



# Proposal Application Guidelines

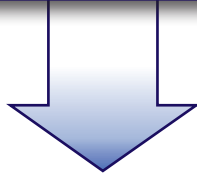
ONLINE PROGRAM GUIDE

Revised: March 22, 2011

## PROPOSAL APPLICATION FLOW CHART

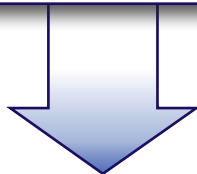
### STAGE ONE

- Review Application Guidelines – See website at [www.islandcoastaltrust.ca](http://www.islandcoastaltrust.ca)
- Contact Trust office for any questions
- Submit Stage One Application
- Regional Advisory Committees review Stage One Applications and make recommendations to Board
- Board reviews Stage One Applications and determines eligibility or ineligibility to move forward to Stage 2
- Trust advises applicant on status



### STAGE TWO

- Submit Stage Two application
- Contact Trust Office for questions
- Attach all required documents
- Trust will coordinate “due diligence” review
- Board reviews Stage Two Applications
- Trust will advise if approved



### IMPLEMENTATION

- Letter of Intent: on approval from the Board provides formal approval
- Contribution Agreement: when matching funding and other conditions are met
- Project Announcement (with Trust approval)

## I. INTRODUCTION

### 1.1 About the Trust: History and Legislative Base

On September 22, 2005 the government of British Columbia introduced new legislation that created a \$50 million North Island-Coast Development Initiative Trust, commonly known as the Island Coastal Economic Trust. Bill 7, the founding legislation, took effect on February 27, 2006.

The objective of the Island Coastal Economic Trust (the Trust) is to help grow and diversify the economy of the North Island-Coast area by leveraging new investment in selected sectors within the Trust area.

The governance structure for the Trust outlined in Bill 7 consists of 13 members of the Board of Directors, eight of which are appointed by two Regional Advisory Committees (RACs) representing the Central South Island region and the North Island-Sunshine Coast region. The remaining five directors are appointed by the provincial government. The RACs are comprised of the mayors within the regions, the chairs of each regional district and the members of the Legislative Assembly from the region.

The RACs are established to provide advice to the Trust on projects and each RAC may identify projects that they consider are appropriate for application for funding from the Regional Account.

The Board of Directors is the authority empowered to make all decisions for the Trust.

### 1.2 Program Objective and Purpose

The objective of the Trust is to be a catalyst and partner for sustainable regional economic development.

The purpose of the Regional Account (where Trust funds are held) is to invest in the following defined “sectors” in the Trust area:

- Forestry
- Transportation
- Tourism
- Mining
- Olympic Opportunities
- Small Business
- Economic Development
- Energy
- Agriculture (including Aquaculture)

The context for investment supported by the Trust is found in the Strategic Plan which explains the sector strategy and the overarching approach by the Trust. This can be found on our website at [www.islandcoastaltrust.ca](http://www.islandcoastaltrust.ca).

### 1.3 Guiding Principles

The following principles will be used in reviewing applications submitted to the Trust to determine successful applications.

Successful applications shall;

1. Be consistent with the Act, Objectives, Vision and Mission of the Trust
2. Be consistent with established regional, community and sectoral economic development strategies.
3. Help grow and diversify the regional and local economy, without adversely affecting the economies of neighbouring communities.
4. Provide tangible long-term direct economic benefits, including leveraging new investment, growing and/or diversifying the economy, creating or enhancing employment, recruiting new business enterprises and/or assisting to retain business enterprises, within a short term identifiable time frame.
5. Respond to the Trust's preference for partnerships and leveraged investments over a sole investor.
6. Consider long-term benefits made in the context of a long-term strategy that lead to sustainable development within the region.
7. Leverage unencumbered private or public sector dollars and/or other investments.
8. Not request funding that can be covered by other existing programs, but that is incremental and complementary to publicly or privately supported programs.
9. Be environmentally sustainable and sound.
10. Demonstrate sound project management – good value for money invested with transparent processes, decisions and reporting and a high standard of financial management and accountability with a bias for low administrative costs.
11. Demonstrate that the proponent has tangible, significant financial investment in the project.
12. Demonstrate that the projected measurable return on investment (ROI) can be achieved with the understanding that the ROI may be a measure other than financial.
13. Demonstrate innovation.

### 1.4 Investment Funding

The Trust Board will consider the following form of “investments” for funding:

#### **Financial Contributions:**

Funds will be granted to support eligible projects. There will be no direct financial return to the Trust from these investments.

The maximum contribution from the Trust is limited to \$400,000.

#### **Loan Support:**

The Trust does not have a loan policy. Exceptionally, loans will be considered on a case by case basis.

## II. AREA AND APPLICANTS

### 2.1 Areas eligible for funding

A map is provided on the Trust's website to help identify the two Regional Advisory Areas that make up the Trust's area of action.

### 2.2 Eligible Applicants

Eligible applicants include: local and regional governments, non-profit societies, industry associations, educational institutions, First Nations, joint public- private ventures or partnerships, improvement districts, special and local authorities and commissions etc. This list is not exhaustive and other legal forms of applicants may be considered. Multi-stakeholder partnerships are encouraged.

Business enterprises or individuals are not eligible as sole applicants unless they are part of a project proposal that includes other eligible partners. Applicants do not need to reside within the Trust region but must demonstrate that the economic benefit will be primarily in the Trust region.

Applicants must demonstrate that they have the legal capacity to enter into and execute a contract with the Trust.

### 2.3 Local Support

Applicants must demonstrate local support. This can take the form of a positive review by the appropriate Regional Advisory Committee or other forms of local support in writing.

