

Ministry of Jobs, Tourism and Innovation
BRIEFING NOTE FOR MINISTER

Ref: 62137

FOR DECISION

July 27, 2011

Issue: Approval of a proposed framework for a review of the Regional Trusts Organizations.

Background: In the Families First Agenda, Premier Clark committed to: *"Review the progress made by regional trusts organizations such as Northern Development Initiative Trust, Island Coastal Economic Trusts and Columbia Basin Trust, and look at how we can improve and enhance regionally-based economic investments."*

In addition, during the Ministry Estimates Debate, Minister Bell indicated that this review would be completed by December 31, 2011 and the terms of reference would be taken to Cabinet and the review will incorporate commitments of open processes and open government.

A number of reviews of the regional trusts organizations have previously been completed or are in progress. These include the Trusts' own review required by their legislation and a report by Internal Audit and Advisory Services.

Discussion: In designing and undertaking the framework for the review of the trusts, consideration was given to the Premier's platform commitment to engage citizens through greater use of social networks and on-line tools. The framework is proposed to use technology to invite British Columbians to participate in policy making. This would allow for extensive stakeholder engagement as there is strong and conflicting opinions about the activities and effectiveness of the three operationally independent trusts.

The framework will build on the findings and recommendations of the previously noted reviews.

It is important to note that when government established the trusts they were purposely created to be operationally independent from government. Therefore, when the recommendations of any review are proposed, implementation options are:

- Voluntary implementation by the trusts;
- Government direction to the government appointed members of the Trust boards; and/or
- Legislative changes.

The final deliverable of the review process would include a report to government on the trusts' overall effectiveness and recommendations for enhancing regional economic investments.

Recommendations:

- 1) That review include:
 - Northern Development Initiative Trust,
 - Island Coastal Economic Trust,
 - Columbia Basin Trust,
 - Southern Interior Development Initiative Trust
- 2) That the objective of the review address the following questions:
 - Have the trusts achieved their objectives and mandate?
 - Have they created significant economic benefits to their regions and communities?
 - How do stakeholders feel about their performance?
 - What is the effectiveness of the governance and accountability structures?
 - How can the trusts, the provincial government or others improve and enhance regionally based economic investments?
- 3) The Ministry will use a combination of a comments-enabled blog and face-to-face consultations to engage citizens and key stakeholders.
- 4) The Ministry will issue an RFP to assist in completing the review, demonstrating openness and independence of the process.

Appendix A includes the Framework that outlines major deliverables and a proposed timeline.

Appendix B is a listing of other provincially funded, independent (or Crown) economic agencies which may also be considered for inclusion.

<u>Approved</u> / Not Approved	Date: AUG 23/2011
Pat Bell Minister <i>Pat Bell</i>	
Comments:	

Contact: Greg Goodwin, Executive Director
RuralBC Secretariat, Strategic Initiatives Office

Telephone: 250-953-3008

Approvals			
Dir: na	ED: GG	ADM:	DM: <i>[Signature]</i>

Appendix A

Framework for Regional Trust Review

Purpose: To review the progress made by the regional trusts organizations and make recommendations to enhance regionally based economic investments.

Trusts to review: Northern Development Initiative Trust, Island Coastal Economic Trust, Southern Interior Development Initiative Trust and Columbia Basin Trust.

Objective: That the objective of the review address the following questions:

- Have the trusts achieved their objectives and mandate?
- Have they created significant economic benefits to their regions and communities?
- How do stakeholders feel about their performance?
- What is the effectiveness of the governance and accountability structures?
- How can the trusts, the provincial government or others improve and enhance regionally based economic investments?

Appendix B

A listing of ~~other~~ provincially funded, independent (or Crown Corporations) economic agencies which may also be considered for inclusion.

