

# **A Summary of Trusts in British Columbia**

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at the  
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## **Section I Introduction**

This report provides a short summary and overview for 18 trusts in British Columbia and elsewhere. The material was gathered directly from the trust websites, with some supplemental material provided directly by the trusts as a result of an email inquiry or telephone call. *The referencing for this document should be considered the individual trust websites as all the materials are a direct edit from those sources.*

In reviewing this summary, readers will notice that not all information is uniformly available or provided. This is a direct result of the fact that each trust provides a different format and selection of materials which they choose to share with the public via the internet. Information gaps were pursued by contacting individual trusts, although in a few instances, these inquiries were not responded to. As a result, some gaps still persist and if a particular item is of importance, it should be followed up direct with the applicable trust offices.

### ***Document Organization***

In reviewing the available material, trusts were divided into three types or categories:

The first category involves regional trusts. These are oriented towards community and/or economic development, or towards purposes that go beyond simply the protection or conservation of land. Common features of these types of trusts are that they begin with a substantial funding allocation which is invested, and the profits from these investments are used to support a range of activities including funding programs, research, and community/economic development initiatives.

The second category involves land trusts. These typically focus on land/nature protection and conservation. A common feature of these types of trusts is that they rely heavily on donations, fundraising, and applications to various provincial/federal granting agencies.

The third category involves the Islands Trust. This is a unique circumstance which exhibits characteristics of both regional and land trusts. On the one hand, it functions similar to a Regional District government. On the other hand, a separate Islands Trust Fund Board serves the function of a land trust geared towards protection and conservation of land.

Within the discussion of the individual trusts, information gathered typically included:

- Background
  - How the trust was established
  - History of trust
- Purpose
  - Mandate and goals
- Funding
  - Initial funding allocation
  - Other sources of funding
  - Some information on trust fund management
- Governance
  - Board member selection processes
  - Committee structure
  - Accountability
- Structural Organization
  - Physical office space
  - Staffing
  - Executive management
- Program Delivery
  - Identification of funding programs
  - Identification of program mandates
  - Examples of programs/projects
- Communication
  - Types of mechanisms used

Organizations which provided funding for specific projects and/or proposals also contain information on procedures for application, funding, and evaluation.

One additional note, while the focus on this particular project was on trusts operating in British Columbia, information is included with respect to the Alaska Permanent Fund and the Alberta Heritage Savings Trust. These two external examples were included because they are geographically close to BC and many resource communities are aware of them. They are also included because their principal source of funding comes direct from land based resource royalties and their purpose is to support rural and resource dependent places. In addition, each of these trusts has been operating for a considerable period of time and their experience can inform new trust initiatives. Information on the Alaska and Alberta cases came from their websites and from a review paper completed at the University of Alberta.

## **Section II Regional Trusts**

### **Alaska Permanent Fund**

#### **For further information:**

Warrack, A.A. and Keddie, R.R. (2002). *Natural Resource Trust Funds: A Comparison of Alberta and Alaska Resource Funds*. Edmonton, Alberta: Western Centre for Economic Research, University of Alberta, Number 72.

Alaska Permanent Fund Corporation homepage:  
<http://www.apfc.org/homeobjects/tabPermFund.cfm>

#### **Background**

The Alaska Permanent Fund (APF) was created in 1976 as a means of providing stability and sustainability by allocating resource revenues so as to preserve future opportunities for growth and prosperity. The idea for the Fund germinated in 1969, the year Alaska auctioned drilling rights to 164 tracts of state-owned land at Prudhoe Bay. The proceeds amounted to \$US 900 million. This sparked debate about what should be done with the money. The consensus was to spend the money to improve water systems, schools, roads, airports and other infrastructure to improve the quality of life for its citizens, and thus the money was exhausted quickly. The expenditures on infrastructure did not seem to have achieved the goals and expectations of Alaskans.

Prudhoe Bay was proving to be one of the richest oil fields in North America, bringing oil and gas royalties to the state government. Many argued that all Alaskans should get some direct benefits from this new stream of revenues. Proponents of the Permanent Fund argued that:

- the fund could help to create an investment base from which to generate future income; thus, when oil revenues diminished, a stream of revenues would remain for the State;
- the fund could remove a significant portion of the revenues from government, reducing the opportunity for excessive spending by the Legislature; and
- the fund could take non-renewable wealth and transform it into renewable wealth.

The Alaska Permanent Fund would require a Constitutional Amendment because of the presence of dedicated funds within the structure of the Fund, which was prohibited by the Constitution of Alaska. The Fund was created through a statewide referendum and

enabling Constitutional Amendment, where voters approved the Fund by an almost two to one majority.

After approval by referendum, there was a three-year process of determining the Fund's objectives. The Fund has an investment portfolio structure with clear objectives for commercial returns.

## **Purpose**

It was created with a purpose to save for a time when natural resource revenues would begin to decline. It was hoped that during boom times, the economy would have the opportunity to diversify, while in the meantime, a “nest-egg” would provide security and stability for the future.

The goals and objectives of the Fund are that it will:

- consistently achieve a 4% real rate of return over time, with better-than-average investment performance and below-average risk;
- achieve excellent, cost-effective management to help maintain the autonomy and integrity of the Alaska Permanent Fund Corporation (APFC) as a public corporation established in law to be managed by an independent Board of Trustees;
- provide full, timely, reliable and objective information to the public in order to foster accessibility, knowledge and accountability;
- be a repository of institutional investment expertise that benefits the State of Alaska and facilitates a thoughtful public and investment policy evolution of the Fund; and
- continually strengthen the Fund as an institution in which Alaskans take great pride.

## **Funding**

The Alaska Permanent Fund is made up of two parts: Principal and Earnings Reserve. The Principal is the main body or the “dedicated” part of the Fund. Once monies have been allocated to the Principal, they cannot be removed unless by a majority of all voters in a statewide plebiscite. Sources of the Principal include:

- dedicated oil revenues automatically deposited in the Fund under the terms of the State Constitution; the legislated amount is 50% of all mineral royalties (25% prior to February 1980);
- legislative appropriation;
- income transferred from the Earnings Reserve to provide inflation-proofing.

The Earnings Reserve is an accumulation of net income that has not been allocated to the Principal. It is not money appropriated by the legislature, but represents unpaid earnings

dividends. Decisions about the use of the Earnings Reserve are made each year by the State Legislature and the Governor.

The Alaska Permanent Fund invests in a number of financial investments and real estate to generate income and capital gains. All investments made by the Fund must follow the “Prudent Investor Rule”, where the security of the principal outweighs the possibility of high returns and their associated risks. All investments are made with the objective of earning a return.

The Alaska Permanent Fund Corporation sets three-year rolling asset allocation targets once each year, and monitors them continuously. The early 2000 asset allocation was 9% real estate, 19% international stocks, 34% US stocks, and 37% fixed income instruments (bonds).

Income during the year is credited to the Earnings Reserve. On June 30 of each year, appropriations are made from the account. The first use of the fund’s income is to pay dividends to every citizen in the state, which is calculated as follows:

- i) add together the Fund’s net income for the last five years,
- ii) multiply that number by 21%; and
- iii) divide the result in half.

This amount is then transferred to the Dividend Fund and divided among all Alaskan residents.

The second use of the Fund’s income is to provide inflation proofing for the fund via a simple calculation. The percentage change in the US consumer price index is multiplied by the Principal balance at year-end. This amount is then transferred into the Principal. If any income remains, it is left in the Earnings Reserve as an undistributed income. This undistributed income can be requested for use in the event of a shortfall in income to pay dividends and inflation proofing. In addition, the Legislature may appropriate funds from the Earnings reserve for any lawful purpose.

The Alaskan government currently is debating the issue of appropriation. During a period of lower world prices of oil and hence reduced royalties revenues, the state had posted a deficit of over a billion dollars. The government may be forced to consider a dividend reduction paid to citizens (removing funds from the Earnings Reserve), re-introducing personal taxes in Alaska, increasing fuel taxes (which have remained at the same level since 1961), or a combination of the above. In 1999, voters said no (by 70%) to spending the Permanent Fund earnings to balance the State budget, and the Alaska fiscal conundrum remains unsolved.

Expenditures of the organization are established by the legislature at approximately 1.2% of net income.

## **Governance**

The Permanent Fund has been operated as a trust. It is a portfolio of diversified investments managed by an agency at arm's length from the government. It is accountable to the public indirectly through elected representatives, and has legislated public reporting requirements. Investment strategies are outside the control of the government. Although income can be appropriated from the Earnings reserve, it is a practice that could be undertaken only at the risk of voter reprisal. Thus, it has occurred only when there has been a shortfall of income to pay dividends to Alaskan citizens. The APFC is accountable to both elected officials and the public. Information on investment, expenditures and future strategies is transparent and available for public scrutiny.

The Alaska Permanent Fund Corporation, “a separate and independent instrument of the State” (Warrack and Keddie, p. 12), manages the Alaska Permanent Fund. The result is that the savings and investment function is separated from the spending function. A board of six trustees controls the APFC. They are appointed by the governor and serve staggered four year terms. Four are members of the public with recognized expertise in finance and other business management related fields. The others are the Commissioner of Revenue, and a cabinet minister of the Governor's choice. Both the trustees and the executive director are accountable for the achievement of the goals and objectives of the Fund.

There are four standing committees: Audit, Compensation, Real Estate, and Corporate Governance. The Audit Committee recommends to the Board the selection of an external audit firm, is the recipient of any reports from the external audit firm, and supervises the APFC's compliance with recommendations of those reports. The committee is concerned with matters pertaining to internal controls, computer security, accounting methods and conventions. It is guided by the Audit Committee Charter. The Compensation Committee defines, maintains and monitors a process by which the APFC administers compensation practices. The Real Estate Committee monitors the status of the real estate investments managed by the APFC, reviews the APFC's policies relating to those investments, and recommends changes to the Board. Finally, the Corporate Governance Committee identifies and evaluates corporate governance-related issues for which it may be appropriate to adopt corporation policy, and develops and recommends appropriate corporate governance-related policies to the Board.

The Chair may appoint temporary ad hoc committees for specified purposes. Ad hoc committees report to the full Board and have no decision-making powers except those specifically granted by Board action. At present, there is also a Legislative Oversight Committee.

The APF can only undergo fundamental changes through constitutional amendment. Changes to the management functions of the Fund must occur through a separation of powers process in Alaska, which would be slow, open and subject to intense scrutiny, and possible veto.



## **Organization**

The Trustees employ an Executive Director who is responsible for hiring staff among other duties. As well, they have a comprehensive body of full-time permanent employees including a Chief Financial Officer, Chief Investment Officer, Senior Accountant, administrative staff, a Director of Administration and IT, and Director of Communications. The APFC also hires specialized investment managers and issues money to each for making investments for the Fund. Each manager's portfolio is part of an overall design to balance the Fund's total investment risk and return. To evaluate manager performance, the APFC assigns each an index comprised of securities representing a certain market segment: the index becomes a manager's benchmark. Active managers attempt to outperform their benchmarks. They have physical office space located at 801 West 10th Street, Suite 302, Juneau AK.

## **Program Delivery**

The APF sought strictly financial dividends. With the creation of the Permanent Fund, Alaska abolished the state income tax, lowered its fuel tax, continued to have no sales tax, and started paying its citizens dividends.

## **Communication**

The Trust is required to provide full, timely, reliable and objective information to the public in order to foster accessibility, knowledge and accountability. Due to the dividend program, there is strong public interest in the performance of the APF. Through intense media and public debate, it is claimed that management of the fund is monitored constantly. Their website contains information on current top stocks, as well as updates on where funds have been invested and what their current performance is. It also contains financial reports and annual reviews, as well as press releases.

## **Alberta Heritage Savings Trust Fund**

### **For further information:**

Warrack, A.A. and Keddie, R.R. (2002). *Natural Resource Trust Funds: A Comparison of Alberta and Alaska Resource Funds*. Edmonton, Alberta: Western Centre for Economic Research, University of Alberta, Number 72.

Government of Alberta website, <http://www.finance.gov.ab.ca/business/ahstf>

### **Background**

Proposed by the Alberta government in late 1974, the Alberta Heritage Savings Trust Fund (AHSTF) was established as an Act of government carried through the legislative process in 1976. It was an attempt to diversify the economy, and it was hoped it would deploy social dividends, along with financial returns. Four reasons emerged for supporting the Heritage Fund:

- fairness to future generations – recognizing that Alberta’s non-renewable resources were depleting,
- substantial capital investment would be instrumental in an economic restructuring,
- provide quality of life improvements that Alberta otherwise could not afford, and
- provide an alternative revenue base for the future if required (Warrack and Keddie, p. 4).

In 1995, the government invited input from Albertans on the future of the AHSTF. The response was overwhelmingly in favour of keeping it, but with some fundamental changes. Steps were taken to restructure the AHSTF in 1997. Two separate portfolios were created: the Transition Portfolio and the Endowment Portfolio. The Transition Portfolio was created to temporarily hold the ‘old’ AHSTF Assets. The money would be transferred to the Endowment Portfolio over a ten year period, and a new investment strategy with a greater emphasis on investment in equities was adopted. In addition, the AHSTF would now become inflation-proofed in accordance with endowment management principles, something which had not been in place prior to these changes.

### **Purpose**

The AHSTF was established with a purpose of saving for a time when natural resource revenues would begin to decline. It was hoped that during boom times, the economies would have the opportunity to diversify, while in the meantime, a “nest-egg” would provide security and stability for the future (Warrack and Keddie, p. 1).

The AHSTF was to function as both a savings vehicle and an economic policy lever; the latter objective came to dominate. In Alberta, it was argued that by diversifying the economy through public policy, the future of its citizens would be better protected against the volatility of a natural resource based economy. Eventually the economic diversification objective gave way to the Alberta government's desire to reduce its need to borrow from capital markets. Instead, funds became used for financing regular Alberta government budget expenditures. As well, a major portion of the fund was used to purchase debentures of provincial Crown corporations, and these were not necessarily instrumental in the province's economic diversification.

With the amendments made in 1997, a new business plan was implemented for the fund with three primary objectives:

- to earn income to support the government's fiscal plan,
- to maximize the long-term financial returns through the Endowment portfolio, and
- to improve Albertan's understanding of the fund.

## **Funding**

The Alberta government provided the AHSTF with an initial installment of \$1.5 million on August 30, 1976. At its inception, the AHSTF was composed of three divisions, and separately a Cash and Marketable Securities Portfolio that consisted of funds not immediately required by the three divisions. These latter funds were invested in short and medium term marketable securities. In 1980, a legislative amendment provided for two additional divisions. Each of the five divisions was to have distinct objectives. The five divisions included the Alberta Investment Division, the Canada Investments Division, the Capital Projects Division, the Commercial Investment Division, and the Energy Investment Division.

Through the first decade, a portion of revenues from natural resource royalties was allocated to the AHSTF. Yields were ploughed back into the AHSTF until 1982.

1976:	\$1.5 billion initial allocation, and initial yields retained
1976-82:	30% of non-renewable resources revenues, plus all financial yields retained in Fund
1983:	30% of such resources revenues, but yields diverted to provincial general coffers
1984-87:	15% of such resources revenues (no yields retained)
1987-today:	None, all such resources revenues and yields taken into the Alberta budgets

Total transfers and yields into the fund from 1976 to 1987 were about \$15 billion, with around \$3 billion having been allocated to Capital Projects Division commitments. The financial value reached about \$12 billion but has languished at that level ever since. No inflation proofing took place, so the purchasing power of the fund eroded in the intervening years.

Steps were taken to restructure the AHSTF in 1997. Two separate portfolios were created: the Transition Portfolio and the Endowment Portfolio. The Transition Portfolio was created to temporarily hold the 'old' AHSTF assets. A minimum of \$1.2 billion of the assets (ten percent of the total) was to be transferred annually from the Transitional to the Endowment Portfolio, with all funds transferred within a decade. The asset mix of the new Endowment Portfolio was to be 35% - 65% fixed income securities and 35% - 65% equities. This was a much greater proportion of investment in equities from previous years, with only 8% of the AHSTF being invested in equities in 1996 (Warrack and Keddie, p. 7).

The AHSTF's portfolio consists of stocks, bonds and real estate, private equities and absolute return strategies. About half of the fund is invested in equities. Historically, equities have outperformed fixed income securities over the long-term. By legislation, Alberta Finance operates under the "Prudent Person Rule". This assigns to the investment manager the responsibility to restrict investments to assets that would be approved by a prudent person.

In addition to the change in investment strategy, the fund was now inflation-proofed in accordance with endowment management principles, whereby a portion of income earned by the fund would be transferred back into the Endowment Portfolio to offset losses in capital value due to inflation. All other income would be transferred into General Provincial Revenues.

## **Governance**

There are two standing committees responsible for the management of the AHSTF: the AHSTF Standing Committee and the Endowment Fund Policy Committee. The Ministry of Finance is responsible for the Fund and its investments. The Minister of Finance is required to report on the performance of the Fund quarterly within 60 days of the end of the quarter and make public the annual report within 90 days of the end of the fiscal year.

The Standing Committee on the AHSTF reviews and approves the business plan and annual reports. The Standing Committee has representation from the major parties of the legislature, consisting of nine members of the Legislative Assembly of Alberta. The business plan is published as part of the provincial budget, and the income of the Fund is consolidated into the revenue of the Province.

The Minister of Finance established the Endowment Fund Policy Committee (EFPC) in 2003, adding private sector financial and business advice in the formulation of the Fund's investment policies and operation. The committee provides financial and business

oversight of the AHSTF's investment policies and operation. The EFPC consists of ten members that include private sector representation and government MLA's. The Committee reviews and makes recommendations to the Minister of Finance with respect to the business plan, annual reports and investment policy statements. The Committee meets at least quarterly to review performance and fund management.

Although, there were changes made to the organizational structure of the AHSTF in 1997, the operation and planning remain the responsibility of the Provincial Treasurer and department staff. As a result, the government has wide discretion as to where the funds will be directed. Although the Treasurer must provide annual reports on investments and performance, accountability remains primarily within government.

Critics argue that the Heritage Fund is nothing more than a political lever used to implement and reinforce public policy decisions. They allude to the fact that income is transferred directly into General Revenues, indicating that the direction of the fund is dependent on the desires of the government of the day. The introduction of people from the private sector into the Operations Committee to review the Heritage Fund's business plan is a step towards increased accountability. However, the Oversight Committee can easily be viewed as another layer of government added to the fund's governance.

## **Organization**

The investment portfolio is managed by a group of highly qualified and experienced professionals in Alberta Finance's Investment Management Division (IMD). External managers (specialized private sector investment managers) are also used to manage specific investment mandates. Staff dedicated to managing the AHSTF include an Acting Executive Director for Policy and Strategic Planning, a Chief Investment Officer for the Investment Management Division, and the Auditor General of Alberta. These staff members are government bureaucrats.

Office space is at Heritage Fund, Room 304, Terrace Building, 9515 - 107 Street, Edmonton, Alberta.

## **Program Delivery**

Program delivery began through the AHSTF's five divisions:

- 1) The Alberta Investment Division which was created to make debt or equity investments to strengthen and diversify Alberta's economy. Investments in this division were expected to make a reasonable return, "not necessarily a commercial return". This division was primarily comprised of loans to Alberta Crown corporations and shares of other provincial government investments including the Alberta Mortgage and Housing Corporation, Alberta Agricultural Development Corporation, Alberta Municipal Financing Corporation, and Alberta Government Telephones (TELUS). This division functioned as a private-placement financing mechanism, reducing government borrowing from external

- institutions to fund its own Crown corporations. Only one significantly successful investment was made through this Division – a \$180 million investment for a 10% stake was made to the Syncrude Oil Sands megaproject. The project made substantial annual returns for the government until it was sold in 1995.
- 2) The Canada Investments Division loaned funds to other provincial governments or government agencies at concession-level interest rates. Since its inception, this Division has made 33 loans totaling \$1.9 billion. Lending activity was suspended in this division in 1982.
  - 3) The Capital Projects Division invested in projects that were to provide long-term social or economic benefits to Albertans, with no financial return being contemplated. These investments were often physical and social infrastructure projects. The objective of these investments was to enhance economic strength and stability, but the investments were not expected to yield a financial return. Top priority has been given to medical research facilities, but investments have also been made in education facilities, agriculture, transportation and telecommunication projects, as well as other areas of Alberta's economy. Over \$3 billion has been invested through this Division. One of these investments has been through an endowment approach. An endowment of \$300 million was initially allocated for the Alberta Heritage Medical Research Endowment, which was established in recognition that capital medical facilities and programs would require future operations costs to be paid on an ongoing basis. Other capital projects were irrigation works, parks, hospitals, and research funding. The spending stopped in 1995.
  - 4) The Commercial Investment Division was established by legislative amendment in 1980 to invest in Canadian stocks and money market securities. This portion of the fund is expected to yield a commercial return on its investments, however, only a small portion of the Fund was invested on this basis. The lack of size and importance of this division has been disappointing to many who felt this fund should function as a viable 'savings account' for future generations. In 1997, the AHSTF was restructured to focus on optimizing returns, including a renewed focus on market securities and secured debt.
  - 5) The Energy Investment Division was established in 1980 to invest in debt or equity positions that would facilitate the further development of Canada's energy sector. This division has seen limited activity and was curtailed in the early 1980s in response to the Federal government's imposition of the National Energy Program, and remained empty until the AHSTF amendments of 1997.

Reorganization in 1997 resulted in a reorientation of focus towards a new investment strategy that emphasized investment in equities, and inflation-proofing in accordance with endowment management principles. The investment income earned by the AHSTF, less the amount retained in the fund for inflation proofing, is transferred to the province's main operating fund, the General Revenue Fund, to help pay for priority programs.

Over the past 30 years, investment income from the AHSTF has benefited Albertans in many ways. More than \$28.6 billion in investment income has been transferred to the

province's General Revenue Fund to support program spending in areas such as health care, education, infrastructure, debt reduction and social programs.

### **Communication**

The Minister of Finance is required to report on the performance of the AHSTF quarterly within 60 days of the end of the quarter and make public the annual report within 90 days of the end of the fiscal year. Communication is entrusted to the Alberta Finance Communications office. The AHSTF homepage is embedded within the larger Government of Alberta website.

The Standing Committee receives regular reports on the performance of the Fund and conducts public meetings on an annual basis in different locations in the Province. The purpose of these meetings is to update Albertans on the management of the Fund and to solicit input from Albertans on the Fund's objective.

