



January 25, 2013

**Coast Opportunity Funds News: Latest Edition of the Talking Stick**

Please find attached a copy of *The Talking Stick*, the newsletter of Coast Opportunity Funds.

The newsletter is also available on our website at: [www.coastfunds.ca/media-whats-new](http://www.coastfunds.ca/media-whats-new).

If you would like to request additional print copies, please don't hesitate to let us know;

you can email us at [info@coastfunds.ca](mailto:info@coastfunds.ca) or call us at 1.888.684.5223.

Yours sincerely,

*C.B.S.*  
*on behalf of*

Cindy Boyko,  
Chair, Coast Funds Communications Committee

**Coast Opportunity Funds**  
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Weaving together  
the threads of  
conservation  
and community  
wellbeing



# The Talking Stick

NEWSLETTER OF THE COAST OPPORTUNITY FUNDS

## Looking Forward to 2013

A New Year always brings new promise with it, and 2013 is certainly no exception. Coast Funds is looking forward to another productive year of working with the First Nations of the Great Bear Rainforest and Haida Gwaii to support your goals, projects, and activities.

In this issue I am particularly proud, as a member of the Haida Nation, to bring you two project stories featuring the Haida. HaiCo, the Haida Enterprise Corporation, has gone from strength to strength since it got under way in 2010. A profile of HaiCo's activities and an interview with CEO Kevin Ainsworth is accompanied by a short article on the Youth Stewardship Program and Cultural Camps run by the Council of the Haida Nation.

The program and camps are building vital human resource capacity in our Nation, a subject that's very important to me. To see our youth flourish and learn about resource stewardship in accordance with our cultural traditions, on the path to taking their place as the resource managers of tomorrow in Haida Gwaii, is incredibly rewarding.

As always, please don't hesitate to let us know what you think about material you read in *The Talking Stick*, and anything we could do to make it more informative, interesting and useful to you. Don't forget you can download the newsletter from our website, or any stories in it that you would like to share or reproduce in your own publication or on your website.

If you have ideas on where else we should distribute the newsletter, or you would like us to email it to you whenever it comes out, please contact us at [info@coastfunds.ca](mailto:info@coastfunds.ca) or call Mary Speer at 1.888.684.5223. In the meantime, we hope you enjoy this issue. Happy New Year and best wishes for 2013 to all of you.



Cindy Boyko, Chair  
Coast Funds Communications Committee

### WHAT'S INSIDE

Reaching New Heights: Haida Enterprise Corporation | Haida's Swan Bay Rediscovery and T'aalan Stl'ang Youth Camps | Coast Funds News



# Reaching New Heights: Haida Enterprise Corporation

## Project Stories

IN THE FIVE YEARS SINCE COAST FUNDS WAS CREATED, THE FIRST NATIONS HAVE EMBARKED ON A WIDE RANGE OF ECONOMIC DEVELOPMENT AND CONSERVATION PROJECTS, FROM ECONOMIC DEVELOPMENT CORPORATION CREATION TO CONSERVATION MANAGEMENT PLANNING. PROJECTS UNDER WAY INCLUDE FORESTRY, TOURISM BUSINESSES AND ACCOMMODATION, INTEGRATED RESOURCE MANAGEMENT, FEASIBILITY STUDIES AND MORE. WE PROFILE ONE OR MORE PROJECT STORIES IN EVERY ISSUE.

**Westcoast Resorts** – The Lodge at Hippa Island, Haida Gwaii: View from the dining room.

**Westcoast Resorts** – The Lodge at Hippa Island, Haida Gwaii: Staff member Paige Richardson poses with a freshly caught tyee.

**The Haida House at Tlaal** – One of the guest rooms.

Steinway pianos? Martin and Taylor guitars? Yes, it's true: The Council of the Haida Nation's economic development arm, the Haida Enterprise Corporation or HaiCo for short, is mulling over a tone-wood manufacturing facility to produce component parts made from Sitka Spruce for some of the world's most famous musical instrument makers.

Such a concept would have been a dream back in the 1980s, says HaiCo CEO Kevin Ainsworth, when the Haida Nation was more focussed on enforcing its aboriginal rights and title to stop the environmental depredation of large logging companies on Lyall Island than weighing the potential for owning its own sustainable value-added timber business supplying international markets.

"To go from those struggles to owning the resource, and not only being able to take care of it properly but profit from it sustainably in such a short time, is phenomenal," says Ainsworth, who has been at the helm of HaiCo for just over a year. "A lot of people here were at Lyall Island and remember vividly the way it was then. Now, to see the Haida Nation in control, creating good jobs, creating revenue for the people through these amazing enterprises—that's a huge transition in one generation. It's pretty neat to witness it unfolding this way."

It's also an amazing achievement for such a young company. HaiCo was incorporated in 2009 but only got under way a year later, in December 2010, with former Coast Funds Director Thomas Olsen then in the CEO's chair. "We now own assets worth more than \$22 million and have five businesses and a joint venture in operation," says Ainsworth proudly. HaiCo expected revenues in the realm of \$35 million by the end of 2012. During the peak summer working season last year, more than 350 people were employed under contract or directly in HaiCo operations.

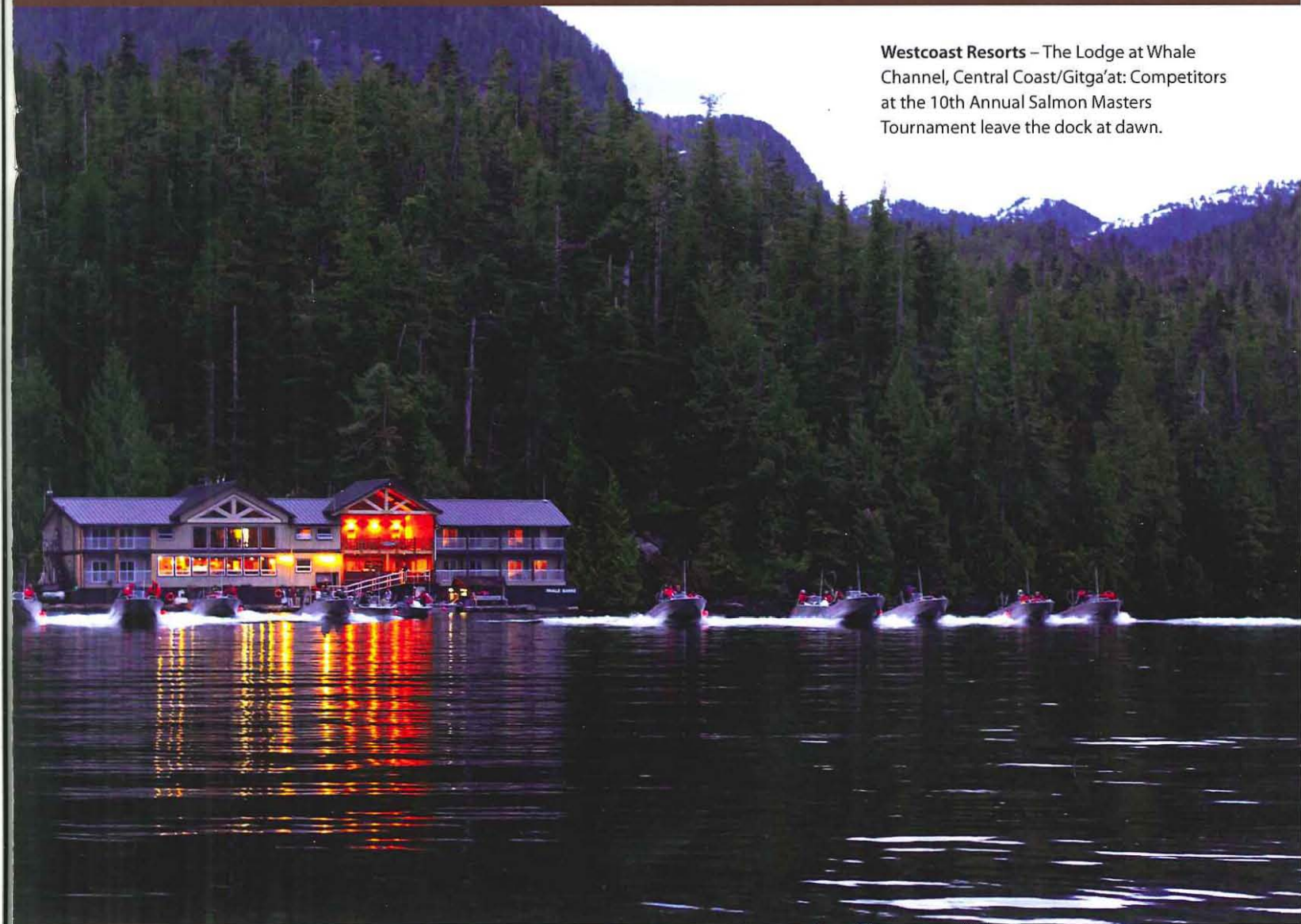
With the acquisition of Tree Farm Licence 60 in June 2012 HaiCo's subsidiary Taan Forest Ltd., managed by HaiCo's Chief Operating Officer Bob Brash, is now the largest forest tenure holder on Haida Gwaii and produces a significant volume of FSC-certified logs for the B.C. coastal market. "The majority of Taan's employees are Haida, as is the staff of Skidegate Enterprises, our joint venture pole production





"TO GO FROM THOSE STRUGGLES TO OWNING THE RESOURCE, AND NOT ONLY BEING ABLE TO TAKE CARE OF IT PROPERLY BUT PROFIT FROM IT SUSTAINABLY IN SUCH A SHORT TIME, IS PHENOMENAL."