British Columbia Provincial Trusts – Active as of June 20, 2011

Trust Name	Date of Initiation	Funding Commitment	Mandate	Ministry Responsible	Legislation Agreement
BC Rail Benefits (First Nations)	2004	\$15,000,000	To provide funds for First Nations' projects that advance economic development, education advancement and cultural renewal.	Transportation and Infrastructure	BC Rail Benefits (First Nations) Trust Act [SBC 2004] Chapter 58
Coast Sustainability Trust	2002	\$35,000,000	To provide short-term mitigation of adverse impacts resulting from land use planning decisions made in respect of the Central Coast, the North Coast, and the Queen Charlotte Islands (Haida Gwaii).	Environment	BC Forestry Revitalization Trust II This Declaration of Trust is dated for reference as of February 28, 2008.
Columbia Basin Trust	1996	\$295,000,000	To promote and create long-term jobs and investment in the Columbia-Kootenay region. It addresses the long-term needs of the people of the region whose interests and desires were not adequately considered in the original negotiations of the Columbia River Treaty.	Agriculture	Columbia Basin Trust Act [RSBC 1996] Chapter 53
First Citizen's Fund	1969	\$72,000,000	To help create new employment and business opportunities for Aboriginal and non-Aboriginal people throughout British Columbia.	Aboriginal Relations and Reconciliation	Special Accounts Appropriation and Control Act [RSBC 1996] Chapter 436
Nechako-Kitimaat Development Fund	1998	\$15,000,000	To support sustainable economic activity in northern communities affected by the Kitimat-Kemano project and by the creation of the Nechako Reservoir.	Jobs, Tourism and Innovation	BC-Alcan Northern Development Fund Act [SBC 1998] Chapter 3

Trust Name	Date of Initiation	Funding Commitment	Mandate	Ministry Responsible	Legislation Agreement
New Relationship Trust	2006	\$100,000,000	<ul style="list-style-type: none"> - Respect First Nations' decision-making authority - Fairness and Equity - Transparency and Accountability - Sustainable Management of the Fund 	Aboriginal Relations and Reconciliation	Bill 11 – 2006 New Relationship Trust Act
Northern Development Initiative Trust	2005	\$185,000,000	To give Northern communities the funding, control and a mechanism to identify and pursue new opportunities for stimulating sustainable economic growth and job creation in their regions.	Jobs, Tourism and Innovation	Bill 6 – 2005 Northern Development Initiative Trust Amendment Act, 2005
North Island – Coast Development Initiative Trust	2006	\$50,000,000	To create new and sustainable regional economic growth through strategic investments in targeted “sectors” within the north Island, coastal and Sunshine Coast regional economy.	Jobs, Tourism and Innovation	Bill 7 – 2005 North Island-Coast Development Initiative Trust Act
Southern Interior Development Initiative Trust	2006	\$50,000,000	To support regionally strategic investments in economic development projects that will have long-lasting and measurable regional benefits for the Southern Interior.	Jobs, Tourism and Innovation	Southern Interior Development Initiative Trust Act [SBC 2005] Chapter 39

SIDIT EVALUATION

Subsection:
LEGISLATIVE REVIEW PROCESS
SOUTHERN INTERIOR DEVELOPMENT INITIATIVE TRUST
ACT (BILL 8 – 2005)

Southern Interior
DEVELOPMENT INITIATIVE TRUST

Submitted to:
Ms. Luby Pow, Chief Executive Officer,
Southern Interior Development Initiative Trust
#204-3131 29th Street
Vernon, BC V1T 5A8

Submitted by:
Lochaven Management Consultants
3105-33 Street, Vernon BC V1T 9P7
(250) 545 4445

April 2011



TABLE OF CONTENTS

1.0	<i>Project Overview and Objectives.....</i>	<i>3</i>
1.1 ...	<i>The Southern Interior Development Initiative Trust</i>	<i>5</i>
1.2 ...	<i>Evaluation of The Southern Interior Development Initiative Trust</i>	<i>6</i>
1.3 ...	<i>Legislative Review</i>	
2.0	<i>Performance Evaluation Framework.....</i>	<i>9</i>
2.1	<i>LRC Approach to the Legislative Review</i>	<i>9</i>
2.2	<i>LRC Deliberations</i>	<i>10</i>
3.0	<i>Evaluation and Recommendations.....</i>	<i>11</i>
3.1	<i>Consensus View/Opinion on the Act</i>	<i>11</i>
3.2	<i>Consensus View/Opinion On Specific Clauses Within The Act</i>	<i>11</i>
3.3	<i>General Comments/Concerns on Specific Aspects of the Act</i>	<i>12</i>
	<i>Appendix A: Southern Interior Development Initiative Trust Act</i>	<i>14</i>
	<i>Appendix B: LRC Focus Group Discussion</i>	<i>28</i>
	<i>Appendix C: Southern Interior Development Initiative Trust</i>	<i>31</i>

1.0 PROJECT OVERVIEW/OBJECTIVES

" (1) Subject to section 10 (3), on or before the fifth anniversary of the coming into force of this section, and on or before every fifth anniversary after that, the directors must, if the Southern Interior Development Initiative Trust has not by that date been dissolved and disestablished under section 23, appoint a committee of qualified individuals to review this Act and evaluate how it is functioning."