## **Gwaii Trust Society**

### **For further information:**

Gwaii Trust Society homepage, <http://www.gwaiitrust.com/>

Gwaii Trust Society (2005) Gwaii Trust Business Plan, September 1, 2005 to August 31, 2006. Old Massett, BC: Gwaii Trust.

McAlpine & Co. (2005). Gwaii Trust Society Financial Statements as at August 31, 2005. Terrace, BC: Gwaii Trust Society.

The Gwaii Trust: A Model for Albertans? Expanding the Debate, Investing Wisely Project, Discussion Paper Series, Nu. 7 – November 2005, <http://www.glenbow.org/about/president/gwaiiExtended.cfm>.

### **Background**

In 1985, the political standoff at Lyell Island brought worldwide attention to the Gwaii Hanaas issues of the land title dispute, the environment, and economic matters. In 1987, the Haida Nation designated the area a Haida Heritage Site. In 1988, Canada designated it a National Park Reserve.

Representatives of the Council of the Haida Nation (CHN) and the Residents Planning Advisory Committee (RPAC) established an Accord on a Community Development Fund. In spite of legislative hostilities and other societal encumbrances to cross-cultural understanding, and after years of difficult work, the results evolved into the Gwaii Trust Interim Planning Society (GTIPS).

The GTIPS was established in accordance with the Society Act of British Columbia in November 1991. Its purpose was to develop a permanent model for a locally controlled, interest-generating fund. The Gwaii Trust Society would be founded on the principles of achieving a sustainable “Islands community”. The Gwaii Trust Society was formed in September 1994 to operate the perpetual Trust Fund, and the GTIPS was dissolved as a society.

The Gwaii Trust Society is registered as a non-profit Society to maximize tax exemption for the Trust. In addition, the Gwaii Trust Society will research the possibility of becoming designated as a “charitable status” organization.



## **Purpose**

The Gwaii Trust Fund was established as a locally controlled, interest-bearing fund to advance economic diversification and sustainable development on Haida Gwaii/Queen Charlotte Islands. Further, the Fund was established to enhance understanding between the communities and cultures of the Islands through the process of joint community economic planning and development.

The mission of the Gwaii Trust is to enhance environmentally sustainable social and economic benefits to the Haida Gwaii/Queen Charlotte Islands through the use of the Fund. A goal of the Gwaii Trust Society is to seek direction from the communities of Haida Gwaii on future funding priorities of the Islands.

## **Funding**

The initial capitalization of the Gwaii Trust was \$38.2 million provided by the Federal Government. The Gwaii Trust Society Investment Fund is established as a “perpetual” investment fund. This means that the principal (\$38.2 million) can never be touched, allocated or expended. Each year, the Investment Fund grows by the inflation rate and that total cannot be touched. The available interest and dividends generated from the Fund’s investment portfolio pay for administrative costs and fund programs.

The Gwaii Trust Investment Strategy is based upon a premise of only investing with organizations that provide sufficient security and have a proven record of socially-responsible investments. The Trust Society is subject to Section 15 of the British Columbia Trustee Act, which limits the Trust in its day-to-day investments (ie. only 35% of its total portfolio can be in equities, and of that 35%, the Gwaii Trust can only invest in companies that have provided a dividend to their shareholders in each of the past seven years. In addition, the maximum investment in any one equity issue is 15% of the total equity portfolio).

The Trust Society hired the actuary firm of Watson Wyatt Canada in the spring of 1996 to assist the Trust in hiring the appropriate Investment Manager and to assist the Board in evaluating the performance of the Investment Manager on an on-going basis. The actuary provides knowledge to the Board members through seminars on an annual basis. In July 1996, the firm of Phillips, Hager & North Investment Management Limited of Vancouver, BC was appointed the Investment Manager for the Gwaii Trust investment portfolio for a 5 year term. As per the Gwaii Trust Constitution, the Society was required to hire a custodian to actually physically hold the investment funds of the Trust – Royal Trust – which serves as a safeguard for the Gwaii Trust by monitoring the Investment Manager’s investments to ensure the funds are invested in accordance with the Gwaii Trust’s Investment Policies and Procedures, including Section 15 of the BC Trustee Act.

Based on the current returns to the Gwaii Trust Society (2005), the average interest and dividend income in the previous four years has been \$2.8 million. The anticipated return for the next three years should be \$2.8-\$3.0 billion before inflation proofing. The

Administration Budget for the Gwaii Trust Society for the 2005/2006 fiscal year was \$700,000, of which professional fees accounted for 44.6% (including accountant, actuary, custodian, investment manager and lawyer). The Gwaii Trust has a number of funding programs. It may not redirect income from program allocations.

Members of the Society are also required to pay dues to the Society.

## **Governance**

The Gwaii Trust Society has a volunteer, eight member, Board of Directors that represents all participating communities on Haida Gwaii: Massett, Old Massett Village Council, Graham Island North, Area “E” (including Sandspit and South Moresby), Skidegate, Skidegate Band Council, Graham Island South, and Graham Island Central. New communities may apply, in writing, to become participating communities but must be approved by the Society. The directors may delegate any, but not all, of their powers to committees consisting of such director or directors as they think fit, and the directors may appoint or delegate to any such committee the power to appoint individuals who are not directors but who have consented to act in assisting such committees without, however, forming part of the quorum of such committees or voting on any motion moved before such committees. The Board of Directors have adopted a “Personnel Policy Manual” for the administration of Gwaii Trust which is available at the Gwaii Trust Office.

The Society can employ Directors as independent contractors or employees, in which case, the Directors can receive remuneration for services rendered to the Society. They are also entitled to receive remuneration for any expenses incurred while engaged in the affairs of the Society, including income foregone due to undertaking responsibilities for the Society.

Directors are appointed (after nomination by the Participating Communities) from time to time by members in good standing of the Society. To provide continuity, they are appointed for two year terms on alternating years. On or before December 1 in each even calendar year, the Council of the Haida Nation will nominate 2 persons for appointment by the members as directors, and Electoral Area Director for Area E and Graham Island Central will each nominate for Area E and Graham Island Central one person for appointment as a director by the members. On or before November 1 in each odd calendar year, the CFN will nominate 2 persons for appointment by the members as directors, and Graham Island North and Graham Island South will nominate 1 person each for appointment as a director by the members.

The Directors provide direction from the communities of Haida Gwaii on future funding priorities for the Islands. They play a role on 4 regular sub-committees: the Newsletter Committee, the Community Initiatives Committee, the Arts Committee, and the Finance Committee.

Voting is by consensus agreement of the directors present unless such consensus cannot be reached at two separate meetings of the directors, in which case, such motion may be passed at a third meeting by majority vote. If such a motion is not passed at a third meeting, and the directors approving of such motion wish it, the chairperson or a person identified by the chairperson shall attempt to mediate a decision in respect of such motion which can be agreed to by all directors.

All meetings are presided over by a chairperson. Chairpersons shall serve three year terms. The CFN, after consultation with the Board of Directors, will nominate a person for appointment by the directors as the chair. The chair will appoint the vice-chairperson in consultation with the other directors who will serve as chairperson in his/her absence. The chair is the chief executive officer of the Society and shall supervise the other officers in the execution of their duties. The chair and vice-chair shall have the right to attend any meeting of the directors, but are not entitled to any vote and will not be counted as part of the quorum at any such meeting. Quorum of directors' meetings is set at 7 directors.

The directors shall appoint such persons as they see fit to hold the offices of secretary and treasurer, such offices to be held at the pleasure of the directors. The office of secretary and treasurer may be held by one person.

There must be an annual general meeting, at which there must be a quorum of 8 members in good standing present. In the case of an equality of votes, the chairperson of a general meeting shall not have a casting or second vote in addition to the vote to which he or she is entitled as a member. Special resolutions must first be approved by a separate resolution passed by the affirmative vote of at least 75% of all directors nominated by the CFN, and at least 75% of all the directors nominated by Participating Communities other than the CFN, before being brought before members of the Society at a meeting. Before voting on special resolutions, a member shall consult with his or her Participating Community with respect to the proposed special resolution and before voting for or against the resolution, and must provide to the chair of the general meeting proof from the Participating Committee as to which way the member shall be voting. It is at this annual public meeting that directors report to the residents of the Islands on the operation of the Society and answer questions.

At least once in every five year period, the Society must retain a recognized independent, consulting firm to conduct a review of the Society's report, and must submit such a report to the Board of Directors of the Society and deliver copies to the Participating Communities.

## **Organization**

Staff includes an Executive Director and an administrative assistant. The Executive Director oversees the day-to-day administration of the Gwaii Trust and reports directly to the Board of Directors. The Gwaii Trust has physical office space located at 162 Raven Avenue, Old Massett, Haida Gwaii, BC, V0T 1M0.

## **Program Delivery**

The Major Contributions Program provides funding to six key priority areas: environmental infrastructure, environmentally sustainable economic infrastructure, Islands-wide Governance Project, other basic infrastructure, recreation infrastructure and planning, and emergency preparedness and planning.

The New Legacy Program has been established for the purpose of providing Gwaii Trust funds to worthwhile community projects that otherwise would not be undertaken by groups, organizations, communities, or societies. These community projects include, but are not limited to, workshops, training courses and seminars, youth and senior programming, and small-scale feasibility studies. Micro-infrastructure projects are included in this program and are defined as tangible capital projects which improve the basic facilities, equipment, services and installations needed for growth and functioning of a group, community organization, or society.

Other programs include:

- the Culture as it Relates to Tourism Program, which provides funding for cultural projects that have tourism potential,
- the Healthy Humans Program, which provides funding for projects that focus on the quality of life of Haida Gwaii residents,
- the Arts Program, which was intended to benefit the artists of Haida Gwaii in their quest to give full expression to their talents,
- the Christmas Allocation Program, which provides funding to communities to address the needs and wishes of each individual community around the holiday season; the Education Program, which assists high school, post-secondary, and mature students in their educational quests, and
- a number of educational funding programs to provide scholarships and bursaries for high school, post-secondary, and mature students as well as funding for special educational initiatives and travel assistance off-island for educational purposes.

## **Procedures for Funding Applications**

The Gwaii Trust has eight funding programs. All programs administered by the Gwaii Trust have been in the form of direct contributions to the recipients. The term contribution is similar to a grant and has specific conditions subject to the approval of individual projects. All programs require that the applicant complete an application and submit a detailed proposal. Proposals must be supported by the originating or relevant community and community buy-in is a must. Partnerships is also encouraged and expected, where possible. Projects must demonstrate merit and need. Applicants must have in-kind or matching equity to receive contributions. A maximum of 90% of the approved contribution will be paid out until the project is complete and a financial report and written summary of the project are submitted, upon which, the remaining 10% will be dispersed.

All proposals must include the following elements:

- project description (indicate community benefit),
- statement of purpose,
- identify management structure,
- identify project costs and source of funds,
- cashflow forecast, with specific timeline,
- explanation of 'in-house' bookkeeping and accounting,
- explanation of attempt(s) to secure other funding from government or private agencies,
- explanation of how the project meets the Constitutional goals and objectives of the Gwaii Trust,
- confirmation that operational and maintenance funds exist once the project is completed,
- support documentation – cost quotation(s), letters of support, and
- evaluation process – demonstrate how you will determine the success of your project, and indicate willingness to have Gwaii Trust Board site visits.

Deadlines for application vary according to individual funding program.

#### *Major Contributions Program*

This funding program provides funding to six key priority areas:

- Environmental infrastructure
- Environmentally sustainable economic infrastructure
- Islands-wide governance project
- Other basic infrastructure
- Recreation infrastructure and planning
- Emergency preparedness and planning.

Proposals to this funding program must be supported by the originating or relevant community. Community buy-in is a must. Partnerships are also encouraged and expected, where possible, and the key tests for project support are merit and need, as determined by the Gwaii Trust Society Board of Directors. There are two application periods per year for this program. For the 2005/2006 application period, these deadline dates fell in the middle of November and February. The budget for this program for the 2005/2006 fiscal year was \$1.5 million.

#### *New Legacy Program*

The purpose of this program is to provide funding for worthwhile community projects that otherwise would not be undertaken by groups, organizations, communities, or societies. These could include workshops, training courses and seminars, youth and senior programming and small-scale feasibility studies among others. As well, micro-

infrastructure projects which improve the basic facilities, equipment, services and installations needed for growth and functioning of a group, community organization, or society can also be funded through this program. Key tests for project support are merit and need according to the following criteria:

- Maximum funding available per project will 50% of the total project costs, up to a maximum of \$20,000,
- Applicants must provide 50% of the funding through fundraising, donations, cash or in-kind services for the project, and
- Applicants must demonstrate the project will succeed without further Gwaii Trust funding.

This program will provide seed money or encouragement for projects but not for on-going programs. As well, the start and end dates for projects are restricted to a six month period per project. Priority is given to new applicants.

This program has three application periods per year. For the 2005/2006 period, these dates fell in the middle of November, February, and May. The budget for this funding program for this fiscal year was \$300,000.

#### *Culture as it Relates to Tourism Program*

In general, the Board will accept cultural project applications that develop the interplay between tourism and the experience of culture, and which are demonstrably beneficial to culture continuing and expanding. Tourism infrastructure and planning feasibility studies are of special interest. Key tests for project support are merit and need. There are three application periods for this program. For the 2005/2006 fiscal year, these dates fell in the middle of November, February, and May, and the budget for this funding program for this same period was \$500,000.

#### *Healthy Humans Program*

This program funds projects that focus on the quality of life of Haida Gwaii residents. This includes spiritual healing projects as well as pilot projects dealing with physical, medical, and holistic health issues. Maximum funding available per project is 75% of total project costs, up to a maximum of \$50,000. Facilitator costs are limited to \$500.00 per day. Again, there are three application periods per year. For the 2005/2006 fiscal year, these dates fell in the middle of November, February, and May, and the budget for this year for this funding program was set at \$200,000.

#### *Arts Program*

This funding program is intended to benefit the artists of Haida Gwaii in their quest to give full expression to their talents. Projects can include paintings, drawings, weaving, carvings, sculptures, performing arts, fiction, non-fiction and poetry, among other expressions of art. For the 2005/2006 year, \$70,000 was allocated to this program. Again,

need and merit are key tests for project approval. This funding program has one application date. For the 2005/2006 year, this date fell on April 13, 2006.

### *Christmas Allocation Program*

This program initially provides an annual \$10,000 fund for each community (or rural area) served by the Gwaii Trust Society's mandate. This program may be applied for and utilized at the discretion of the individual community governance applicants, but it must be of general benefit to community members. Proposals for this program must include:

- Name of organization,
- Purpose of project,
- Budget of project,
- Timeline of project,
- Letter of support from the community, and
- Letter of approval from the respective Gwaii Trust Board member.

All proposals must be signed off by the respective Gwaii Trust Board member approving the submission. The deadline for this proposal is once a year in mid December, and projects must be completed within one month of the proposal deadline.

### *Education Programs*

Funding under this category goes towards assisting high school, post-secondary and mature students in their educational quests and includes scholarships, grants, post-secondary tours and mature student bursaries. As well, a separate program category exists for special education projects that do not fit into the above categories. This program is intended to attract applications for new and innovative programs that are simply augmenting government programs of general application that Haida Gwaii residents already support through their provincial and federal taxes.

The budget for 2005/2006 for educational programs was as follows:

High school scholarships/bursary	\$20,000
Post-secondary education grants	\$130,000
Post-Secondary Institution Tours	\$30,000
Mature Student Bursary Program	\$60,000
Special Initiatives in Education	<u>\$50,000</u>
Total	\$290,000

High school students are encouraged to apply at their respective high school for the five high school scholarships/bursaries valued at \$2000 each.

Students seeking funding from the 12 post-secondary education grants valued at \$1200 each must meet the following criteria:

- They must apply through the Gwaii Trust office,
- They must submit their initial application by August 15<sup>th</sup> of the year of graduation from Grade 12, and provide proof of graduation,
- They must begin their post-secondary education within 18 months of graduation from Grade 12,
- Post-secondary education can take place on or off Haida Gwaii, and
- Post-secondary education must consist of no less than 150 hours of instructional time each year.

This funding program is an incentive program. The \$1500 cheque is issued to the student only after the requirement of 150 hours of post-secondary instruction has been received and proof has been provided via a completed transcript.

The Gwaii Trust has allocated \$30,000 to establish post-secondary tours for local high school students (\$15,000 for each of the two high schools). This funding provides Grade ten or eleven students with the opportunity to travel to post-secondary institutions in order to become familiar with college lifestyle and academic requirements once they graduate. Funding under this category is done by a proposal submitted by the high school to the Gwaii Trust that details the purpose of the trip, outlines a travel itinerary and the number of students traveling, and provides the total budget and source of funds. It must be accompanied by a letter of support from the principal and proof of matching equity.

The Mature Student Bursary program provides 20 bursaries valued at \$1,500 each for mature students enrolled in accredited post-secondary institutions in 6 categories:

- Environment/forestry/fishing,
- Professional/teaching/medical,
- Technical/vocational,
- Arts/Fine Arts/Culture,
- Administration/Accounting, and
- General.

Eligibility guidelines include:

- Mature students are defined as individuals who have been accepted by educational institutions for further study but have not attended a post-secondary institution in the past two years,
- Applicants must be residents of Haida Gwaii, with residency defined as living on Haida Gwaii for one full year prior to application,
- Applicants must apply by completing a “Mature Student” application,
- Applicants must provide proof of registration in a college or university on a full-time basis, and
- Each recipient must utilize the bursary in the upcoming fall or winter session.



The bursary is awarded in one installment after the student has submitted to the Gwaii Trust Society their acceptance letter from the post-secondary institution and a copy of their first semester courses. Each recipient will be approved for two bursaries, to be utilized in two consecutive years. Applicants must include a completed, signed application form; a self-written letter on family background, work history and goals for the future; and any additional information pertaining to the application with their application.

### *Special Initiatives in Education*

This program provides funding to schools, communities, and education organizations on Haida Gwaii who are undertaking unique educational programs or services. The Trust has allocated \$50,000 for the 2005/2006 fiscal year. There is one deadline for this program, which for the 2005/2006 fiscal year, fell on January 13, 2006. The Trust will fund up to 100% of the costs eligible to a maximum of \$10,000 per project.

### *Travel Assistance Program*

This program was established to aid in off-island travel for educational purposes such as school-sponsored trips, arts, cultural, sports, recreational clubs, and for seniors and special-needs people. The Gwaii Trust will match school governance funding and team or club funding up to \$2,000 per off-island trip. The level of funding provided is based on the number of participants taking part. The program is also eligible to fund travel costs for bringing “expertise” on-island for educational purposes. This program runs from September 1 to August 31 each year, with funding for the 2005/2006 year allocated at \$80,000 available. Applications are on a first-come, first-serve basis, with a maximum of two trips per year per group, team, club or individual. Applications must include the following information:

- Letter of support/endorsement from recognized organization (club, team or group),
- Proof of matching funds,
- Proof of matching funds by school governance, if applicable,
- A detailed itinerary of trip,
- A list of participants, and
- A detailed budget for the proposed off-island trip.

All applicants must provide copies of the travel receipts and final accounting of the trip after the travel has taken place.

### **Communication**

The Society holds an annual public meeting at which the directors report to the Islands’ residents on the operation of the Society and the Fund, and answer any questions. The Society also publishes a newsletter (not necessarily on a regular basis), which is posted on their webpage. In addition to news items, it also documents the allocation of funds.

## Columbia Basin Trust

### For further information:

Columbia Basin Trust homepage, <http://www.cbt.org/main/default.asp>

Columbia Basin Trust and Province of British Columbia (1995). Financial Agreement, <http://www.cbt.org/about/main.asp?fl=5&pg=finance>

Columbia Basin Trust (2003). Water Initiatives Strategy. Castlegar, BC: Columbia Basin Trust.

Province of British Columbia (1996). Columbia Basin Trust Act, [http://www.qp.gov.bc.ca/stratreg/stat/C/96053\\_01.htm](http://www.qp.gov.bc.ca/stratreg/stat/C/96053_01.htm).

Province of British Columbia (2006). Shareholder's Letter of Expectations Between the Minister of Economic Development and the Chair of the Columbia Basin Trust. Victoria, BC: Province of British Columbia.

Columbia Kootenay Cultural Alliance homepage, <http://www.basinculture.com>

### Background

The Columbia Basin Trust (CBT) was created by the Columbia Basin Trust Act in 1995 to benefit the region most adversely affected by the Columbia River Treaty (CRT). The CRT, ratified by the United States and Canada in 1964, led to the construction of three storage dams in the Basin (Duncan, Keenleyside and Mica Dams) and one in Montana (Libby Dam). The purpose of these dams was flood control and power production in both countries. Most of the benefits of the CRT were enjoyed by areas outside the Basin while most of the negative effects were, and still are, felt by the Basin and its residents.

There was a lack of prior consultation with the people of the Basin, including the 2,300 residents who were displaced by flooding of their communities and farms. The people of the Basin came together in the early 1990s to press the Province for recognition of the injustice of this situation. Local governments in the Basin coordinated their efforts at the regional district and tribal council level under the Columbia River Treaty Committee, which first met in 1992.

The Committee, in partnership with elected officials from the region, negotiated with the Province. They had two objectives:

1. The creation of a trust governed by a board of Basin residents.

2. The allocation to the region of funds representing a fair share of the ongoing downstream benefits earned under the CRT, to be managed by the trust.

On both counts, negotiations were successful and the CBT was formed.

### **Purpose**

The mission of the CBT is to support efforts by the people of the Basin to create a legacy of social, economic and environmental well-being and to achieve greater self-sufficiency for present and future generations. The purpose of the corporation is to invest, spend and otherwise manage the regional allocation and the corporation's other assets, including any assets that may be transferred to it, for the ongoing economic, environmental and social benefit of the region including a) the social well-being of the residents of the region, b) the preservation, protection and enhancement of the environment of the region, c) the economic development of the region, and d) any other prescribed purposes.

### **Funding**

The CBT received a \$295 million endowment by the Province of British Columbia:

- \$250 million was committed to finance power project construction.
- As directed by Basin residents, \$45 million was being reinvested for the benefit of Basin residents through short-term cash investments, business loans, real estate ownership, and venture capital projects.

In addition, the CBT receives \$2 million from the provincial government annually from 1996 to 2012.