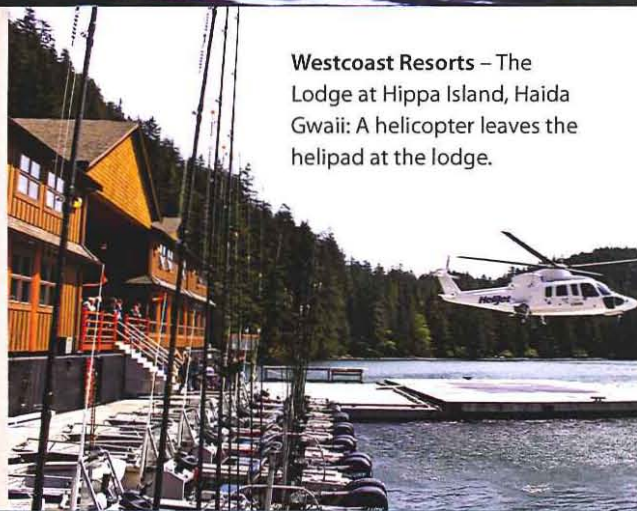
**Westcoast Resorts** – The Lodge at Whale Channel, Central Coast/Gitga'at: Competitors at the 10th Annual Salmon Masters Tournament leave the dock at dawn.



company with Skidegate Band Council."To complement its other forestry operations, and to help fill Haida Gwaii's energy deficit, HaiCo is also looking at the viability of a bioenergy proposal to B.C. Hydro to deal with biomass generated by its forestry company.

Tourism is no less successful, with HaiCo's \$16+ million flagship operations, West Coast Resorts and the Haida House at Tlaall, both showing good revenues and offering a significant amount of permanent and seasonal employment to locals. In 2012 HaiCo also purchased Haida Seapak, a seafood processing company, and is looking closely at expanded shellfish aquaculture opportunities. Such operations synch nicely with the lodges in HaiCo's

**Westcoast Resorts** – The Lodge at Hippa Island, Haida Gwaii: A helicopter leaves the helipad at the lodge.





stewardship: "With the acquisition of Haida Seapak, we will be able to process local seafood that can be served in our own lodges," says Ainsworth.

What's the secret to HaiCo's success? "We operate HaiCo, which is owned by the Council of the Haida Nation (CHN), on very sound corporate governance principles without compromising the importance of Haida cultural values," says Ainsworth. Following expert advice, the CHN set up HaiCo as an independent economic development corporation at arm's length from the Council, while retaining shareholder control. CHN appointed an experienced Board of Directors and a strong staff team.

In turn, HaiCo as a company committed to principles of sustainability and core values of transparency, accountability and fiscal discipline, amongst others. "We have very clear lines of responsibility and within those lines are able to operate without any external influence to do the best job possible. Adhering to those sound governance principles are vital, and the excellent structure and relationship between HaiCo and its shareholder support that in every respect."

HaiCo also made some key commitments to support its goal of achieving a sustainable economy on Haida Gwaii for the long-term wellbeing of the Haida people and culture. Those commitments include conducting operations in a manner that respects the inherent limits of the natural ecosystems in which it operates and ensuring all its operations function in a socially, culturally, economically and environmentally responsible manner—a quadruple bottom line that cannot be compromised under any circumstances.

**Taan Forest** – Taan Forest Tour of Haida forestry tenures: General Manager Mike Richardson leads the group during one of the 6 stops during the tour.

"It also comes down to acquiring good assets and ensuring we have a sound, practical human resources strategy in place. We've done both. Leslie Brown, our skills development





**Westcoast Resorts – The Lodge at Englefield Bay, Haida Gwaii:** Guests enjoy watching some of the abundant local wildlife during their stay.

**"IT ALSO COMES DOWN TO ACQUIRING GOOD ASSETS AND ENSURING WE HAVE A SOUND, PRACTICAL HUMAN RESOURCES STRATEGY IN PLACE. WE'VE DONE BOTH."**

coordinator, works on matching up people with skills with job opportunities and also is implementing training and capacity-building programs. So we're starting to see more and more Haida people move into these new jobs that are being generated as we acquire or expand HaiCo operations. We're also seeing very good financial results already, despite such a short time in operation and all the costs associated with acquisitions."

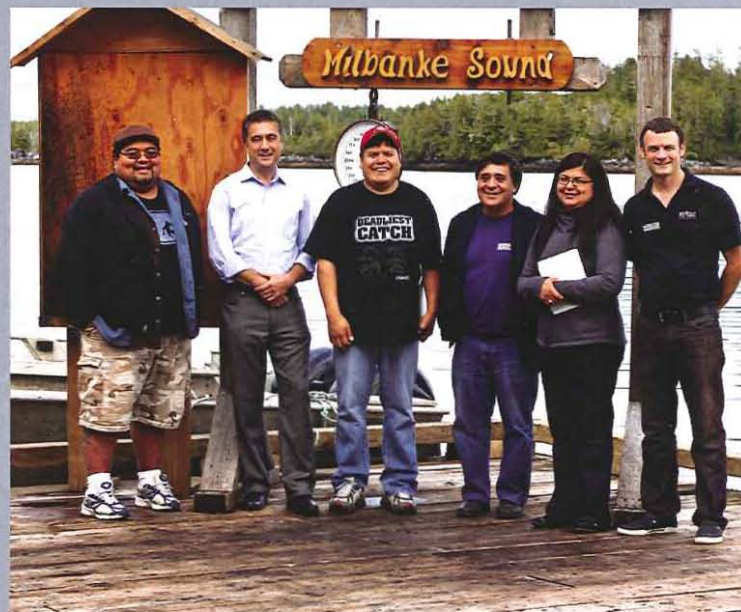
All these good results haven't been achieved without a lot of hard work, all the same. "HaiCo has experienced the same normal business challenges that everyone else does," says Ainsworth. "Fluctuating markets, the poor global economy is affecting tourism, those kinds of things. Specific to Haida Gwaii, we have to overcome transportation costs from such a remote location, and lack of access to dependable energy sources in some areas."

"Access to capital to take advantage of all these good opportunities for smart acquisitions has probably been the biggest challenge," continues Ainsworth. "I applaud BMO's aboriginal lending arm for being willing to take the risk to work with us when other financial institutions have been sceptical. BMO helped us with financing to acquire West Coast Resorts and to secure the Seapak deal. They're already being rewarded for their good faith in us, but they could see it was a smart transaction for themselves and they were more than willing to come on board with it."

CHN's Coast Funds allocations have also been vital, says Ainsworth. CHN has utilized part of its allocation to support the set-up of HaiCo, business planning, early core operational funding and acquisitions of key business assets like the Haida House at Tlaall. "That Coast Funds money has made a huge difference," says Ainsworth. "Coast Funds staff have also been incredibly helpful to us and supportive of our goals in using the money for these purposes."

It's not all business for Ainsworth, however. "I have been fortunate to be here since December 2011. It's been such a pleasure to meet so many great people in this job and to see the huge amount of pride the Haida take in ownership and management of their own company and business operations." Instead of watching outsiders harvest their resources and leave with all the profits, as they once used to, says Ainsworth: "Now, the Haida own the resources. That's the way it should be."

To learn more about HaiCo, check out its newsletter, *linaasdl*, and other information at [www.haico.ca](http://www.haico.ca).



**Westcoast Resorts – The Lodge at Whale Channel, Central Coast/Heiltsuk:** HaiCo CEO Kevin Ainsworth meets with band council members, Chief Councillor Marilyn Slett, hereditary chief Harvey Humchitt, Councillor Travis Hall, Heiltsuk Economic Development Corporation General Manager Gary Wilson and lodge manager Paul Dowler.

Many thanks to Shawna McKay for supplying the photos and captions for this story.