Stage 1 project proposals will be reviewed by Regional Advisory Committees to determine eligibility and local support.

Stage 2 proposals will be reviewed by the Board of Directors after due diligence is completed.

Only the Board of Directors has the authority to approve project applications.

### III. PROJECTS

#### 3.1 Eligibility Criteria

Preference will be given to projects that demonstrate:

1. *Regional Impact:* Trust funding should have measurable impact on regional economic development and/or local economic activity.
2. *Consistency with the Trust's Strategic Plan* and any established regional, community and sectoral economic development plans in the proposed area of investment e.g. Comox Valley, Mount Waddington, etc.
3. *Incremental economic benefits* and/or projects which complement publicly supported economic development initiatives. Support from the Trust emphasizes the “tipping point” principle, namely that it is the Trust's contribution that will stimulate the additional investment.
4. *Direct economic development and diversification impacts.*
5. *Cooperation between communities, local governments and other local or regional organizations.*

Applicants must also demonstrate:

6. Their project meets the program criteria and that no other more appropriate program or funds could assist the project.
7. “Matching” or “leveraged” financial contributions from other sources. (More information on ICET's matching regime is set out in Appendix A.)
8. High standards of financial management and accountability.
9. Bias for low administrative costs.
10. Applicant's own equity contribution.
11. Innovative approaches.

#### 3.2 Ineligible Projects

The Trust is restricted from providing financial support for certain activities. Following are investments that will **not** be considered for support by the Trust.

1. Grants or loans to private businesses or projects which are essentially commercial undertakings regardless of the status or eligibility of the applicant. Ex: fuel docks, upland real estate commercial ventures, business start-up costs, eligible projects which include a commercial component benefitting a private business
2. Funding for projects, or components of eligible projects that would result in a direct negative economic impact on neighbouring communities, regions or existing *for profit* businesses.
3. Failure to demonstrate enhanced and incremental economic opportunities and encouragement of diversification of the regional or local economy.
4. Projects that can be funded entirely by other government programs.
5. Sole source funding.
6. “Traditional” municipal infrastructure. Downtown revitalization is eligible but under specific guidelines and some limitations. See Appendix B.
7. ‘Soft Costs’ (planning studies, feasibility studies, business plans, environmental or cultural impact assessments, engineering studies, site planning, architectural design etc.).

8. Social rather than economic goals
9. Recreational or general community purposes such as swimming pools, community halls, recreation centres, multiplexes, hockey arenas and similar facilities.

### 3.3 Eligible Costs

1. Properly and reasonable incurred costs necessary for the implementation of the project.
2. Other direct and necessary costs for the successful implementation of the project that have been approved in advance as part of the project budget as set out in a Contribution Agreement.
3. For capital projects, include the costs of new construction or renovation of a fixed capital asset.
4. Fees for professionals and consultants specifically engaged to undertake the surveying, design, engineering, and interpretation, required during the construction phase of a capital project are eligible.
5. For approved capital projects, the cost of additional environmental assessments and other similar permitting requirements required by regulatory agencies, once projects are underway.

### 3.4 Ineligible Costs

1. Core funding for organizations. Ex: Organization staff costs, rent, office equipment, office supplies and other in house administrative costs
2. Costs incurred prior to the approval of program funding for the project.
3. Financing charges and interests costs.
4. Legal fees.
5. Routine repair and maintenance costs.
6. The costs of land acquisition. Ex: Property assessment costs, surveying costs, subdivision costs, land title registration costs.
7. Non arm's-length transactions. Ex: payments to affiliated organizations, payments to Directors/Board Members or their families.
8. Cost overruns related to a project.

### 3.5 Reimbursement Guidelines

1. The Trust will reimburse the Applicant proportionately for all paid invoices based on the applicable matching funding formula outlined in Appendix A.
2. Applicants will request reimbursement on a progressive basis once all funding has been confirmed, ICET has confirmed the eligible project start date and the project has started.
3. Requests for reimbursement must be accompanied by certification by a person in authority charged with overseeing the project that the work has been completed according to the approved plans and specifications.

### 3.6 Other Policies

1. The Trust also reserves the right to initiate or support regional level projects consistent with the Strategic Plan.
2. Projects with a total project estimated cost or investment of \$250,000 or more will be required to submit a formal business plan and/or supportive feasibility and/or marketing studies. The Trust may require a business plan of any other project, regardless of its value.
3. The maximum contribution of Trust funds cannot exceed \$400,000.
4. The Trust has developed policy guidelines for specific project categories. These include:
  - Downtown Revitalization (Appendix B)
  - Special Events (Appendix C)
  - In-Kind (Appendix D)
  - Local Marketing Projects (Appendix E)
  - Trails (Appendix F)

## IV. APPLICATION PROCESS

### 4.1 How to apply

All applications should be submitted electronically to the Trust office. Financial tables and spreadsheets should be submitted in Microsoft Excel format. Any supporting information will also need to be submitted electronically.

ICET staff will review the proposal to ensure it is complete prior to initiating a review. A Stage 1 Application Form is available online at [www.islandcoastaltrust.ca](http://www.islandcoastaltrust.ca)

The Trust uses a two stage approval process:

*Stage 1 Application* – To determine project eligibility

*Stage 2 Application* – To evaluate detailed project proposals

### 4.2 Stage 1 Application Process

Stage 1 of the application process is meant to determine if the proposed project meets the test of eligibility for Trust funding. It is intended to be simple, short and includes only essential information to allow the Trust to determine eligibility. It is meant to avoid costly and time consuming proposals which may not be eligible. As well, the Stage 1 proposal allows Regional Advisory Committees to assist in the process of determining support for project proposals.

