

Funding Opportunities for Landbase Investment in BC Community Forests

June 1, 2019

1.0 Introduction

There are a range of alternative funding opportunities available for Community Forests in BC in support investments on the Community Forest landbase. These are generally related to provincial funding agencies or organizations, but can also include other levels of government or a range of non-governmental organizations (NGOs).

The following discussion is not intended to be a comprehensive list and description of all possible funding opportunities; its purpose is to highlight the <u>key funding organizations</u> that may align with Community Forests in BC. If you are aware of additional funding sources not discussed, please do not hesitate to follow up with the contacts below and we will consider inclusion of these additional funding opportunities in future versions of this document, sharing them with Community Forest managers across the province.

It is important to note that this document provides a summary of conditions at the time it was developed and individual funding groups and campaigns should be consulted directly for up-to-date deadlines, funding criteria and application processes, as these do change over time.

The following funds are discussed in more detail below:

- 1. Land Based Investment (Forest For Tomorrow and Fish Passage)
- 2. Forest Enhancement Society BC
- 3. BC Rural Dividend
- 4. Northern Development Initiative Trust
- 5. Community Resilience Investment

The BC Community Forest Association (BCCFA) will work to maintain this guide and related information in response to significant changes to funding opportunities.

2.0 Land Based Investment (LBI)

The BC Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD) is responsible for the Land Based Investment (LBI) program. The LBI program is in place to support investments on the provincial landbase to manage, conserve, or protect BC's natural resources. The program is administered by PricewaterhouseCoopers (PwC) and is driven by an annual Land Based Investment Strategy (LBIS)¹ that outlines the delivery cycle, planning and roles/responsibilities.

The LBI program includes 14 different <u>categories</u>¹, with two that are more likely to be relevant to BC's Community Forests: Fish Passage and Forests for Tomorrow (FFT).

¹ https://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/land-based-investment

¹ https://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/land-based-investment/investment-categories

In addition, there is a relatively new role regional within FLNRORD, that of Integrated Investment Specialists. They provide strategic direction to provincial landbase investments through regional plans and overall, on their website.²

2.1 Fish Passage Restoration

Where there are stream crossings that are blockages to fish, there is an opportunity to engage with the Fish Passage Technical Working Group (FPTWG). Identification of possible stream crossing restoration sites must be completed following a series of other key steps, the completion of which could also be funded by the FPTWG where priority watersheds and fisheries values align with your Community Forest landbase. In general, the process includes:

- 1. Confirm priority of the watershed group based on known fisheries values (note fish values and priorities as indicated on the FPTWG website);
- 2. Watershed-based assessments of stream crossings across the entire watershed to ensure all blockages are identified and that priorities can be generated (i.e. estimated habitat gain, cost of replacement compared to benefits gained);
- 3. Habitat confirmation for the shortlisted sites;
- Development of site plans/prescriptions for the proposed stream crossing replacement; and
- 5. Completion of the stream crossing replacement.

Where the blockage is on a permitted road there may be issues associated with the current tenure holders' obligations; partnering could be used to address this administrative step.

Although the FPTWG has a structured watershed-based process through which priority stream crossing projects would be eventually identified, there may be opportunity to approach them with one-off fish passage restoration sites where there is significant known and documented benefits to fish within the context of fish habitat, streams and fish passage across the related watersheds.

There is no formal intake or application process with the FPTWG. They have some allied organizations (government and NGO) that help administer the program in different areas of the province. If interested, contact the FPTWG directly.

For more information see: Fish Passage Investment³.

2.2 Forest for Tomorrow

The LBI's Forest for Tomorrow (FFT) program focuses on maintaining or improving future timber supply and addressing risks to other forest values through the re-establishment of young forests and improvement of growth on land that would otherwise remain less productive. The program focuses on land that is primarily within the timber harvesting land base (THLB) yet outside of forest tenure obligations.

 $^{^2 \ \}text{https://w\underline{ww2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/land-based-investment/integrated-investment/natural-resource-stewardship/land-based-investment/integrated-investment/natural-resource-stewardship/land-based-investment/integrated-investment/natural-resource-stewardship/land-based-investment/integrated-investment/natural-resource-stewardship/land-based-investment/integrated-investment/natural-resource-stewardship/land-based-investment/integrated-investment/natural-resource-stewardship/land-based-investment/natural-resource-ste$

³ https://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/land-based-investment/investment-categories/fish-passage

The BCCFA coordinates the engagement of the Community Forests in BC with the FFT program, and PwC administers the program on behalf of FLNRORD.