In 2012, the Council of the Haida Nation (CHN) used part of its CCEFF allocation to help fund its summer culture camps (the Swan Bay Rediscovery Camp in the South and the T'aalan Stl'ang Youth Camp in the North). Additional funding was provided by the CHN, Gwaii Trust, Parks Canada and the Ministry of Child and Family Services.

Stewardship training and experiential learning opportunities were increased and youth were provided with job-shadowing and internship opportunities for careers in stewardship, with the key objective of building on existing efforts in order to create a unified and staged approach to youth education, employment and natural resource stewardship and increasing the Nation's human capacity to steward its resources over time. The funding also allowed the CHN to better coordinate the stewardship activities

## Haida's Swan Bay Rediscovery and T'aalan Stl'ang Youth Camps





at the two youth camps and improve the integration of the programs with two government-sponsored career exploration initiatives (the Haida Gwaii Youth Stewardship Program and the Federal Student Work Experience Program).

But as Secretariat of the Haida Nation Administrator May Russ points out, the value of the camps goes much further: "As a result of the Kunst'aa guu/ Kunstaayah Protocol we have now protected 53% of the land base and 72% of the foreshore. The Haida Nation and B.C. are also jointly developing protected area management. What this project does is provide youth with a vision for their future and the opportunities that exist for them as they engage in their education. It also provides an atmosphere of cooperation, friendship and understanding because it is offered to all Haida Gwaii youth."

Russ also notes that the stewardship program incorporates Haida cultural values and traditional knowledge. "In keeping with this objective, students also learn the value of preserving and perpetuating Haida culture, tradition and skills and of building a foundation of physical, mental, emotional health for self and the island community."

To learn more about L'aanaa Dagangaa or the Swan Bay Rediscovery Program, go to: <http://www.swanbayrediscovery.ca/> or contact Program Director Dana Moraes at [swanbay@skidegate.ca](mailto:swanbay@skidegate.ca). Amber Bellis, Program Director for the T'aalan Stl'ang Cultural Camp, can be reached at [Amber.Bellis@haidahealth.ca](mailto:Amber.Bellis@haidahealth.ca). Information about the Federal Student Work Experience Program can be found here: <http://jobs-emplois.gc.ca/fswep-pfete/index-eng.htm>.

Many thanks to Amber Bellis for supplying the photos for this story.



"IN KEEPING WITH THIS OBJECTIVE, STUDENTS ALSO LEARN THE VALUE OF PRESERVING AND PERPETUATING HAIDA CULTURE, TRADITION AND SKILLS AND OF BUILDING A FOUNDATION OF PHYSICAL, MENTAL, EMOTIONAL HEALTH FOR SELF AND THE ISLAND COMMUNITY."





## Photo Catalogue Project

From time to time in our materials—including this newsletter—we showcase the projects and communities of the First Nations we work with in articles and with photographs. To that end, we are collecting suitable images for a catalogue of photos that we can draw upon when we need them. If you have good quality, high resolution digital photos of your community or of projects that we can use, we'd be delighted to hear from you—please get in touch with Katherine Gordon at [communications@coastfunds.ca](mailto:communications@coastfunds.ca).

## COAST FUNDS NEWS

There is a lot under way, as usual! As part of our annual strategic planning process the Board and staff of Coast Funds always look for ways to enhance the efficiency and effectiveness of the awards process in order to serve you better. To that end, in 2012 we commissioned an independent comprehensive review to help us with ideas and recommendations for action. We are still digesting the contents of the report, delivered in December, and will be sharing more information about it as soon as we can.

We're happy to say it is a positive report about Coast Fund's success to date, and there were few surprises. The recommendations for action are largely consistent with the strategic direction we intend to take forwards into the 2013—2105 planning cycle. As always, we want to continue to hear from you on all of these issues and expect to be in touch soon.



## COMING UP NEXT

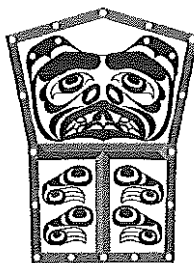
The next issue of *The Talking Stick* will be published in July. If you have ideas for project stories or news items you would like to see included in the newsletter, please let us know by emailing us at [communications@coastfunds.ca](mailto:communications@coastfunds.ca).

## SEND US YOUR STORIES

If you have stories to share, project photos, ideas about Coast Funds projects and community activities, or other interesting information, we want to know. We'll publish stories and photos on the website and in this newsletter whenever we can. You can send them to us any time at [communications@coastfunds.ca](mailto:communications@coastfunds.ca).







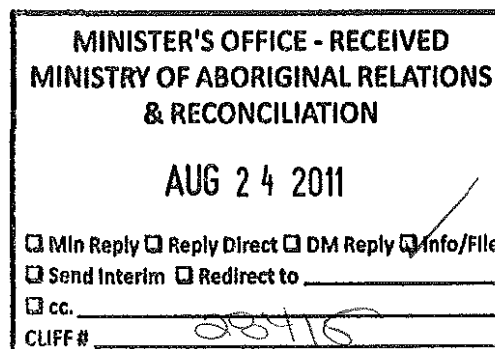
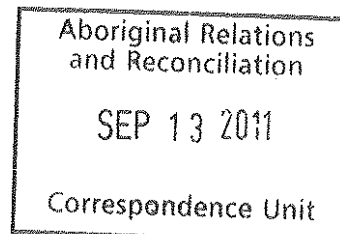
## 2010 Annual Report

On behalf of the Board of Directors of Coast Opportunity Funds, I am pleased to send you our 2010 Annual Report, including condensed financial statements, of both the Coast Economic Development Society and the Coast Conservation Endowment Fund Foundation.

An electronic version of the Annual Report and Strategic Plan can be found on our website, [www.coastfunds.ca](http://www.coastfunds.ca).

Sincerely,

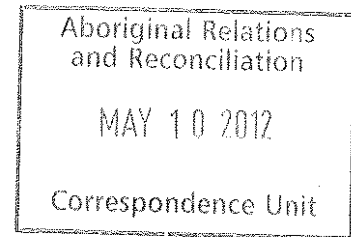
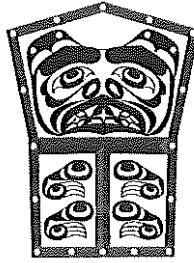
Merv Child, Chair  
Coast Conservation Endowment Fund Foundation  
Coast Economic Development Society  
July 2011



## COAST OPPORTUNITY FUNDS

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29886

April 30, 2012

**RELEASE OF 2011 ANNUAL REPORT**

On behalf of the Board of Directors of Coast Opportunity Funds, I am pleased to send you our 2011 Annual Report, including condensed financial statements of both the Coast Economic Development Society and the Coast Conservation Endowment Fund Foundation.

An electronic version of the Annual Report is on our website at [www.coastfunds.ca](http://www.coastfunds.ca)

Sincerely,

Merv Child, Chair  
Coast Economic Development Society  
Coast Conservation Endowment Fund Foundation

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## Hume, Christel ABR:EX

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**From:** Brown, Cayley ABR:EX  
**Sent:** Friday, January 13, 2012 4:33 PM  
**To:** Minister, ABR ABR:EX  
**Subject:** FW: Funding of aboriginal economic development and conservation projects on the Central and North Coasts of British Columbia  
**Attachments:** Text of response to media re NGP.pdf  
**Categories:** Received January 16 2012, 29235 (incoming), MINISTER DRAFT

### ***Cayley Brown***

Executive Assistant to the  
Honourable Mary Polak  
Minister of Aboriginal Relations and Reconciliation  
Province of British Columbia  
Phone: (250) 387-6618  
E-mail: [cayley.brown@gov.bc.ca](mailto:cayley.brown@gov.bc.ca)

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**From:** Polak.MLA, Mary [<mailto:Mary.Polak.MLA@leg.bc.ca>]  
**Sent:** Friday, January 13, 2012 2:27 PM  
**To:** Brown, Cayley ABR:EX  
**Subject:** FW: Funding of aboriginal economic development and conservation projects on the Central and North Coasts of British Columbia

FYI

### ***Cathy Gibbs***

**Constituency Assistant**  
**To Mary Polak, MLA**  
**Langley**  
**Phone: 604-514-8206**  
**Fax: 604-514-0195**

---

**From:** Katherine Gordon [<mailto:communications@coastfunds.ca>]  
**Sent:** January-13-12 1:20 PM  
**To:** Polak.MLA, Mary  
**Cc** s.22  
**Subject:** Funding of aboriginal economic development and conservation projects on the Central and North Coasts of British Columbia

Dear Minister Polak,  
Recent media reports have implied that Coast Opportunity Funds has financed First Nations opposition to the proposed Northern Gateway Pipeline project. That is absolutely incorrect, as our attached response to the media makes clear.

We believe it is important for you to be aware of the misinformation that has been in the media in this respect. Along with other funders, the federal and BC governments each contributed \$30 million to the creation of Coast Opportunity Funds to support the vital



work that First Nations are undertaking with these funds in support of building healthy economies and conservation of their homelands.