1. Applicants are required to submit a covering letter and a Stage 1 Application to the Trust Office electronically.
2. A description of information to be included in the Stage 1 Application is outlined below.
3. The Stage 1 Application should provide basic information to determine whether the proposal is eligible for funding.

4. The Trust will not provide direct assistance to applicants regarding the preparation of Stage 1 applications, but will ensure that applicants have the necessary information and interpretation of guidelines of the Trust.
5. Completed Stage 1 Applications should be forwarded to the Trust office for screening.
6. All Stage 1 proposals will be reviewed by the Trust Office and will be submitted to the appropriate Regional Advisory Committee to determine eligibility and local support.
7. The Trust may seek further confidential technical advice prior to determining the eligibility and priority of projects.
8. As soon as a determination is made, a decision letter will be sent to the applicant advising whether the project is eligible or ineligible.

The Stage 1 Applications should have the following headings and contain essential information on the proposed project, including:

**1. Applicant Information**

Name, address, telephone and fax numbers, email address, website address, name of key contact, type of applicant (community, non-profit society, First Nation, industry sector association, local authority or association etc).

**2. Location**

where the project is located geographically in the Trust area.

**3. Sector Consistency**

Please identify which “sector(s)” the project fits under and how it is consistent with the strategic sector information provided in the Strategic Plan.

**4. Project Description**

Describe the overall project; identify key elements, project goals and objectives, initial statement of work, responsible organization and personnel and time frames for implementation.

**5. Budget**

The initial budget, in Microsoft Excel format, should include:

- a. *Project Costs* – Provide a breakdown of the project’s key elements. Capital projects should include a capital budget.
- b. *Sources of funds and amount requested.* Identify sources and amounts of funding, cash, contributions, other funding applications that may be pending as well as the status of these applications. Outline the amount of funding being requested from the Trust. An In-Kind Policy is set out in Appendix D.
- c. *Cash Flow Analysis* – If the project is a revenue generating project, please submit a projected cash flow and an indication as to how funds generated will be used.

**6. Timelines**

Identify the projected start and completion dates as well as key milestones.

**7. Community Support**

Provide documentation demonstrating that the project has support from the local or regional community.

**8. Project Benefits**

Describe the tangible economic benefits such as where the benefits will accrue (locally or regionally or both), investment leverage, new job creation, enterprise creation and/or retention; economic diversification; description of other economic impact on region and/or local community.

**9. Market Assessment and Competitive Impact**

Describe the market the project is seeking to serve and any studies completed in support of your project. Identify potential and real competition and any adverse or positive impacts on adjacent communities.

**10. Management Capability/Organizational Structure**

Provide an overview of project management skills and competency of your organization to undertake the project. Use examples of previous projects undertaken.

**11. Appendices**

If supporting documentation such as drawings or other materials which may clarify or support the project are available, they may be attached.

**12. Consent to Share Information**

Proponents must explicitly grant permission to Trust staff to share the Stage 1 Application with the Regional Advisory Committee and appropriate Trust technical staff or consultants.

After a proposal is received, the Trust will send an acknowledgement letter to the applicant.

All Stage 1 proposals will be evaluated by the Trust office and reviewed by the appropriate Regional Advisory Committee to determine eligibility and local support.

The Board of Directors will then make the final adjudication regarding eligibility or ineligibility.

### **4.3 Stage 2 Detailed Application Process**

Eligible applicants will have 6 months to prepare the Stage 2 proposal for a final decision. Applicants will be required to provide detailed information regarding project objectives, partnerships, community support, a business plan, feasibility studies if appropriate, a detailed project schedule with all relevant milestones, and any other information to support the application such as market studies, presentation drawings, plans etc.

The information provided will be used to evaluate applications for funding. All documents, reports and materials submitted to the Trust become the property of the Trust and as such will be kept confidential.

Once the Stage 2 proposal is completed the proposal is reviewed in detail (due diligence) and then presented to the Board for a decision.

**Stage 2 Detailed Project Proposal Guidelines**

In preparing your Stage 2 application please use the following headings and format.

*There is no Stage 2 Application Form.*

It is the responsibility of the applicant to ensure that all relevant information is provided to Trust staff in order to determine whether funding will be provided.

If clarification is required on the guidelines, please contact the Trust office. Send an electronic copy of your completed proposal to the Trust at [info@islandcoastaltrust.ca](mailto:info@islandcoastaltrust.ca).

### **1. Complete Applicant Information**

On the Title page clearly identify the project name and provide the names of the applicants, addresses, telephone and fax numbers, e-mail address, website address, and ensure that this information is on the cover sheet of the Stage 2 proposal package. Please identify the legal form of your organization e.g. Non-profit society, First Nation, local or regional government, etc.

### **2. Executive Summary**

In a page or less provide a summary of the proposal describing principal goals, objectives; activities to be undertaken, project team; location; wealth/work created; estimated costs; funding requests and start/completion dates, status of matching funding.

### **3. Project Objectives**

Describe the overall project. This should also include a description of specific project activities. If this project is a component of a larger initiative, clearly situate the request for funding and specific activities for this project within the scope and activities of the larger initiative. The general implementation strategy should also be described.

Partners and their role in the project should be clearly defined.

For capital projects this should include drawings, specifications and any other information relevant to a full understanding of the project.

For non-capital projects this should include a description of project outcomes and deliverables.

Describe any proven experience that is relevant to the success of the project.

### **4. Detailed Project Schedule**

The project schedule, with detailed timelines and key milestones should be included. This should include the construction timeline as well as the time required for conceptual and detailed design, any environmental studies and/or mitigation required, tendering, and acquisition of all permits and approvals.

