

The Coast Sustainability Trust

Guidelines for Communities with respect to Funding Proposals from The Coast Sustainability Trust Community Matching Funds Account:

The intention of these guidelines is to inform the First Nations and Communities on Northern Vancouver Island, the Central Coast, North Coast and the Queen Charlotte Islands/Haida Gwaii about the Coast Sustainability Trust II (CST) and about the opportunity for funding assistance for economic development projects from the CST.

Background:

The original Coast Sustainability Trust (the Original Trust) was established in 2002 by the Province of British Columbia to mitigate adverse impacts arising from Land and Resources Management Plan (LRMP) land use planning decisions in the Central Coast, North Coast, and Queen Charlotte Islands/Haida Gwaii. By operation of the Trust Deed that created the Original Trust, effective March 31, 2007, the Original Trust was to be wound up, and the Trustee had two years to allocate any remaining funds to an entity that had similar purposes as the Original Trust. Because there were still significant unallocated funds, as well as allocated funds that had not yet been disbursed, the Advisory Board decided to roll the Original Trust into the new Coast Sustainability Trust II (CST). Therefore, effective April 1, 2007 \$13,194,063 was rolled into the new Coast Sustainability Trust II (CST) Community Matching Fund Account, and all then existing Community Matching Fund commitments to specific projects by the Original Trust were assumed by the new CST.

For a complete copy of the Declaration of Trust for the CST, please follow the links to The [Declaration of Trust](http://www.coastsustainabilitytrust.com) at www.coastsustainabilitytrust.com.

Fund Description:

The Community Matching Fund is available to First Nations and civic communities in the Central Coast, North Coast and the Queen Charlotte Islands/Haida Gwaii (the CST area), and to Not-for-Profit entities that have written support from one or more First Nations or civic communities in the CST area. Applicants are generally required to match funding sought through the CST on at least a 1:1 basis. However, in order to assist communities and Not-for-Profit entities that have limited access to capital, the CST can provide up to 3:1 matching funds for the first \$50,000 of total project cost. 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 maximum that can be allocated to any single project is \$250,000.

Program Goal:

The intent of the Community Matching Fund is to encourage long-term, sustainable economic development and diversification in the communities of Northern Vancouver Island, the Central Coast, North Coast and the Queen Charlotte Islands/Haida Gwaii that have been negatively impacted by the LRMP process.

Program Objectives:

The objective is to provide funding to projects in communities impacted by the LRMP process to address local adjustment priorities, needs, opportunities and solutions which have community and preferably regional support and which result in:

1. Regional and community strategic planning, to the extent that it is lacking;
2. Local, regional, coastal, land or ocean based strategic investments with expected long term economic benefits; and
3. Reduction of reliance on forestry based activities to alternative, viable and sustainable economic activities within the communities in the subject area, especially those communities hardest hit by the restructuring of the forest industry as a result of government land use decisions.

Guiding Principles and Program Criteria:

The following guiding principles are to be applied to projects being submitted to the CST:

1. Helps develop a regional and community economic development strategy.
2. Helps diversify the local economy, without adversely affecting the economies of neighboring communities.
3. Has tangible long term direct economic benefits, including employment creation or enhancement, within an identifiable time frame (immediate preferable, but in any event within 3 years).
4. Focuses on long-term benefits that lead to sustainable development within the region.
5. Can demonstrate broad based community support and is consistent with the community's community economic development strategy.
6. Leverages a minimum of an equal amount of other unencumbered private or public sector dollars, and preferably other investment as well.
7. Does not request funding for activities that can be covered by other existing programs.
8. Is environmentally sound and does not cause unsustainable pressure on natural resources.

Allocation of funding:

Funding can be provided only to, or with the support of, those communities and First Nations that fall within the five regional districts described in the Trust Deed and that have been negatively impacted by government land use decisions that flow from the LRMP process. These are:

1. Comox-Strathcona Regional District
2. Mount Waddington Regional District
3. Central Coast Regional District
4. Skeena-Queen Charlotte Regional District, and
5. Those portions of the Kitimat-Stikine Regional District that are included in the Specified area as defined by the [Declaration of Trust](#).

Regional Steering Committees (RSCs) have been created to cover each of the above areas. These RSCs will act as the Communities Matching Fund coordinating and decision making bodies. In the case of the Comox-Strathcona, Mount Waddington and Central Coast Regional Districts, the RSC boundaries coincide with the Regional District Boundaries. The Queen Charlotte Islands/Haida Gwaii will be considered a separate RSC. The mainland portion of the Skeena-Queen Charlotte Regional District has been joined with the eligible area of the Kitimat-Stikine Regional District to form the North Coast RSC.

Each of the 5 RSCs was given an allocation of \$3.5 million to fund projects in their area. These funds can be used this fiscal year or carried forward. They will remain allocated to the RSC until such time as they are committed to specific projects and eventually disbursed.

Each RSC will be expected as much as possible to apportion its allocation equitably between First Nations and non First Nations communities, based loosely on the relative population of each, and the relative impact on each by government land use decisions related to the LRMP process.