If you have any questions regarding this issue, please do not hesitate to contact me.

Merv Child, Chair

Coast Opportunity Funds

(250) 381-3754



**From:** Brown, Cayley ABR:EX  
**Sent:** Monday, January 23, 2012 11:46 AM  
**To:** Tally, Holly ABR:EX  
**Cc:** Howie, Matthew ABR:EX  
**Subject:** RE: REQUEST FOR DIRECTION: who should draft this response? (Cliff 29235)

Did I mark this as Minister draft? I don't think we need to respond to this. Just leave as an fyi.

Ask Matt is Lindsay Jones think a response is needed. If not, lets leave as an fyi

***Cayley Brown***

Executive Assistant to the  
Honourable Mary Polak  
Minister of Aboriginal Relations and Reconciliation  
Province of British Columbia  
Phone: (250) 387-6618  
E-mail: [cayley.brown@gov.bc.ca](mailto:cayley.brown@gov.bc.ca)

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**From:** Tally, Holly ABR:EX  
**Sent:** Monday, January 23, 2012 11:39 AM  
**To:** Brown, Cayley ABR:EX  
**Cc:** Howie, Matthew ABR:EX  
**Subject:** FW: REQUEST FOR DIRECTION: who should draft this response? (Cliff 29235)  
**Importance:** High

Hi Cayley,

Any advice on this?

Thanks!

---

**From:** Howie, Matthew ABR:EX  
**Sent:** Monday, January 23, 2012 11:35 AM  
**To:** Tally, Holly ABR:EX  
**Subject:** FW: REQUEST FOR DIRECTION: who should draft this response? (Cliff 29235)  
**Importance:** High

Hi Holly,

I forwarded this to MO last week and I don't think I heard back. Does MO still want to respond?

Matthew Howie  
Correspondence/Planning/Transition Support Clerk  
Ministry of Aboriginal Relations and Reconciliation  
Phone: (250) 953-4587 Fax: (250) 387-6073

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**From:** Jones, Lindsay ABR:EX  
**Sent:** Tuesday, January 17, 2012 10:00 AM  
**To:** Howie, Matthew ABR:EX  
**Subject:** RE: REQUEST FOR DIRECTION: who should draft this response? (Cliff 29235)



I agree with Robert, I don't think a response is necessary. If one is, just a simple acknowledgement of receipt and a thank you for your email of xxx clarifying your funding programs.

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**From:** Howie, Matthew ABR:EX  
**Sent:** Tuesday, January 17, 2012 9:50 AM  
**To:** Jones, Lindsay ABR:EX  
**Subject:** FW: REQUEST FOR DIRECTION: who should draft this response? (Cliff 29235)  
**Importance:** High

Hi Lindsay,

I spoke with Robert Leece and he advised me that you're in a better position to respond to this. He said that, because the author isn't actually asking for anything, that the response would likely be a simple acknowledgement.

If you feel a response isn't necessary let me know and I'll ask MO if they still want to respond. Thanks.

Matthew Howie  
Correspondence/Planning/Transition Support Clerk  
Ministry of Aboriginal Relations and Reconciliation  
Phone: (250) 953-4587 Fax: (250) 387-6073

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**From:** Howie, Matthew ABR:EX  
**Sent:** Monday, January 16, 2012 9:40 AM  
**To:** Ricketts, Glenn ABR:EX; Gaudette, Louise ABR:EX; Leece, Robert ABR:EX; Dodd, Nikki ABR:EX; Harper, John ABR:EX  
**Subject:** REQUEST FOR DIRECTION: who should draft this response? (Cliff 29235)  
**Importance:** High

Good morning,

Please see the attached letter from Coast Opportunity Funds to Minister Mary Polak. MO has requested a minister response.

As there are a number of program staff involved with these files (Haida/economic development), I've been unable to identify who should draft this response. Please advise. Thank you.

Matthew Howie  
Correspondence/Planning/Transition Support Clerk  
Ministry of Aboriginal Relations and Reconciliation  
Phone: (250) 953-4587 Fax: (250) 387-6073



### **Coast Opportunity Funding of First Nations projects**

Your article [headline] of yesterday's date implied that Coast Opportunity Funds is financing First Nations' opposition to the Northern Gateway Pipeline project. That is absolutely incorrect.

Coast Opportunity Funds, which is an independent British Columbian organization, is the steward of a \$120million fund established in 2007 to support conservation and sustainable economic development projects to be undertaken by the First Nations of the Great Bear Rainforest and Haida Gwaii. The federal and BC governments contributed \$60million to the economic development fund, and philanthropic foundations contributed \$60million to supporting the conservation of the Great Bear Rainforest, an old growth forest ecosystem representing one-quarter of the world's remaining coastal temperate rainforest, and home to the white Kermode or Spirit Bear among many other species.

This structure and process is the outcome of more than a decade of discussions prior to 2007 between the First Nations, governments, the forestry industry and conservation groups looking for a way to end years of conflict over logging and meet the interests of all of those groups in the Great Bear Rainforest and Haida Gwaii. The creation of Coast Opportunity Funds was a critical part of the solution, together with the signing of numerous land use planning agreements between First Nations and the BC government.

The awards to First Nations from Coast Opportunity Funds support their priorities for sustainable economic development and conservation in their communities. More than 80 percent of the funding to date (totalling \$25million) has been invested in government-funded economic development projects, such as tourism businesses, shellfish aquaculture, and forestry. Conservation funding to date has been spent on projects such as resource stewardship institutions.

In making the awards, Coast Funds has no authority to have regard to the First Nations' stance on matters such as the Northern Gateway Pipeline or any other unrelated issue of that nature, and has never done so.

Readers who wish to understand the importance of supporting healthy and vibrant First Nations communities in the Great Bear Rainforest through building viable economies in tandem with the conservation of their homelands for future generations are welcome to learn more from our website, [www.coastfunds.ca](http://www.coastfunds.ca).

Merv Child,  
Chair,  
Coast Opportunity Funds





Aboriginal Relations  
and Reconciliation

JUL 27 2012

Correspondence Unit

30274

July 23, 2012

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*C.B.S.*  
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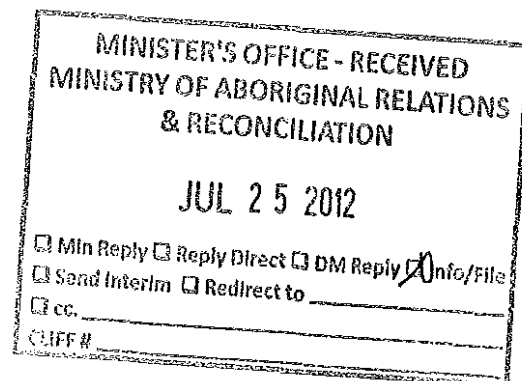
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July 23, 2012

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Yours sincerely,

*C.B.S.*  
*on behalf of*

Cindy Boyko,  
Chair, Coast Funds Communications Committee

**Coast Opportunity Funds**  
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Weaving together  
the threads of  
conservation  
and community  
wellbeing



# The Talking Stick

NEWSLETTER OF THE COAST OPPORTUNITY FUNDS

## A Resourceful Issue

This month, it's our pleasure to bring you a profile of the Heiltsuk Integrated Resource Management Department. It's only been up and running since 2009, but as you'll see, Heiltsuk are already reaping the benefits of using their Coast Funds conservation allocation to marshal all of their stewardship resources and functions into one efficient, accountable institution that is working hard to protect and enhance Heiltsuk's rights and management of their territory. A big thank you to Kelly Brown, Julie Carpenter, Mike Reid, Dave Whitehead, Laurie Whitehead, Harvey Humchitt Snr. and everyone else at HIRMD who contributed photos to go with the story.

In September, we held our fall Board meeting in Prince Rupert. It was a chance for us to go to the communities of Metlakatla and Lax Kw'alaams and see some of the work they have been doing. We also had a very special treat at Lax Kw'alaams—see pages 6 and 7— to find out what I'm talking about, and for photographs of the visit.

As always, please don't hesitate to let us know what you think about material you read in *The Talking Stick*, and anything we could do to make it more informative, interesting and useful to you. **Don't forget you can download the newsletter from our website, or any stories in it that you would like to share or reproduce in your own publication or on your website.**

If you have ideas on where else we should distribute the newsletter, or you would like us to email it to you whenever it comes out, please contact us at [info@coastfunds.ca](mailto:info@coastfunds.ca) or call Mary Speer at 1.888.684.5223. In the meantime, we hope you enjoy this issue as well as your summer.