Bill 8 – 2005,
Southern Interior Development Initiative Trust Act

1.1 The Southern Interior Development Initiative Trust

On February 27, 2006 the Southern Interior Development Initiative Trust (SIDIT) was officially established pursuant to Bill 8-2005, the Southern Interior Development Initiative Trust Act. With establishment came an initial capitalization of \$50 million and a mandate to stimulate and facilitate the realization of positive, long lasting and measurable benefits within the Southern Interior of British Columbia geographically encompassing the Columbia-Kootenay region and the Thompson-Okanagan region (roughly the area from Hope east to the Alberta Border and from Blue River south to the US border).

Other matters of note:

1.1.1 Governance: As defined by the Act and as constituted, SIDIT is governed by a thirteen member Board of Directors. This Board is comprised of eight members appointed by SIDIT's Regional Advisory Committees (Columbia-Kootenay RAC and Thompson-Okanagan RAC) and five members independently appointed by the Provincial Government. All members of the SIDIT Board are from within the SIDIT area.

1.1.2 Focus: As specifically defined within the ACT, SIDIT activities are intended to specifically support regionally strategic investments in forestry; pine beetle recovery; transportation; tourism; mining; Olympic opportunities; small business; economic development; energy; and/or agriculture.

In practice SIDIT has undertaken a broad and diverse sectoral focus with an emphasis on prudent and conscientious decisions. Financial support includes grants, loans and equity participation with an emphasis on leveraged participation and a concern for overall fund sustainability.

1.1.3 Impact: Since inception there have been a broad range of tangible and intangible impacts and benefits accruing within the SIDIT Region as a consequence of SIDIT activities. By way of example, according to the most recent Annual Report (to March 31, 2010) there was \$24 million approved by SIDIT for development initiatives, grants and education awards; \$93 million in total project value created through SIDIT loans and equity participation; \$69 million leveraged from other sources as part of overall project funding; 893 direct and indirect jobs created with the potential for significant additional employment over the next five years; and 2,696 students given educational support in accredited trades and technology programs.

1.1.4 Organizational Goals and Objectives: SIDIT's core goals include the following:

- | | |
|---|--|
| 1. Strengthen and expand alliances with lending institutions and identify new co-lending opportunities | 4. Execute an effective communications plan ensuring all communities are aware and have equitable access to funds for eligible programs within funding guidelines |
| 2. Attract sufficient qualifying projects and such other funding opportunities as necessary to reach SIDIT's annual disbursement target of \$7.5 million (cumulative target of \$22.5 million to fiscal 2010 year-end) | 5. Improve monitoring and reporting processes |
| 3. Enhance the profile of SIDIT through strategic sponsorships, presentations, event attendance and networking | 6. Continuous improvement in process design and decision making |
| | 7. Establish staff requirements as necessary to support SIDIT disbursement targets |

1.2 Evaluation of The Southern Interior Development Initiative Trust

In December 2010 the Southern Interior Development Initiative Trust issued a call for proposals seeking an independent contractor to *"...set-up a framework to be used to evaluate SIDIT's functioning pursuant to the Southern Interior Development Initiative Trust Act (the "Act") as required by section 26 of the Act and to conduct such evaluation. [And that] the purpose of the evaluation framework was to provide the Evaluation Committee with a consistent, comparable and objective means of conducting the mandatory evaluation pursuant to the Act, including assessing the effectiveness and efficiency of SIDIT's operations within the scope of the Act, and the impact of SIDIT's investments at the regional and community level along with the compliance of such investments in accordance with the Act."*

In January 2011 SIDIT awarded Lochaven Management Consultants Ltd a contract to undertake the aforesaid evaluation. By way of background, Lochaven Management Consultants Ltd. is a client focused firm with substantive experience and expertise undertaking organizational/operational evaluations including assignments on behalf of the Province of British Columbia, Columbia Basin Trust and a variety of local governments and local authorities within the Southern interior.