### **5. Detailed Business Plan**

The plan should identify the project leader, the roles and responsibilities of partners, the number of people to be employed, and management capacity to successfully complete the project.

The business plan should include a detailed budget and show how it relates to the amount of funding requested. It should also include a detailed breakdown of funding to be provided by other sources and a cash flow estimate. Please include documentation that confirms other funding sources. Written confirmation of complementary or other funding will be required before any Trust funds are paid out. The plan should demonstrate financial feasibility and sustainability.

The business plan should also include details of any technical, feasibility or marketing studies or any pilot projects undertaken or researched that will support the evaluation of the proposal. Any marketing strategies or implementation strategies planned for post completion should also be included.

Business Plan models are available on the ICET website at [www.islandcoastaltrust.ca](http://www.islandcoastaltrust.ca) under the Resources tab.

Business Plans are mandatory for project applications with budgets equal to or greater than \$250,000. ICET reserves the right to request a business plan for any project.

#### **6. Permits, Tenures and approvals**

The Stage 2 project submission should specify in detail the required permits, necessary tenures and approvals that are required to proceed to implementation. This includes the consents from First Nations where required as well as environmental assessments and/or mitigation that may be required.

#### **7. Benefits**

Provide a detailed overview of how the proposal will create long term sustainable regional economic development and diversification benefits in your community or in the region. Preference will be given to projects that demonstrate economic benefits within a three to five year period.

Please explain how the Trust's financial contribution will be the "tipping point" for the project to proceed to realization.

The following categories have been selected to guide applicants to identify and describe the regional and/or local economic benefits of project proposals. Please select the category or categories which apply to your project and elaborate.

- Investment leverage
- Partnership funding contributions
- Employment
- Economic Diversification
- Regional and/or local benefits
- Enterprise recruitment and/or retention
- Economic sustainability
- Environmental sustainability
- Increase in number of visitors
- Increase in sales and export sales

#### **8. Risks**

Provide an overview of the risks inherent to the success of your project and how you intend to mitigate these.

#### **9. Authorization and Acknowledgement Documents**

Applicants must ensure that they have carefully read and understand the terms and conditions related to the Stage 2 Project submission to the Trust. The authorized officers of the applicant organization must sign a signature block as set out below:

## AUTHORIZATION

I certify that the information provided in this Stage 2 Project submission is, to the best of my knowledge, complete, true and accurate.

I/we understand that all the information provided in this submission is strictly confidential to the Trust. However, I agree that the information provided in this submission may be shared with the Regional Advisory Committee and ICET Trust technical staff and/or consultants.

I/we understand that there is no guarantee that this application will be funded.

I/we also understand that ICET will not be responsible for any costs incurred in the preparation of this submission, or any subsequent application for funding from the Trust, and this application is being prepared entirely at my/our own risk and cost.

Signature of Authorized

Representative \_\_\_\_\_

Printed Name \_\_\_\_\_ Title \_\_\_\_\_

Date \_\_\_\_\_

## 4.4 Appeal Process

There is no appeal allowed for Stage 1 applications. Applicants may submit a new Stage 1 application provided it meets ICET eligibility criteria.

Stage 2 applications which are not approved may be appealed to the Board of Directors in writing, setting out the reasons for an appeal.

- A notice of intent to appeal must be submitted no later than 30 days after reception of the email notification of ineligibility from the Trust and the appeal must be heard at the next possible Board meeting.
- The appeal should set out the reasons why the Board erred in determining that the application is ineligible for ICET funding.
- An appeal may not be based on new information or a modified proposal.

## PART V. PROJECT SELECTION AND EVALUATION CRITERIA

Projects must demonstrate how the use of multiple sources of funding, will collaboratively achieve the economic impacts in the region and/or the community.

The following categories have been selected to guide applicants to identify and describe the regional and/or local economic benefits of project proposals. Please select the category or categories which apply to your project and elaborate.

- Investment leverage
- Partnership funding contributions
- Employment
- Economic Diversification
- Regional and/or local benefits
- Enterprise recruitment and/or retention
- Economic sustainability
- Environmental sustainability
- Increase in number of visitors
- Increase in sales and export sales

### 5.1 Investment Goal

The investment goal of the Trust is to leverage economic development and diversification investments into the economies of the regions. For every dollar the Trust invests, it expects that an additional \$3.00 will be invested.

### 5.2 Project Matching Regime

The Trust will fund eligible projects and requires project partners to participate in project funding. The Trust will not be the sole source of fund for any projects.

- 1:1 (50%), which is intended for “smaller, remote and formerly resource dependent communities”;
- 1:2 (33.3%), meaning that ICET funds no more than one-third of the project cost, which is intended for “rural and smaller urban communities that are experiencing relative growth and economic prosperity”; and
- 1:3 (25%), meaning that ICET funds no more than one-quarter of the project cost, which is intended for “larger, urban communities” or communities experiencing advantageous economic and growth opportunities.

Details on the Project Matching Regime Policy can be found in Appendix A.

### **5.3 Employment Creation**

Describe the number and type (e.g. forestry, service sector, etc.) of new permanent or temporary employment positions created (if any).

### **5.4 Economic Diversification**

Describe how your project diversifies the economy.

### **5.5 Local or Regional Benefits**

Describe how and why the benefits (collective or individual) will have a regional impact and/or a local impact.

### **5.6 Enterprise Recruitment and Retention**

Describe and quantify how, why and how many business enterprises will be recruited or retained by the project.

### **5.7 Economic Sustainability**

Explain how the project will be sustainable and what assumptions or evidence you propose to support the case for economic sustainability. This can be achieved with supporting marketing studies, business plans etc.