There are two main categories and associated project types in the FFT program:

Category	Project Type
Current Reforestation	Reforestation
	Repression Density Spacing
	Conifer Release
Timber Supply Mitigation	Fertilization
	Spacing

It is important to note the current differences between FFT and FESBC, as both provide funding for silvicultural related treatments to enhance timber supply. The FFT program focuses on maximization of productivity and optimization of timber flow guided by a threshold 'Return On Investment' calculation; whereas the FESBC funding process is guided by a broader and less restrictive approach to landbase investments that could support both short, medium, and long-term fibre goals, as well as a range of other objectives (see discussion below under Forest Enhancement Society).

The focus of the current FFT funding for Community Forests is the rehabilitation of both wildfire and Mountain Pine Beetle (MPB) affected stands. At the moment, FFT has approximately \$1.0 to \$1.5 million earmarked for Community Forests on an annual basis, a number that is subject to annual review/adjustment and increased recently to \$2 million annually to support wildfire related surveys and reforestation.

The program has a priority in place for the following stands:

- 1. Burned plantations (those without legal reforestation obligations)
- 2. Catastrophic killed plantations (those without legal reforestation obligations)
- 3. Defaulted legal reforestation obligations
- 4. Caribou mitigation openings
- 5. Catastrophic killed mature timber (uneconomic for current forest licensees)
- 6. Burned mature timber (uneconomic for current forest licensees)

The key document that outlines the *Stand Establishment and Treatment Standards* for the FFT program is available on the FFT <u>website</u>⁴. In addition, detailed FFT guidance including funding criteria can also be found on their <u>website</u>⁵.

Community Forest engagement in the FFT program is through the BCCFA. You will receive annual emails from the BCCFA requesting your interest in engaging in the program. In the interim, if you have questions on the program do not hesitate to contact us.

Key to your engagement in the program is also an understanding of the proposed treatments by FLNRORD staff, specifically those in your local Resource District. A detailed contact list⁶ is also available that identifies category leads as well as Regional and District

 $^{^4 \, \}underline{\text{https://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/land-based-investment/forests-for-tomorrow/standestablishment-and-treatment-standards}$

⁵ https://www2.qov.bc.ca/qov/content/environment/natural-resource-stewardship/land-based-investment/forests-for-tomorrow/quidance

⁶ Contact list: https://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/land-based-investment/lbi-contacts

contact information. Note also the support of Integrated Investment Specialists and associated planning as noted above.

3.0 Forest Enhancement Society of BC

The Forest Enhancement Society of BC (FESBC) was established in 2016 to advance and advocate environmental and resource stewardship of BC's forests. It is funded through government contributions and directs its funding under governance of its Board of Directors whom are responsible to achieve its mandate.

Community Forests are eligible to apply to for FESBC funds. Up to date information on FESBC can be found on their <u>website</u>⁷. Projects eligible for FESBC funds must respond to or address one or more of FESBC stated purposes:

- Reducing wildfire risk;
- Forest rehabilitation;
- Fibre recovery opportunities from low value or damaged forests;
- Habitat improvement; and
- Treating forests to improve the management of greenhouse gases.

Detailed criteria exist for each of the specific purposes which can be found in the FESBC Application Guide⁸.

The fifth intake for project proposals closed on November 30th, 2018. The priorities identified for this intake were focused on (1) carbon emissions reduction and fibre utilization, and (2) wildfire risk reduction. Priorities for each intake may differ based on the purposes or strategies at the time of the intake, and will be clearly articulated at the time the intake is advertised.

The proposed activities must also be:

- Incremental to tenure obligations;
- Consistent with FLNRORD land management priorities and Integrated Investment Plans;
- Consistent with local FLNRORD District Manager strategic land management planning priorities; and
- Completed principally on provincial Crown land.

As additional information is made available by FESBC regarding the next funding intake, the BCCFA will communicate such details with member Community Forests at that time.

4.0 Habitat Conservation Trust Fund

The Habitat Conservation Trust Fund (HCTF) is a registered charity established in 1981 to improve the conservation outcomes of BC's fish and wildlife, and the habitats in which they live. It is primarily funded through conservation surcharges on angling, hunting, trapping and guiding licenses. In addition, HCTF manages multiple endowments and uses the investment income to

⁷ http://fesbc.ca/

⁸ http://www.fesbc.ca/pdf/fesbc-application-guide.pdf

also fund conservation projects. The Forest Enhancement Society (FESBC) has also contributed funds to the HCTF in alignment with wildlife focused projects.

The HCTF funds a variety of conservation work, including:

- Projects to restore, maintain or enhance native freshwater fish and wildlife populations and their habitats; and
- Information, education and stewardship projects that enhance user's enjoyment of fish, wildlife and habitats, or that foster human attitudes and behaviours favourable to management and conservation.