The Province further committed to transfer \$250 million to the Columbia Power Corporation (CPC), the CBT's Joint Venture Partner in power projects in the Basin. Fifty per cent of the net profits go to the CBT for the benefit of the people of the Basin. The operation of power projects provides sustainable funding to the Trust.

The Trusts investments and loan programs generate funding as well. The Trust has invested in real estate including Kicking Horse Mountain Resort, the Columbia Basin Building, and a number of Seniors' Care Facilities, which generate income that are used to bring benefits to Basin residents. The Trust has partnered with the local Credit Unions to support commercial enterprise in the Columbia Basin through the Loan Syndication Program. Through this program, local businesses are provided the capital needed to strengthen local economies, and the Credit Unions share the associated returns with the CBT. The Trust has also partnered with the Provincial Government, through its agent the Columbia Power Corporation, to invest in a number of hydroelectric power projects; the income from the power sales is shared 50-50 between the CBT and CPC.

## **Governance**

The CBT is governed by a Board of Basin residents. It is a 12 member board consisting of an appointee from each regional government in the Basin (Five regional districts including Central Kootenay, Fraser-Fort George, Columbia Shuswap, Kootenay Boundary and Kootenay Regional Districts and Ktunaxa/Kinbasket Tribal Council). Regional governments nominate these directors to the Province's Board Resourcing Office, and appointment is made by the Lieutenant Governor through an Order-in-Council. The other six Directors are recommended by the Province's Board Resourcing office, using a skills matrix, and are appointed by the Lieutenant Governor through an Order-in-Council. All 12 directors must be residents of the Columbia Basin. Directors are appointed for the term and on the terms and conditions the Lieutenant Governor in Council considers appropriate. Different terms of office and different terms and conditions may be set for each director under the Act.

Directors may pass the resolutions they consider necessary or advisable for the management of the affairs of the corporation. A resolution is passed if the majority of the directors present at a meeting of directors at which a quorum is present vote in favour of the resolution, or the resolution is approved by the required number of directors by telex, telegraph, facsimile transmission, telephone or any other similar means of communication, and that approval is confirmed in writing or other graphic communication. The directors must appoint one of the directors as the chair of the board. The corporation may pay to a director remuneration in accordance with directives of the Treasury Board.

The directors must meet at least 6 times a year and at least one of those meetings in each year must be open to the public. Quorum is set at the majority of directors being present. The directors prepare a long term Columbia Basin Management Plan which sets out the corporation's objectives, priorities and programs of the Trust. This plan can be amended from time to time, but for major amendments, directors must solicit input on the proposed amendments from residents of the region in the manner and to the extent the directors consider appropriate.

The directors serve on specific committees and task forces to address issues on behalf of the Board and report back to the Board on a regular basis. Committees assess their performance against their Terms of Reference annually. There is an Executive Committee (to oversee the organization, operation and development of the CBT on behalf of the Board of Directors), Audit Committee (to assist the Board in fulfilling its oversight responsibilities by ensuring the accuracy and integrity of financial information), Delivery of Benefits Committee (to develop and maintain a Delivery of Benefits Model that is flexible and accessible, and that supports building capacity within Basin communities), Water Initiatives Committee (to balance and represent Basin residents' interests in a range of water initiatives), and Task Force on Governance (to complete work on the Governance Manual and present the materials to the Board for adoption).

Except as is provided in subsection (2), the Business Corporations Act does not apply to the corporation but the Lieutenant Governor in Council may, by regulation, declare that all or part of the Business Corporations Act does apply.

The *CBT Act* established the Province of BC as the shareholder of CBT. Within the Provincial Government, the Minister of Economic Development is responsible for CBT. The respective roles and responsibilities of the Provincial Government and CBT are established in numerous agreements and legislation, including the 1995 Financial Agreement and the *CBT Act*. The Shareholder's Letter of Expectations further defines the roles and responsibilities of the Minister of Economic Development and CBT.

The CBT has six Sector Advisory Committees recommending programs and priorities to the Delivery of Benefits Committee on an annual basis. The Sector Advisory Committees consist of Economic, Education and Training, Environment and Social, with advice also coming from the Arts, Culture and Heritage and Youth Advisory Committees. The Sector Steering Committees average about 10 members each and draws from local residents. These Committees provide the CBT a means of meeting the obligations to involve residents of the Basin in program planning.

Every two years (or as needed) a call for sector committee members is advertised Basin-wide. The CBT Board of Directors appoints committee members from this call. Recommendations are made from current members for new members. Residents are encouraged to submit a resume, or letter of interest outlining what they would bring to the committee.

## **Organization**

The CBT is managed by a Chief Executive Officer, based in an office in Castlegar, who handles the day-to-day management of the Trust. The main office is housed in the Columbia Basin Building, a real estate investment that also houses the Columbia Power Corporation and the City of Castlegar's Council Chambers. In addition, the office houses a fairly large number of other employees including a Senior VP of Transition Management, a Planning and Policy Analyst, a Human Resources Coordinator, an Executive Assistant, a Receptionist and a Records Management Clerk. There are also three employees responsible for investments (a Vice President of Investments and two assistants), four employees responsible for accounting (a VP Finance and Operations and Chief Financial Officer, Controller, and two accounting technicians), three individuals responsible for communications (a Communications Consultant, Communications Coordinator, and Communications Analyst), and three individuals responsible for information technology (a Manager of Information Technology, a Systems Programmer for Information Technology, and one other individual). Most of these latter positions are based in Castlegar, however, several of these employees are located in other regional offices located in communities within the Columbia Basin. Other employees include an individual in charge of Water Initiatives (based in Golden) and a number of Community Liaison employees and their assistants for the communities of Golden, Castlegar, Nakusp, and Cranbrook.

The CBT sometimes delivers its programs through organizations that have the skills and expertise to carry out this work. This allows the programs to benefit from the skills and expertise already available in the community, builds community capacity, develops basin-wide networks, supports the development of new and existing agencies and organizations in the Basin, and adds value to programs by bringing together funding from more than one source.

### **Program Delivery**

The income from the investments is being spent on social, economic and environmental benefits for residents. For example, the CBT has invested in real estate such as the Kicking Horse Mountain Resort and a number of seniors' care facilities throughout the Basin. This serves the function of providing a return on investment as well as providing a service to local residents.

Other initiatives the Trust has embarked on have been in partnership with other organizations. In addition to the Loan Syndication Program partnership with local Credit Unions, the Trust's partnership with the Provincial Government, through its agent the Columbia Power Corporation, to invest in a number of hydroelectric power projects, provides local jobs.

There are a number of other programs available through the Trust, many of which provide funds to support economic, environmental and social initiatives for Basin residents, including the Arts, Culture and Heritage Program (administered by the Columbia Cultural Alliance), the Family Literacy Program (partnership with the Columbia Basin Alliance for Literacy), the Community Development Program, the Community Initiatives Program, the Environmental Initiatives and Land Conservation programs, a number of youth oriented programs, as well as bursaries and scholarships. The Basin Business Advocates Program helps small- and medium-sized businesses in the Columbia Basin by providing free one-on-one confidential business counseling and consulting services.

### **Procedures for Funding Applications**

Each of the various funding programs has their own application guidelines and deadlines.

#### *Community Development Program*

This program responds to project proposals from communities, groups and organizations that build capacity in ways that are consistent with the CBT's mandate. Private-sector proposals must be sponsored by a non-profit community organization and must clearly demonstrate community benefits. The CBT Board of Directors approves requests of \$250,000 and over. There are no deadlines for this program, as proposals are evaluated on an ongoing basis.

Submission of requests is a multiphase process:

- Engaging in discussion with Community Liaison Staff regarding the nature of the request,
- Submitting a letter of intent, which will undergo a preliminary screening by Field Staff for basic eligibility and consistency,
- Refining the application details, further engagement and consultation with Community Liaison staff,
- Submitting a more formal application to be more substantially evaluated by Field Staff, and
- Forwarding suitable requests to the Delivery of Benefits committee for final decision.

Application begins with a submission of a letter of intent which will be screened for eligibility according to the following criteria:

- Consistency with Columbia Basin Management Plan, CBT's mandate and intent of the Community Development Program,
- Demonstration of community support and recognition of needs in the community;
- Submission of a reasonable and appropriate budget,
- Confirmation of capacity to complete the project and address any anticipated challenges,
- Confirmation of other contributions that leverage funding into the region,
- Promotion of regional equity where appropriate, and
- assurance that the project is not a duplication of other work in the area.

### *Family Literacy Program*

This program provides funds to learners to help them overcome difficulties that may be interfering with successful participation in existing Family Literacy Programs. The CBT partners with a non-profit group, Columbia Basin Alliance for Literacy, to deliver the Resources for Family Literacy Program in the region. This program does not invite proposals for funding.

### *Community Initiatives*

This program funds activities communities deem important and supports projects that might otherwise have been undertaken. It is delivered by the regional, municipal, and tribal governments in the Basin. The CBT is committed to provide \$12.9 million funding over 10 years to communities, of which \$5.5 million goes to areas of the Basin most affected by dam construction under the Columbia Basin Treaty and the remainder allocated over 10 years to communities and/or electoral areas in the region on a per capita basis. The local governments develop their own processes for public involvement in recommending and selecting projects for funding. Information on applying to this program is made through local governments.

### *Basin Business Advocates Program*

This program helps small- and medium-sized businesses in the Columbia Basin by providing free one-on-one confidential business counseling and consulting services. To determine eligibility for this program, individuals are required to contact Steele O'Neil and Associates to arrange an assessment of their business, and for details on how projects are selected and how to apply to the program.

### *Training Fee Support*

This program promotes access to education or training for Columbia Basin residents. Applications are available for Employment Assistance providers in the Basin. It is a bursary style program delivered through Employment Assistance Service centres. A maximum grant of \$500 may be applied for to pay all or part of tuition or course fees for short-term training essential to employment. Funds are paid directly to the education or training institution on behalf of the student. Residents who are unemployed or under-employed may apply.

### *Youth Community Service Award (Scholarship)*

These awards are designed to assist Grade 12 graduates of the Columbia Basin in pursuing post-secondary education/training, and to reward and encourage the involvement of youth. It is based on volunteer service rather than academic achievement. There are 20 awards (one student in each of the high schools in the region) valued at \$2000 each for the first year of post-secondary education or training. Candidates must demonstrate extensive community service, attain the course requirements and grades in school required for entrance into a post-secondary program of the student's choice, and provide three references from individuals who can verify the student's involvement in community service or volunteer activities. Application forms are available at secondary schools or on the CBT website, and must be completed and mailed to the CBT no later than the end of March.

### *Environmental Initiatives*

This program provides funding to community-initiated and community-supported environmental projects in the Columbia Basin which: address the impacts of human communities on local and regional ecosystems; and/or increase awareness and understanding of ecosystems to reduce future human impacts. The scope of the program is to support projects which promote one or more of their program priorities.

The target audience for this program includes all residents (individuals, community groups, agencies/organizations and youth) of the CBT area. Proposals from provincial, national or international organizations will be considered provided the applicant has a partnership arrangement with a Basin organization and/or community. Proposals must target activities in the CBT area. Important considerations for restoration activities on private land include:



- Relative benefits to public and private interests must be reflected in the balance of private and public contributions to the project; and
- Due to the high degree of associated legal and liability issues, landowners may be required to enter into legal agreements to ensure the long-term maintenance and effectiveness of restoration works.

Conservation, stewardship, and education-focused proposals involving private land are eligible, given proper landowner consent.

Funding available for this program totals approximately \$300,000, with the maximum per project being set at \$20,000. Funding through this program is available for one year only, although multi-year projects can be funded provided that realistic sustainability plans for the project beyond CBT's one year funding contribution are provided. However, continued funding is not guaranteed.

All submitted proposals undergo the following evaluation process:

- Technical committees review and score proposals based on the technical viability of the proposed activities.
- Final selection is made by an overall committee based on combined technical and non-technical criteria.

The evaluation process is a collaborative effort between staff of the CBT and other Basin organizations/agencies with relevant expertise. Proposals are scored according to the following criteria:

- Environmental outcomes (25%),
- Community participation/support (25%),
- Organizational planning and capacity (20%),
- Cost-effectiveness (15%), and
- Overall project quality, innovation and creativity (15%).

Applications are downloadable from the CBT website or by contacting the Golden CBT office. They may be accompanied by letters of support (up to a maximum of 4). No additional documents will be considered in the evaluation process. There is one deadline for submission, which in 2006 occurred in March. All submissions must include one digital and one signed hard copy of the application form. Successful and unsuccessful applicants will be notified by letter in early May.

The CBT prefers to deliver its programs in partnership with other organizations with interests in environmental initiatives. Staff of delivery partner organizations will be responsible for negotiating contracts with successful applicants, as well as providing limited technical support and project monitoring and evaluation.

### *Land Conservation*

The CBT provides funding to help facilitate a partnership between a variety of agencies and communities working on private land conservation issues in the region. Objectives of the program are to support regional multi-stakeholder land conservation efforts, which will assist in maintaining a range of community values on land in the Basin. This program is not a granting program and no applications are accepted.

### *State of the Basin Initiative*

This initiative will investigate opportunities for the CBT to address Basin-wide well-being in a holistic manner, in accordance with its mission. This is not a granting program and applications are not accepted.

### *Community Foundations*

The Endowment Support for Community Foundations program encourages the development of registered community foundations in the Basin by allowing foundations to receive a \$50,000 per year in matching funds for two years from the CBT and the Vancouver Foundation.

### *CB Youth Grants*

This is a new funding program that supports ideas coming from Basin youth that benefit youth aged 15-29. It supports youth projects that build youth capacity and leadership and involve youth at all stages of their development and implementation. There are two funding streams: small grants (up to \$2500) and large grants (over \$2500). Each stream has different application criteria and procedures. Small grants require completion of an application form, obtainable online at the CBT website. A final decision about the application takes approximately 4 months from start to finish. Large grants require that a project idea is submitted through an application form first, and then a formal proposal be submitted later. This process takes approximately 6 months. Projects are selected by a review committee made up of youth from around the Basin, and selection is based on CB Youth Grants goals and priorities. The total budget available for these types of projects for 2006 is \$260,000.

There are no deadlines for this program funding, as applications are reviewed on a continuous intake basis at Youth Advisory Committee meetings scheduled at two month intervals.

### *Arts, Culture and Heritage Program*

This program is administered by the Columbia Kootenay Cultural Alliance (CKCA). Funding from the CKCA is for all arts disciplines and includes grants to individuals as well as arts, culture and heritage organizations. For 2006-2007, there are 7 funding programs including:

- Funding Support to Communities Through Community Arts Councils,
- Minor Capital Project Funding,
- Funding Support to Touring,
- Arts & Heritage Mentoring/Master Classes,
- Arts Council Development,
- Major Project Funding, and
- Artists in Education.

Each program has its own guidelines and deadlines, however, all funding programs have only one deadline per year. Applications are available at arts councils, the CKCA office and on-line. They are submitted directly to the local arts council. Funding applications are adjudicated once a year by local arts councils and the CKCA Steering Committee. This Steering Committee is comprised of 12 members from around the Basin elected for 2 year terms. Total funding for the Basin for the 2006-2007 fiscal year is set at \$100,000.

### **Communication**

The CBT homepage contains a direct email link for residents interested in information, news releases, as well as links to Trust publications including management plans, annual reports, service plans, performance plans, operations plans, annual reports to residents, and other materials. The Trust publishes an electronic newsletter which interested individuals can subscribe to, that contains information on what was discussed at the most recent Board meeting, recent funding decisions, events, and other general news. They also maintain an electronic email list for individuals who wish to be kept updated on Trust issues.

Residents may become involved as members of one of the six sector advisory committees. In addition, the CBT Board of Directors meets six times a year, in different communities around the Basin. A one-hour public session is held during each meeting.

Opportunities for program funding are advertised Basin-wide in newspapers as well as on the CBT website. In addition, a Community Liaison person has been hired for each area, to give residents easy access to in-person contact with the Trust. This individual will also do presentations to groups to outline current programs.

## **Northern Development Initiative Trust**

### **For further information:**

British Columbia (2004). Northern Development Initiative Trust Act. Victoria, BC: Province of British Columbia, [http://www.qp.gov.bc.ca/stratreg/stat/N/04069\\_01.htm](http://www.qp.gov.bc.ca/stratreg/stat/N/04069_01.htm)

Northern Development Initiative Trust homepage, <http://www.nditrust.ca/ndit/funding/policies.php>

Northern Development Initiative Trust (nd). Strategic Plan 2006-2008. Prince George, BC: Northern Trust.

Northern Development Initiative Trust (2005) Annual Report 2005. Prince George, BC: Northern Trust.

### **Background**

In December 2003, the BC Government announced intentions to use \$135 million of the proceeds realized from the lease of BC Rail assets to create a new corporation in the northern part of BC to help foster economic development and job opportunities. This proposal was called the Northern Development Initiative (NDI).

The Northern Development Initiative Trust (Northern Trust) was established in October 2004 through an act of legislation passed by the Government of BC. On October 6, 2004 the BC Minister of Transportation introduced Bill 59, the Northern Development Initiative Trust Act. On September 21, 2005, the BC Government introduced Bill 6, the Northern Development Initiative Trust Amendment Act, 2005. Under Bill 6, the Northern Trust is to receive an additional \$50 million from the BC Government.

The Northern Trust covers approximately 70% of the Province, which includes communities from the south at Lytton to the north at Fort Nelson, and from the east at Valemount to the west at the Queen Charlotte Islands. It is a not-for-profit economic development funding corporation for northern British Columbia that operates independently from government, and provides the funding and ability to identify and pursue new opportunities for stimulating economic growth and job creation.

### **Purpose**

In his proposal to the BC Cabinet to create this Initiative, Premier Gordon Campbell stated:

"The purpose of the Northern Development Initiative is to give Northern communities the funding, control and mechanism to identify and pursue new opportunities for stimulating sustainable economic growth and job creation in their regions. The NDI will be headquartered in Prince George and run by northern residents for northern development, in furtherance of the Heartlands Economic Strategy."

The Northern Trust mandate is to be a catalyst for strategic economic development at the local and regional levels to achieve its mission of helping northern BC communities create and sustain world-class industries and diversified economies. The Northern Trust provides the funding and ability to identify and pursue new opportunities for stimulating economic growth and job creation. It will encourage sustainable enterprises that diversify local economies and benefit the residents of Northern BC. The Northern Trust will be managed as a long term legacy fund.

## **Funding**

The Northern Trust was initially infused with two deposits of \$135 Million (coming from the lease of BC Rail assets) in December 2004 and a further \$50 Million in December 2005, totalling \$185 Million. This money has been distributed into seven separate accounts: An Operating Endowment Account, Cross-Regional Account, Peace Regional Development Account, Prince George Regional Development Account, Northwest Regional Development Account, Cariboo-Chilcotin/Lillooet Regional Development Account, and Pine Beetle Recovery Account. As of December 31, 2005, these accounts contained the following balances:

• Operating Endowment Account	\$25,098,113
• Cross-Regional Account	\$51,366,000
• Peace Regional Development Account	\$20,415,355
• Prince George Regional Development Acct	\$20,300,057
• Northwest Regional Development Account	\$20,384,587
• Cariboo-Chilcotin/Lillooet Reg'l Dev. Acct	\$19,713,568
• Pine Beetle Recovery Account	\$30,033,326

These accounts ensure equity among the four regions and among the different strategic priorities of the Northern Trust. The Operating Endowment Account was allocated \$25 million to be used to cover administration and operating costs. It is anticipated that administrative costs will be kept low at .55% of the total Northern Trust funds. This is the only account that provides for the protection of the principal. It must not fall below \$25 million. Each of the regional development accounts were infused with \$15 million. The Cross-Regional Account received an allocation of \$50 million. These monies are invested and returns on these accounts are distributed to a number of projects that promote economic diversification and sustainable economic development. Investment funds and loan repayments help grow the accounts. The majority of these projects are supported by loans, with the remainder in grants. Two percent of income generated is returned to the Northern Trust for inflation proofing.

All funds have been invested in the BC Municipal Finance Authority's Money Market Fund, which is a temporary holding fund while a search is conducted for an independent Investment Management Consultant. To support the sustainability of the Northern Trust, an objective for the trust is to achieve an annual rate of return on Market investments of at least 7% while minimizing investment risk. The Northern Trust must invest the northern development allocation, the additional one-time allocation and any other money in the accounts established as permitted under the provisions of the Trustee Act respecting the investment of trust property by a trustee. This means that investments must be undertaken in a 'prudent investment' manner. At present, the portfolio is conservative, consisting of approximately 40% in equity and 60% in bonds.

The BC Municipal Finance Authority are currently the investment managers, and the firm of Deloitte Touche has been contracted to provide auditing services.

The Northern Trust also can issue taxable receipts for anyone (ie. corporations) who would like to make donations to specific communities or economic development initiatives.

## **Governance**

The Northern Trust is managed by a 13-member volunteer Board of Directors. Of the thirteen Directors, eight are elected local government representatives; two from each of the four regions (Cariboo-Chilcotin Lillooet, Prince George, Northeast, and Northwest). These directors are appointed by Regional Advisory Committees. Five of the Directors were appointed by the Government of BC based on their previous business leadership abilities to round out the Board. An examination of Board members shows the inclusion of mayors from throughout the regions, First Nations leaders, as well as industry/business representatives.

The directors who are appointed by the Regional Advisory Councils serve two year terms, while the directors appointed by the Government of BC serve three year terms. These directors can be removed by the passing of a resolution to that effect by all of the remaining directors, however, replacement directors will only serve until the end of the term of the director he or she replaces. Continuity is maintained through several means. There are orientation manuals for new members as well as comprehensive policy guidelines respecting human resources and operations. A director of the Northern Trust must not accept remuneration from the corporation other than for reasonable traveling and out of pocket expenses necessarily incurred by the director in discharging his or her duties.

The Board meets 5 times a year to review funding proposals and conduct the business of the Northern Trust. They are required to prepare annual reports and three year strategic plans (which outlines the vision, mission and goals of the Northern Trust for the next three years) annually.

Directors must appoint one of their number as chair. They are to be guided by the guidelines set out in *The Governance and Disclosure Guidelines for Governing Boards of*

*British Columbia Public Sector Organizations* published by the British Columbia Resourcing and Development Office, and by the *Review of the Governance Framework for Canada's Crown Corporations – Meeting the Expectations of Canadians*, published by the Treasury Board of Canada Secretariat. Decisions are made following Robert's Rules.

