

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:**

Original Signed by 

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Jacques Dubé, Chief Administrative Officer

**DATE:** May 27, 2022

**SUBJECT:** Adoption of a Green Market Incubation Program

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## **ORIGIN**

September 29, 2020 Regional Council motion (Item 7.8.3):

MOVED by Councillor Smith, seconded by Councillor Cleary,

THAT Halifax Regional Council:

1. Approve the adoption of a Supplier Code of Conduct (including Living Wage requirements) as per Attachment A of the staff report dated September 3, 2020, with an effective date of April 1, 2021;
2. Approve the adoption of a Social Value Framework as per Attachment B of the staff report dated September 3, 2020, with effective date of April 1, 2021;
3. Direct the Chief Administrative Officer to investigate possibilities for the adoption of a Green Market incubation program similar to the City of Toronto's Green Market Accelerator program as a part of HalifAct 2050 as included as Attachment C of the staff report dated September 3, 2020; and
4. Adopt the amendments to Administrative Order 2020-004-ADM, the Procurement Administrative Order, as set out in Attachment D of the staff report dated September 3, 2020.

MOTION PUT AND PASSED

## **LEGISLATIVE AUTHORITY**

The Administrative Order 1, The Procedures of the Council Administrative Order, Schedule 5, section 1 (1) provides: 1(1) Subject to subsection 1A, the purpose of the Environment and Sustainability Standing Committee is to provide advice to the Council relating to the Environment and Sustainability including Solid Waste Resources, energy security and sustainable parks, forests (urban and rural) and open spaces and water resource management.

## **RECOMMENDATION**

It is recommended that Halifax Regional Council continue to leverage the Halifax Innovation Outpost to engage the private sector and others in developing new products and services that advance HalifACT and grow the green economy.

## **BACKGROUND**

This report addresses item #3 of the Motion included in the Origin section of this report.

### **HalifACT: Acting on Climate Together**

Approved by Regional Council in June 2020, [HalifACT: Acting on Climate Together](#) (HalifACT) is a comprehensive climate action plan that addresses both mitigation and adaptation at a corporate and community-wide scale. Its aim is help transition Halifax to a carbon-neutral municipality by 2050 and HRM as a carbon-neutral organization by 2030. The plan includes 46 actions that include: to retrofit existing buildings, increase rooftop solar photovoltaic systems, foster large-scale renewable energy development, attain net zero new building construction standards, electrify transportation, undertake flood protection work and assess critical infrastructure, and build community capacity for climate adaptation and resilience.

### **Halifax's New Five-Year Economic Strategy.**

On April 5, 2022 Regional Council approved [People. Planet. Prosperity. Halifax's Inclusive Economic Strategy 2022-27](#) (Inclusive Economic Strategy) as the new economic strategy for HRM. The vision of the Inclusive Economic Strategy is, "A prosperous, growing Halifax that puts the wellbeing of people and planet first." It is supported by a quantitative vision of growing Halifax's GDP to \$32 Billion and its population to 650,000 by 2037. The plan is being implemented by HRM and the Halifax Partnership. Growing the green economy and advancing HalifACT are key components of the new economic strategy. The Inclusive Economic Strategy replaces the [Halifax COVID-19 Economic Response Recovery Plan](#) as HRM's overarching economic plan.

### **Halifax Civic Innovation Outpost**

The Halifax Innovation Outpost (Outpost) is a joint initiative between HRM and the Halifax Partnership (Partnership) and is intended to: broaden opportunities for start-ups and scale-ups to develop their products and services through increased understanding of municipal and community needs; leverage municipal and community assets to beta test products and services; and address complex issues that fall within the municipal mandate, including climate change mitigation and adaptation. The Outpost opened at the innovation hub Volta on Barrington Street in November 2019. In October 2021, Regional Council [approved funding](#) to the Outpost until 2023-24.

## **DISCUSSION**

Climate change is one of the most pressing issues of our time and governments around the world understand that they cannot solve this complex problem alone. Collaboration with early-stage companies (known as "startups") and the broader private sector is essential. It is also mutually beneficial. It can put companies on a path to profitability by enabling the prototyping and initial sale of products and services to government, while reducing municipalities' costs and improving their service through the piloting of new technologies and methods, and the onboarding of new skills. The Halifax Innovation Outpost was created with these goals in mind.

This report outlines Toronto's Green Market Incubation Program and compares it to how HRM and the Halifax Partnership are leveraging the Outpost to engage the private sector and develop climate change solutions.