Community Forests are eligible to apply for HCTF funds. Up to date information on HCTF can be found on their <u>website</u>⁹. The HCTF gives priority to activities and investments that:

- Are scientifically rigorous and relevant to HCTF's mission;
- Provide clear and measurable outcomes; and
- Demonstrate multiple partners or other expressions of meaningful support.

In addition, projects eligible for HCTF funds must respond to or address one or more of HCTF's stated priorities:

- Native species and habitats;
- Connection to nature; and
- Climate change.

There are several grant types available, each with their own eligibility criteria, types of activities funded, and application deadlines. See the Apply for Funding¹⁰ page for further details.

5.0 BC Rural Dividend

The Rural Dividend Fund is one of the key ways the BC government is taking action to strengthen, grow and diversify rural communities. The Rural Dividend was established in April 2016, with input from the Rural Advisory Council, to help small rural communities reinvigorate and diversify their local economies. The program is administered by FLNRORD and provides approximately \$25 million per year for local governments, not-for-profit organizations and First Nations. The sixth intake was recently announced with proposals being received between June 15 and August 15, 2019 through their online portal.

Communities are eligible¹¹ and Community Forests are generally eligible to apply for Rural Dividend funds if they are a non-profit society and affiliated with eligible communities. Community Forests that are corporations, for example, may not be eligible, but could support applications that come directly from the local government. Specific eligibility of your Community Forest entity would need to be confirmed¹².

10 https://hctf.ca/apply-for-funding/

⁹ https://hctf.ca/

¹¹ Communities with populations less than 25,000 outside the geographical boundaries of Metro Vancouver and Capital Regional District. Unincorporated area with a max population of 25,000. Communities with populations up to 500 over the limit are eligible.

¹² https://www2.gov.bc.ca/gov/content/employment-business/economic-development/support-organizations-community-partners/rural-economic-development/rural-dividend/program-details2

Projects that are eligible for Rural Dividend funds will fall within the following categories:

- 1. Community Capacity Building;
- 2. Workforce Development;
- 3. Community and Economic Development; and
- 4. Business Sector Development.

Specific project types are not explicitly defined but should address all or some of the following program objectives:

- Community resiliency;
- Partnership and shared prosperity;
- Innovation;
- Youth; and/or
- Job creation.

Project development applications for up to \$10,000 can be made that represent investments in developing strong future projects. Single applicant community driven projects can apply for up to a maximum of \$100,000. Eligible applicants must contribute at least 20% of the total project cost via financial or in-kind contributions (maximum 10% in-kind contribution). *Community partnership* driven projects can secure up to \$500,000, where eligible, with applicant and eligible partners contributing at least 40% of total project cost via financial or in-kind contributions (maximum 10% in-kind contribution).

An example of the types of projects that Community Forests could or have applied for include:

- Update the Vegetative Resource Inventory, including using LiDAR to produce a Digital Elevation Model and Canopy Surface Model to derive species composition, terrain indices and site productivity.
- Expand milling operations by developing a small firewood processing facility to utilize waste materials from current milling practices.
- ATV Trail System Enhancement establishment and upgrade of ATV trails and crossings to foster economic diversification.

The following link provides access to the general website, with details regarding eligibility, criteria and the application process, with additional content and functionality added after June 15, 2019:

General Website¹³

6.0 Northern Development Initiative Trust

Northern Development is an independent, non-profit corporation; a catalyst stimulating economic growth through investments in grassroots, community-led projects. Since its inception in 2005, \$206.5 million has been made available for economic development investments. Northern Development is a regionally operated economic development funding corporation for central and northern BC. It operates independently from government and provides the funding

^{13 &}lt;u>https://www2.gov.bc.ca/gov/content/employment-business/economic-development/support-organizations-community-partners/rural-economic-development/rural-dividend</u>

and ability to identify and pursue new opportunities for stimulating economic growth and job creation within the region.

Funding objective – To support the diversification of the central and northern BC industrial sectors through new and innovative technologies that optimize natural and renewable resources, increase business competitiveness, stimulate new job creation or job retention, and create new opportunities for economic growth.

The fund was formerly known as the Northern Developments Forest Innovation Fund. As of 2018 it was increased in size and scope to include other industries as well.

Eligible organizations are registered non-profit organizations whose sole purpose is to create jobs and economic benefit in the specified industrial sectors (i.e. Community Forests, industry associations) and are operating within the Northern Development Initiative Trust region (see map¹⁴).