1.2.1 LMC's Approach to the Performance Evaluation of The Southern Interior Development Initiative Trust:

Inasmuch as *"public sector organizations [implying those created pursuant to or substantially supported by public sector funding from the Province of British Columbia] are accountable to the people of British Columbia,"* the overall objective of a proper evaluation must necessarily include a broad, credible and transparent review of SIDIT's performance in terms of effectiveness and efficiency of delivery complete with the identification and articulation of best practices, lessons learned and recommendations for going forward.

The key methodological elements proposed by LMC in the evaluation process included the following:

- An open, participatory process to ensure this broad based evaluation is thorough, objective and transparent.
- The design and application of a proven performance assessment criteria within a logical model/framework;

- A comprehensive review and testing of available internal/external information, reports and documents; and
- Substantive engagement of key stakeholders/beneficiaries/partners utilizing a series of focused questions and formats to ensure that a substantive base of geographical, sectoral, program and stakeholder stratified information is collected and analyzed.

In subsequent discussions between SIDIT and LMC following the award of contract, it was agreed by Lochaven Management Consultants Ltd that the performance review would also include the specific task of:

- A legislative review.

1.3 Legislative Review

As noted above, the Southern Interior Initiative Trust was established in 2005 by the Southern Interior Development Initiative Trust Act. Pursuant to the Act and particularly Section 26 there is a requirement to undertake a review of the Act. Specifically:

"(1) Subject to section 10 (3), on or before the fifth anniversary of the coming into force of this section, and on or before every fifth anniversary after that, the directors must, if the Southern Interior Development Initiative Trust has not by that date been dissolved and disestablished under section 23, appoint a committee of qualified individuals to review this Act and evaluate how it is functioning.

(2) The review committee may consult with business, labour, education providers, government and any other person or organization it considers appropriate.

(3) If a review committee is appointed, it must publish a report of its findings in a manner that can reasonably be expected to bring the report to the attention of the public."

According to the Province of British Columbia (Ministry Of Regional Economic And Skills Development), a legislative review shall adhere to the following key principles:

1. The review should be undertaken **independently** to ensure impartiality in its findings , analysis and conclusions.
2. The review should be **transparent** to ensure that in perception and reality a reasonable person would see the review to be rigorous, objective and impartial.

3. The review should indicate **accountability** and be based on evidence based conclusions.

1.3.1 The SIDIT Legislative Review Committee (LRC): The structure and mandate of the Legislative Review Committee is defined within Section 26 of the Act (Bill 8-2005, the Southern Interior Development Initiative Trust Act).

In terms of committee representation, the Act defines a "*qualified individual*" as an individual who is not:

- "(a) an elected official of a municipality or a regional district,*
- (b) a Member of the Legislative Assembly,*
- (c) an employee of the government,*
- (d) a member of the board of directors of the Southern Interior Development Initiative Trust,*
- (e) a member of a regional advisory committee, or*
- (f) a person who is: (i) the spouse, parent or child of any individual referred to in paragraph (d) or (e), or (ii) any other relative residing with that individual."*

For the purposes of this review effort, the Board of Directors of SIDIT further specified that a "qualified individual" would be one who:

- a) is resident within the geographic area in which SIDIT services (Columbia-Kootenay region and the Thompson-Okanagan region) and is generally knowledgeable of the circumstances and context of development programming within that area;
- b) is familiar with the language and intent of legislation; and,
- c) is well versed in the principles, purpose and scope of economic development.

Pursuant to the suggestion of the Ministry of Regional Economic and Skills Development The Board of Directors of the Southern Interior Development Initiative Trust accepted the premise that "*in appointing a review committee under section 26(1) the directors are to be guided by*": a) the Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations published by the British Columbia Board Resourcing and Development Office; and, b) The Review of the Governance Framework for Canada's Crown Corporations - Meeting the Expectations of Canadians published by the Treasury Board of Canada Secretariat.