For the economic sustainability of the project itself, please prepare and submit a financial “operating pro-forma” or business plan outlining three years of operating costs and revenues.

### **5.8 Management Capability**

We require information which reflects your management capability. This can be satisfied by submitting recent financial statements or annual reports.

Any letters of local support should be submitted. Stage 1 application will have already received the support of the appropriate Regional Advisory Committee.

### **5.9 Environmental Sustainability**

Please identify any environmental issues and permits that are required. Describe what potential measures of mitigation are proposed. Also describe the “best practices” that you intend to follow for the environmental sustainability of your project.

### 5.10 Increased number of visitors

If this project is designed to benefit from increased tourism, please describe the increase in the number of visitors, how the increase will be measured as well as explain how and why the project activities will generate these results.

### 5.11 Increased sales and/or export sales

If this project is designed to increase sales or export sales, please explain how the project activities will generate the increase in sales and how this increase will be measured.

### 5.12 Human Resource challenges and plans

One of the current realities in British Columbia and other parts of Canada is the growing shortage of labour.

Please describe the types of labour challenges that you may face and how you propose to address these.

## WHERE TO APPLY

Completed applications are to be forwarded electronically to: [info@islandcoastaltrust.ca](mailto:info@islandcoastaltrust.ca)

### Island Coastal Economic Trust

(North Island-Coast Development Initiative Trust)

201A – 2435 Mansfield Drive

Courtenay, BC V9N 2N2

Tel: 250 334-2427 ext. 230

Fax: 250 331-0962

## WHEN TO APPLY

The Trust has three annual project intake deadlines, however applications can be submitted at any time. They will be reviewed together with all other applications submitted within the intake deadlines. Please consult our website for these dates.

Stage 2 projects may be submitted once an applicant Stage 1 proposal has been approved by the Trust. These applications must be submitted no later than 6 months after Stage 1 approval.

Stage 2 projects submitted will be subject to a due diligence review and will be submitted to the Board as soon as possible after review.

### **APPENDICES**

- Appendix A** ICET Matching Regime Policy Guidelines
- Appendix B** “Downtown Revitalization Projects” Policy Guidelines
- Appendix C** “Special Events” Policy Guidelines
- Appendix D** “In-kind” Policy Guidelines
- Appendix E** “Local Marketing Projects” Policy Guidelines
- Appendix F** “Trails Projects” Policy Guidelines

## APPENDIX A

### ICET Matching Regime Policy Guidelines

The purpose of the detailed ICET matching regime policy, as set out below, is based on a community economic performance analysis. This analysis, based on empirical data, enables the Island Coastal Economic Trust (ICET) to determine the appropriate level of matching funding that ICET will provide to projects from each of the communities in the geographic region it serves.

Rather than treat all communities and sub-regions equally, ICET recognizes that some communities face more administrative, social and economic challenges than others. Planning a sustainable future for them may be more problematic than for others. The matching regime approach is intended to create a “level playing field” among all communities which have different levels of financial and technical resources based on economic analyses of the communities in the ICET region.

There are three potential levels of matching funding:

1. 1:1 (50%), or equal matching, which is intended for smaller, remote and formerly resource dependent communities;
2. 1:2 (33.3%), meaning that ICET funds no more than one third of the project cost, which is intended for rural and smaller urban communities that are experiencing relative growth and economic prosperity; and
3. 1:3 (25%), meaning that ICET funds no more than one-quarter of the project cost, which is intended for larger, urban communities or communities experiencing advantageous economic and growth opportunities.

#### Methodology

The matching regime ratios are based on data from a report commissioned by ICET, *Summary of Community Economic Performance* by Vann Struth Consulting Group in June 2007 which examined various factors driven by the Application Guidelines policy. The matching levels were reviewed in an updated study *ICET Matching Regime Analysis with Consolidated Local Areas* by Vann Struth Consulting Group in November 2009.

## The Matching Regime List

Consolidated Local Area	Components	Matching Level
<b>Alberni-Clayoquot RD Reserves</b>	Alberni-Clayoquot RD Reserves	1:1
<b>Alert Bay</b>	Alert Bay	1:1
<b>Campbell River Area</b>	Campbell River	1:1
	Sayward	1:1
	Strathcona D (Muchalat, Little Espinosa)	1:1
	Strathcona H (Bloedel)	1:1
<b>Comox Valley Area</b>	Comox	1:3
	Comox Valley A (Union Bay, Royston, Fanny Bay)	1:2
	Comox Valley B (Little River)	1:2
	Comox Valley C (Saratoga-Miracle Beach)	1:1
	Courtenay	1:3
	Cumberland	1:3
<b>Comox Valley RD Reserves</b>	Comox Valley RD Reserves	1:1
<b>Cortes Island</b>	Strathcona I (Cortes Island)	1:1
<b>Cowichan Valley RD Reserves</b>	Cowichan Valley RD Reserves	1:3
<b>Denman/Hornby Islands</b>	Comox Valley K (Denman Island, Hornby Island)	1:2
<b>Duncan Area</b>	Cowichan Valley A (Mill Bay)	1:2
	Cowichan Valley B (Shawnigan Lake)	1:2
	Cowichan Valley C (Cobble Hill, Arbutus Ridge)	1:2
	Cowichan Valley D (Cowichan Bay, Cherry Point)	1:2
	Cowichan Valley E (Koksilah/Eagle Heights)	1:2
	Cowichan Valley F (Honeymoon Bay/Mesachie Lake)	1:1
	Cowichan Valley G (Saltair)	1:2
	Cowichan Valley I (Youbou)	1:1
	Duncan	1:2
	North Cowichan	1:2
<b>Gabriola/Mudge Islands</b>	Nanaimo B (Gabriola Island, Mudge Island)	1:3
<b>Gibsons Area</b>	Gibsons	1:3
	Sunshine Coast D (Roberts Creek)	1:3
	Sunshine Coast E (area to west of Gibsons)	1:3
	Sunshine Coast F (Hopkins Landing)	1:3