### **Toronto Green Market Incubation Program**

The City of Toronto's Green Market Incubation Program (GMAP), established in 2016, provides local firms and companies opportunities to partner with the City to accelerate the development and commercialization of made-in-Toronto green technologies. Managed by the City's Office of Partnerships (TOP) and its Economic Development & Culture (EDC) Division, participants in the program have access to City-owned infrastructure, assets, and city staff for applied research, proof of concept, and demonstration pilots for their new green technologies during the early stages of product development. GMAP enables participants to use the City as a reference when marketing products. The City can use the program to: accelerate job growth in Toronto's green sector; attract, keep, and grow talent and investment in Toronto's green economy (defined as "economic activity that produces products or services that directly or indirectly reduces the impact of human activities on the environment"); and help market Toronto and its green industries.

Under the program, GMAP participants must cover all project costs and enter into a legal agreement with the City. It is a City Council-approved mechanism for the City to partner with businesses and demonstrate the value of their products and services. In March 2020, the program was halted due to the COVID-19 pandemic.

### **HRM's Climate Change Work with the Private Sector**

When the above motion was passed in June 2020, HalifACT had been approved three months earlier and the Economic Response and Recovery Plan and Inclusive Economic Strategy had not yet been developed. In the past two years, all three of these strategies have informed HRM's work with the private sector to address climate change and grow the green economy.

The approach for implementing HalifACT is one of urgent, collective action across all stakeholders and sectors. Private sector action is critical to success and participation from the private sector continues to grow. Many umbrella organizations for various sectors attend the quarterly HalifACT stakeholder meetings. Some members from the private sector have participated in collective impact training and joined prototyping teams to test ideas and scale up what works.

As was the case with the ERRP, the Inclusive Economic Strategy, now in effect until 2027, states that HRM and the Partnership will work with the private sector to tackle the climate change emergency and address other complex social issues. This is being done through the Halifax Innovation Outpost.

In 2020, internal responsibility for the Outpost was moved from Information, Communications and Technology (ICT) to Government Relations and External Affairs (GREA). With the active involvement of the Partnership and HRM's Environment & Climate Change, Corporate Communications, and GREA sections, the Outpost committed to working with the private sector, other orders of government, and community stakeholders to develop and prototype climate change-related products, services, and projects to build climate resilience while reducing Halifax's greenhouse emissions.

As detailed in the staff report, "[Resourcing the Halifax Civic Innovation Outpost](#)", from the October 2021 meeting of Regional Council, the Outpost engaged in the following activities:

- *Gigatonne Challenge* - The Outpost partnered with Complexity University to offer the Gigatonne Challenge, an intensive, advanced-learning program building practical skills to tackle the climate crisis. In the two-week session that started in early April 2021, municipal staff from four business units worked with provincial, university, utility, environmental NGOs and community representatives to learn the collective impact approach to problem-solving and to develop and test solutions in the areas of electric vehicles and e-mobility, climate change leadership, and climate adaptation. A team of 33 climate leaders worked through the Gigatonne Challenge program in August 2020.

- *HalifACT Climate Action Hackathon* - In March 2021, HRM, the Partnership (Innovation Outpost) and Dalhousie University's Shiftkey Labs ran a hackathon to find sustainable solutions to reducing climate change. Ten proposed solutions were pitched. The top three winners were: (1) Ecommunity - a gaming app that drives and rewards tangible actions and creates contagious friendly competition; (2) ChangeNode - an app that enables individuals and groups to rent privately-owned electric vehicle charging stations (picture the Airbnb or home charging stations); and, (3) Project Spotlight - an online dashboard and community meeting place for organizations to track their progress against goals and share in discussion groups. Follow up support was offered to all three projects and "Project Spotlight" continues to grow and evolve as earthnet.world (a social action network for the planet)
- *Green Delivery Service* - This project supported the prototyping process of three Halifax-based startups while supporting local retailers, encouraging Halifax residents to buy local, and reducing carbon emissions. During the one-month pilot in 2020, local delivery startups Haligone and Kangaroo used electric vehicles supplied by startup All EV Canada. Haligone delivered non-perishable products for up to 25 retailers while Kangaroo provided independent restaurants and customers in rural areas of the municipality with a platform for food delivery. Delivery and electric vehicle rental costs were covered for the duration of the pilot. Haligone has since quadrupled the size of its business which the owner attributes to the pilot.
- *Climate Action Charter* - With HRM's Environment & Climate Change division, the Outpost is developing a Climate Action Charter, as proposed at the Mayor's Economic Roundtable on Green Economy, that will be modeled after the successful Nova Scotia Health and Safety Leadership Charter. The Charter will engage and enroll the region's most impactful CEOs so they can explore together how sustainability principles can be incorporated into their business practices while delivering a return for investors (whether public or private).