Cindy Boyko, Chair  
Coast Funds Communications Committee

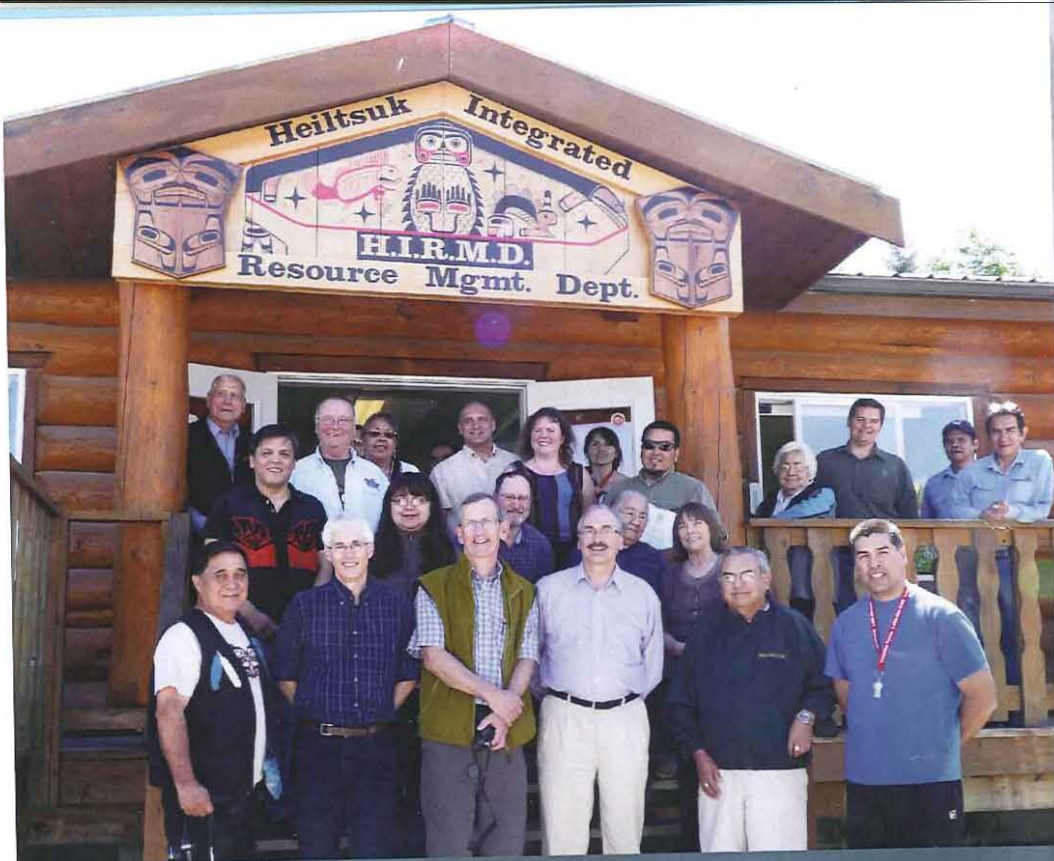
### WHAT'S INSIDE

Building Blocks: The Heiltsuk Integrated Resource Management Department |  
Coast Funds News



# Project Stories

IN THE FIVE YEARS SINCE COAST FUNDS WAS CREATED, THE FIRST NATIONS HAVE EMBARKED ON A WIDE RANGE OF ECONOMIC DEVELOPMENT AND CONSERVATION PROJECTS, FROM ECONOMIC DEVELOPMENT CORPORATION CREATION TO CONSERVATION MANAGEMENT PLANNING. PROJECTS UNDER WAY INCLUDE FORESTRY, TOURISM BUSINESSES AND ACCOMMODATION, INTEGRATED RESOURCE MANAGEMENT, FEASIBILITY STUDIES AND MORE. WE PROFILE ONE OR MORE PROJECT STORIES IN EVERY ISSUE.



## Building Blocks: Heiltsuk Integrated Resource Management Department, Waglisla (Bella Bella)

"THIS LAND AND WATER RUN THROUGH OUR VEINS HERE, HOW THEIR PROTECTION AND USE IS MANAGED IS INCREDIBLY VITAL TO US AND TO OUR FUTURE GENERATIONS."

HEILTSUK TRIBAL COUNCIL (HTC)  
CHIEF COUNCILLOR MARILYN SLETT

In 2002, in recognition of their fundamental connection to the land and water in their territory, the Heiltsuk Nation approved an action plan to create a brand-new natural resources department, responsible for managing the stewardship of Heiltsuk territory and its resources and accountable to a separate Board of Heiltsuk community members.

The goal was to extend Heiltsuk's ability to protect its aboriginal rights and title and to increase its self-governance capacity. In practice, the vision was



that the new department would manage stewardship functions currently undertaken in isolation by various different individuals and groups, often with few resources behind them, and bring those various functions together in an integrated and efficient process in one stewardship institution.

Those activities would be far-ranging. They would include developing and implementing resource policies; effectively coordinating and responding to the hundreds of referrals sent to HTC each year; negotiating and implementing resource use agreements with third parties and other governments; fundraising for conservation projects; undertaking research and mapping; incorporating Heiltsuk values into all areas of stewardship, especially cultural resource management; and last but certainly not least, ensuring the implementation of good communication practices both with the community and externally.



It was an ambitious, exciting and challenging vision. But despite the financial and logistical challenges of making such a fundamental operational shift, there was also no question in the minds of the Heiltsuk leadership that it was also a vision that somehow had to be made into reality.

During extensive community consultation during the late 1990s regarding the potential to separate Heiltsuk's business activities from its political institution, Heiltsuk members made it clear they also thought a separate natural resource management department, structured to work as an integrated unit in collaboration with Heiltsuk's other departments, was key to protection and advancement of the Nation's aboriginal rights and title to its lands and waters.

A governance survey undertaken in 2006 reconfirmed the importance of finding a way to implement this key goal. "Heiltsuk already had a number of departments working on various resource issues, like fisheries, forestry, and cultural heritage management," says Chief Slett. "But the departments

tended to work as silos, with next to no communication between them. It wasn't very effective, or efficient."

The vision, says Slett, was to "pull together" all the separate functions in one organized, integrated structure responsible for natural resource management and effective communication with Heiltsuk's other arms, such as its economic development corporation. Exactly how to do that was the first challenge Heiltsuk faced.

"We used some of our Coast Funds conservation allocation to do a pilot project, researching other models, and interviewing managers and HTC Councillors to get their views on what was important. That took about a year," recalls Slett.

"Out of that work, we recognized there were several key things we needed to ensure the success of the HIRMD. The first was to appoint a department manager from within the community." Having someone at the helm with the right qualifications was vital, but it had to be someone who knew the community, and understood the Heiltsuk vision for the HIRMD:

*"We, the resource department, on behalf of the Heiltsuk people will assist in managing all our territory with respect and reverence for the life it sustains, using knowledge of the Marine and Land resources as passed down to us*







personnel changes over time, the department has stayed strong and efficient."

Since 2009, the HTC has utilized its Coast Fund conservation allocation each year to support the creation and operation of the HIRMD. "That's our core funding," says Brown. "Trying to do this without our conservation allocation would be very difficult."

third parties wanting to utilize our resources pay a service fee according to a preset scale. That's starting to work already—we have proponents who are supportive of the idea and on board with it."

Brown says that in general, even after only just over two years in existence, relationships between HIRMD and third parties are very good. "One of the great benefits of the model is that this has really opened the door for us with industry to have that kind of conversation," he says.

*for generations. We will work towards rebuilding and maintaining a healthy and functioning environment while meeting our social and economic needs for generations to come. We will work in collaboration with all Heiltsuk departments and citizens towards the preservation, conservation and enhancement of integrated resources within Heiltsuk Territory. We will also foster efficient and respectful working relationships with external governments, including First Nations and other interest groups."*

The first HIRMD director was Frank Brown. Since April 2012, Kelly Brown has been in the position, working with the HIRMD Board to implement the vision and the five-year Strategic Plan. "That was another key to our success," says Slett. "It was very important to identify the priorities up front and a plan for implementation of those priorities."

Kelly Brown says one of the early priorities was to take time to build a strong management and staff team in the department, which now employs fourteen fulltime staff and several seasonal and contract employees from time to time. "We have a really solid team," says Brown. "All the work that was done at the beginning to help people come together and learn how to work collectively as an integrated unit has really paid off. Even with some

The conservation allocation is a permanent annual funding source, but the amount varies from year to year. "It's great to have it, but we are also looking at ways to ensure we have other stable funding sources that we can rely on for the long term," says Brown. "Our carbon credits agreement has been an important source of funds as well. One of our other ideas is to look at environmental service fees where

"Industry have recognized the effort we've put into streamlining the referrals process and better communication and are showing real commitment to working with us. It's a win-win for everyone—it saves everyone time and money. Now we have much more efficient access to information, a two-way commitment to information-sharing, and real recognition of our





rights and the importance of protection of our lands and waters."