The source for funds available through this trust are associated with the Mountain Pine Beetle Recovery Account; as such there is a general focus on MPB-related projects. The program has a continuous intake with no specific deadlines for applications. The maximum grant amount available is \$50,000 with a maximum grant percentage of 50%.



Funded project examples include:

- Innovation or improvements in harvesting and gathering, extraction or manufacturing techniques.
- Advancements in site remediation.
- Investments in productivity improvements.
- Implementation of new technologies.

Prior to developing applications, it is recommended that you contact Renata King (Director of Business Development) at (250) 561-2525. Information is also available regarding eligibility, criteria and the application process¹⁵.

7.0 Community Resiliency Investment

The Community Resiliency Investment (CRI) is a provincial program intended to address wildfire risk and mitigation for communities throughout BC. This program is a new iteration of the Strategic Wildfire Prevention Initiative (SWPI) and is administered by the Union of BC Municipalities (UBCM).

¹⁴ https://www.northerndevelopment.bc.ca/about/

¹⁵ https://www.northerndevelopment.bc.ca/wp-content/uploads/2017/06/CommunityDevelopmentApplicationProcess.pdf

CRI is intended to cover land inside the boundary of a municipality; Community Forests' may benefit from CRI funding where CFA boundaries overlap with a municipal boundary and the proposed activities are applied for and administered by the Municipality (or Indigenous organization). Up to date information on CRI can be found on their website16. Eligible grant funding is 100% of the cost to a maximum of \$25,000 for applicants with a lower risk of wildfire, and a maximum of \$100,000 for applicants with a higher risk of wildfire. Wildfire risk may be determined through a previous planning process including Community Wildfire Protection Plan (CWPP) or supported by risk class mapping using the Provincial Strategic Threat Analysis (PSTA) data. More information on wildfire risk can be found on the CRI website or through consultation with BC Wildfire Service.

Projects that are eligible for CRI funds must respond to or address one or more of CRI activities:

- Education;
- Planning;
- Development considerations, including re-zoning and bylaws;
- Interagency co-operation;
- Emergency planning;
- Cross training;
- FireSmart demonstration projects;
- FireSmart activities for Crown land; and
- Fuel and vegetation nanagement.

Detailed criteria exist for each of the specific activities which can be found in the CRI <u>Application Guide</u>¹⁷. Projects relating to CFA's and fuel and vegetation management may often directly overlap or connect to FESBC funded projects on Crown land. Applicants should communicate with both UBCM and the BC Wildfire Service to determine project eligibility and administration.

8.0 General Guidance on Funding Applications

The following statements are provided as general guidance and principles that Community Forests should consider when developing funding applications:

- Ensure that you are aware of the full requirements and criteria for the organization and/or specific funding campaign as you consider applying and as you develop your applications.
- Pay specific attention to the objectives, criteria and/or requirements provided by the funding agency as you confirm eligibility of the proposed activity and as you develop your application.
- Providing support funding or in-kind support is generally considered by the funding agency as a show of commitment to the proposed activity and may be a requirement. In some situations, this in-kind support could be the pre-planning needed to define and quantify the activity that you are applying for. Proposal or application development is generally not considered eligible as an in-kind contribution. Although it may not be a

¹⁶ https://www.ubcm.ca/EN/main/funding/lgps/community-resiliency-investment.html

¹⁷ https://www.ubcm.ca/assets/Funding~Programs/LGPS/CRI/cri-2019-program-guide.pdf

- requirement, financial support from the Community Forest (or in-kind contributions) may still be a significant factor in the adjudication of your application.
- FLNRORD, specifically at the District level, will likely play a role in the implementation of the activities being proposed; their awareness of and input into the proposed activity is recommended and may be a requirement.
- Do not underestimate the benefit of meaningful conversations and relationships with potential government agencies, potential implementation partners, stakeholders and First Nations as you apply for funds. This may also be a requirement for some funding agencies.
- Some funding organizations also appreciate joint funded projects where different components are funded by different organizations, in alignment with eligibility and focus of specific programs. This demonstrates how the individual funding dollars can be used to secure additional funding and/or facilitate more work being completed.
- Additional funding opportunities may exist that are more focused on environmental objectives, such as the BC Hydro Fish and Wildlife Compensation Program (FWCP)¹⁸ as well as several federally funded fisheries programs and initiatives¹⁹. In addition, through collaboration or co-management with First Nations additional funding envelopes may be available.
- If you encounter additional funding sources or opportunities not described within this document, please bring them to the attention of the contacts below for consideration in future updates to this guidance document.

Contacts:



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¹⁸ http://fwcp.ca/

¹⁹ http://www.dfo-mpo.gc.ca/fm-gp/initiatives/index-eng.htm