In early 2022, HRM hired a full-time Climate Engagement Specialist to continue the above work. She, with HRM colleagues and the Outpost's Director, issued a [Climate Action Challenge](#) to the community in February. Through a call for submissions, the Outpost invited Canadian businesses, organizations, and community groups to submit pilots that have potential to decarbonize the Halifax economy. Successful teams would receive: mentorship in the prototyping process and support to sharpen and test their idea with potential customers/users and/or partners; funding of up to \$5000 for project costs; an opportunity to showcase ideas and receive feedback and support from advisors in the climate and green building sectors; and connections to larger funding opportunities such as EfficiencyOne's Halifax Climate Investment, Innovation and Impact Fund (HCi3) Grant Program.

In February, seven ideas were accepted into the Challenge for prototyping and piloting:

1. Using solar awnings as outdoor classrooms and to power community garden assets by Hope Blooms;
2. Developing a Deep Energy Retrofit Job Training Program for African Nova Scotians as a collaboration between the ReCover Initiative and One North End;
3. Passive tiny homes as a pathway to net zero and affordable housing by Billet Workshop;
4. Boulevard Gardening and residential landscaping as a nature-based solution to climate change by Alma Landscapes;
5. Understanding the pathways and barriers to green jobs for immigrants and newcomers;
6. Social Networks as a support to climate collaboration and impact; and,
7. EV delivery service from MYN Solutions.

Throughout April and May, these groups refined their prototypes with Outpost support and on May 30th shared their learnings. Three of the seven participants have since received \$50,000 each from the Halifax Climate Investment, Innovation and Impact Fund (HCi3) Grant Program to continue their work.

One team is continuing their project with support from Councillor Austin and the HalifACT Team. The Outpost has also connected nine green economy companies with HRM and others to explore piloting opportunities. While many have not resulted in demonstration projects with HRM (lack of company capacity or HRM need or fit), they have provided companies with a better understanding of the general needs and cybersecurity and privacy requirements of Canadian municipalities.

Work to date at the Outpost has created greater links between HRM, the Partnership, and the startup community. The Outpost and some local companies have a greater understanding HRM's cybersecurity and privacy requirements and are taking steps to address them. In so doing, they will be better positioned to refine their products and services for potential piloting or sale to other municipalities and organizations. Through the Climate Action Challenge and Gigatonne Challenge that was facilitated by the Outpost, municipal and provincial staff, as well as climate change organizations and green technology companies are building capacity to rapidly deploy community - and private-for-profit solutions – to advance HalifACT and grow the economy. The Climate Action Challenge has provided those with preliminary prototypes the mentorship, profile, and pathway needed to access greater funding and other supports like HCl3.

In many ways, Outpost activities are an expanded version of Toronto's Green Market Incubation Program. As such, it is recommended that Halifax Regional Council continue to leverage the Outpost to engage the private sector and others in developing new products and services that advance HalifACT and grow the green economy.

Outpost updates will continue to be included in Inclusive Economic Strategy update reports to Regional Council.

### **FINANCIAL IMPLICATIONS**

There are no financial implications. HalifACT, the Inclusive Economic Strategy, and climate change-related projects out of the Halifax Innovation Outpost are being implemented with existing budgets.

### **RISK CONSIDERATION**

No risk considerations were identified.

### **COMMUNITY ENGAGEMENT**

There has been no community engagement completed to inform this report. However, significant community engagement was completed during the development of HalifACT, the Economic Response and Recovery Plan, and the Inclusive Economic Strategy. There has been ongoing stakeholder engagement during the implementation of these plans and projects managed out of the Innovation Outpost.

### **ENVIRONMENTAL IMPLICATIONS**

The collaborative climate work between HRM and the Outpost has had positive environmental impacts in terms of progressing the implementation of HalifACT and increasing efforts and relationships with the business and start-up communities in working toward climate goals.

### **ALTERNATIVES**

Regional Council could choose not to approve the recommendation

**ATTACHMENTS**

No attachments.

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

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