There are a few kinks to iron out in the discussion with industry, says Brown, but the way things are a "far cry from the bad old days" of constant conflict and battling to protect the territory. "We have much stronger relationships with proponents and with governments these days. We have a reconciliation agreement with government now, too, and implementing its provisions is part of our work. I think government has recognized the importance of what we're doing too, and our efforts at greater accountability and transparency are paying off."

On the capacity front, says Brown, having an integrated department and a clear implementation plan has been instrumental in identifying not only clearly defined roles for fulltime staff, but opportunities for professional development and training for community members to enable them to step into new jobs as they become necessary and viable.

"We've set up youth training programs, for example, in forestry and conservation activities," says Brown. "We have a Heiltsuk member who is an archaeologist, and he is mentoring two community members to start learning the ropes. HIRMD works with industry to direct them to select our archaeologist for assessments, and that creates two or three more jobs in the community every time. Those jobs used to go to outsiders, now they are going to Heiltsuk people. It's still a work in progress of course," he continues. "But you can really see the capacity we're building because now we have the structure to do it. The long term goal is that we will have full capacity within Heiltsuk to fill all HIRMD positions that may become vacant or are added as we grow."

"It's wonderful," agrees Chief Slett. "The creation of HIRMD is already resulting in the kinds of outcomes we were hoping for—capacity building and advancement of our rights and title. We now have industries coming to us and looking at ways they can support the Heiltsuk community, including job training, as part of the quid pro quo for resource use in our territory. BC Hydro is looking at training community members as meter readers, for example."



HIRMD is also looking outwards, says Slett: "It's been very good for our relationships. We're looking at the businesses in our territory and now we're in a position to reach out to them and have the discussion about land and water use. We've just signed an MOU with a fishing lodge and we have other discussions under way. We've also worked very hard to forge relationships

"DON'T FORGET, IT HAS BEEN  
HARD WORK, BUT WE FOUND THE  
SOLUTION RIGHT WITHIN OUR  
OWN COMMUNITY."

with other institutions to harness their knowledge and advice. Each time we do that, we increase our capacity exponentially and move forward."

Slett believes this kind of institutional capacity development is vital for communities to realize their goals for land and resource management in their territory. Although challenging, she says, in a day and age with so many external activities impinging on First Nations communities, it is "absolutely necessary."

"Don't forget, it has been hard work, but we found the solution right within our own community and I think if most communities scrutinized what they have at hand, they would find the same thing. We had all the resources, all the pieces were there. It was just a matter of pulling them together to work more effectively and better. The benefits for us have been huge."







CEO David Mannix made some new friends at Metlakatla.



Coast Funds Directors and staff en route to Lax Kw'alaams from Prince Rupert: from right to left, Projects Director Neil Philcox, Chair Merv Child, Director Chris Trumpy, CEO Scott Rehmus, Finance Director Elisa Kreller.



Barb Petzelt and Joycelynn Mitchell explain the background to creating the Metlakatla Wilderness Trail to Coast Funds Finance Director Elisa Kreller.



We got to hike the Metlakatla trail for a way and enjoy the incredible landscape, feeling very rugged and brave until we met a group of Metlakatla elementary school students and their teachers coming the other way!



Lax Kw'alaams fish processing plant.



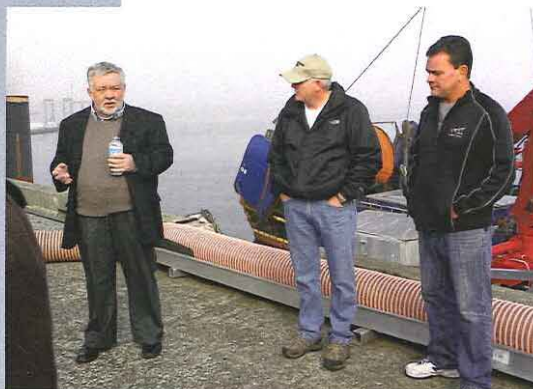
Coast Funds Chair Merv Child learns about the technical aspects of the Lax Kw'alaams fish processing plant from Joe Ward.

## COAST FUNDS NEWS

Last month, the Board held its annual fall field trip and Board meeting at Lax Kw'alaams and Metlakatla. We were treated to great hospitality, wonderful seafood and given generous use of both First Nations' facilities to hold our meetings—a great big thank you to both communities for your welcome and for hosting us.

These field trips enable our Board members and Vancouver staff to see for themselves what the communities we work with are doing, and to talk face to face with community members. It's an invaluable experience that gives context and depth to our understanding of the funding applications we receive, and helps us to make informed and supportive decisions.

It's extremely rewarding to be able to connect with people directly this way. We also get rewarded for our work in other ways—and being treated to a concert by the Lax Kw'alaams student band was one of the best surprises and pleasures of the trip. Yet another big thank you to band master Pat Dudoward and to all the students who played for us, and bravo to Bruce Allen and Pamela Tait for showing us their dance moves!



Manager Norman Black, Joe Ward and Captain Glen Kierece talk about plans for operation of the fish processing plant.



Lax Kw'alaams fishing boat, the Freeport.



Lax Kw'alaams student band in action.





## Photo Catalogue Project

From time to time in our materials—including this newsletter—we showcase the projects and communities of the First Nations we work with in articles and with photographs. To that end, we are collecting suitable images for a catalogue of photos that we can draw upon when we need them. If you have good quality, high resolution digital photos of your community or of projects that we can use, we'd be delighted to hear from you—please get in touch with Katherine Gordon at [communications@coastfunds.ca](mailto:communications@coastfunds.ca).



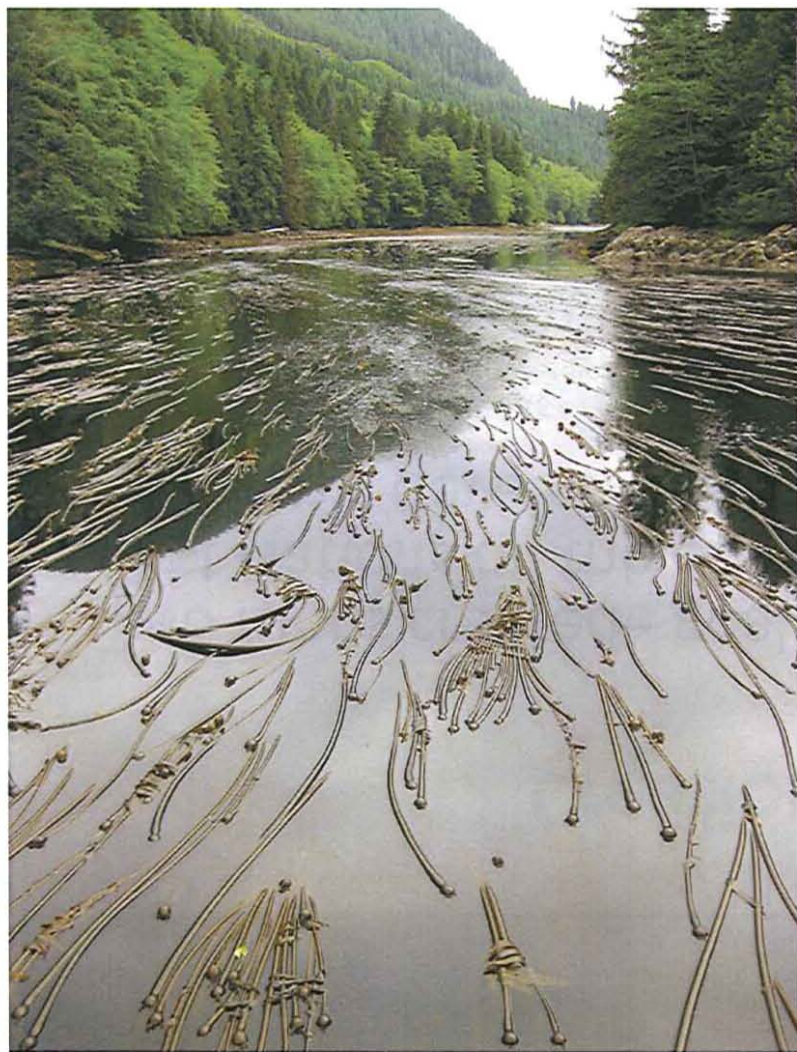
## COMING UP NEXT

In the next issue of the newsletter, scheduled for January, we'll highlight Haida's Youth Stewardship and Culture Camps as well as another project story. We'll also give you an update on our Strategic Plan for 2013—2015 and any other news of interest that we come across.

## SEND US YOUR STORIES

If you have stories to share, project photos, ideas about Coast Funds projects and community activities, or other interesting information, we want to know. We'll publish stories and photos on the website and in this newsletter whenever we can. You can send them to us any time at [communications@coastfunds.ca](mailto:communications@coastfunds.ca).