<b>Consolidated Local Area</b>	<b>Components</b>	<b>Matching Level</b>
<b>Gold River</b>	Gold River	1:1
<b>Ladysmith</b>	Ladysmith	1:2
<b>Lake Cowichan</b>	Lake Cowichan	1:2
<b>Lasqueti Island</b>	Powell River E (Lasqueti Island)	1:1
<b>Mount Waddington Area A</b>	Mount Waddington A (Sointula, mainland part of RD)	1:1
<b>Mount Waddington Area B</b>	Mount Waddington B (Quatsino, Holberg)	1:1
<b>Mount Waddington Area D</b>	Mount Waddington D (Telegraph Cove)	1:1
<b>Mount Waddington RD Reserves</b>	Mount Waddington RD Reserves	1:1
<b>Nanaimo Area</b>	Cowichan Valley H (North Oyster/Yellow Point, Diamond)	1:2
	Lantzville	1:2
	Nanaimo	1:3
	Nanaimo A (Cedar, Cassidy)	1:2
	Nanaimo C (Extension)	1:3
<b>Nanaimo RD Reserves</b>	Nanaimo RD Reserves	1:3
<b>Parksville/Qualicum Area</b>		1:3
	Nanaimo E (Nanoose Bay)	1:3
	Nanaimo F (Errington, Coombs, Hilliers)	1:3
	Nanaimo G (French Creek, Dashwood, Englishman River)	1:3
	Nanaimo H (Dunsmuir, Deep Bay/Bowser)	1:3
	Parksville	1:3
	Qualicum Beach	1:3
<b>Port Alberni Area</b>	Alberni-Clayoquot A (Bamfield)	1:1
	Alberni-Clayoquot B (Beaufort)	1:1
	Alberni-Clayoquot D (Sproat Lake)	1:1
	Alberni-Clayoquot E (Beaver Creek)	1:1
	Alberni-Clayoquot F (Cherry Creek)	1:1
	Port Alberni	1:1

Consolidated Local Area	Components	Matching Level
Port Alice	Port Alice	1:1
Port Hardy	Port Hardy	1:1
Port McNeill Area	Mount Waddington C (Hyde Creek, Coal Harbour)	1:1
	Port McNeill	1:1
Powell River Area	Powell River	1:1
	Powell River A (Lund)	1:1
	Powell River B (Myrtle Point, Barney's Bar)	1:1
	Powell River C (Black Point, Lang Bay, Pinetree)	1:1
Powell River RD Reserves	Powell River RD Reserves	1:1
Sechelt Area	Sechelt	1:3
	Sechelt IGD (SCRD portions)	1:2
	Sunshine Coast B (Halfmoon Bay)	1:3
Strathcona Area G	Strathcona G (Esperanza)	1:1
Strathcona Area J	Strathcona J (Mainland/Islands areas except Cortes Island)	1:1
Strathcona RD Reserves	Strathcona RD Reserves	1:1
Sunshine Coast Area A	Sunshine Coast A (South Pender Harbour, Garden Bay)	1:3
Sunshine Coast RD Reserves	Sunshine Coast RD Reserves	1:1
Tahsis	Tahsis	1:1
Texada Island	Powell River D (Texada Island)	1:1
Tofino	Tofino	1:3
Ucluelet Area	Alberni-Clayoquot C (Long Beach)	1:2
	Ucluelet	1:2
Zeballos	Zeballos	1:1

## APPENDIX B

### “Downtown Revitalization Projects” Policy Guidelines

Island Coastal Economic Trust (ICET) is committed to being a partner and catalyst for building a sustainable economy and creating wealth. ICET therefore supports the revitalization of downtowns in communities within its mandate area. These downtown revitalization projects are intended to encourage concurrent private sector investment, the creation of new partnerships, and business retention or attraction in downtown areas.

To ensure that ICET investments in Downtown revitalization achieve the greatest effect, the Board of Directors has modeled its guidelines on the *Four Point Approach* developed by the US National Trust for Historic Preservation’s Main Street Program.

Applications should be consistent with the following *Four Point Approach* guidelines:

- a. **Organization.** Strong local organization engages the community in the main street initiative and builds long-term, collaborative relationships that are essential to sustainable Downtown renewal.
- b. **Design.** Professional design assistance ensures that local historic resources are treated appropriately and cost-effectively.
- c. **Marketing.** Marketing uses the character of an authentic, rehabilitated historic Downtown to build a consistent, positive image of the main street area. Through special events and coordinated retail promotions, it promotes the Downtown as a focal point of community life, a unique, appealing shopping environment, and as a viable and attractive location for business investment.
- d. **Economic Development.** Building rehabilitation activities result in more attractive and usable Downtown commercial space, while marketing promotes a positive image of Downtown renewal to investors. The Main Street process integrates Downtown revitalization into broader community economic development strategies to retain and strengthen existing Downtown businesses, attract new economic activity into the Downtown, and to diversify the business mix.