There are two standing committees. The Finance Committee has a mandate around annual independent audits, financial policy and controls, and investment management oversight. There is also an Executive Committee. As the board is a policy governance board only, there are no ad hoc committees.

The Board is advised by four Regional Advisory Committees comprised of appointed and elected officials from each of the four regions. This includes the mayors of the municipalities within the regions, Regional District directors, MLAs, and others. These committees may identify projects considered appropriate for the Cross-Regional Account, and may recommend to those directors the ways in which the money in the regional development account applicable to their region should be spent. The directors of the Northern Trust must ensure that the money in each regional development account is spent in accordance with the recommendations of the regional advisory committee for that region. This ensures that local knowledge is incorporated into the Strategic Plan and the approval process. The Regional Advisory Committees each appoint two directors to the Northern Trust.

## **Organization**

The Northern Trust is supported by an executive staff of four in a head office that is centrally located in Prince George. The four staff members have experience from both the public and private sectors in north-central BC. Staff members include a Chief Executive Officer, a Chief Financial Officer, a Project Manager, and an Executive Assistant. Other costs associated with operations include consulting, office space, general administrative costs, and travel costs associated with the Board of Directors and Regional Advisory Committees.

## **Program Delivery**

The Northern Trust currently offers six funding programs:

- Resource Development and Growth,
- Transportation and Infrastructure,
- Human Capital,
- Business and Enterprise,
- Innovation, and
- Perpetual Benefits.

These programs are available to local governments, First Nations, and not-for-profit agencies that reside within the Trust area, and each project must demonstrate measurable

economic benefits such as job creation and increased export sales. Six funding mechanisms are used to invest in economic development: business loan support, loans to private public partnerships, venture capital investment in northern BC firms, quasi-equity financing, interest free loans, and non-repayable grants. The Northern Trust is also currently developing a Pine Beetle Recovery Funding Program that is expected to be available in January 2007. To-date, the Northern Trust has approved 49 projects that are within the mandate of its 10 legislated investment sectors. Examples of projects include a Visitor Information Centre for the Village of Valemount, Mount Timothy Ski Hill in Lac La Hache, a Tourism Discovery Centre in Williams Lake, and a broadband initiative and network infrastructure for Bella Coola.

All Northern Trust funding programs serve to invest in projects that provide economic development in one or more of the following legislated investment categories:

- Forestry
- Transportation
- Mining
- Agriculture
- Olympic Opportunities
- Economic Development
- Tourism
- Small Business
- Pine Beetle Recovery
- Energy

The Northern Trust has a target of investing \$1 for every \$2.50 of funding from other sources. This is leveraged with other dollars, so that Trust funding creates a bigger economic impact than just Trust funds alone. The other benefit of leveraging includes lower risk for all investors. An example of a funding request would be for \$5,000 from the Northern Trust where \$12,500 was invested by other sources, for a total project cost of \$17,500. \$11.2 million is committed from the Regional Development Program and \$12.3 million is from the Cross-Regional Program. This has been leveraged with other funding for a total project investment value of over \$157.7 million. Current project leveraging is 671%, well above the Board's goal of 350%. For every \$1.00 approved for funding by the Trust Board, there is \$5.71 in funding from other sources. Eighty percent of the projects funded by the Trust are in small communities with populations less than 5,000. To date, 64% of funds approved are loans and 26% are grants. The overall balance of the Trust was \$192,414,705 on August 31, 2006.

Economic performance measures for individual project investments such as job creation, increase in tax base, new business start-ups, and increased hotel occupancy will be reported for five years by each project and aggregated in the annual report.



## Procedures for Funding Applications

A proposal template, principles and guidelines are available to all interested proponents on the Northern Trust website. Local government, societies, businesses and First Nations all have the ability to put their proposals before the Trust through the processes summarized below. First Nations and unincorporated communities should submit regional proposals to their local Regional District, unless they are partnering with a community. Application generally involves proponents first submitting their applications to local governments, which will may or may not endorse them. Proposals that receive endorsement then move forward to the Regional Advisory Boards for approval, before coming before the Board for decision. There are two proposal deadline dates for the Cross-Regional Account and five Board decision meetings throughout the year for all Northern Trust proposals. Options for financing may include business loan support, mezzanine funding, venture capital investments, and grants.

Based on the Trust's Investment Principles, proposals will be examined for their contribution to the Trust's objectives. Project investment principles for proposals include:

- Judicious management of public resources – good value for money invested
- Consistent with the Act, Intent of the Act, Vision and Mission of the Trust
- Incremental and complementary to publicly or privately supported programs
- Open and transparent processes, decisions and reporting
- High standards of financial management and accountability
- Preference for partnerships and leveraged investments over being a sole investor
- Proponents' vested interest demonstrated through a tangible, significant financial investment in the project
- Preference for low administrative costs
- Projected measurable return on investment (ROI) with the understanding that the ROI may be a measure other than fiscal
- Investments made in the context of a long-term strategy.

Cross-regional proposals have additional project investment principles including:

- Management of Trust funds on a perpetual basis
- Sound strategic and operational planning
- Adaptability to changing circumstances and opportunities
- Preference for investments that show compounding benefits
- Preference for investments that benefit more than one region of the Trust area
- Preference not to unduly advantage one business over another, but benefit a geographic region and sector as a whole
- Bias for investments offering long-term, sustainable benefits
- Infrastructure investments should reduce the cost of doing business
- Diligent professional evaluation of proposals' feasibility and risk
- Annual allocation of investment funds by portfolio

- Public request for proposals and defined proposal intake dates to encourage competitive and innovative proposals, and
- Evaluation and reporting of success against clear performance measures.

There are two advertised calls for proposals annually for the Cross-Regional Account for the years 2006 to 2008. A call for proposals with a deadline of January 2 of each year will result in decisions to allocate investments by April 1. A call for proposals by July 2 of each year will result in decisions to allocate investments by September 30 annually. Proposals will be received and evaluated within the six program areas identified above.

The Board also reserves the ability to occasionally make decisions on unsolicited proposal calls. These will not generally be the norm, and will be determined through recommendations from the Executive Director.

It is anticipated that proposals for the new Pine Beetle Account will be a two stage process involving an Expression of Interest, and then invited proposals.

### **Communication**

The Northern Trust is required to establish three year strategic plans, provide these to the regional advisory committees, and publish the plans and bring them to the attention of the public. They must complete annual reports, including financial statements, which must also be provided to the regional advisory committees and brought to the attention of the public. It reports to the public immediately after meetings via a newsletter that can be accessed on the Trust's website via an open subscription.

The Northern Trust also publishes an online newsletter called the Northern Trust News, and maintains a website with news releases, online reports, and other pieces of information useful to the public.

## **North Island – Coast Development Initiative Trust**

### **For further information:**

‘North Island – Coast Development Initiative Trust’, Government of British Columbia website, [http://www.ecdev.gov.bc.ca/Trust\\_Initiatives/North\\_Island\\_Coast.htm](http://www.ecdev.gov.bc.ca/Trust_Initiatives/North_Island_Coast.htm)

### **Background**

Legislation (Bill 7) was brought into regulation on February 27, 2006 to establish the North Island – Coast Development Trust, and was launched on February 28, 2006, with a one-time \$50 million grant from the Province of British Columbia.

The North Island-Coast Trust is expected to be fully operational in October 2006, with a permanent board and a strategic plan in place to guide investments.

### **Purpose**

The \$50-million North Island – Coast Development Initiative is designed to give communities the funding and ability to create new opportunities for sustainable economic growth and more jobs in the northern part of Vancouver Island.

### **Funding**

The program was launched with a one-time \$50 million grant from the Provincial Government into a Regional Account. Any donations, interest or other income earned in relation to the Regional Account must be paid into that account. It is expected that the Board will use the funds to leverage partnerships and other investments with the private sector and other government partners. The one-time development allocation must not be \*made use of, but any or all of it may be invested but only as permitted under the provisions of the Trustee Act.

### **Governance**

The Development Initiative Trust is to be managed by an independent Board of Directors, consisting of 13 appointed individuals, of which 8 are appointed by the regional advisory committees, and 5 are to be appointed by the Lieutenant Governor in Council. The first directors shall be mayors from the communities of Nanaimo, Parksville, Ladysmith, Lake Cowichan, Campbell River, Port Alberni, Port McNeill and Gibsons, and they will serve a 6 month term. After this term, the two regional advisory committees must appoint 4 of their number as directors to replace the retiring directors, and the Lieutenant Governor in Council must appoint 5 individuals to replace their directors. The directors must choose one of their members as chair.

Directors may serve either 2 year appointments (if they are appointed by the regional advisory committees) or 3 year appointments (if they are appointed by the Lieutenant Governor in Council). These directors may be removed from their position by a passing of a resolution by the remaining directors, however, the term of office of the replacement director will be for the remainder of the term of the director he or she replaces.

Directors may use the money from the Regional Account to satisfy those expenses that are reasonably and necessarily incurred in order to allow them and their officers to perform their obligations under this Act. They may not accept remuneration from the corporation other than for reasonable traveling and out of pocket expenses necessarily incurred in the performance of their duties. Their role is to establish a 3 year strategic plan which outlines the goals for each year, provide a copy of this strategic plan to the advisory committees, and publish the plan and bring it to the attention of the public.

Two Regional Advisory Committees (RAC) have been formed to advise the directors, consisting of local government officials and MLAs, based on provincial electoral district boundaries:

- North Island-Sunshine Coast Committee: electoral districts of Alberni-Qualicum, Comox Valley, North Island, and Powell River-Sunshine Coast.
- Central-South Island Committee: electoral districts of Malahat-Juan de Fuca (north of Malahat), Cowichan-Ladysmith, Nanaimo, and Nanaimo-Parksville.

The role of the RACs is to: appoint members as directors to the Trust Board, provide advice to the board on projects suitable for Trust funding, establish the terms of office for members, and provide representation for communities and regional district areas under 500 population.

## **Organization**

The North Island-Coast Development Initiative Trust Act stipulates that a chief executive officer and chief financial officer will be appointed. These two positions may be filled by one individual. This individual may enter into contracts on behalf of the North Island-Coast Development Initiative trust, appoint other officers and employees, and provide a system of organization to establish responsibility and promote efficiency.

Physical space and other employment positions associated with Trust are, as yet, unknown.

## **Program Delivery**

The Board will make strategic investments in regional economic priorities such as forestry, transportation, tourism, mining, energy, projects related to the 2010 Olympic and Paralympic Winter Games, aquaculture, small business and other opportunities for economic diversification.

## **Communication**

The North Island Coast Development Initiative Trust is expected to prepare three year strategic plans and annual reports which it was provide to the regional advisory committees and publish in a manner that can reasonably be expected to bring the plans and reports to the attention of the public.

## **Southern Interior Development Initiative Trust**

### **For further information:**

‘Southern Interior Development Initiative Trust’, Government of BC website, [http://www.ecdev.gov.bc.ca/Trust\\_Initiatives/Southern\\_Interior.htm](http://www.ecdev.gov.bc.ca/Trust_Initiatives/Southern_Interior.htm)

### **Background**

Legislation (Bill 8) was enacted on February 27, 2006 to establish the Southern Interior Development Trust, and was launched on February 28, 2006, with a one-time \$50 million grant from the Province of British Columbia. The Southern Interior Development Initiative Trust is expected to be fully operational in October 2006, with a permanent board and a strategic plan in place to guide investments.

### **Purpose**

The \$50-million Southern Interior Development Initiative is designed to give communities the funding and ability to create new opportunities for sustainable economic growth and more jobs within the southern interior region of British Columbia.

### **Funding**

The program was launched with a one-time \$50 million grant into a Regional Account. Any donations, interest or other income earned in relation to the Regional Account must be paid into that account. It is expected that the Board will use the funds to leverage partnerships and other investments with the private sector and other government partners. The one-time development allocation must not be made use of, but any or all of it may be invested but only as permitted under the provisions of the Trustee Act.

### **Governance**

The Southern Interior Development Initiative Trust is to be managed by an independent Board of Directors. The board of directors will be in place for an interim period of six months and is comprised of eight local government officials and five members-at-large appointed by the Provincial government. The interim Chair of the board is Jim Thomson of Kamloops.

The Board of Directors will consist of 13 appointed individuals, of which 8 are appointed by the regional advisory committees and 5 are to be appointed by the Lieutenant Governor in Council. The first directors shall be mayors from the communities of Cranbrook, Trail, Golden, Grand Forks, Kelowna, Vernon, Princeton, and Salmon Arm, and they will serve a 6 month term. After this term, the two regional advisory committees

must appoint 4 of their number as directors to replace the retiring directors, and the Lieutenant Governor in Council must appoint 5 individuals to replace their directors.

The directors must choose one of their members as chair. Directors may serve either 2 year appointments (if they are appointed by the regional advisory committees) or 3 year appointments (if they are appointed by the Lieutenant Governor in Council). These directors may be removed from their position by a passing of a resolution by the remaining directors, however, the term of office of the replacement director will be for the remainder of the term of the director he or she replaces.

Directors may use the money from the Regional Account to satisfy those expenses that are reasonably and necessarily incurred in order to allow them and their officers to perform their obligations under this Act. They may not accept remuneration from the corporation other than for reasonable traveling and out of pocket expenses necessarily incurred in the performance of their duties. Their role is to establish a 3 year strategic plan which outlines the goals for each year, provide a copy of this strategic plan to the advisory committees, and publish the plan and bring it to the attention of the public.

Two Regional Advisory Committees (RAC) have been formed consisting of local government officials and MLAs, based on provincial electoral district boundaries:

- Thompson-Okanagan Committee: electoral districts in region from Hope to Kamloops, to Salmon Arm and the Okanagan Valley (not including communities covered by the BC Rail transaction).
- Columbia-Kootenay Committee: electoral districts from Columbia-Revelstoke, East Kootenay, to the West Kootenay-Boundary area.

The role of the RACs is to: appoint members as directors to the Trust Board, provide advice to the board on projects suitable for Trust funding, establish the terms of office for members, and provide representation for communities and regional district areas under 500 population.

## **Organization**

The Southern Interior Development Initiative Trust Act stipulates that a chief executive officer and chief financial officer will be appointed. These two positions may be filled by one individual. This individual may enter into contracts on behalf of the North Island-Coast Development Initiative trust, appoint other officers and employees, and provide a system of organization to establish responsibility and promote efficiency.

Physical space and other employment positions associated with Trust are, as yet, unknown.

### **Program Delivery**

The board will make strategic investments in regional economic priorities such as forestry, pine beetle recovery, transportation, tourism, mining, energy, projects related to the 2010 Olympic and Paralympic Winter Games, agriculture, small business and other opportunities for economic diversification.

### **Communication**

The Southern Interior Development Initiative Trust is expected to prepare three year strategic plans and annual reports which it was provide to the regional advisory committees and publish in a manner that can reasonably be expected to bring the plans and reports to the attention of the public.



## Coast Sustainability Trust

### For further information:

Coast Sustainability Trust homepage,  
<http://www.coastsustainabilitytrust.com/>

Coast Sustainability Trust (2002). Mitigation Fund Guidelines: Guidelines for major licensees with respect to severance, contract buy-out and compensation for redundant equipment. <http://www.coastsustainabilitytrust.com/>

Dwyer, B. & Company (2002) Deed of Trust Establishing the Coast Sustainability Trust. Victoria, BC: Blair Dwyer and Company. <http://www.coastsustainabilitytrust.com/>

### Background

The Coast Sustainability Trust (CST) was established in 2002 by the Province of British Columbia, to mitigate any adverse impacts arising from Land and Resources Management Plan (LRMP) land use planning decisions in the Central Coast, North Coast, and Queen Charlotte Islands.

### Purpose

The CST is made up of two separate trust accounts. The first is a Mitigation Account. It is meant to provide assistance to workers and contractors who have been negatively impacted by government land use decisions related to the LRMP process. The other is a Matching Funds Account. Its purpose is to provide assistance to communities and First Nations that have been negatively impacted by the LRMP process, and to provide assistance to workers, contractors, communities and First Nations negatively impacted by Ecosystem Based Management (EBM).

The CST started with \$35,000,000, of which \$25,000,000 was allocated to the Mitigation Account, and \$10,000,000 to the Matching Funds Account. If any money was left in the Mitigation Account on March 31, 2005, it was transferred to the Matching Funds Account.

### Funding

Initial funding came from a Government of BC transfer of \$35 million from Forest Renewal BC to the CST, of which \$25 million went in to the “Mitigation Account” and \$10 million into the “Matching Funds Account”. Effective on April 1, 2005, any balance of undistributed funds remaining in the Mitigation Account was automatically

amalgamated into the Matching Funds Account and the Mitigation Account was deemed for all purposes to be terminated.

The aggregate administrative expenses of the Trust over the entire existence of the Trust are limited by a formula:

\$1,050,000 plus (A minus B), where A represents the aggregate amount of income of the Trust and B represents the amount of income tax payable by the Trust in respect to the income included in A.

As of June 30, 2006, CST Balances were as follows:

Matching Fund Account	\$19,664,704
EBM Land Use Planning Account	\$68,783
Economic, Scientific and Adaptive Management Development and Planning Subtrust	\$102,317
Total available funds	<u>\$19,835,804</u>
Distributions to beneficiaries to date	
Severance	\$2,933,857
Contractor Mitigation	\$10,749,764
Community Matching Funds	\$3,568,146
EBM Land Use Planning Subtrust	\$189,888
ESAMDAP Subtrust	\$45,300
Total Distributions to beneficiaries	<u>\$17,486,955</u>
Total available funds plus distributions	<u>\$37,322,759</u>

The Trust has received some additional funds from the Province of British Columbia that are targeted for specific types of projects. During the second quarter of 2003, the CST received \$254,000 in donor-directed funds to be used for ecosystem based management (EBM) related land use planning in the Trust area. During the second quarter of 2004 the CST received \$145,000 in donor-directed funds to be used for Economic, Scientific and Adaptive Management Development and Planning (ESAMDAP). After allowing for those separate accounts, income to date from investments of the CST had exceeded total administration expenses by over \$1,900,000. It continues to appear that there may be no need to use any of the capital of the Trust to fund its administration. This may allow over \$2.9 million more than originally planned to go to beneficiaries.

In the second quarter of 2003 a donor directed trust of \$254,000 was added to the CST. It is restricted to providing assistance for land use planning related to EBM. These funds had been placed in the Ecosystem Based Management – Land Use Planning Account, with \$189,888 having been disbursed by June 30, 2006. Another donor directed trust of \$145,000 was added to the CST in the second quarter of 2004, which was restricted to providing assistance with Economic, Scientific and Adaptive Management Development and Planning.

This Trust is meant to be short-term and not perpetual. While the original capital was invested, there are limits as to how these funds are invested (ie. A requirement for no more than 20% of the funds to be invested in equities and no funds to be invested in foreign investments). The decision was made not to invest in equities and to concentrate on such investments as treasury bills and bonds. These investments have allowed the Trust to provide funding to a greater number of projects and beneficiaries, however, the intent of the Trust is to distribute all funds including the original capital and any income accrued from interest. The original termination date for the Trust was March 31, 2007, however, if not all funds are dispersed by this date, these funds will be flipped over and the Trust extended to a later date.

## **Governance**

A Trustee and a five member Advisory Board administer the CST. The Trustee is appointed by the Provincial Government and receives full remuneration for his services related to the Trust. The Advisory Board is appointed by the Government from nominations made by the appropriate organization and must consist of one member of the International Woodworkers of America Union; one member of the Truck Loggers' Association; one member appointed who has been approved by majority decision by the International Forest Products Limited, Weyerhaeuser Company Limited, and Doman Industries Limited; a nominee of the Province selected by the Province from among the elected officials of a Municipality or Regional District; and a nominee of the Province selected by the Province at the discretion of the Province. These positions are voluntary, with members receiving only reimbursement for reasonably incurred travel expenses. Advisory Board members serve an indefinite term, however, they can be removed and replaced upon the request of the sector they represent.

The Trustee chairs all meetings of the Advisory Board and may call meetings of the Advisory Board. The Trustee is not a member of the Advisory Board and cannot cast a vote, even in the event of a tie vote. If the Trustee is unable to attend a meeting of the Advisory Board, he/she may appoint an alternate chair, as long as that person is not a member of the Advisory Board. The quorum for a meeting of the Advisory Board consists of either the Trustee or the Alternative Chair, and either the greater of three members of the board or 75% of the members currently in office.

The Advisory Board's role is to set broad policy direction and approve specific licensee restructuring plans. They provide recommendations to the Trustee. These recommendations must have either the consent (in writing) of all Advisory Board members, or be approved by at least 75% of the members then in office at a valid meeting of the Advisory Board at which a quorum was present. The Trustee develops and implements expenditure plans based on the agreed upon general guidelines and specific approved restructuring plans and community projects.

The Trustee has fairly broad discretionary powers set out in the Trust Deed. The Trustee holds the Trust Property for the duration of the term of the Trust Deed, and can collect, receive, hold, manage, accumulate, retain, distribute, invest, reinvest and generally deal with the Trust Property and income from the Trust as permitted under the terms of the

Deed. He/she may establish procedures to be followed by the Advisory Board in respect of any procedural or operational matter. He/she may at times dismiss any member of the Advisory Board. The Trustee must provide a written annual report to the Province outlining the amounts distributed to beneficiaries of the Trust fund, how well the beneficiaries have used the funds in accordance with Trust objectives, a detailed breakdown of administration costs, and a financial audit, provided by an independent auditor, among other items.

In addition, in order to ensure that initiatives supported by the Community Matching Fund are local priorities and have regional support, Regional Steering Committees (RSCs) have been established to make funding decisions. There are five RSCs, representing Comox Strathcona, Mount Waddington, the Central Coast, the North Coast and the Queen Charlotte Islands/Haida Gwaii. Representation on the RSC's consists of 50% First Nations nominees and 50% non First Nations community nominees. Regional Steering Committees approve specific Community Matching Fund expenditures.

The Advisory Board sets broad policy direction and approves specific licensee restructuring plans. Regional Steering Committees approve specific Community Matching Fund expenditures. The Trustee develops and implements expenditure plans based on the agreed upon general guidelines and specific approved restructuring plans and community projects.