## COAST OPPORTUNITY FUNDS: 2007—2012

MAKING A DIFFERENCE





## Creation of Coast Funds

Two funds created– goal to work collaboratively with 27 First Nations on the coast of BC to support sustainable economic development and conservation management.

### **Economic Development (\$60M):**

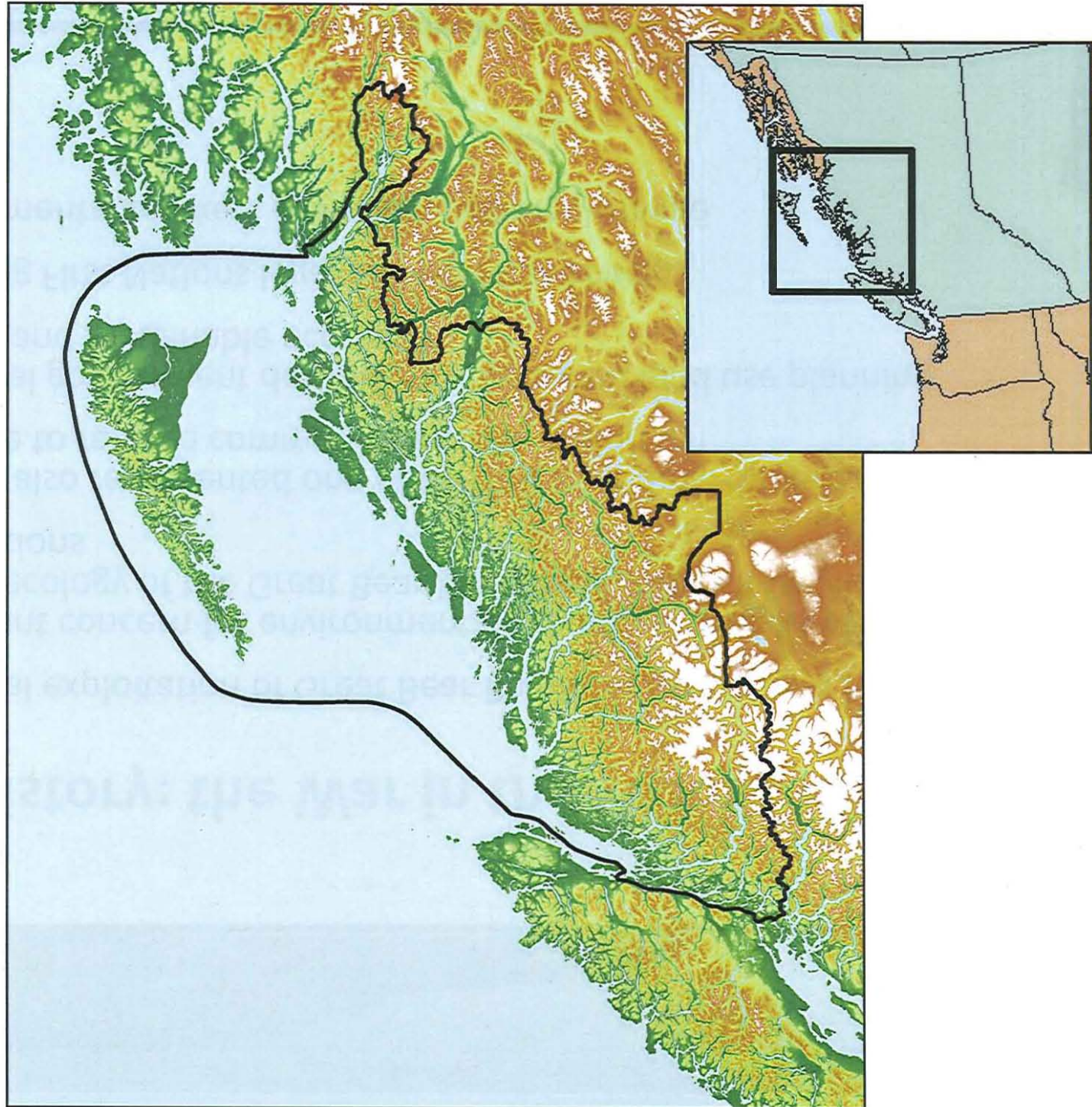
- Fund to be fully granted out over 7 years – to date, \$20.39 million approved, \$17.54 million invested

### **Conservation Endowment Fund (\$58M):**

- Permanent endowment fund – to date, \$10.87 million approved, \$8.15 million invested











## History: the War in the Woods (1990s)

- Industrial exploitation of Great Bear Rainforest, especially logging
- Significant concern for environmental groups working to protect the unique ecology of the Great Bear Rainforest and for many of the First Nations
- Logging also represented one of the few economic opportunities available to remote communities in the region
- Provincial government desire for coordinated land use planning process and sustainable economy
- Emerging First Nations legal and political power
- Environmental markets campaign push for change







## A unique solution was required

- In 2000 environmental groups, private foundations and some North Coast First Nations began discussing how to attract funding for conservation and sustainable economic development initiatives, based on conservation commitments by all parties
- Discussions led to commitments from the BC and Canadian Federal governments to provide \$30 million each to match the \$60 million committed by the private funders
- Strategic Land Use Planning Agreements signed
- Coast Funds setup in 2007; Operational 2008







## Unique Funding Model

- Individual preset allocations for each First Nation: certainty about entitlement to funds
- Have to apply for allocations to fund proposed projects
- Role of Coast Funds: partner with First Nations to develop successful applications for funding sound, high quality projects. Coast Funds provides:
  - Help with application process
  - Support for capacity-strengthening through the award process
  - Information on other sources of funding
  - Facilitation of relationships with potential investment and business partners
  - Due diligence/risk assessment of proposed projects to maximize best use of allocations
- Process is non-competitive







## Economic Funding

- Primary criterion for eligibility is sustainability
- Projects funded include:
  - Business ventures in sectors such as shellfish aquaculture, tourism, non-timber forest products, transportation, etc.
  - Economic development corporations and other platforms for long-term growth
  - Strategic planning and capacity building



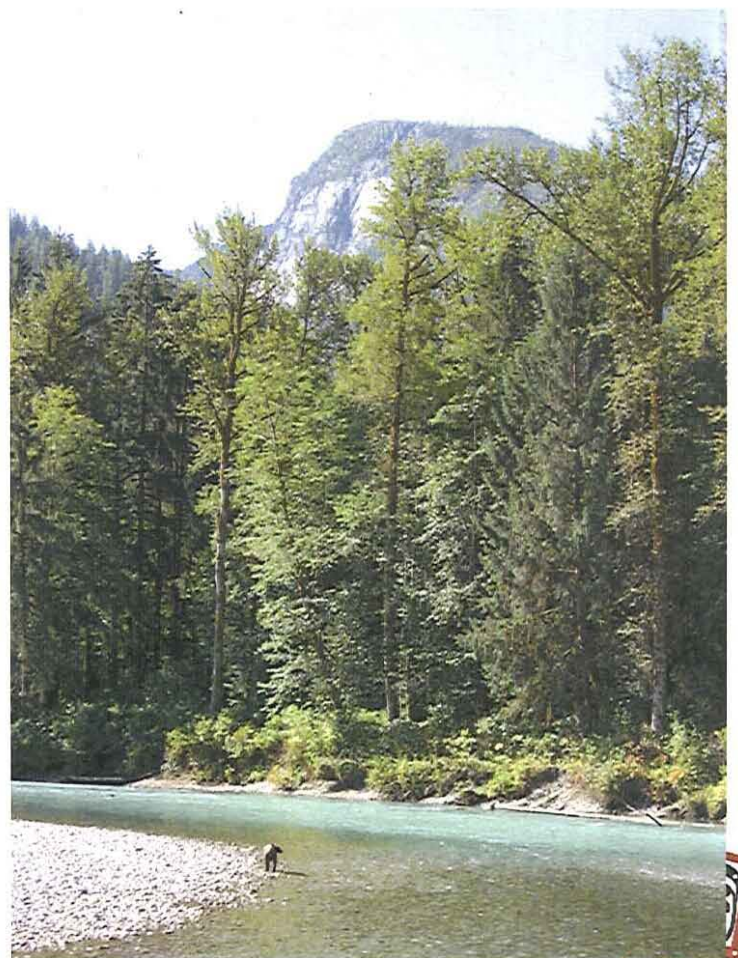




## Conservation Funding

Range of projects funded include:

- Integrated stewardship office set up, capital costs, and core operations
- Guardian Watchmen programs
- Project funding such as:
  - GIS mapping
  - Archaeology programs
  - Salmon enumeration
- Regional planning, collaboration and networking







## Positive Results

- By 2012, 80+ projects already showing positive and substantial results







## Outcomes to date

- \$31.3 million in approved awards – leverage ratio of 2.49:1
- Projects aligned with expected outcomes in founding agreements
- Business and job creation
- Institutional capacity growth
- Loan Loss Reserve Facility
- Increased sustainability of resources







# Challenges

- Capacity of Participating First Nations varies
- Global economy limiting alternative financing opportunities
- Coast Funds contributes with support in award process, facilitation of beneficial relationships (e.g. LLRF)
- Despite the challenges, First Nations are putting awards to effective use and building institutional capacity.