Appointed by the Board of Directors of the Southern Interior Initiative Trust, the members of the SIDIT Legislative Review Committee included the following:

Members of LRC	Affiliation
Mr. Kevin Poole	City of Vernon Economic Development Office
Ms. Luanne Chore	Business Development Bank of Canada, Kelowna
Dr Nancy Van Wagoner	Thompson Rivers University, Kamloops
Mr. Martin Yuill	Accelerate Okanagan, Kelowna
Ms. Wendy McCulloch	CFDC Boundary, Grand Forks
Mr. Greg Deck	Former Mayor of Radium and a former Board Member of SIDIT

Careful to ensure the independence of the Legislative Review Committee and at the same time provide support as necessary to ensure the process was facilitated, the Board of Directors of SIDIT provided an "approved" array of resources including Lochaven Management Consultants Ltd. (coordination, facilitation and documentation) and SIDIT CEO Ms. Luby Pow (technical resource).

In terms of **mandate** the Legislative Review Committee approved the following tasks:

- a) Review and make recommendations in respect to the legislative evaluation framework;
- b) Assist with the recruitment of qualified candidates for the Legislative Review Committee (LRC);
- c) Familiarize themselves with the mandate and offerings of SIDIT;
- d) Attend a focus group meeting (Tuesday April 12, 2011) and make themselves available for supplementary one on one interviews if required to provide their input to the Legislative Review;
- e) Where deemed appropriate/advantageous to seek additional input/comments from other stakeholders/interested individuals; and,
- f) Make recommendations regarding the Act and its functioning.

2.0 PERFORMANCE EVALUATION FRAMEWORK

"The introduction of the Southern Interior Development Initiative Trust Act honours a government commitment that was made to communities of the southern interior region in the same way that Bill 7 lives up to the commitments we made with regard to the north Island and coastal region. The new act delivers on our commitment to create a \$50 million initiative trust for this region, the same as was the case for the north Island-coast. It is to be free of provincial government interference. It is to develop economic growth and create new jobs for communities throughout this region.

The bill enables the southern interior trust to operate as a corporation independent of government, with a requirement to report publicly to the region's residents. Accountability tools and measures include the preparation and publication of strategic plans, annual reports and audited financial statements. The act will undergo a review and evaluation by an independent committee every five years to provide further public accountability."

Hon. C. Hansen,
Official Report of Debates Of The Legislative Assembly,
(Hansard). Tuesday, October 18, 2005

2.1 LRC Approach to the Legislative Review

The Legislative Review Committee's approach to the evaluation of Southern Interior Development Initiative Trust Act was one that focussed on the Southern Interior Development Initiative Trust Act specifically, taking into account how the Act was perceived to impact on the mandate, priorities, and impacts of the the Southern Interior Development Initiative Trust generally.

The following questions guided their deliberations:

Overarching

1. How does the ACT contribute to/detract from SIDIT's efficiency and effectiveness?
2. How might the Act be improved/amended to enhance SIDIT performance?

And specifically

Taking into account: values and guiding principles; outputs and impacts; cost (value for money); access and awareness; and good governance:

3. What particular parts of the Act are especially enabling?
4. What particular parts of the Act are especially disabling?

2.2 LRC Deliberations

Each member of the Legislative Review Committee was contacted in advance by Lochaven Management Consultants and/or the Southern Interior Development Initiative Trust to confirm their interest and participation in the evaluation; to explain their responsibilities; and to provide them with briefing materials/background information on SIDIT, the Act and the evaluation review process. On Tuesday April 12, 2011 the members of the Legislative Review Committee met in Vernon as a focus group to undertake the initial review discussions. The meeting was facilitated by Lochaven Management Consultants who also kept records of the discussions. Ms. Luby Pow was in attendance as a resource person to the LRC. The discussions that occurred were focused on the task at hand and comprehensive. Very few issues were contentious and for the most part there was a consensus of opinions on the majority of issues. After the meeting each member was given the opportunity to: (1) seek out and input other information they thought was relevant from colleagues or other stakeholders within the SIDIT region; and, (2) review/comment and change the draft report as they saw fit.

Subsequently a follow-up email was sent to each member of the Legislative Review Committee requesting their inputs with the Draft Report. Adjustments were made accordingly. What follows has the support of all members.