## **Organization**

The CST is managed by the Trustee, who receives full remuneration for his services. The Trustee employs a Project Analyst on an as needed basis. The Trustee must also employ the services of an independent auditor annually. He/she may also engage lawyers, accountants, financial advisers, investment advisers, valuers, surveyors, brokers, auctioneers or any other advisers. These positions are hired on a consultant basis (is this the right wording). There are no individuals hired as CST employees.

The CST does not have office space. The Trustee works from a home based office. Meetings are held in available meeting space within the regions where the Trust operates (not sure of wording), such as meeting space within a Community Futures office.

## **Program Delivery**

In order to access funds in the Mitigation Account, major licensees that lost access to fibre because of government land use decisions had to submit a restructuring proposal to the Advisory Board. The process is more fully described in the Industry Guidelines. During the life of the Mitigation Fund, payments totaling \$2.93 million were made to 182 redundant workers. The average severance per employee was \$16,120. In addition, payments totaling \$10.75 million were made to mitigate the holders of 46 contracts that were reduced or eliminated because of provincial government land use decisions related to the Land and Resource Management Plan process on the Central Coast.

In order to access funds in the Matching Funds Account, applicants are required to match funding sought through the CST on at least a 1:1 basis. Matching funds must be similar in nature to those provided through the CST. This requires that they be in the form of unencumbered cash contributions. Secured loans or in kind contributions, for instance, would not count as matching funds. The process is more fully described in the Community Matching Fund Guidelines.

Each of the five RSCs had been allocated \$3,500,000 to use towards developing Regional Economic Development Strategies and to support individual initiatives that fit those strategies. As of the end of June 30, 2006, funding has been approved for a total of 114 projects. In order to stimulate activity, each RSC considers and approves projects that fit into the strategic priorities of their area. The types of projects vary to some extent by the chosen strategic direction of each RSC. In each RSC, the highest concentration of project approvals relate to the enhancement of tourism opportunities, with an emphasis on eco and cultural tourism. Examples are:

- the construction or renovation of First Nations Big Houses,
- support for tourism associations on the Central Coast, on northern Vancouver Island and on the Queen Charlotte Islands/Haida Gwaii,
- assistance to the Nisga'a in Prince Rupert for the "Nisga'a Experience" project,
- assistance to the Haida in the construction of a cultural center, and
- assistance to the Bella Coola Valley Museum.

Infrastructure improvements are another primary focus. Some are aimed at enhancing tourism, such as creating or improving destination hiking or mountain biking trails, construction of RV and campground facilities, construction of an all season all weather boat ramp, improving harbours or helping to upgrade a water pipeline to a Native owned ice plant. Other projects enhance industrial or commercial opportunities, such as industrial parks in Port Alice and Digby Island in Prince Rupert, or assistance in creating an Economic Development Zone on Quinsam Indian Reserve 12 in Campbell River. The Central Coast RSC voted to contribute \$302,500 towards a project that will provide Broadband Internet to the communities on the Central Coast, and the Mount Waddington and Comox Strathcona RSCs have also approved funding to assist in the installation of Broadband internet in four Northern Vancouver Island communities.

A third focus is shellfish aquaculture. The Comox Strathcona and Mount Waddington Regional Steering Committees jointly elected to help fund a Shellfish Industry Investment Attraction Initiative promoted by the Vancouver Island Economic Developers Association (VIEDA). They recently expanded funding to assist in attracting investment for shellfish processing. The Central Coast, North Coast and Queen Charlotte Islands/Haida Gwaii RSCs jointly agreed to support a combined North coast – Skeena First Nations Stewardship Society and Turning Points Initiative Society application for assistance in developing a coast wide shellfish aquaculture initiative. The Central Coast RSC has also provided support to the Heiltsuk Nation Shellfish Co-operative.

The CST also supports the development of non-timber forest products. In Northern Vancouver Island this has taken the form of a Non-Timber Forest Products Innovation Centre, while the Queen Charlotte Islands/Haida Gwaii, RSC approved funding to a co-op that will initially pursue vacuum drying of chanterelle mushrooms, and later branch into other edible products.

Matching Fund beneficiaries are primarily communities and First Nations, or not-for-profit entities supported by them. In addition, the matching fund requires that beneficiaries receive at least an equal amount of unencumbered funds from a source other than the CST. Therefore, funds could not flow from the matching fund to a new mitigation fund at this time unless matching funds were found for the mitigation fund.

In the Landuse Planning Account, the CST has received five funding requests, totaling \$234,188. Four were approved, for a total commitment of \$194,188. As of June 30, 2006, \$189,888 has been disbursed. These projects relate to helping the Nuxalk Nation join the LRMP process, helping the Turning Point Initiative work out a framework agreement for government-to-government negotiations, doing an EBM related study in Queen Charlotte Islands/Haida Gwaii, and performing a timber supply and ecological risk analysis, also on Queen Charlotte Islands/Haida Gwaii.

In the Economic, Scientific and Adaptive Management Development and Planning Subtrust, three applications have been received for a total commitment of \$45,300. As of June 30, 2006, all \$45,300 had been disbursed. One project involved a Use, Recreation and Enjoyment by the Public Review in North and Central Vancouver Island, another involves an Environmental Assessment of the Queen Charlotte Islands/Haida Gwaii Land Use Plan Options and the third funded 7 residents in Queen Charlotte Islands/Haida Gwaii to attend a seminar titled Leadership in Community Economic Transition.

### **Procedures for Funding Applications**

The criteria for Mitigation Fund proposals were:

- Workers and contractors must be negatively affected by provincial government land use decisions related to the LRMP process made in the Central Coast, North Coast, and Queen Charlotte Islands planning areas.
- Workers must be full-time workers who are laid-off permanently some time after January 1, 2000 as a result of these land-use decisions.
- Workers hired and contractors first signed after April 1, 2001 are not eligible.
- Workers and contractors must have been working for mills or forestry related operations that derive at least 25% of their fibre from a specified LRMP planning area.

Additional criteria applied for workers, who received funding assistance as severance pay, based on amount of time employed. Additional criteria applied for contractors as well, who received funding assistance in the form of buy-outs and payments for

redundant equipment. The Matching Fund was to be disbursed by March 31, 2005, with any remaining funds being directed to the Matching Fund.

Matching Fund criteria included:

- Funding can be directed to First Nations and forest-dependent communities in the Regional Districts of Skeena-Queen Charlotte, Central Coast, Comox-Strathcona, Mount Waddington, and the portions of the Kitimat-Stikine that are included in the North Coast planning area.
- Forest-dependent communities are defined as those at least 10% dependent on the forestry sector and with at least 10% of the labour force employed through the forest sector.
- Workers, contractors and communities that may be affected by Ecosystem Based Management (EBM) are also eligible, however, EBM has yet to be defined.

The initial fund allocation for Matching Fund disbursements was \$5,000,000 for communities, including First Nations, and \$5,000,000 for workers, contractors and communities that may be negatively impacted by EBM. Both allocations are subject to a maximum of 3% administration costs.

The immediate objective of the Matching Fund is to provide funding to projects in communities impacted by the LRMP process. Funds will address local adjustment priorities, needs, opportunities and solutions. Projects must have community and preferably regional support and should result in:

- Regional and community strategic planning,
- Strategic investments with expected long term economic benefits, and
- Reduction of reliance on forestry based activities to alternative and sustainable economic activities.

Projects must follow these guiding principles:

- Helps in developing a regional and community economic development strategy, if no current plan exists,
- Helps diversify the local economy, without adversely affecting the economies of neighboring communities,
- Tangible long-term direct economic benefits, including employment creation or enhancement,
- Promotes sustainable development within the region,
- Demonstrates broad-based community support,
- Consistent with the community's Community Economic Development Strategy,
- Leverages a minimum of an equal amount of unencumbered private or public sector dollars,
- Not request funding for activities that can be covered by other existing programs, and

- Are environmentally sound and not cause unsustainable pressure on natural resources.

Funding assistance to communities is available for a variety of activities including regional planning (up to 20% of available funds), infrastructure development, and marketing. Assistance will be in the form of grants made directly to communities or First Nations. No funding will be provided to independent for profit operations. As EBM is undefined, no assistance related to this will be available until a framework for disbursement has been completed.

Matching Fund disbursements' must be made by March 31, 2007. These disbursements are allocated by the Regional Steering Committees. These committees review proposals received directly from communities or First Nations in their area, or from entities supported by those communities or First Nations.

Of the initial allocation of \$5 million for community funding, each RSC was allocated \$500,000 each, leaving a remainder of \$2.5 million. Each RSC is expected to apportion its allocation equitably between First Nations and non First Nations communities, based on the relative population of each. The remainder of the funds is to be held in a pool subject to the development of regional business plans that detail regionally based investment strategies.

Applications are accepted only through local governments, from Bands or Tribal Councils, or from other identified First Nations Governments. Non-profit organizations or other community based non government organizations must obtain the support and willingness to champion their proposals from the appropriate local government or Band/Tribal Council or government. Applications from communities and Bands will go directly to the Trustee or be channeled to the Trustee through the 5 RSCs. The Trustee will insure that applicants and proposals are tracked. The final funding decision will be up to the Trustee, guided by the RSCs.

Application is through a two stage process. In the first stage, proponents should submit a letter and a 2-3 page concept paper to the Trustee, that contains Applicant Information, Location, a Project Description, a Budget, Funding History, Time Lines, level of Community Support, description of Project Benefits, description of Market Assessment and Competitive Impact, description of Management Capability/Organizational Structure, Appendices, and Permission to Share Information.

If the Trustee deems the project eligible, proponents will be required to submit a Stage 2 Detailed Project Proposal. There are two options for submitting a Stage 2 proposal. Both of these options require a greater level of detail on the project including a work plan, management plan, financial plan, legal and environmental implications, any background studies that have been undertaken to confirm the merits of the proposal, and an identification of any risks associated with the proposal. The Trustee and Project Analyst will summarize the proposals and submit these Project Approval Summaries to the Steering Committees, which will make the final decision regarding project funding.



## **Communication**

The CST Deed requires that the Trustee prepare and submit an Annual Report, audited on an annual basis. In addition, the Trustee must also prepare Quarterly Reports for the Advisory Board, however, the Trustee has provided these Quarterly Reports to the Steering Committees as well. After meetings, press releases are put out. These reports and news releases are published and made available to the public on the Trust's website.

## **South Moresby Forest Replacement Account**

### **For further information:**

South Moresby Forest Replacement Account homepage, <http://www.smfra.ca/>

Province of British Columbia (1996). South Moresby Implementation Act, <http://www.for.gov.bc.ca/tasb/legsregs/smia/smia.htm>

### **Background**

The South Moresby Forest Replacement Account (SMFRA) was created in 1988 following the creation of Gwaii Haanas National Park Reserve and Haida Heritage Site. It was originally established under a Memorandum of Agreement signed between the federal and provincial governments setting the terms and conditions for the creation of the park reserve. The original intent of the agreement was to enhance timber yields, create employment and to encourage integrated resource management. In 1990, the decision was made to narrow the focus of the Account's funding from coastal British Columbia to projects specific to the Queen Charlotte Islands/Haida Gwaii. Since that time, the Account has been managed on a long-term basis. In 2000, both the federal and provincial governments agreed to extend the term of the Account for an additional seven years providing that there was a public consultation process and that the membership of the Management Committee was expanded to include two voting members representing the communities.

### **Purpose**

The intent of the Account was to mitigate the impacts of loss in timber supply and forest-based employment resulting from the creation of Gwaii Haanas, by developing employment opportunities in long-term forest management, research, and education. The principles, goals and strategic priorities for these two programs are outlined in A Strategic Framework for Sustainable Forest Management and Community Stability Through Enhancing the Forest-related Economy. The objective of the SMFRA is twofold: to increase sustainable forest management and to increase community stability through enhancing the forest-related economy. This is primarily undertaken by the funding of proposals within either of these themes.

The SMFRA has been responsive to local interests, as it evolved from its original focus of replacing timber volume to resource sustainability and community stability. This new vision was captured in the new SMFRA Strategic Plan (revised April 2003). All activities, projects, investments and research are to adhere to this new vision and will demonstrate a lasting legacy to the Island communities. The Account is intended to supplement, rather than replace, existing forest-related programs.

## **Funding**

The federal and provincial governments each contributed \$12 million to the SMFRA.

SMFRA expenditures are now distributed under two key program areas: Sustainable Forest Management and Community Stability through Enhancing the Forest-Related Economy. The Province retains the Gwaii Trust Society as the contract administrator of the funding program.

The funding available for projects reflects the interest generated from the principal amount in the Account of \$25.5 million. Recent annual budgets have averaged about \$622,000.

As per the terms of the Strategic Plan, annual expenditures are not to exceed a maximum of the interest earned in the previous year. Administrative overhead incurred by the Management Committee, Secretariat, administrator, and Working Groups for the implementation of the Account must not exceed 8% of the SMFRA expenditures in any account year.

## **Governance**

The SMFRA is governed by a Management Committee comprised of six voting members: two appointed by the government of British Columbia, two appointed by the government of Canada, and two appointed to represent the Queen Charlotte Island communities. The federal and provincial Ministers responsible for the Account will appoint the community representatives chosen from a list provided by the communities as well as invite non-voting members as observers from the community to the Committee. In addition, each government may each choose to invite non-voting members as observers to the Committee. One member from each government and a community representative act as co-chairpersons.

The Management Committee takes advice and comments from the Working Groups and its advisors, which are comprised mainly of local community representatives. Management Committee decisions are made in writing by its voting members and proper minutes taken to record meetings.

The Management Committee must:

- operate under the approved Strategic Plan for SMFRA,
- seek to achieve consensus in decision-making,
- establish Working Groups aligned with the two principle objectives.
- approve annual work plans submitted by the two Working Groups,
- authorize the limit of annual expenditures for each of the Working Groups charged with delivering annual implementation plans for each of the two objectives,

- monitor and evaluate the implementation of SMFRA projects and activities for effectiveness, quality and timeliness and ensure annual financial audits are undertaken,
- provide an overall operating plan for the Agreement 30 days prior to April 1 of each year, and
- provide an Annual Report to the provincial and federal Ministers responsible for Forestry and to the communities within 90 days of March 31 of each year of the Account.

There is a Secretariat charged with the responsibility of assisting the Management Committee in maintaining accountability on behalf of the funding agencies and to the public, and to summarize and follow-up on Management Committee decisions. One representative from each of the two governments will be appointed to the Secretariat.

Two advisory Working Groups are charged with developing long-term and annual operating budgets for the two principal objectives of SMFRA. The Working Groups make recommendations to the Management Committee on matters within their area of responsibility. Federal and/or provincial government representatives chair the Working Groups, with membership drawn from other government departments and agencies, as well as community members at large. The two working groups are:

- the Sustainable Forest Management Working Group, and
- the Community Stability through Enhancing the Forest-Related Economy Working Group

Each Working Group is responsible for developing long-term plans for fulfilling the appropriate principle objective. They will also be charged with preparing annual working plans and associated budgets, calling for requests for proposals, evaluating proposals, recommending projects for approval by the Management Committee, as well as monitoring and reporting back on a periodic basis to the Management Committee. The size of the working groups must be workable and not exceed ten members or an amount set by the Working Group chair.

## **Organization**

An administrator has been hired to oversee the day-to-day operations of the SMFRA. This person is situated in the Queen Charlottes and reports and takes direction from the Co-Chairs of the Management Committee. The purpose of this position is to act as support to the Working Groups in organizing meetings, recording minutes and assisting in the development of contracts and distribution agreements in accordance with federal and provincial financial authority acts. The administrator also acts as a community liaison person and promotes SMFRA to the communities and interested parties.

## **Program Delivery**

The SMFRA has approved a number of projects within the themes of community stability to enhance the forest sector economy and sustainable forest management. Since its creation in 1988, SMFRA funding has exceeded \$18 million. These funds have made a positive contribution to the forest resources and economy of the communities of the Queen Charlotte Islands/Haida Gwaii. Some examples of the types of projects that have received funding include:

### **Community Sustainability**

- a venue for wood working artisans to sell their work,
- the development of local trail guides,
- work experience and trades training programs for displaced forestry workers,
- preparing educational and interpretive displays for the Nature Centre at Delkatla,
- upgrading computer resources for three Adult Education Centres,
- enhancing and developing existing and new trails,
- eco-tourism development and training programs, and
- development of a cultural tourism trail and longhouses at the north end of Graham Island.

### **Sustainable Forest Management**

- development of a land use planning report for the CHN/BC Land Use Plan,
- development of a forest education program for elementary schools,
- research projects undertaken by universities on such topics as analyzing wind disturbance patterns on Haida Gwaii,
- cedar inventory of the Timber Supply Area,
- printing and computer display equipment to provide mapping and analysis for land use planning,
- analysis and inventory of cedar regeneration in free growing stands,
- monitoring the growth of regenerating forests, and
- purchase of field equipment and training courses.

As is evident from the examples of above, proposals are quite diverse. Recipients of funding range from community groups, local schools, industry, government, and university, among others. Targets of funding also range from the purchase of equipment, research projects, educational or training programs, the development of tourism/cultural opportunities, inventories and monitoring programs, and other types of projects.

## **Procedures for Funding Applications**

Proposals are funded under two key themes:

1. Sustainable Forest Management (up to \$250,000 available):

- Education and training – deliver education and training programs for participation in sustainable forest management.
- Inventories – improve and expand land and resource use inventories and standards.
- Planning – support research and planning that results in implementation strategies to address landscape and stand level issues.

2. Community Stability through Enhancing the Forest-Related Economy (up to \$350,000 available):

- Value added manufacturing – to promote opportunities in the area of value added manufacturing.
- Education and training – identify transitional training and education needs and provide strategic responses moving towards a more diversified economy.
- Ecotourism – advance the long-term development of a viable eco-tourism industry.
- Non-timber forest products – develop opportunities for non-timber forest products.

Projects funded by the SMFRA may be undertaken on any productive forest lands in the Queen Charlotte Islands which are committed to long-term forest management, including Provincial Timber Supply Areas, Tree Farm Licenses, private lands, First Nations reserves, municipal lands and federal holdings. All work must incorporate performance measures and must be in accordance with Canada's National Forest Strategy.

The key requirements are that projects and activities must be incremental to existing government, community and industrial funded projects, responsibilities and obligations; must provide a measurable economic or social benefit; must have strong local acceptance and visible benefits; and must be financially accountable with measurable milestones identified throughout.

While proponents may wish to identify multi-year projects, the SMFRA Interim Management Committee only approves funding allocations on an annual basis. Thus, projects should be designed to produce outcomes within fiscal years. Application is through a two stage process. The first stage is a downloadable application form which requires a Project Title, identification of funding category, a summary of objectives, name of applicant, a brief description of the purpose of the project, an estimated outline of project costs, a statement of total amount requested, identification of partners, description of local employment/training opportunities, identification of environmental concerns, and project dates. The second stage is much more detailed and requires a detailed proposal describing the project and its prospects for success. It requires additional information such as an identification of the project leader and key personnel, identification of all cash and in-kind contributions to the project, identification of benefits to the community, explanation of how results and benefits are to be communicated to the community, a workplan, identification of deliverables, more detailed budget, and supporting documentation. This second stage proposal may not exceed 7 pages in length.

Supporting documentation such as resumes, budgets, and background information may be appended to the proposal but cannot be longer than 12 pages in length. For Community Stability projects in the areas of non-timber forest products, value-added and ecotourism, and addition third stage is required that involves the development of a business plan.

Proposals are evaluated once a year, with the deadline for submission being posted on the SMFRA website. Projects must be sent by mail delivery, as faxed proposals will not be accepted. Applications must be submitted to the Administrator of the SMFRA. Once the call for proposals has been closed, the administrator will access all projects prior to review by an advisory Working Group. The appropriate Working Group will then evaluate proposals and make recommendations to the Management Committee. A final decision will be available approximately 15 weeks after the deadline date. Proponents will receive written notification of the Committee's decision, along with the terms and conditions of any funding that has been awarded.

### **Communication**

The SMFRA Strategic Plan outlines a requirement to provide the public with access to comprehensive information on projects and program activities through workshops, seminars, conferences, and trade shows; to promote SMFRA's progress toward sustainable forest management, and to further SMFRA's visibility through media and public relations, publications and web sites. All SMFRA activities, projects and results must be communicated to the Island communities and forest managers where appropriate. Any public announcement of programs, activities and projects covered by SMFRA, as well as any official opening ceremony for any project under SMFRA, must be arranged jointly by Natural Resources Canada's Canadian Forest Service and the BC Ministry of Forests, through the Working Groups.

To ensure public dollars are spent in the most efficient and effective manner, designated observers will be appointed by the SMFRA Management Committee. Management Committee and Working Group minutes and annual reports are matters of public record and must be made available for review upon request. Community members will be invited to sit on both the Management Committee and Working Groups. Every effort is to be made to seek maximum input from the community through the development of the annual working plans, solicitation of project proposals, evaluation process and monitoring. Community feedback and input will also be sought via annual public meetings or consultations.

A website was developed during the 2004/05 fiscal year to communicate to communities, researchers and entrepreneurs. Visitors to the site can download guiding documents and search the indexed library housing SMFRA products from 1988 to present.

## **Muskwa-Kechika Trust Fund**

### **For further information:**

Muskwa-Kechika Trust Fund homepage, <http://www.muskwa-kechika.com/trust/fund/>

British Columbia (1998). Muskwa-Kechika Management Area Act. Victoria, BC: Queen's Printer.

### **Background**

The Muskwa-Kechika Management Area (M-KMA), located in north-eastern British Columbia (BC), was created as a world class management model, in legislation by the BC Government in 1998, following its conception during the BC Land and Resource Management Planning (LRMP) process.

Through the work of LRMP table members in Fort Nelson and Fort St. John, and later in Mackenzie, consensus was reached on land use in the Muskwa-Kechika area. They agreed that the area was unique, particularly due to its considerable size, largely unroaded nature, and its cultural, ecological and geographical diversity and that it should be managed as a special management area. The original size of the Management Area was 4.45 million hectares, however in 2000, with the approval of the Mackenzie LRMP, over 1.9 million hectares were added to the Management Area creating a total area of 6.4 million hectares.

The LRMP tables recommended that the Muskwa-Kechika, while being managed by the BC government, should be overseen by an Advisory Board, and that a special trust fund should be created to support special projects, research and planning initiatives within the Muskwa-Kechika Management Area. The Muskwa-Kechika Management Area Act, S.9 establishes both the Advisory Board and the Trust Fund in legislation.