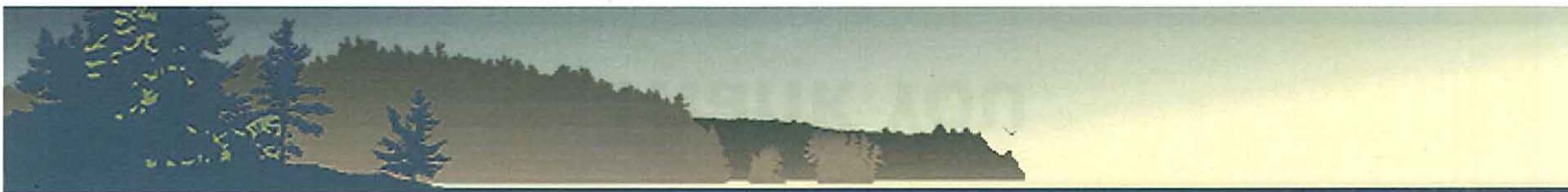


## Taking the long view

- Building critical mass
- Growing the investment
- Win-win scenario:
  - Sustainable, local economic development
  - Healthy ecosystems and communities
  - “Peace in the Woods”
- Continued supporting role of government key:
  - Increasing numbers of SEAs, reconciliation protocols







## Contact Information

### COAST OPPORTUNITY FUNDS

[www.coastfunds.ca](http://www.coastfunds.ca)

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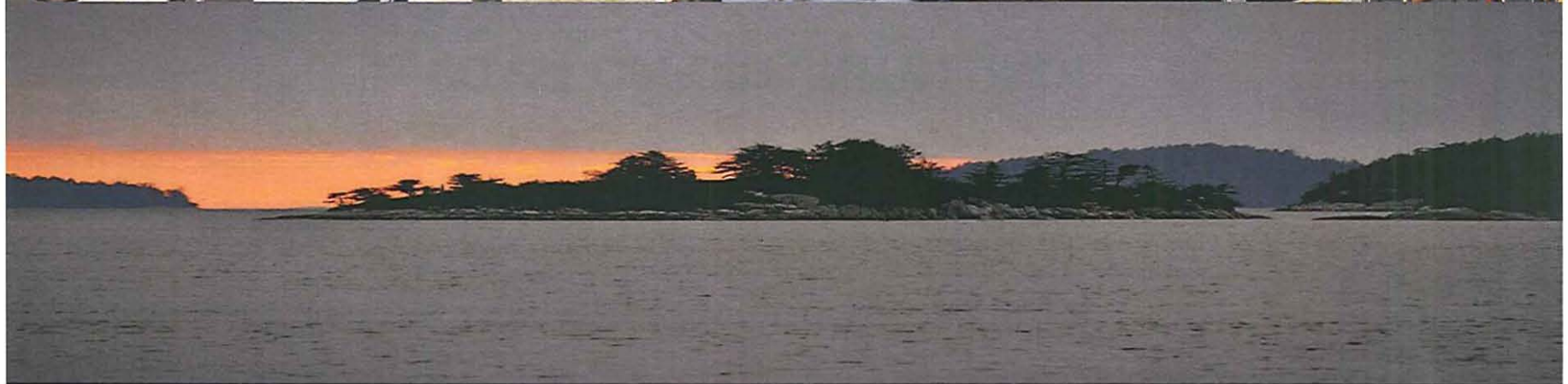
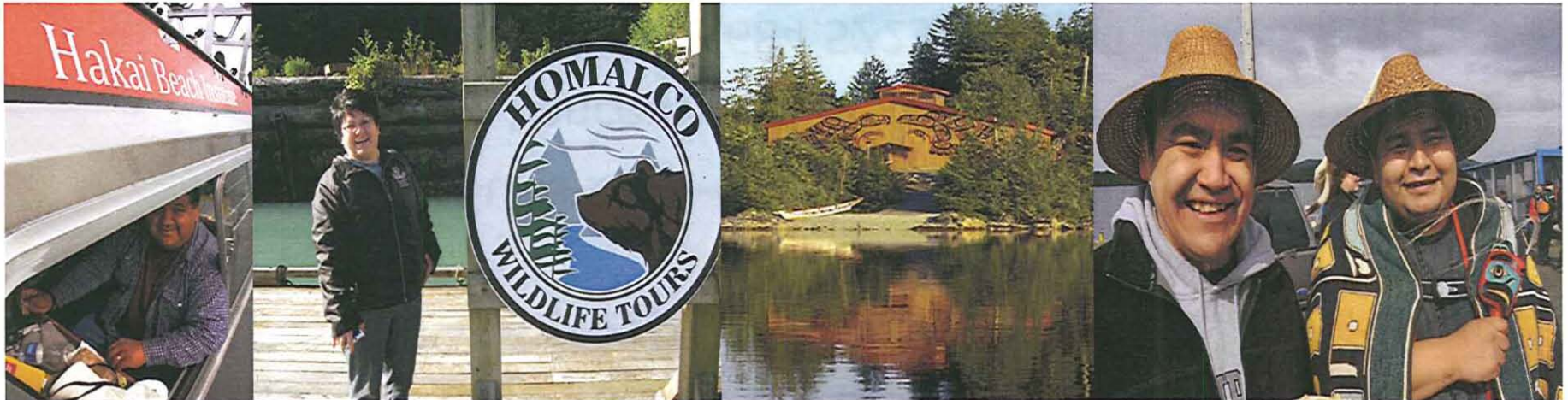
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# Thank You

MINISTRY OF ABORIGINAL RELATIONS  
AND RECONCILIATION  
BRIEFING NOTE

File: 280-20

Date: January 8, 2013  
Ref. No. 31156

- I Prepared for the **INFORMATION** of Honourable Ida Chong, Minister
- II ISSUE: Meeting with members of the Coast Opportunity Funds
- III BACKGROUND:

CN/ED	✓
ADM	✓
DM	<i>[Signature]</i>

Coast Opportunity Funds (COF) is a unique non government organization established in 2007, primarily designed to support Ecosystem Based Management (EBM) on the north and central coast, and Haida Gwaii (EBM defined as improvements in human well being and improvements in ecological integrity). It was created by the Coastal Incentives and Development Initiative (CIII). COF is comprised of two separate organizations; the Coast Economic Development Society (CEDS) and the Coast Conservation Endowment Fund Foundation (CCEFF).

The CEDS manages a \$60 million fund, with equal contributions from each of the British Columbia and Federal Governments. The CEDS was established to support First Nations economic development over a period of seven years, with funds to fully expended by the end of 2014.

As of December 2012, \$18 million of the \$60 million from the CEDS has been distributed to 19 of the 27 First Nations with traditional territories within the EBM area.

To date, the majority of the payments from the CEDS have supported projects in aquaculture, tourism, economic development corporation setup and operations, forestry, regional planning, value added processing, and energy.

The CCEFF was established to maintain or improve the conservation values of the Great Bear Rainforest utilizing investment income from the fund over the long term. The original capital of \$58.6 million was contributed by private foundations.

As of December 2012, CCEFF has distributed over \$8.6 million of the \$13.8 million in investment income to participating First Nations.

- IV DISCUSSION:  
Currently, FLNR has the oversight mandated to deliver on EBM objectives.

The COF has been in operation for approximately five years and has recently completed an independent review of its operations. It is understood that the Chair, Mr. Merv Child, will be providing a short presentation which highlights both the



organization and achievements to date.

Although there were some initial start-up challenges, based on the available information the COF appears to be well supported within the relevant First Nations communities.

The provincially lead EBM initiative has met numerous commitments that relate to maintaining ecological integrity, which can be demonstrated with the establishment of new protected areas (i.e. conservancies) as well as establishment of legal objectives which govern forest practices.

s.16

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## V CONCLUSION:

It is recommended that Minister Chong meet with the COF. The tenor of the meeting will likely be very cordial and informative.

As EBM is under the mandate of FLNR, any request for commitments should be redirected to the Honourable Steve Thomson, the Minister responsible.

The attached presentation, forwarded by the COF, provides some informative background material that may be of interest and help formulate any questions.

Attachment: Coast Opportunity Funds Presentation January 2013

Luigi Sposato, Manager – West Coast, 250-751-7264

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