automatically cover ongoing losses.	Demonstrate sustainable fees, commissions, rents and reserves.
Regional inequity	A Pender facility could be perceived as Pender-only.	Guarantee island representation, outlet access and transparent service standards.
Housing tied too closely to employment	Workers may face instability or unclear tenancy arrangements.	Use independent tenancy agreements and legal review.
Food safety and traceability	Multiple producers and processing activities increase compliance complexity.	Implement documented food-safety, cleaning, allergen, traceability and recall systems.

14.1 Required Stage-Gate Questions

1. Is there a verified group of paying users, not only general supporters?

2. Are annual volumes, seasonal patterns and service prices documented?

3. Is the site legally and technically capable of supporting the proposed uses?

4. Is housing demand confirmed at rents that support operations and meet affordability goals?

5. Does the operating organization have qualified management and adequate reserves?

6. Are capital grants, matching funds and bridge cash sufficient?

7. Does the project complement existing island facilities?

8. Are all four islands represented in governance and service design?

9. Have First Nations been engaged early and meaningfully?

10. Can the Board stop, reduce or redesign the project without sunk-cost pressure if the evidence is weak?

15. Board Resolutions for Consideration

Proposed Resolution
THAT the Board receive the EC DEV - Findings and Future report and accept the cancellation of the 2026 mobile poultry processing pilot as a documented feasibility outcome.

Proposed Resolution
THAT the Board endorse development of a Southern Gulf Islands Regional Food Hub, Farm Market and Workforce Campus feasibility project, without committing at this stage to construction, ownership or operation.

Proposed Resolution
THAT North Pender Island be treated as the preliminary preferred hub location, subject to a comparative site assessment that includes Mayne Island and any exceptional regional opportunity.

Proposed Resolution
THAT the project pursue a hub-and-spoke sales model using existing island stores, markets, community facilities and pickup points rather than constructing a full storefront on every island in the first phase.

Proposed Resolution
THAT SGICRC, through the Food Resilience Alliance, be authorized to act as the initial project-development and grant lead.

Proposed Resolution
THAT the Gulf Islands Food Co-op be invited as the prospective producer-governance and operating partner, subject to an organizational-capacity assessment.

Proposed Resolution
THAT the feasibility scope include code-compliant micro-housing for farm and food-system workers and assess seasonal yurts only as an optional permitted accommodation type.

Proposed Resolution
THAT the project not proceed to major capital applications until producer demand, site control, servicing, zoning, ownership, operating responsibility, funding match and working-capital requirements have been verified.

Appendix A. Survey Data Summary

Measure	Count	Percentage / note
Responses received	6	Directional sample only
Pender respondents	3	50%
Experienced recruitment difficulty	5	83%
Workforce housing would help or might help	5	83%
Cost of labour selected as recruitment barrier	5	83%
Feed costs selected as top challenge	4	67%
Shared processing rated moderate or higher	6	100%
Would participate in shared processing	4	67%
Commercial kitchen rated moderate or higher	6	100%
Water storage rated high or critical	4	67%
Regional food hub rated high	4	67%
Willing or maybe willing to share resources	5	83%
Climate change selected as risk	4	67%
Drought selected as risk	4	67%
Rising operating costs selected as risk	4	67%
Housing shortages selected as risk	4	67%

Note. Data are from the EC DEV SGI Agriculture Sustainability Survey response workbook (FRA, 2026). Names and contact information are excluded.

Appendix B. Preliminary Site Selection Matrix

Criterion	Minimum requirement	Preferred evidence
Land-use permission	Food processing, retail, storage and proposed housing can be permitted	Written planning review and clear rezoning/permit pathway
ALR status	No unresolved conflict with ALR residential or non-farm-use rules	Non-ALR site or strong agricultural necessity case
Water	Sufficient potable and process water year-round	Hydrogeological/water system assessment plus rainwater storage
Wastewater	Capacity for kitchen, washdown, staff, public and residential use	Engineered onsite or community system with expansion allowance
Power	Adequate service for refrigeration, kitchen and housing	Three-phase or upgradeable electrical service and backup strategy
Access and loading	Safe delivery access and vehicle circulation	Close to ferry/freight route without compromising customer access
Retail visibility	Enough year-round and seasonal customer traffic	Near an established service centre, market or destination
Housing suitability	Safe separation of residential and commercial functions	Quiet, private area with shared amenity space
Expansion	Room for phased equipment, storage and housing	Future building area without harming productive land or ecosystems
Cost	Acquisition/lease and servicing fit the funding model	Donated land, long-term lease or adaptable existing building
Regional equity	Reasonable access for all four islands	Outlet and distribution plan offsets central-location disadvantage
Climate resilience	Low wildfire, flood, erosion and water-supply risk	Energy-efficient, fire-smart and water-secure design

Appendix C. References

The following references support the public-source claims in this report. Program availability and regulatory requirements should be reconfirmed before an application, property commitment, or construction decision.

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Final Strategic Conclusion

From a single pilot to a regional system

The poultry-processing initiative demonstrated that small-island infrastructure cannot be built on general interest alone. The survey shows, however, that producers support a broader set of shared services. The next stage should test a regional food-and-workforce campus that connects existing assets, supports producer income, creates stable market channels and addresses the housing constraint that limits agricultural labour.