### **Purpose**

The Muskwa-Kechika Management Area (M-KMA) is intended to establish a world standard for environmental sustainability and economic stability, serving as a model that balances human activities such as resource extraction and tourism with conserving its environmental values and wilderness state over time. The purposes of the Trust Fund are outlined in the Muskwa-Kechika Management Area Act S.12.

- a. to support wildlife and wilderness resources of the management area through research and integrated management of natural resource development;
- b. to maintain in perpetuity the diversity and abundance of wildlife species and the ecosystems on which they depend throughout the management area.



From low impact resource development planning to parks and wilderness recreation planning, the goal of the Trust Fund is to generate information in support of planning and management activities in the M-KMA. In addition to these aims, the Trust Fund supports initiatives aimed at preserving culturally-related values and providing education about the Management Area.

## **Funding**

The provincial government contributes a base amount to the Trust Fund annually. Before May 1 in each year, until May 1, 2005, the minister responsible for the *Financial Administration Act* pays out of the consolidated revenue fund, an amount into the general account of the trust fund that restores the balance in the account to at least \$1,000,000. In addition, he pays out an amount into the project account of the trust fund that is the lesser of \$1,000,000, and an amount equal to the contributions to the project account during the fiscal year. On the recommendation of Treasury Board, the Lieutenant Governor in Council may, by order, extend the operation of subsections (1) and (1.1) to additional fiscal years.

A variety of corporate and private benefactors may provide donations to the Fund. In addition to the base fund, the provincial government will match financial contributions from external organisations to a maximum amount equal to base funding.

Base Funding	\$ 2 million
Donations	\$ 0.5 million
Matching Maximum	<u>\$ 0.5 million</u>
Total Trust Funding	\$3 million

The Advisory Board works closely with the Ministry of Agriculture and Lands to allocate annual expenditures from the Muskwa-Kechika Trust Fund, in an Annual Expenditure Plan, approved by the Trustee (Minister, Agriculture and Lands). All expenditures reflect, complement or enhance the statutory responsibilities of the Advisory Board, as defined in the Muskwa-Kechika Management Area Act and the Muskwa-Kechika Management Area Management Plan.

Additional funding comes from money acquired by gift, donation or bequest; money received as contributions; revenue derived from fund raising and the sale of promotional, educational or other materials, goods or services; and any interest or other income of the trust fund. The trust fund is divided into 2 accounts known as the general account and the project account. All sources of funding intended for the trust fund are deposited in to the general account, unless the gift or appropriation specifies otherwise.

## **Governance**

The minister is the trustee of the trust fund. The Advisory Board ensures that activities in the Management Area are consistent with the intent and objectives and the Land and Resource Management Plans, as well as the Muskwa-Kechika Management Act and the

Muskwa-Kechika Management Plan. The Advisory Board monitors activities, including resource development activities, in the management area and makes recommendations for expenditures from the Muskwa-Kechika Trust Fund. The Trustee must consult the chair of the Advisory Board before committing or spending money from the trust fund.

The Advisory Board is appointed by the Premier of BC. He may also appoint a chair for the Advisory Board. The membership reflects a diversity of perspectives (i.e., First Nations, labour, forestry, mining, oil and gas, environmental, conservation, local and regional governments, commercial recreation, wilderness tourism, trapping and guide outfitting). Historically, the Minister recommends the appointees for the Premier's consideration. At present, there are 11 Advisory Board members.

Board meetings, held 2 or 3 times per year, rotate throughout north-eastern BC communities, with meetings held periodically within the Management Area. The general public is invited to attend the annual winter meeting of the Board. In part, the intent is to conduct semi-annual reviews of activities and planning to ensure that the intent of the Management Area is upheld. Management Area meetings work to accomplish the following:

- review information and new developments within the Management Area,
- develop recommendations for government,
- provide the public with an opportunity to pose questions regarding the Management Area and receive an answer,
- government agencies and other organisations update Board members and others with the full perspective of planning and activities occurring within the Management Area, and
- conduct expenditure planning and approval (February Board meeting).

In addition to fulfilling full Advisory Board duties, many members sit on Advisory Board committees with specific functions and responsibilities. To a large extent, it is these committees that perform the work of the Board. The Executive Committee acts as the central authority for decision-making outside of full Board meetings. The Committee is composed of Chairs from other Advisory Board Committees.

The Governance & Strategic Planning Committee is mandated with long- and short-term planning for the Management Area and Advisory Board. A major component of the Committee is the development of an updated Strategic Plan in support of a new governance and funding model for the Management Area. This plan must be approved and in place by 2006.

The Outreach & Fundraising Committee is responsible for a range of communications, education and public information programs. Also responsible for fundraising, the Outreach Committee promotes both the Management Area and the work of the Board.

The Oil & Gas Committee evaluates and provides advice to government regarding the development and approval of Management Area Pre-Tenure Plans, as well as monitoring and advocating new, innovative and emerging technologies which may help to minimize negative environmental impacts.

The Research Committee, composed of Management Area members in partnership with representatives from UNBC, plans, organises, implements and monitors a host of large and small-scale research projects pertinent to land use, wildlife and conservation in the Management Area.

The Parks & Recreation Planning Committee evaluates and provides advice regarding the development and approval of the Management Area Recreation Plan.

As well, when particular issues arise that are not in the realm of a committee's work, then an ad hoc committee is created to review the issue and provide recommendations to the Board.

The Chair of the Board receives remuneration, while the rest of the board is voluntary and receives only reimbursement for reasonable travelling and out of pocket expenses related to travel to meetings.

## **Organization**

Located in Fort St. John, the Muskwa-Kechika Management Area Information Office serves as a central base of operations through which a range of management, administration, and communication services support the work of the Advisory Board, and provide for a range of public information, outreach and education programs. The Information Office includes a resource library and reading area, with maps of the Muskwa-Kechika on display where British Columbians and visitors alike may direct their inquiries and requests for information to staff. Promotional items, featuring the Muskwa-Kechika Management Area logo, including oil skin caps, coffee mugs and clothing are available for sale to the public.

Staff includes an Advisory Board Coordinator and an administrative assistant. The Coordinator coordinates Advisory Board and committee meetings and oversees the management of the Muskwa-Kechika Information Office. She also assists the Board in developing advice to government and Board publications such as the Annual Expenditure Plan, the Annual Report to the Premier and the Public and Annual Environmental Youth Camp Guidelines. She establishes awareness with community organisations and the press, as well as researching potential conferences of value to the Advisory Board. The administrative assistant helps with the day-to-day functioning of the Information Office, coordinating Advisory Board and committee meetings and recording meeting proceedings.

## **Program Delivery**

The Muskwa-Kechika Advisory Board supports a variety of research with the intention of expanding existing knowledge and information about the Muskwa-Kechika Management Area. Each year through the Muskwa-Kechika Trust Fund, the M-KAB determines areas where research is needed, and allocates funding towards identified priority areas. Information that is acquired through research is made available to resource managers, commercial operators and industry for management and monitoring purposes.

Some research in the Management Area is awarded to contractors through a Request for Proposal process, and some research is conducted through the University of Northern British Columbia in Prince George, BC. Research in the Management Area focuses on the following broad themes:

- science-based inventories (mapping, ecology, wildlife, fish, watersheds, special features etc.),
- scientific studies (wildlife, vegetation, fish, parasites, habitat, mortality etc.),
- traditional Ecological Knowledge (recording areas of First Nations traditional use, and cultural and spiritual significance), and
- innovative technologies (oil and gas, mining and forestry activities).

Research and inventories are also conducted in the areas of:

- Mapping
- Ecology
- Geology
- Wildlife biology
- First Nations Ecological Traditional Knowledge
- Wildlife, vegetation, fish, recreational and cultural inventories

The Advisory Board, in working with the Trust Fund, may enter into partnership agreements. An excellent example is the partnership between UNBC and the Advisory Board, which have worked together since the inception of the Management Area. The partnership agreement ensures collaboration between the Advisory Board and UNBC in support of the Muskwa-Kechika Management Area Act and Management Plan intent. As well, the partnership will work towards improving the quality of life in the region, the province and beyond by reaching the highest standards of undergraduate and graduate teaching, learning and research.

One aspect of the partnership is the appointment of a Muskwa-Kechika Research Professor who oversees the UNBC-Muskwa-Kechika Management Area Research Projects, including grad and undergrad student work, as well as participating on the Muskwa-Kechika Advisory Board Research Committee.

## **Procedures for Funding Applications**

Applicants are reminded to clearly link their proposals to i) the purposes of the Muskwa-Kechika Trust Fund and ii) the ten criteria allowing Trustee authorization of expenditures from the Muskwa-Kechika Trust Fund, listed in the M-KMA Act S.12(2). The Trust Fund can only support projects within these ten criteria and is essential to government programs for the management of resources in the Management Area

### ***Advisory Board Goals for Trust Fund Administration***

1. To solicit and identify suitable projects consistent with, and that will achieve the purposes of, the M-K Trust Fund, M-KMA Act S.12(1).
2. To make recommendations to the trustee regarding expenditures from the Trust Fund and to initiate and support, in part or whole, suitable projects that i) support government or third party obligations in the Muskwa-Kechika Management Area, and ii) do not relieve the government from legislated responsibility to maintain essential programs for the management of resources in the management area.

### ***Eligible Proponents***

Donations must be consistent with Section 12 (1) of the M-KMA Act. In general, any individual or group can apply to the Trust Fund for project funding. Proponents can include:

- individuals and corporations,
- First Nations,
- non-profit organizations,
- universities and colleges,
- provincial and federal government agencies, and
- local governments.

Note: Cost shared (partnership) proposals are encouraged due to limited funding. Proponents should consider the possibility of partnerships with other organizations.

### ***Responding to an RFP***

Advisory Board requests for proposals for specific projects are posted on BC Bid at varying times throughout the year. Proponents with an interest in applying to projects in the M-KMA may respond to requests for proposals for projects that have been posted on BC Bid.

## **Communication**

The Muskwa-Kechika Management Area website provides many sources of information to provide accountability and openness to the public including annual reports, expenditure plans, and Advisory Board meeting records. In addition to maintaining a comprehensive website, the Muskwa-Kechika Management Area also communicates

with the public through a number of programs and events. They run outreach and educational programs including an annual Environmental youth Camp, and workshops advancing knowledge. Presentations and displays are provided by Muskwa-Kechika Advisory Board members and staff to increase awareness of the M-KMA and associated issues and activities. To provide a more focused perspective on research conducted in the M-KMA, UNBC provides presentations to local communities on M-KMA projects.

Another way that members of local communities can remain up-to-date regarding Advisory Board activities is by attending the public sessions of the annual winter Muskwa-Kechika Advisory Board meeting. The meetings are generally rotated between communities throughout the region, including Mackenzie, Fort Nelson and Fort St. John.

In addition, brochures and promotional items provide information to the public.

## **Nechako-Kitamaat Development Fund Society**

### **For further information:**

Nechako-Kitamaat Development Fund Society homepage, <http://www.nkdf.org>

British Columbia (1998). BC-Alcan Northern Development Fund Act. Victoria, BC: [http://www.qp.gov.bc.ca/statreg/stat/B/98003\\_01.htm](http://www.qp.gov.bc.ca/statreg/stat/B/98003_01.htm).

### **Background**

The Nechako-Kitamaat Development Fund (NKDF) Society is a grant-making agency that assists the people of North West British Columbia, and in particular, the Nechako region and Kitamaat Village, by sponsoring sustainable economic and social projects in the area most affected by the Kemano project and the creation of the Nechako Reservoir.

In 1997, as part of a resolution of legal issues surrounding the cancellation of the Kemano Completion Project in northwestern British Columbia, the government of British Columbia and Alcan Inc. partnered to create the BC-Alcan Northern Development Fund. The BC-Alcan Northern Development Fund Act was passed in 1998, setting up a legal structure for the Fund.

Following advice from a regional advisory board, the NKDF Society was incorporated on August 18, 1999. The investment area for the Northern Development Fund is the Nechako Region and the lands traditionally used by the Haisla and other First Nations people. This would include the communities and rural settlements associated with the Nechako Region: Vanderhoof, Ft. Fraser, Nautley, Stoney Creek, Cheslatta First Nation, and the settlements south of the Grassy Plains in the Ootsa Lake area and the Kitamaat Village. Also, because there are economic relationships between the Nechako Region and Fort St. James, Fraser Lake, Burns Lake and other communities in the Northwest, investments by NDF may be made in Northwestern BC outside the investment area, providing there is direct economic and/or job creation benefit to the Nechako Region.

### **Purpose**

The purpose of the NKDF is to support sustainable economic activity in northern communities affected by the Kitimat-Kemano project and by the creation of the Nechako Reservoir. NKDF spends the income from its long-term investments on programs and projects that meet each community's goals for economic development and community stability. The Fund is intended to create benefits through sustainable community economic development, not as compensation for those who believe themselves to be negatively affected by the Kitimat-Kemano Project, the Nechako Reservoir or the cancellation of the Kemano Completion Project

## **Funding**

The Government of British Columbia and Alcan Inc. each contributed \$7.5 million to establish the Northern Development Fund in 1999. Management of the Northern Development Fund is through two pathways:

- \$10 million becomes a legacy fund, invested on a long term horizon to grow the fund to a minimum value of \$15 million.
- The remaining \$5 million would serve as the operating fund for the Society.

Upon the incorporation of the NKDF Society, the provincial government transferred \$4.36 million from the Northern Development Fund to the NKDF Society for its operations and programs. The remaining balance is now solely managed by the BC Investment Management Corporation and held at the Nechako Valley Credit Union. The investment income generated from this fund supports the NKDF grants program.

Low returns on investments over recent years may lead to a major policy decision regarding the amount of grant funding that is provided. The NKDF is debating whether to continue with a legacy fund or approve proposals at the current rate of approximately \$1 million annually and deplete the fund. Current rate of returns provide less than one-third of the current yearly investment goal for projects.

The financial records of the Society must be audited at least once in every fiscal year. This audited financial statement must be submitted to the Minister after review by the Board. This auditor is appointed at the Annual General Meeting and may attend General Meetings.

The ratio of administration costs to the value of grants improved normally runs around 7%.

## **Governance**

The NKDF is governed by a volunteer Board of Directors consisting of no more than 10 members that are appointed by the BC government. The Board is comprised of seven members who are nominated through a public process, one from Alcan and one from the provincial government, all appointed through Order in Council by the Minister Responsible for Northern Development. The Northern Development Fund Management Board is made up of people who live in Northwestern BC with the majority of Board members residing in the Nechako Region or Kitimaat Village. The public process utilized to select seven board members involves two weeks of advertising in local papers, and sending an invitation to all local, municipal and aboriginal governments to nominate directors to the board whenever a vacancy occurs. All candidates are then ranked according to objective criteria listed in the director's job description and sent to the Provincial Government for consideration. Board members will serve one, two and three year terms, to a maximum of six years, with provisions for staggered starting terms to maintain continuity.



Board membership strives for equitable representative from the communities most directly impacted by the original Kitimat-Kemano hydro electric development, including First Nation communities. Board appointments are required to have successful experience, leadership, knowledge, skills and training in one of the following areas: small business, labour and/or economic development, local government, small business financing or financial management. Contingencies are in place such that if a board member misses two consecutive meetings without notifying the chair of extenuating circumstances, or if annual attendance of an individual board member falls below 66%, the board will request a replacement appointment.

The Board will elect a Chair for an annual term. There is also requirement for a Treasurer and Secretary. The position of Chair, Treasurer and Secretary may be held by the same person. The NKDF must comply with the Society Act. As such, the Society is required to hold an Annual General Meeting at least once in every calendar year and not more than 15 months after the adjournment of the last preceding Annual General Meeting. It is at this meeting that these three positions are elected. The Chair is the Chief Executive Officer of the Society.

Board members do not receive payment for their services, however, they do receive an honorarium plus travel expenses to attend meetings.

The Board determines the ongoing management of the fund. The scope of its authority is to develop policies, procedures and programs. It may also continue to refine the Northern Development Fund and enhance the mandate as required, staying true to the intent of the fund.

The board meets every second month, with additional meetings or conference calls as required. They are rotated throughout the communities in the investment area, with parts of each meeting open to the public. Meetings must have a publicly available record of decision, and may be held in the various communities affected by the Northern Development Fund. The meetings shall provide opportunities for public access. The Board strives to make decisions by consensus. In the event that there is disagreement, the board members who do not agree will provide a written submission of their interests that are not accommodated, including the measures or initiatives that could be undertaken to satisfy their interests and the other interests represented on the board. If in a further meeting utilizing the written submission, consensus cannot be reached, then a majority vote is acceptable, and the dissenting submission will accompany the record of decision.

The Directors may delegate any but not all of their powers to committees consisting of such Directors or members as they think fit. These committees must report every act and thing done to the earliest meeting of the Directors to be held next after it has been done. One standing committee is the Finance Committee (which is convened when required). This committee develops and reviews investment policies and selects investment vehicles in a competitive process to ensure NKDF funds are invested conservatively and with the best rates of return possible. The board provides input to and final approval for these decisions. Advisory committees may also be established. Members to these committees

are appointed by the Board of Directors and serve for such terms as the Directors determine.

The Board and expressly its Chair, will communicate with the Northern Development Commissioner regarding the Board's policies and programs. It must report annually and with appropriate communication to the public and the Minister Responsible for Northern Development to ensure accountability. This reporting relationship is intended to ensure that the Society's actions continue to adapt to changes in provincial government priorities and direction. The NKDF is part of the portfolio of the Minister of Small Business and Economic Development. As such, the Minister must submit an annual report respecting the operation of the fund to the Treasury Board.

Accountability to the public is maintained in several ways. The public is allowed to attend portions of each board meeting. Decision records are publicly available upon request. Annual reports and business plans with performance measures and targets are posted on the Society's web page. The Society's performance goals are measured annually.

### **Organization**

The day-to-day operations of the NKDF is handled by a manager. This involves, among other tasks, assisting groups/organizations with funding proposals, ensuring proposals are complete, monitoring local newspapers for other funding announcements and inviting proponents to apply for matching funds from the NKDF, and communicating with local, federal, and provincial agencies. He takes his direction from the Board Chair between board meetings. The NKDF has no physical office space as management services are on a part-time contracted basis. The first manager was located in Terrace, however, upon her resignation, the new manager was from Prince George and thus, the office has moved to Prince George. Like the Board of Directors, the manager reports to the Minister of Small Business and Economic Development.

### **Program Delivery**

There were two main funding programs: the Community Grant Program and the Business Loan Program. The Business Loan Program was short-lived, cancelled as a result of the government-led performance review that ruled that the program created a business subsidy, which is contrary to current government policy. The Business Loan Program had been managed by Community Futures Development Corporations.

The Society approved over \$1 million in grants during the 2003-2004 fiscal period and nearly a million in the 2004-2005 fiscal year. The Society offers assistance in developing proposals by allocating more of the manager's time and setting up a special program to share the cost of hiring professional assistance. This has helped to remove barriers faced by less experienced proponents. Types of projects funded through the Community Grant program included revitalization projects, airport development plans, trail development projects, infrastructure projects (ie. well construction for the Bulkley Nechako Regional

District), business plans and engineering studies, library expansion, senior citizen's housing, lodge construction, skills development and training, radio stations, development of tourism facilities, etc. Recipients of funding include local, regional, and first nation governments, as well as community groups and clubs.

### **Application Process for Funding**

The funding process is guided by the following principles:

- investment in community economic development projects and/or programs that are supported by the community
- creating new jobs and enhancing existing jobs are priorities
- support long term employment both full time and seasonal
- because of the value of interrelationships of communities, consideration will be given to proposals that originate outside the Nechako Region and Kitamaat Village if they demonstrate a benefit to those areas
- the fund will have policies and programs that are accessible with clearly defined evaluation criteria
- First Nation participation in the fund will not prejudice the First Nation land claim process

The Economic Development Grants program supports projects that address one or more of the following key aspects of economic development in the NKDF investment areas:

- Infrastructure
- Planning and research
- Human development
- Promotion and brokering

The fund will not normally cover more than 50% of project costs. In-kind donations are acceptable at market rates and must be verifiable and documented by written commitments from donors.

To apply for funding, contact must be made with the manager of the Fund to verify the eligibility of the project and confirm the next deadline for submission of proposals. Proposals must be developed in accordance with a template that is provided online. Proposals should preferably be less than 10 pages in length, and should be accompanied with letters of support from local organizations specifically endorsing the use of NKDF funds for the project. They cannot be bound or couriered. Proposals are reviewed by the manager who may ask for additional information. Once the proposal is complete, it will be brought up at the next board meeting. The Board of Directors uses the following criteria to evaluate proposals:

- Consistency with the Society's priorities and completeness
- Economic and social benefits to the identified community(s) in proportion to the size of the request

- Clearly identified contributing funds, partners, and personal equity
- Clearly thought out work plan, timelines and evaluation framework
- Experience and capability of the applicant to undertake the project, and
- Clear and realistic strategies for project management.

If projects are approved, they must be under contract within 6 months and activity must be started within 12 months. Projects under way should expect a site visit or a meeting to monitor and assess the project.

There are up to six deadlines per year.

### **Communication**

The Society must submit an Annual Report to the funding partners (the Provincial Government, Alcan, and the public), by distributing individual copies on request and by posting it on the Society's webpage. The manager of the Society is responsible for developing and implementing the communications strategy using media releases, a comprehensive and informative website, and direct contact with local, provincial and federal agencies.

Awareness of the fund has improved over time with repeated visits to and correspondence with communities in the investment area.

## **Section III Land Trusts**

### **Comox Valley Land Trust**

#### **For further information:**

Comox Valley Land Trust homepage, <http://www.cvlandtrust.org/>

#### **Background**

The Comox Valley Land Trust (CVLT) is an organization of local volunteers dedicated to protecting the Comox Valley's heritage of land and resources through voluntary conservation. They have been incorporated as a non-profit society since 1999, and they are also a registered Canadian charity. They have received general designation to hold conservation covenants under the Land Title Act and are authorized to accept donations of ecologically sensitive land.

#### **Purpose**

One of CVLT's goals is to help create a network of interconnected greenways throughout the Comox Valley, benefiting both wildlife and the human population of the Valley. To this end, they are involved in protecting several different categories of land:

- farmland
- forest land
- recreational green space
- heritage sites
- wildlife habitat to support biodiversity

#### **Funding**

Much of the funding is through donations from individuals and fundraising efforts to support specific projects. The CVLT accepts monetary or capital donations. It also works in partnership with other organizations to acquire funds.