3.0 EVALUATION AND RECOMMENDATIONS

"The purpose of legislation is to control and regulate ... to define responsibilities, functions and obligations And also to provide the necessary powers to administer, to undertake, to facilitate and to empower... "

3.1 Consensus View/Opinion on the Act

All LRC members advised that they had read the Act, were generally aware of its intended purpose, and were generally aware of how this intended purpose had translated into the actions, activities and beneficial impacts of the Southern Interior Development Initiative Trust within the region (Columbia-Kootenay region and the Thompson-Okanagan region).

Without exception all members of the Legislative Review Committee felt that the Act as currently written facilitated/contributed to the success of the Southern Interior Development Initiative Trust by giving the Organization, the Board and the staff broad flexibility to design and implement programs and initiatives relevant to the region's economic needs and interests. While some individuals felt that it would benefit by some fine tuning, overall the LRC held to the position that *"if it ain't broke, don't fix it."*

3.2 Consensus View/Opinion On Specific Clauses Within The Act

Within the context of evaluating each clause within the Act, there was only one recommended change that garnered a consensus opinion.

Respecting: *Operating expenses and remuneration*

13 (1) *The directors may use money from the Regional Account to satisfy those expenses that are reasonably and necessarily incurred in order to allow the directors and officers to perform their obligations under this Act.*

(2) A director of the Southern Interior Development Initiative Trust must not accept remuneration from that corporation other than for reasonable travelling and out of pocket expenses necessarily incurred by the director in discharging his or her duties.

It was the view of the LRC that this clause unduly discriminated against proposed and actual Board Members and/or Directors located in the more rural or far reaching parts of the SIDIT region versus those located closer by compensating only travel costs and not taking into consideration the time lost due to travel. As such it was recommended that some daily fee of up to \$200/day be claimable by all Board and RAC members for travel to and from meeting venues but that as presently structured no fee be allowable for the actual attendance at meetings.

Respecting: Definitions...

1 In this Act:

"Columbia-Kootenay region" has the meaning prescribed by regulation;

"qualified individual" means an individual who is not

- (a) an elected official of a municipality or a regional district,
- (b) a Member of the Legislative Assembly,
- (c) an employee of the government,
- (d) a member of the board of directors of the Southern Interior Development Initiative Trust,
- (e) a member of a regional advisory committee, or
- (f) a person who is
 - (i) the spouse, parent or child of any individual referred to in paragraph (d) or (e), or
 - (ii) any other relative residing with that individual;

It was the view of the LRC that **clause1 (c)** be amended to read *"an employee of the government of British Columbia"* so as not to preclude the valued participation of representatives of municipal and federal government agencies and authorities where the organization (SIDIT) might benefit by their participation.

3.3 General Comments/Concerns on Specific Aspects of the Act

Notwithstanding the general view that there should be no substantive changes to the Act, there were several issues that arose in discussions and were voiced as concerns by in some

cases several individuals. That being said no consensus was achieved in respect to these perceived issues and concerns.

The following list of concerns is presented in order of those with the highest level of near consensus to those with the least.

Given the purpose of the Southern Interior Development Initiative Trust to support economic development within the region there is insufficient importance afforded the representation of business or the private sector on the various RAC's and on the Board.

Provincial appointments as Directors (approximately 40% of the total membership) is inordinately high and there is a lack of transparency in their selection.

In terms of Clause 20 (1) Purpose of Regional Account the identification of categories of supportive investments lacks consistency in categorization. This in turn can lead to misreporting

It seems at best inconvenient and at worse misleading to undertake a Legislative Review (Evaluation) without having a proper performance evaluation at the same time.

The approach/operations adopted by the Southern Interior Development Initiative Trust is one of ensuring that the fund is sustained in the long term yet the importance of building a legacy through long-term sustainability is not built into the Act.