Coordination of Funding Requests:

Applications will only be accepted if they are formally endorsed by local government (as defined in the Local Government Act), Bands or Tribal Councils (as defined in the Indian Act), or First Nations Governments that receive their governing authority in some other way, such as the Nisga'a Final Agreement Act. Non-profit organizations or other community based Non Government Organizations (NGOs) must obtain the support and willingness to champion their proposals from the appropriate local government or Band/Tribal Council or government.

Applications will go directly to the Trustee. Each RSC will be the designated coordinating body chosen by and agreeable to the communities within its geographical area. Each RSC will consist of 2 First Nations representatives of and 2 civic community

representatives. In the case of the North Coast RSC, there will be 3 First Nations representatives of and 3 civic community representatives.

The Trustee will insure that applicants and proposals are tracked. The Trustee and the RSCs will encourage cooperation between applicant civic and First Nation communities. Applications that involve more than one RSC are encouraged. The final funding decision related to projects in each RSC will be made by the RSC members. The Trustee will not have a vote within the RSC, but can veto RSC decisions if they are not consistent with the Deed of Trust.

Community Eligibility:

Non-First Nation Communities:

According to the Trust Deed, any municipality or unincorporated area within the specified area of each of the five Regional Districts is eligible to apply. However, a significant consideration to be used by the RSCs and the Trustee in proposal evaluation will be a clear and compelling case that the community(ies) making the proposal have been or will be significantly negatively affected by the Central Coast, North Coast or Haida Gwaii/Queen Charlotte Islands LRMP land use decisions.

First Nation Communities:

The Deed of Trust specifies that only First Nations “located within the Specified Area” are eligible. This is interpreted by the Trustee as meaning any First Nation with traditional territory within the Specified Area and does not require that the Nation or any of its members actually reside there. It is further noted that the North Coast LRMP table includes several Nations whose territory does not appear to fall within the Specified Area. The Trustee and the RSCs will bear this in mind in the evaluation of the eligibility of applicants. They will also consider whether or not these communities have suffered any negative impacts as a result of government land use decisions related to the LRMP process.

Eligible Investment Activities:

1. Investment should be consistent with regional and community economic development plans. Where communities or Regions do not have strategic plans, funding can be provided to develop economic development plans. Incremental staffing required to prepare those plans would be an eligible expense. The preference would then be that communities submit proposals that are consistent with those plans.
2. The CST can provide funds for investments in projects that help communities diversify, preferably in activities that do not relate to logging, such as shellfish aquaculture or tourism projects that are consistent with and promote the community or regional economic development plan.

3. Infrastructure projects that support these economic development and diversification activities will be considered, but stand-alone infrastructure projects that do not contribute to economic development and diversification activities will not.
4. The CST wishes to encourage cooperation between communities and between regional districts. Therefore well thought out joint projects, such as cooperative tourism or sport fishing promotion, or combined infrastructure proposals, are encouraged.
5. To be successful, proponents must clearly demonstrate that their project meets the program criteria, and no other more appropriate program or funds could assist the project.

Ineligible Investment Activities:

The Coast Sustainability Trust is restricted by the Declaration of Trust from providing financial support for certain activities. Following are investments that will not be supported by the CST:

1. The trust deed will not allow any subsidies to business. Therefore, funding will not be provided to private for profit businesses.
2. Funding will not be provided for projects that would result in a direct negative economic impact on neighboring communities or existing for profit businesses.
3. Funding from the CST will be in the form of non-repayable contributions. Therefore, no loans will be made, and only projects that have or believe they can obtain matching funding will be considered. No CST funds will be released until the matching funds are in place.
4. CST funding should be essential to the project's success. Therefore, the CST will not support projects that can be entirely funded by other existing government programs or funding sources.
5. CST funding should enhance economic opportunities and encourage diversification of the local economy. Therefore, projects that are aimed primarily at achieving social as opposed to economic goals or are focused on habitat restoration/revitalization, human resource development and training are not likely to be supported.
6. CST funding should have a measurable impact on economic diversification through a specific identified project. Therefore, projects such as feasibility studies, new program development or delivery of core funding to support ongoing operations are not likely to be supported.

Notwithstanding the above list of ineligible activities, the intent of the CST is to be as flexible as possible in its support for initiatives that have the strong support of communities and Regional Steering Committees, and further the community and regional economic development strategy.

Matching Fund Requirement:

The CST can only provide funds to proponents if matching funds are provided. For the first \$50,000 of a project, the CST can provide 3:1 matching (that is the CST could provide up to \$37,500 of a \$50,000 project.) Beyond that, a minimum of an equal amount of unencumbered matching dollars must be available from a source other than the provincial government. However, if an otherwise acceptable proposal is presented that does not have identified matching funds, it can be approved subject to obtaining matching funds within a reasonable time frame, likely 90 days.

Maximum CST support for a Project:

The most that can be allocated to a single project is \$250,000 of CST funds.

Additional questions:

In case of doubt, the CST Trustee is available to respond to queries at these contact numbers:

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