#### **Governance**

The CVLT is governed by an 8 member volunteer Board of Directors who meet once a month. Board members are elected at an Annual General Meeting. With little funding to hire full-time staff for core business of the Trust, the Board of Directors is responsible for managing all initiatives. The workload could no longer be effectively managed at regular

Board meetings, thus, the Trust has recently adopted a committee system which requires Board members to lead or participate in at least one committee. The detailed work will be done by committee members and recommendations will be presented at regular Board meetings. At present, there are six committees including:

- Personnel Committee
- Executive Committee
- Fundraising Committee
- Community Outreach Committee
- Land Protection Committee
- Regional Conservation Committee

The general public may volunteer for any or all of these committees with the exception of the Executive Committee, which is open to Board members only.

### **Organization**

The CVLT shares office space with Project Watershed in Courtenay at #5-478 5th Street, Comox. The CVLT has only one paid staff member. All other positions are volunteer. Volunteers are utilized for grant proposal and report writing, legal land protection work, coordinating volunteer programs, land protection fieldwork, media and education, special events and fundraising, and office administration.

### **Program Delivery**

Their activities fall into the following general categories:

- public education in land stewardship
- landowner contact programs
- land protection projects
- assisting landowners in protecting their property through conservation covenants or other protection options
- public information to develop community support and attract membership
- fundraising projects to support these activities

The Trust currently holds and monitors three conservation covenants in the valley, including the Hurford Hill Nature Park, a private covenant in Comox, and an area of land for a future Regional District park. In addition, the Regional Conservation Strategy (RCS) is an initiative currently being undertaken by the Trust to create a region-wide strategy for land conservation in consultation with the community and decision-makers in the Comox Valley. The main purpose of the RCS is to prioritize sensitive ecosystems that residents value in the Valley and work together to conserve them as heritage areas.

## **Communication**

The CVLT publishes a bi-annual newsletter for their members, which is posted on their website.

## **Nature Trust of British Columbia**

### **For further information:**

Nature Trust of British Columbia homepage, <http://www.naturetrust.bc.ca/>

Nature Trust of British Columbia (2004). 2004 Annual Report. North Vancouver, BC: Nature Trust of BC.

### **Background**

The Nature Trust of British Columbia is the oldest and largest non-profit land conservation organization headquartered in BC. It was established more than 30 years ago. In the spring of 1971, Bert Hoffmeister, a retired forestry executive and conservationist, was approached by Prime Minister Pierre Trudeau, regarding a \$4.5 million grant to finance a unique conservation project in BC. The Honourable Jack Davis, the first Minister of the newly formed Federal Ministry of Environment, had a meeting with Ralph Shaw, a highly respected school teacher and noted outdoorsman, Dr. Alastair Mclean, a research scientist, and Len Marchand, MP for Kamloops. The group suggested that the money should be used for environmental (ecological) projects not usually funded by government and private agencies. That is how The National Second Century Fund of British Columbia, later to be called The Nature Trust of British Columbia, was born. Bert Hoffmeister was the Chair of the organization for the next 20 years.

The group is a non-advocacy group that seeks a balance between sustaining the environment and sustaining the economy, largely through the development of partnerships. Since 1971, The Nature Trust, along with their partners, have invested more than \$65 million to secure over 61,000 hectares (150,000 acres). Up-to-date scientific information, technology and expertise are unitized to ensure efforts are properly focused on lands with the highest biodiversity value and greatest risk of being lost. Conservation attention is focused on coastal estuaries, rare dry forests in the Georgia Basin and intermountain grasslands and wildlife migration corridors in the South Okanagan and East Kootenay.

The Nature Trust is a registered non profit that relies on landowners, corporations, foundations, other conservation organizations, governments and individuals to support their efforts to conserve BC's natural beauty for future generations.

### **Purpose**

The Nature Trust's mandate is to protect BC's natural diversity of wildlife and plants and their critical habitat through the acquisition and management of ecologically significant land. The Nature Trust of British Columbia focuses on land conservation in BC. They



work in partnership with many other conservation organizations and various levels of government.

## **Funding**

In 1971, the Trust received a \$4.5 million grant from the Federal Government. They do not receive operational funding from any level of Government. Administration costs are funded from the interest generated from their endowment account. They also look to a variety of sources for funding which supports the acquisition and maintenance of properties, including foundations, corporations, governments, non-governmental organizations, and individual donors. Generous financial support from donors and partners are crucial to the success of the Trust, with contributions of \$4.7 million during 2004. These contributions build up the endowment fund.

Donations can be made as monetary gifts, or as capital gifts such as publicly listed securities or donations of ecologically sensitive lands. Monetary gifts may also be directed to the Nature Trust of BC Open Fund/Vancouver Foundation which pays income yearly to the Nature trust to further their conservation work, as well as to the United Way of the Lower Mainland, targeting the Nature Trust of BC as the donor's choice for charitable giving, and the United Way ensures that the money is forwarded to the Nature Trust of British Columbia.

Funding to hire Conservation Youth Crews comes from the Habitat Conservation Trust Fund, Human Resources and Skills Development Canada, the BC Ministry of Water, Land and Air Protection, the CBT, the Columbia Basin Fish and Wildlife Compensation Program, Weyerhaeuser, FortisBC and EnCana.

## **Governance**

Governance is handled by a 15 member Board of Directors (plus 2 emeritus) which includes representatives from the business administration sector, academics, naturalists and outdoor enthusiasts, and individuals who have experience with the management of natural resources. This ensures that there is the necessary expertise available to guide the organization. Effort is made to ensure regional representation. Directors serve 2 to 4 year terms. There are a Chair, Vice-Chair, Treasurer and Past Treasurer positions that comprise the Board's executive. These positions are rotated to provide experience and ensure continuity. In addition, there are several standing committees including the finance committee, development and communications committee, and biodiversity committee. These committees provide direction to the board for approval.

## **Organization**

The North Vancouver Head Office includes a number of permanent full-time employees including a Chief Executive Officer, a habitat ecologist, a Crown Land Securement Coordinator, a Finance Manager, a BC Conservation Land Manager, a Development and Communications person, a Conservation Specialist, a Manager of Planned Giving and

Major Gifts, a Finance and Office Assistant, a Communications Coordinator, and an Ecosystem Specialist. The three regional offices of Nanaimo, Cranbrook and Oliver each have a Land Manager for the management of a specific land conservation project within their regions. Field staff and youth crews address annual maintenance on over 75% of the Trust's conservation holdings. Most of the crews operate during a four month field season from May to August, but some may extend into the fall depending on weather conditions. Conservation Youth Crews complete annual site maintenance and habitat restoration activities consistent with the Management Plan for each conservation property. These crews consist of unemployed and at-risk youth, as well as experienced charge hands who provide supervision.

### **Program Delivery**

The Trust acquires land that is deemed ecologically important and initiates efforts to conserve habitat. The Trust manages, in partnership with other organizations, a number of conservation programs including: the South Okanagan-Similkameen Conservation Program, the Pacific Estuary Conservation Program, the Vancouver Island Wetlands Management Program, and the East Kootenay Conservation Program. Once the land has been acquired, a management plan is prepared and executed with the Trust's partners. Labour needs are met through reliance on partnerships with organizations as well as their conservation youth crew program.

The Nature Trust's long-term management objective is met by entering into long-term lease agreements with the province, Environment Canada on sites adjacent to and included in National Wildlife Areas, and local municipalities for habitat lands located on the edge of urban centres. The day-to-day work of managing individual sites relies on the Trust's land management teams located in Nanaimo, Oliver and Cranbrook, in collaboration with a network of cooperating partners, provincial staff, the staff of their conservation partners, and volunteers from local fish and game associations, as well as naturalist clubs throughout the province.

The Nature Trust is involved in a number of partnerships and plans that range from provincial to international in scope. These include:

- the Canadian Intermountain Joint Venture, a partnership of government agencies, non-governmental conservation organizations, universities and industry working together to ensure that the Intermountain region continues to be a landscape that supports healthy populations of birds, maintains biodiversity and fosters sustainable resource use;
- the North American Waterfowl Management Plan, an international action plan to conserve migratory birds throughout the continent; and
- the Pacific Coast Joint Venture, a joint venture established under the authority of the North American Wetlands Conservation Act to restore wetlands and wildlife

habitat in the coastal areas of Alaska, Hawaii, Oregon, Washington, British Columbia and Northern California.

In addition to managing ecologically sensitive lands, the Trust also supports researchers in their quest to seek a better understanding of the natural environment. In honour of several distinguished scientists and past members of the Board, The Nature Trust and its partners have established three award programs: the Bert Hoffmeister Scholarship which is awarded annually to a graduate student in the Faculty of Forestry at the University of British Columbia (the award is a joint effort by The Nature Trust, Wildlife Habitat Canada, BC's Ministry of Water, Land and Air Protection and the Province of BC), the Dr. Ian McTaggart-Cowan Scholarship, which is awarded to a conservation studies student at the University of Victoria, and the Brink/McLean Grassland Conservation Fund award which promotes applied research, habitat restoration and other stewardship activities that will assist in the management of the land, plants and animals of BC's native grasslands.

### **Communication**

In addition to their website, the Trust also publishes a bi-annual newsletter called Natural Legacy as well as regular news releases. These communication tools are posted on their website, along with any reports submitted by the Trust.

## **Denman Conservancy Association**

### **For further information:**

Denman Conservancy Organization  
<http://denmanis.bc.ca/conserve/index.html>

### **Background**

The Denman Conservancy Association, established in 1991, is a volunteer organization formed to preserve, protect and enhance the quality of the human and natural environment of Denman Island.

### **Purpose**

- To work with island residents and land owners to assist in developing innovative ways to protect the natural environment and island lifestyles
- To promote greater public awareness of the need for a strong ethic of land stewardship
- To support the work of the Forestry Committee of Denman Island and the Community Forest Standards
- To preserve significant scenic, woodland, farming, foreshore, historical and ecological sites
- To support and conduct land inventories as a basis for understanding the best stewardship practices for the island
- To conduct educational programs and explore options in the field of small scale community-based development
- To support Denman Island's Official Community Plan and the Mandate and Policy of the Islands Trust
- To raise funds through charitable and public donations which are to be used to purchase land consistent with the Society's conservation objectives.

### **Funding**

Funding is primarily through fundraising, membership, and charitable and public donations. The most principle source of funding is through donations that usually come through foundations, bequests, large private donations, corporate donations or membership dues. Funds are invested carefully to ensure security and growth.

### **Governance**

There are 12 volunteer directors, all from Denman Island, of which one has been designated as Treasurer, one as Chair, one as co-chair, and one as secretary. These

members are selected by a committee, usually comprised of two board members. An advertisement is placed in the local paper calling for interested parties to call the selection committee who will speak with them and let them know what is all involved in being a board member. The candidates are then put up for election at an annual general meeting. Those up for election have always been elected. Terms are for as long as people want to continue their involvement as a Board member. New members learn as they go, getting help from other board members along the way. Some of the work is done by committees, who take their recommendations to the Board for decision.

### **Organization**

The Denman Conservancy Association does not have any physical office space as such, however, it does have an office area in a room rented in an old school building on Denman Island. At present, there are no staff members, however, given the size of the land area on Denman Island the Conservancy Association now manages, plans are underway to hire a part time land manager.

### **Program Delivery**

Funds are used primarily for the purchase of land consistent with the Society's conservation objectives, conduct educational programs, etc. For example, funds were acquired through fundraising efforts to purchase Central Park across from the Old School on Denman Island. The Trust works to ensure that acquired conservation values are preserved in perpetuity on acquired land such as the Morrison Marsh Nature Reserve, donated to the Trust anonymously in 2005. The Trust also undertakes some educational initiatives such as guided walks through conservation areas, and participates in Island discussions for the Official Community Plan and other conservation related plans. Finally, the Trust also provides bursaries to local youth who have volunteered for the Trust. The Doug Olstead Award of \$200 is given annually for four years to a Denman Island teen volunteer.

### **Communication**

The Denman Conservancy Association publishes a newsletter four times a year which is available from its website.

## **Discovery Coast Greenways Land Trust**

### **For further information:**

Greenways Land Trust homepage:  
<http://www.greenwaystrust.ca/index.php>

### **Background**

The Discovery Coast Greenways Land Trust (GLT) is an umbrella non-profit organization with charitable status. It was established in 1996 in order to address the community's expressed desire to preserve greenspace and develop a pedestrian trail network, and works with local stewardship groups to create and maintain greenways. The area of interest the Trust covers is from the Oyster River to Chatham Point, and from the height of land on Vancouver Island to the mainland coast.

### **Purpose**

The mission of the Trust is to enhance the community through the creation and management of greenways networks, based on principles of stream and land stewardship and development, within public and private property partnerships.

The goals include:

- working with area landowners, community stewardship groups and local governments to plan and develop a Greenways Habitat Corridor System,
- acting as a community resource centre on issues of land and stream stewardship, and
- acting as an agency to accept and manage environmentally sensitive land.

### **Funding**

The DCGLT relies on support from the stewardship groups, government agencies, businesses, funding agencies, resource groups and individuals. This includes:

- organizations that provide financial advice,
- government organizations, such as the City of Campbell River, Fisheries and Oceans Canada, the Ministry of Forests, BC Gaming Policy and Enforcement Branch, the Regional District of Comox-Strathcona, the Campbell River Indian Band, Human Resources Centre Canada, and others,
- non-government organizations, such as the Nature Conservancy of Canada, the Pacific Salmon Foundation, the Haig-Brown Institute, SeaChange Marine Conservation Society, and others,

- corporations and other businesses, such as Weyerhaeuser, Save On Foods, and the Coastal Communities Credit Union,
- funding programs and sales, such as BC Hydro Bridge Coastal Fish and Wildlife Restoration Program, the BC Gaming Commission & Campbell River Bingo Palace, the Destiny Fund (Destiny River Adventures Salmon Habitat Fund), the Grant B. Culley Jr. Foundation (part of Fisheries and Oceans Canada), and Campbell River Tide Guide, and
- Stewardship Societies, such as Simms Creek Stewardship Society, Willow Creek Watershed Society, Storie Creek Streamkeepers, and Oyster Bay Streamkeepers.

Applications to government funding programs make it possible for the GLT to participate in many projects yearly. For example, funding has been received from HRSDC and the Department of Fisheries for hiring a Conservation Project Assistant.

### **Governance**

In 1996, founding members of the GLT included staff from the District of Campbell River, the Ministry of Forests, Department of Fisheries and Oceans Canada, as well as volunteers from local businesses, stream stewardship groups, academics and community-minded individuals.

Presently, the society is run by a volunteer board of seven directors, one of whom has been designated as President, one as Vice-President, and one as a Secretary-Treasurer. The Directors are elected by the membership at the Annual General Meeting for a term of one year, and may be re-elected to serve more than one consecutive term.

### **Organization**

Staff include an Operations Manager and an Office Assistant/Bookkeeper. These positions are now part-time. In 2004, the Trust had one full time position and 10 part-time or seasonal staff members. Funding was also received from HRSDC and DFO for a Conservation Project Assistant. There is a high reliance on volunteers for other functions of the Trust. They have an office in a downtown Campbell River location.

### **Program Delivery**

Funding goes towards education and public outreach projects, such as media productions, the Stewardship Resource Centre, training workshops, and hosting of public events. It also undertakes stewardship projects, entrusts land, and undertakes greenway development and maintenance, often in partnership with other stewardship organizations.

The Discovery Coast GLT is a member of the Land Trust Alliance of British Columbia, which supports land trusts, conservancies, and other related groups and interested individuals who care for our natural and cultural heritage. The GLT works with landowners to preserve and restore habitat. To assure quality, the GLT follows the Alliance's Standards and Practices.

The Land Trust supports land conservation through a variety of ways, such as land donations, direct purchase of land, and providing consultation services. The Land Trust is involved in community planning, and participates in the meetings of other community groups and organizations.

### **Communication**

The Discovery Coast GLT publishes a number of reports which are available on its website, including annual reports, information brochures, and newsletters. In addition, its website allows for interested individuals to make direct contact with members of the Trust via an online email link, and provides updates on upcoming events and news releases. The Trust sponsors workshops as well.



## **Habitat Acquisition Trust**

### **For further information:**

Habitat Acquisition Trust: <http://www.hat.bc.ca/>

### **Background**

The Habitat Acquisition Trust (HAT) is a non-profit, regional land trust with charitable status, that protects land permanently through land acquisition (donation or purchase), conservation covenants, and education and stewardship in southern Vancouver Island and the southern Gulf Islands.

HAT was established in 1996 by the Victoria Natural History Society. Their first project was at salmon-bearing Ayum Creek, and that acquisition spawned the movement to protect the Sooke Hills as a greenbelt. HAT accepts donations of property, purchases land, and helps landowners establish permanent legal restrictions to protect natural habitats. HAT works in partnership with governments and other non-profit organizations to achieve their goals. They also work with communities, schools, and individual landowners to enhance habitat protection on private land.

### **Purpose**

Their mission is to conserve natural environments on southern Vancouver Island and the southern Gulf Islands. This is done by acquisition, by conservation covenants, or by other legal mechanisms. As well, this is done through the promotion of habitat stewardship, education, and research.

### **Funding**

Funding comes from a variety of sources – Federal (HSP for Species at Risk, EcoAction), Provincial (BC Gaming), Corporate (Shell, VanCity, TD Friends of the Environment), Foundation (Victoria and Vancouver Foundations), and private (donations, membership). HAT has an Endowment Fund with the Victoria Foundation for land acquisitions, covenants, and on-going operating costs. HAT also has an Acquisition Fund: money in this fund is targeted to land acquisitions. Donations are accepted for specific campaigns or projects. Funds from the Endowment Fund can only be withdrawn as annual dividends. It is used for on-going costs associated with conservation covenants, and administrative and office overhead. The fund is also used as an emergency fund in case of legal action on one of HAT's covenants.

Donations can be monetary, in the form of RRSP's, Securities, or Life Insurance, or as land. Funding is also acquired through membership fees, as set by the directors. Directors

may make any investments they deem advisable, and additional monies are derived from the interest earned on these investments.

## **Governance**

HAT is a registered society with nine directors on an elected Board. Potential members are both invited to stand for board positions and encouraged to apply for Board positions. Strengths and weaknesses of the Board are identified, and vacancies are filled accordingly. The general membership then nominates potential directors, and voting takes place at an annual general meeting. Directors serve a three year term, beginning at the end of the general meeting at which the director was elected by the membership. They may serve two consecutive terms before they must take at least a one year break. They may be removed from office by special resolution. The board is a volunteer board in that directors do not receive remuneration, however they are reimbursed for all expenses necessarily and reasonably incurred while engaged in the affairs of the Society.

Directors elect from among the directors, for a term of one year, a president, vice-president, secretary and treasurer to form an Executive Committee that oversees the day-to-day functions of the organization. As well, there are also several committees that help the staff direct and run their projects. These include a Land Committee that oversees covenants, acquisitions, and land management; a Stewardship Committee that oversees projects related to stewardship; a Fundraising/Finance/Communications Committee; and a Board Development Committee that oversees board recruitment and development. As a registered society, HAT has a constitution and a set of by-laws to which they adhere.

## **Organization**

Staff includes an Executive Director, a Land/Finance Officer, a Land Care Coordinator, and a Restoration and Outreach Specialist. They also rely heavily on a core body of volunteers. They have an office located in Victoria, BC.

## **Program Delivery**

The Trust undertakes a number of stewardship projects. HAT holds conservation covenants on eighteen ecologically significant properties and is currently negotiating covenants with 6 additional landowners.

HAT also purchases properties with exceptional ecological value, to ensure that they are protected forever. These may be properties that contain sensitive or endangered ecosystems or species, or that enhance or link existing protected areas. When significant properties become available for purchase, HAT carefully considers the ecological and community values, and connection to other greenspaces. HAT has partnered with other organizations to successfully acquire: Ayum Creek Estuary and Ayum Creek Connector in Sooke, Brooks Point on Pender Island, 101 High Street/Knockan Hill in View Royal, Laughlin Lake on Galiano Island, the Sea to Sea Greenbelt at Sooke Hills, and the Matson Conservation Area in Esquimalt. Lands that HAT acquires, through purchase or

donation, are protected in perpetuity. Sometimes, HAT or one of their partner organizations, keeps these properties and protects them with conservation covenants and detailed restoration or management plans. In other cases, HAT donates properties as parkslands to local, regional, or provincial governments. In all cases, HAT protects the natural areas on properties that are acquired.

### **Communication**

The Habitat Acquisition Trust communicates through a quarterly newsletter (HAT Chat), their website, the media and many outreach projects and events.

## **Nanaimo & Area Land Trust**

### **For further information:**

Nanaimo and Area Land Trust: [http://www.nalt.bc.ca/about\\_us.htm](http://www.nalt.bc.ca/about_us.htm)

### **Background**

The Nanaimo and Area Land Trust consists of local residents who came together to form a community land trust organization because of mutual concerns about the preservation of natural lands in the Nanaimo region. The Nanaimo and Area Land Trust (NALT) became a registered society in 1995 and was subsequently granted charitable tax status.

### **Purpose**

NALT is active in promoting the responsible stewardship of land in the Nanaimo region. This work is being done in partnership with different levels of government, and non-governmental organizations. NALT is working with land owners in Nanaimo who are pursuing conservation covenants on their properties. A land trust is a private, non-profit conservation organization formed to protect land of natural and heritage value through a variety of means. In NALT's case, these methods include providing public education about land stewardship, restoring valuable habitat, receiving donations of land, setting up conservation covenants and raising funds to purchase land.

### **Funding**

Initially, NALT's funding was primarily project-based, and seasonally unstable. Three years ago, the Trust was able to persuade the City of Nanaimo and the Regional District (RDN) that their on-going services were valuable to them and worth a small portion of their annual budget. Now with \$30,000 from each, plus another \$25,000 to \$30,000 from the BC Gaming Commission each year, the Trust is able to provide stable ongoing services year-round.

Project-based funding (grants, contracts, etc) are still an important component of the Trusts funding. Over the past four years, NALT has received more than \$350,000 in funding from Federal and Provincial grants, and donations from foundations and corporations, and more than \$200,000 of in-kind donations of goods and services. Many of these funding sources will continue to be available on a one-time basis to support new projects and initiatives.