In addition, applications are subject to the following:

1. **ICET Budget Cap**  
The ICET Board will limit its total financial allocation to all Downtown Revitalization projects and programs to a total of \$3,000,000.
2. **Maximum ICET Contribution Per Application and Community**  
The ICET Board will limit its financial commitment to any specific project to \$250,000 and limit its involvement to one project or program per community. The community matching policy applies to Downtown Revitalization applications.
3. **Benefit Within Three to Five Years**  
Proponents/applicants must demonstrate that the ICET investments in Downtown Revitalization projects and programs will begin to show results within at least three years of date of the signed contribution agreement and that substantial benefit will occur within five years of that date.

**4. Involvement and Leadership of the Local Business Community**

Proposals should indicate how both initial and on-going local business involvement will take place in the project under application. This involvement should be in at least one of two forms:

- leadership in the on-going strategic planning process and the setting of priority actions, and/or
- a private sector financial contribution or participation in projects and programs of at least 25%

**These are guidelines only. The ultimate decision rests with the Board.**

## APPENDIX C

### “Special Events” Policy Guidelines

The ICET Board of Directors applies the following policy to evaluate funding applications relating to “Special Events”. “Special Events” include musical, artistic, cultural, and sporting events (or other similar events) which are held in the ICET mandate area, and have national or international exposure.

#### 1. “Special Events” Conformity to the Strategic Sector Objectives of ICET, and Current Evaluation Criteria

Proponents/Applicants are encouraged to focus on demonstrating conformity to the strategic sector objectives of the Trust, with a particular emphasis on strategic investment. The Board requires that its funding of “Special Events” demonstrate at least mid-term (3 to 5 years) benefits. The Board will also give greater consideration to a “Special Event” that has a significant possibility of turning into a new, recurring event for the future rather than a one-time event only. Therefore, Proponents/Applicants must demonstrate that the ICET investments in “Special Events” will show a lasting (multi-year) return that strategically impacts the identified sector(s).

#### 2. Limit on Funding of “Special Events”

The ICET Board limits its total financial commitment to “Special Events” projects to \$500,000 during the current mandate period at a rate of no more than \$200,000 per year. The Board will consider funding “Special Events” up to a maximum contribution of \$100,000 per event or 10% of the project budget, whichever is the lesser amount. Only incremental or new/recurring events will be considered. The matching formula will always apply (See [www.islandcoastaltrust.ca](http://www.islandcoastaltrust.ca) under the “Apply for Funding” Tab). Existing or established “Special Events” are not eligible. Furthermore, the Board will limit its contribution to cost sharing of the marketing component of the initiative only.

#### 3. The Alternatives for Funding such “Special Events” Initiatives

The Board encourages “Special Events” Proponents/Applicants to exhaust all other avenues for funding before applying to ICET. ICET will be the “last in” funder rather than the lead funder. Specific funding sources for special events can include but are not limited to:

- a. Private sector sponsorships
- b. Charitable, private and community foundations and trusts
- c. Provincial sport, tourism and cultural programs
- d. Federal sport, tourism and cultural programs
- e. Municipal “grants-in-aid”
- f. Traditional programs funded by British Columbia Lotteries Corporation
- g. The “Sports Funder” program of British Columbia Lotteries Corporation

#### **4. Surplus or Legacy Funds**

Proponents/applicants must include a policy proposal with respect to any surplus funds or financial legacies from the operation of successful “Special Events”. This policy must form part of any “Special Events” application.

**These are guidelines only. The ultimate decision on a specific application rests with the Board.**

## APPENDIX D

### “In-kind” Policy Guidelines

Island Coastal Economic Trust (ICET) accepts the principle that in-kind contributions can form a portion of applicant equity or matching financial resources to an ICET requested contribution. This policy is set out in detail as ICET wishes to ensure that in-kind contributions are assessed fairly and equitably.

In order to be deemed eligible, all in kind donations **must be fully detailed in the project application budget and approved by ICET**. In-kind donations added after ICET Stage 2 approval will not be eligible for reimbursement.

In addition, all donations must be **unconditional**. This means that donations cannot be subject to the allocation of a contract (ex: 10% discount on services if contract is obtained), in exchange for consideration (ex: land donation subject to right to occupy the building or forms of control over land or building) or any other condition which requires some form of promise, exchange, consideration or action to obtain the donation.

#### Guidelines:

1. In-kind donations cannot exceed 50% of the matching funding sources.
2. Such in-kind contributions may consist of labour, services, materials and land.
3. These contributions must have demonstrated market value. Such value must be verifiable as to the hourly rates for the labour or services, or the local market value of the materials.
4. Discounts on services or materials are not considered eligible in-kind donations.
5. For the labour value of in-kind contributions, ICET will recognize \$15.00 per hour as the current market value for non-specialized, general labour costs or volunteer work by organization volunteers.
6. All in-kind volunteer labour donations **must** be verified by timesheets indicating the name of the volunteer, the date of work and number of hours worked.
7. Board of Directors time or costs associated to Board activities are not eligible for in-kind reimbursement.
8. Donations of specialized labour by third party organizations/businesses must be supported by official invoices on their standard invoice form documenting dates, description of work, number of hours and itemization of materials donated.
9. For donated equipment and equipment time, applicants are directed to the Blue Book Equipment Rental Rate Guide prepared by the B.C. Road Builders & Heavy Construction Association. Please refer to their website for more information at [www.roadbuilders.bc.ca](http://www.roadbuilders.bc.ca).
10. Donated land can be included as a contribution. The value of this form of contribution may be confirmed by the assessed value noted in a current municipal Property Tax Notice or in a BC Assessment Property Assessment Notice. Alternatively, ICET may require that the value be verified by an independent written appraisal by a registered appraiser as approved by ICET.
11. Some internal administrative costs required to put together and manage an incremental project may be acceptable in-kind donations. For capital construction projects, up to 4% of the total budget may be eligible. For non-construction projects, up to 10% of the total budget may be eligible. These costs must be pre-approved by ICET administration.
12. Independent third party verification of invoices may be required.