As well, money is raised for land purchase through fund-raising activities. Donor and member support is growing each year, and with the introduction of pre-authorized monthly contributions about 4 years ago, this has become a stable source of funding as

well. Money from membership fees allows NALT to do routine things like photocopy newsletters and brochures, buy supplies, pay rent and a book-keeper. Membership fees range from \$15 for seniors, students, and low-income individuals, to \$25 for individual membership, \$100 for corporate membership, and \$1000 for patron membership.

The Trust is striving to become more independent of government funding over the long term, and to that end, it has established a native plant nursery enterprise, and is also researching different Foundation models that will eventually generate significant revenue from interest. A small portion of the Trust's revenues comes from a line of merchandise sales (which can be ordered from their gift catalogue).

## **Governance**

Nanaimo and Area Land Trust is governed through a volunteer Board of Directors consisting of 15 directors. Board members are mostly selected by invitation through a nominating committee prior to each year's AGM. Others may simply put their names forward themselves or nominate themselves at the AGM. Final approval occurs through a standard nomination/voting process at the AGM - usually for the full slate of names standing at that time, unless more than 15 people are competing for the 15 Board positions (which has never happened thus far). In addition to annual elections at the AGM, a new Board member may be nominated by a present Board member on the recommendation of any NALT member, Board member, or staff at any time throughout the year. If approved by the full Board, this person is then appointed to the Board. If appointed in this way during the year, this person must stand for re-election at the following AGM. Board members serve 2 year terms, with half of the positions being elected/re-elected each year in order to maintain continuity. The NALT Board normally meets on Wednesday, once a month.

A policy that was introduced 2-3 years ago was to require that all incoming Board members who did not have any prior experience with NALT must spend 3 months attending Board meetings and/or volunteering with NALT activities before being formally elected or appointed to the Board (ie. get to know the organization and what they are getting into). This requirement has increased the commitment, stability and continuity of the Board substantially.

NALT Board members are warned at the outset that they are joining a working Board. There are several standing committees (such as the Acquisitions and Covenants Committee, Personnel Committee, Policies Committee), not all of which are active at all times. Ad hoc committees are formed and dissolved as needed to work on specific campaigns, projects or events, for hiring, or other one-time activities. All Board members are expected to play an active role on at least one committee, and all committees must have at least one Board member on it. Nevertheless, Board members are not expected to serve as the chair of the committee, and the committee may be comprised of several other individuals representing NALT membership, the community, or other agencies. The NALT Executive Director sits ex-officio on all committees.

Recently, the Board and staff undertook a project to create, review and approve a full range of Policies and Procedures for the Board that is now in a bound manual that is easy to navigate. This project has given everyone a level playing field.

## **Organization**

Staff includes an Executive Director and an Executive Assistant. As well, there is a person in charge of field contracts and covenants who looks after projects such as stream assessment and riparian restoration projects. There is also an office assistant and newsletter editor.

Volunteers are used to help with special events, to staff the front desk at the NALT Stewardship Centre on Wallace Street, and to work on such tasks as mailing out the newsletters and notices to recruit new members, cataloging resource materials, or organizing newspaper clippings. As well, volunteers are used to help in the Native Plant Nursery in Cassidy.

NALT operates a Stewardship Centre and has physical office space located at 140 Wallace Street in Nanaimo.

## **Program Delivery**

The Nanaimo and Area Land Trust has been actively involved in acquiring properties in order to, in the words of their Mission Statement, "protect the natural values of land in the Nanaimo area". The protection provided by these land acquisition projects may be of quite different kinds. South Winchelsea Island has been purchased, with NALT's help, by The Land Conservancy in Victoria; property on the banks of the Nanaimo River has become a Regional District Park; the VanKerkoerle property in Cassidy is being deeded to NALT; and Section 13 in the Linley Valley has become a natural park in the City of Nanaimo. The latest acquisition project involves the purchase of a large piece of land on the top of Mount Benson. The first three of these lands are covered by Land Conservation Covenants.

NALT maintains a Stewardship Resource Centre on Wallace Street with a useful collection of literature, bibliographies, and contact information - invaluable resources for those interested in the many aspects of land and watershed stewardship. Topics range from the possibilities and legal requirements of placing conservation covenants on private lands, to the advantages of replacing lawns with native plants, to the technical aspects of protecting streams and watersheds. NALT works closely with City, Regional, and Provincial government departments as well as other non-governmental organizations, and has up-to-date information from these sources.

NALT is involved in several different stewardship projects, with many partners and sponsors. They also run a number of special events such as guided walks.

## **Communication**

NALT's principal means of communicating with the general public is through the local media. They have a good working relationship with the two local newspapers and TV stations. They also produce brochures and other information handouts for all of their projects and activities. Posters and media stories are the best method of publicizing upcoming activities. They utilize approximately 20 supportive business outlets within the community to get their message out to the public, and also do regular mall display/sales (about once a month) and make presentations to service groups, schools, the university, and other groups and organizations whenever invited.

NALT has published a newsletter since 1997, and publishes one 4 times a year. These newsletters are available online or can be emailed to individuals directly. These are available on their website, as well as a listing of upcoming events and news releases.

## **Section IV Combined Regional/Land Trusts**

### **Islands Trust**

#### **For further information:**

Islands Trust homepage, <http://www.islandstrust.bc.ca>  
<http://www.islandstrustfund.bc.ca/general/trustfundplan.htm>

#### **Background**

The Islands Trust is a federation of independent local governments which plans land use and regulates development in the trust area. The Islands Trust Act set up the Islands Trust organization in 1974 as a form of local government. The Trust Area encompasses, generally, the islands and waters between the Mainland of British Columbia and Southern Vancouver Island, with the exception of lands and waters within adjacent municipal boundaries and the boundaries of Indian Reserves. Included are Denman Island, Executive Islands, Gabriola Island, Galiano Island, Gambier Island, Hornby Island, Lasqueti Island, Mayne Island, North Pender Island, Saturna Island, Salt Spring Island, South Pender Island, Thetis Island, and Bowen Island.

There have been amendments to the original Islands Trust Act in response to increasing pressures, including rapid population growth between 1974 and 1987. Amendments during this period gave the Islands Trust community planning and land-use authority comparable to that of a regional district under the Municipal Act. In 1987, the provincial government initiated a second review related to the Trust Area, resulting in a redrafted Islands Trust Act that was put in effect in 1990. This revised Act reaffirmed the Province's commitment to careful planning and development in the Trust Area. The Islands Trust retained its original authority and its dual responsibility to both Trust Area residents and other British Columbians. The new legislation also amended the structure of the Islands Trust and greatly broadened its functions and responsibilities. One of the most notable changes was the assignment of a regional-level planning function to the Islands Trust Council.

In 1990, through the enactment of a section of the Islands Trust Act, the Island Trust Fund was established as a conservation land trust to assist in carrying out the "preserve and protect" mandate of the Islands Trust.



## **Purpose**

The province created the Islands Trust as a land use and planning agency to preserve and protect the trust area and its unique amenities and environment for the benefit of the residents of the trust area and of the province generally, in cooperation with municipalities, regional districts, improvement districts, other persons and organizations and the Government of British Columbia. This mandate underlies the work of the Islands Trust, including the development of official community plans, zoning and other land use bylaws in each of the local trust areas or island municipalities.

## **Funding**

The operations of the Islands Trust are primarily funded through tax levies on properties within the trust area. Provincial grants and development application fees also provide revenue. The Trust Council is responsible for managing all finances of the Islands Trust.

The Islands Trust Fund Board is responsible for administering the trust fund and managing the property of the trust fund. This trust fund functions as a long term land trust. The Trust Fund Board receives annual operating funds by the Islands Trust Council after collecting them from the property taxes in the Trust Area. The Trust Fund operating account is blended with one Trust Council account, but tracked in separate general ledger accounts. There are a few dedicated endowment funds attached to particular properties that are held in separate accounts. For these endowment funds, only the interest can be used to pay for property management costs. The principal must remain unspent. The Trust Fund Board looks after the investment of any monies.

In addition, the Trust Fund accepts donations, grants and bequests of money, land and covenants in order to preserve and protect significant natural and cultural features in the trust area. There are also fundraising initiatives and the sale of calendars that help to supplement income.

## **Governance**

The Islands Trust was established with a variety of distinct corporate entities, each with different tools at their disposal. This includes 13 local trust committees and one Island Municipality which undertake local land use planning within their respective areas, the Trust Council which brings together the local and municipal trustees as a federation to deal with issues of mutual concern, and the Trust Fund Board which establishes and oversees a conservation land trust and acquires land and funds to assist in achieving the mandate.

The Islands Trust Council is comprised of 24 local trustees and 2 municipal trustees -- two local trustees for each Local Trust Area or Island Municipality are elected for a three year term. Continuity during turnover depends on good briefing and orientation by staff members. Together, with an appointed chair from the Executive Committee, local

trustees are responsible for land use decisions within their respective local trust area, excluding First Nation reserves. They make decisions about overall policy, staff resources, and budget for the Islands Trust and have broad responsibilities to uphold the Islands Trust's mandate. However, the Trust Council may not incur liabilities or borrow money without prior approval of the minister. The Islands Trust Area is comprised of 12 local trust areas and one island municipality. This ensures that land use decisions are made by the locally elected people who are part of each island community. The council meets four times a year in various locations within the trust area. All meetings are open to the public.

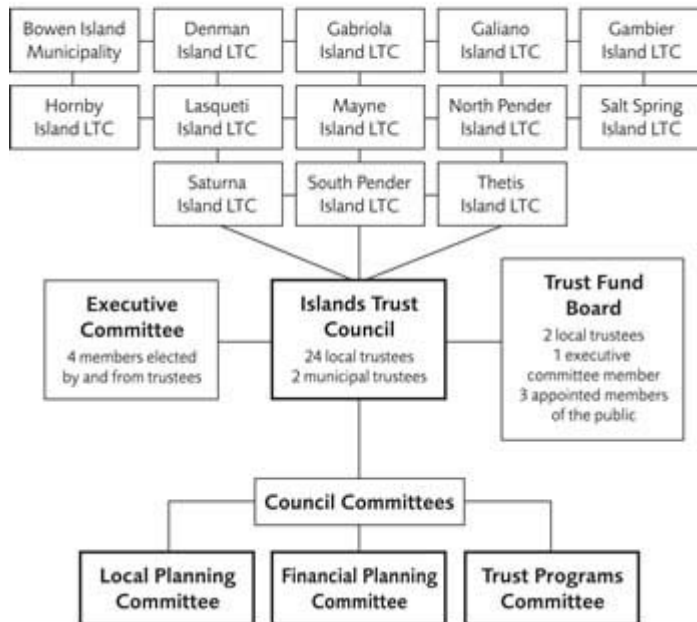
The Trust Council is a corporation. It is governed in part by the Local Government Act and functions in many ways similar to a regional district board. The Trust Council establishes general policies for carrying out the object of the Trust and is responsible for the financial management of the Trust, with the exception of the Trust Fund (Section 4(2) of the Islands Trust Act). The Trust Council appoints staff and auditors, adopts the annual budget (Section 8), and elects the Executive Committee (Section 20). Subject to subsection (3), the Business Corporations Act does not apply to the Trust Council.

The Islands Trust Policy Statement outlines the general Trust Council policies which are designed to support the object of the Trust. It provides a framework for land use planning in the Trust Area, and guarantees compatibility between plans for the various local areas. All local trust committee bylaws and all official community plans and amendments must comply with the Policy Statement.

The Trust Council establishes sub-committees of Council members to investigate such matters as may be assigned to them by Council. The Trust Council may, by bylaw adopted by at least 2/3 of its members present at the meeting at which the vote on adoption takes place, establish procedures that one or more local trust committees, as specified in the bylaw, must follow in exercising their authority and carrying out their responsibilities under this or any other enactment.

## Islands Trust Legislative Structure

### Local Trust Committees and Island Municipalities



An Executive Committee, comprising the chair and three vice chairs, is elected by all trustees. It guides day-to-day operations and cooperative relations with other levels of government. It also reviews the land use bylaws of local trust committees and Bowen Island Municipality to ensure consistency with the Islands Trust legislated mandate.

There are three main standing committees including the Trust Programs Committee, the Local Planning Committee, and the Financial Planning Committee. The Trust Programs Committee includes trustees appointed by the Chair of Trust Council with one Executive Committee member as assigned by the Chair of Council to each committee. The Local Planning Committee is comprised of all members of the Executive Committee, the Chair (or designate) of other Council Committees and three (3) other trustees. The Chair of Trust Council is an ex-office member of the Trust Programs Committee, and Local Planning Committee. Committee members elect a Committee Chair and Vice-Chair as required. The Chair of Trust Council may appoint an interim Council Committee Chair if required.

The Local Planning Committee membership includes trustees appointed by the Chair of Trust Council with one Executive Committee member as assigned by the Chair of Council to each committee. The Local Planning Committee is comprised of all members of the Executive Committee, the Chair (or designate) of other Council Committees and three (3) other trustees. The Chair of Trust Council is an ex-office member of the Trust Programs Committee, and Local Planning Committee. Committee members elect a Committee Chair and Vice-Chair as required. The Chair of Trust Council may appoint an interim Council Committee Chair if required.

The Financial Planning Committee membership includes trustees appointed by the Chair of Trust Council with one Executive Committee member as assigned by the Chair of Council to each committee. The Local Planning Committee is comprised of all members of the Executive Committee, the Chair (or designate) of other Council Committees and three (3) other trustees. The Chair of Trust Council is an ex-office member of the Trust Programs Committee, and Local Planning Committee. Committee members elect a Committee Chair and Vice-Chair as required. The Chair of Trust Council may appoint an interim Council Committee Chair if required.

Many residents and property owners get directly involved with the Islands Trust by becoming members of advisory committees and commissions. The most common is the Advisory Planning Commission; other groups include advisory committees on specific subjects, such as transportation, aquaculture, and environmental issues or, for certain development permit areas, architectural design. A Local Trust Committee has the authority to establish Advisory Planning Commissions for the purpose of providing advice on all aspects of planning and land use. The Commissions are made up of local residents who are appointed for a specific period of time (usually two years). As well, residents can become members of the Board of Variance which has the authority to permit minor variances from, or exceptions to, land use bylaw regulations in instances where it deems compliance with the bylaw would entail undue hardship; and also to permit alterations or additions to non-conforming uses.

The Trust Council must appoint an auditor to audit the accounts and transactions of the trust council and the local trust committees. The auditor must report to the trust council, to the minister and, in the case of an audit of a local trust committee, to the local trust committee.

There is also a Trust Fund Board which is comprised of one member of the executive committee, elected from among its members by the executive committee, two persons elected by the trust council from among its members, and up to three persons appointed by the minister. The role of the trust fund board is to administer the trust fund and manage the property of the trust fund. The trust fund board must prepare and submit to the Minister, at least once every five years, a plan for the trust fund respecting policies on acquisition, management and disposal of property of the trust fund, policies on investment of money of the trust fund, goals for major acquisitions of the trust fund, and other matters as required by the Minister. They are also required to prepare annual reports. An auditor must be appointed by either the Minister or the Trust Council.

For each local trust area, there is also a local trust committee. Each local trust committee is a corporation. Each local trust committee is comprised of the local trustees for the local trust area and a person appointed by the chair of the trust council. This person will be a member of the executive committee who is not a local trustee for that local trust area. If possible, the chair will also appoint an alternate member for the local trust committee who is not a local trustee for that local trust area. The alternate may vote and act generally in all matters of the local trust committee in the place of the absent member. The responsibilities of local trust committees includes submitting its bylaws to the

executive committee and the minister for approval and carrying out other duties that the trust council directs including: enforcing bylaws; regulating the development and use of land in its local trust area; and entering into agreements with municipalities, regional districts, boards of school trustees and francophone education authorities respecting the coordination of activities of the local trust area. In terms of enforcing its bylaws and Section 32 of the Islands Trust Act, local trust committees have all the power and authority of a regional district board. These committees are responsible for land use and subdivision regulation, heritage conservation, siting and construction permits, etc. They may not incur liabilities or borrow money.

Members of the Islands Trust Council and Trust Fund Board members receive an honorarium for each meeting they attend. These honorariums are set by the Treasury Board.

## **Organization**

The Islands Trust has offices on Gabriola and Salt Spring Islands and in Victoria, including land use and policy planners, mapping specialists and administrative staff. Local Planning Services staff support Local Trust Committees directly, enabling the committee to make community-based land use decisions through bylaws, land use applications, resolutions and regularly scheduled business meetings. Planning staff support a number of Local Trust Committees in each office location. Local Planning Services also supports the Local Planning Committee. The Victoria office provides support for the Galiano, Mayne, North Pender, South Pender and Saturna Island Local Trust Committees. The Northern office provides support for the Denman, Gabriola, Gambier, Hornby and Lasqueti Island Local Trust Committees. The Salt Spring office provides support for the Salt Spring, Thetis, and the Executive Island Local Trust Committees.

The Trust Area Services staff are located in the Victoria office and support Trust Council, Local Trust Committees, the Executive Committee, the Trust Programs Committee and the Islands Trust Fund and provides Stewardship advice as well as information for conservation and protection of the islands. This service area is responsible for trust-wide communications.

The Administrative Services staff are also located in the Victoria office and support staff, local trustees, the Financial Planning Committee, and provides human resources planning, financial and budget planning, information systems planning, computer support, telephone support, and trust area mapping services to the Islands Trust.

Each of these offices including directors/co-directors of Local Planning Services, planners, bylaw investigation officers, secretaries, and administrative assistance staff. Most of these positions are full-time and permanent, however, some of the administrative assistance staff work on a part-time basis. The Victoria offices also house additional staff members to support other functions of the Trust. This includes a number of staff in the Trust Area Services department including a Communications Specialist, Special Projects

Planner, Chief Administrative Officer, Executive Coordinator, and support staff. There are a number of staff to support the Islands Trust Fund including a manager, Ecosystem Protection Specialist, Communications and Fundraising Specialist, and support staff. And finally, there are a number of staff to support Administrative Services including a Director, Geographic Information Systems Coordinator and a GIS Technician, Information Systems Coordinator, Administrative Services Coordinator, Finance Clerk, and a Receptionist.

### **Program Delivery**

The Islands Trust has a number of focuses including ecosystem preservation and protection, stewardship of resources, and sustainable communities. In terms of stewardship of resources, the Islands Trust encourages voluntary stewardship of the unique environment and amenities of the Trust Area, and provides links to resources that can provide stewardship advice for residents, property owners and visitors.

The Islands Trust Community Stewardship Awards recognize individuals and groups for programs or actions that have made a significant contribution towards the object of the Islands Trust. Members of the public may make nominations each spring of each year, and the Islands Trust Council decides the award winners in the fall. Islands Trust recognizes the winners with a small plaque that commemorates their award.

The Islands Trust has supported several island communities in their actions to learn about and sustain their groundwater resources. They are currently working in partnership with the Hornby Island community in the implementation of the Hornby Island Groundwater Protection Project. Together with the Regional District of Comox Strathcona, the Islands Trust has provided financial support that has allowed the community to hire a coordinator for this purpose. Development of the Hornby Island Groundwater Protection Project will provide information and strategies useful to other island communities concerned with groundwater protection.

The Islands Trust is also partnering with Natural Resources Canada, the Ministry of Environment, Malaspina University-College and Island Regional Districts to map water resource vulnerability on Vancouver Island and the Gulf Islands. The Vancouver Island Water Resource Vulnerability Mapping Project will look at intrinsic susceptibility of aquifers to contamination, develop a methodology to inventory hazardous land use and create a vulnerability layer from these two sources.

In 2000, the Islands Trust Council agreed - along with San Juan County, other levels of government, First Nations representatives, and non-government partners, to work together towards the establishment of a trans-border network of marine stewardship areas within the Georgia Basin and Howe Sound region, also known as the Salish Sea.

Trust Council passed a resolution on September 14, 2001 requesting staff and the Trust Programs Committee to initiate three pilot Marine Stewardship Site Initiatives

for Galiano, Hornby, and Saturna islands in cooperation with Fisheries and Oceans Canada.

The Natural Area Protection Tax Exemption Program is a property tax incentive program designed to encourage landowners to protect the natural and cultural features of their land.

The Islands Trust supports a number of initiatives in our island communities that are aimed at enhancing community sustainability. Along with other parties, they have provided financial support for a Community Energy Planning project on Salt Spring Island that will lead to the development of a Community Energy Strategy. The project involves a review of community energy consumption and Greenhouse Gas Emissions. The strategy will also identify measures for reducing energy consumption and set targets for reduced energy use.

In 2001, the Islands Trust Council initiated the Islands Trust Crown Land Study to prepare Vacant Crown Land Profiles for islands throughout the Trust Area. Islands Trust will prepare the Valdes, Bowen, Gambier, Anvil and Ballenas-Winchelseas Islands Vacant Crown Land Profiles in 2007 and 2008. The Hornby, Denman, Lasqueti, Galiano and Salt Spring Islands Vacant Crown Land Profiles are completed and available online at their website.

The Islands Trust is responsible for the enforcement of local land use bylaws. In most circumstances enforcement is only undertaken on receipt of a written complaint. However, if an environmental concern, permitting issue or advertising of an illegal land use is discovered, enforcement may be started without a complaint. Additionally, some Local Trust Committees have adopted more specific enforcement policies.

As the land conservation arm of the Islands Trust, the Islands Trust Fund works with island communities to protect special places in the Islands Trust Area. As of spring, 2005, the trust fund had protected 52 areas totalling 650 hectares or 1600 acres.

## **Communication**

The Islands Trust communicates to the general public through a variety of means. First, its meetings are always open to the general public. It publishes news releases on a regular basis. Newsletters are published on a quarter annual basis. As well, the Trust Council is required by the Islands Trust Act to prepare and file with the minister an annual report for the previous fiscal year that includes an audited balance sheet and statement of receipts and expenditures, a report of the operations of the trust council, the executive committee, and the local trust committees, the annual report of the trust fund board submitted to the trust council under section 46, and other relevant information required by the minister.

## **Other Land Trust Contacts in British Columbia**

Cowichan Community Land Trust Society, <http://www.island.net/~cclt/>

Islands Trust Fund, <http://www.islandstrustfund.bc.ca/>

TLC, The Land Conservancy of British Columbia, <http://www.conservancy.bc.ca/>

Land Trust Alliance of British Columbia, <http://www.landtrustalliance.bc.ca/>

Ducks Unlimited, <http://www.ducks.ca/>