## APPENDIX E

### “Local Marketing Projects” Policy Guidelines

The Island Coastal Economic Trust (ICET) is committed to being a partner and catalyst for building a sustainable and diversified Island and Coastal economy, and for creating wealth. ICET therefore supports the strategic marketing of economic opportunities involving the nine strategic economic sectors within its mandate area.

These sectors include:

- Forestry
- Transportation
- Tourism
- Mining
- Olympic Opportunities
- Small Business
- Economic development
- Agriculture and Aquaculture
- Energy

To this end, ICET is prepared to make contributions to strategic sectoral “marketing projects” by area and regional economic development (including tourism) agencies that ultimately encourage private sector investment, the creation of new markets, and business retention or attraction.

To ensure that ICET investments in “marketing projects” achieve the greatest effect, the Board of Directors has adopted the following guidelines:

#### 1. “Local Marketing Projects” Conformity to the Strategic Sector Objectives of ICET, and Current Evaluation Criteria

Proponents are encouraged to focus on demonstrating conformity to the strategic sector objectives of the Trust, with a particular emphasis on **strategic investment**.

The Board will give greater consideration to a “Local Marketing Project” that has a significant possibility of turning into be a new, recurring program rather than a one-time event only. Therefore, proponents are encouraged to demonstrate that the ICET investment in a “Marketing Project” will show a lasting (multi-year) return that strategically impacts the identified sector(s).

The Board will also give greater weight to those proposals that involve local, sectoral, or regional partnerships.

#### 2. The Alternatives for Funding Such “Local Marketing Projects”

The Board encourages “Local Marketing Projects” proponents to exhaust all other avenues for funding before applying to ICET. ICET will prefer to be the “last in” funder rather than the lead funder.

**3. Incremental Projects**

ICET will not fund existing core activities of an economic development or other eligible agency. These would include activities previously carried out, or programs carried out on an on-going basis. It would also not include existing staff resources, overhead, or office space. Therefore, ICET will only consider funding incremental projects.

**4. A Budget Cap on Total ICET Funding of “Local Marketing Projects”**

The ICET Board will limit its total financial allocation to all “Local Marketing Projects” to a total of \$350,000 during the current mandate period, at a rate of no more than \$100,000 per fiscal year.

**5. A Maximum ICET Contribution Per Application Per Eligible Applicant**

The ICET Board will limit its financial commitment to any specific project to a maximum of \$50,000. The matching formula will always apply (See [www.islandcoastaltrust.ca](http://www.islandcoastaltrust.ca) under the “Apply For Funding” Tab and Appendix A of the 2008 Trust Proposal Application Guidelines – Online Program Guide).

**6. Involvement and Leadership of the Business Community**

As part of an application for ICET funding, there shall be evidence submitted of both initial and on-going local business involvement in the project under application. This involvement should therefore be in at least one of two forms:

1. leadership in the planning and implementation of the marketing project, and the setting of priority actions/target markets, and/or
2. a private sector financial contribution or participation in the marketing project of at least 25%.

**These are guidelines only. The ultimate decision on a specific application rests with the Board.**

## APPENDIX F

### “Trails Projects” Policy Guidelines

The development of trails is recognized under the Island Coastal Economic Trust’s Strategic Plan as an important investment opportunity and a key component of a broader tourism strategy. Well developed and maintained trails have the ability to attract significant numbers of tourists to a given area and extend their stay to further explore the area. The development of trails can also accelerate growth in the tourism sector resulting in job creation, new opportunities for business investment, and enhanced property values.

Most communities within our region recognize the economic benefits associated with trails and our objective is to ensure that ICET’s investment in Trails achieve the greatest effect possible. The Board of Directors recognizes the *Draft Trails Strategy for British Columbia* and has developed a series of guidelines in alignment with this strategy.

Preference will be given to trail projects which adhere to the following guidelines:

#### **1. Collaborative planning**

The planning process should include consultation and foster collaboration with all stakeholders and provide opportunities for all trail users. Projects which engage stakeholders in the development and realization of the project will be given preference.

#### **2. Secured Land Tenure and Regulatory Approvals**

Preference will be given to projects where land tenure and required regulatory and environmental approvals have been previously secured. At the very least, the land tenure and regulatory approval process should be underway and documented.

#### **3. Value for cost**

Trail projects should include an accurate assessment of all trail costs including a breakdown per metre. These costs will be evaluated in relation to the location, terrain, costs of similar trails and the direct and indirect benefits which will be generated.

#### **4. Promote tourism attraction and incremental economic benefits**

Eligible trail developments should document their potential to attract new tourism to the area, retain tourism for longer periods or provide incremental economic benefits to area businesses and communities. Preference will be given to projects that complement broader regional and provincial tourism attraction strategies.

#### **5. Significance of the Trail**

The significance of a trail and its ability to gain international, national or provincial recognition will be considered.

#### **6. Quality access point**

The trail access point should be located close to communities or key tourism assets to facilitate the attraction of tourism and public access. The access point should also feature safe and adequate parking for the user public.

**7. Sustainable maintenance and management strategy**

The trail project should address the issue of trail maintenance and management and ensure that a sustainable plan is in place to maintain the asset on a long term basis.

**8. Strategic Marketing Integration**

The trail project should address the issue of trail marketing and include a plan to market the trail in collaboration with local, regional and provincial tourism destination marketing organizations or other relevant organizations.

**Applicants must recognize that these are guidelines only. Ultimately the final decision on a specific Trail development application rests with the ICET Board of Directors.**