**Appendix A: SOUTHERN INTERIOR DEVELOPMENT INITIATIVE
TRUST ACT**



This Act is Current to April 6, 2011

SOUTHERN INTERIOR DEVELOPMENT INITIATIVE TRUST ACT

[SBC 2005] CHAPTER 39

Assented to November 24, 2005

Contents

Part 1 — Interpretation

1 Definitions

Part 2 — Southern Interior Development Initiative Trust

Division 1 — Regional Advisory Committees

2 Establishment of regional advisory committees

3 Composition of regional advisory committees

4 Procedures

Division 2 — Establishment and Structure of the Southern Interior Development Initiative Trust

5 Southern Interior Development Initiative Trust established

6 Directors of the Southern Interior Development Initiative Trust

7 First directors of the Southern Interior Development Initiative Trust

8 Subsequent directors

9 Vacancies among the directors

10 Proceedings of directors

11 Appointment of chief executive officer and chief financial officer

12 Officers and employees

13 Operating expenses and remuneration

Part 3 — Public Accountability

14 Strategic plans

15 Annual reports

16 Audit

Part 4 — Allocations

17 Limit on the Southern Interior one-time development allocation

18 Management of Regional Account

19 Interest and other income on invested money

20 Purpose of Regional Account

21 Regional advisory committees may advise on projects

22 Investments

Part 5 — General

23 Winding up

24 Office Act

25 Power to make regulations

26 Review of this Act

27 Commencement

Part 1 — Interpretation

Definitions

1 In this Act:

"Columbia-Kootenay region" has the meaning prescribed by regulation;

"qualified individual" means an individual who is not

(a) an elected official of a municipality or a regional district,

(b) a Member of the Legislative Assembly,

(c) an employee of the government,

(d) a member of the board of directors of the Southern Interior Development Initiative Trust,

(e) a member of a regional advisory committee, or

(f) a person who is

(i) the spouse, parent or child of any individual referred to in paragraph (d) or (e), or

(ii) any other relative residing with that individual;

"region" means the Columbia-Kootenay region or the Thompson-Okanagan region;

"Regional Account" means the account established under section 7 (2) (a);

"regional advisory committee" means a regional advisory committee established under this Act;

"Southern Interior area" means that area of British Columbia comprising the Columbia-Kootenay region and the Thompson-Okanagan region;

"Southern Interior Development Initiative Trust" means the Southern Interior Development Initiative Trust established under section 5 (1);

"Southern Interior one-time development allocation" means any money paid by the government to the Southern Interior Development Initiative Trust;

"Thompson-Okanagan region" has the meaning prescribed by regulation.

Part 2 — Southern Interior Development Initiative Trust

Division 1 — Regional Advisory Committees

Establishment of regional advisory committees

- 2 (1) There is established, for each region, a regional advisory committee comprising the following:
- (a) the mayors of each of the municipalities that
 - (i) is within the region, and
 - (ii) on the coming into force of this Act, has a population greater than 500;
 - (b) the chairs of each regional district that is, in whole or in part, within the region;
 - (c) the Members of the Legislative Assembly who have been elected, in whole or in part, by electors from the region.
- (2) The term of membership on a regional advisory committee for each individual referred to in subsection (1) expires on the earlier of
- (a) the date that is 6 months after the coming into force of this Act, and
 - (b) the date on which he or she ceases to hold the position referred to in subsection (1).
- (3) Within 6 months after the coming into force of this Act, each of the regional advisory committees must
- (a) appoint 4 directors of the Southern Interior Development Initiative Trust in accordance with sections 6 (2) (a) and 8 (1), and
 - (b) subject to section 3,
 - (i) determine the size of, and the manner of appointing members to, the regional advisory committee, and
 - (ii) determine the role of, and the manner of appointing, the chair of the regional advisory committee.
- (4) On the coming into force of this Act, the following persons are the first chairs of the regional advisory committees:

(a) for the regional advisory committee for the Columbia-Kootenay region, the mayor of Nelson;

(b) for the regional advisory committee for the Thompson-Okanagan region, the mayor of Kamloops.

(5) The first chair of a regional advisory committee must call and chair the meeting or meetings necessary to allow that regional advisory committee to perform its obligations under subsection (3).

Composition of regional advisory committees

3 A regional advisory committee, whether under section 2 (3) (b) or otherwise, may from time to time determine the size of, and the manner of appointing members to, the regional advisory committee and the role of, and the manner of appointing, the chair of the regional advisory committee, but in doing so the members of the regional advisory committee must

(a) ensure that the only persons who are eligible to become members of the regional advisory committee are

(i) elected officials of municipalities or regional districts that are, in whole or in part, within the region, or

(ii) Members of the Legislative Assembly who have been elected, in whole or in part, by electors from the region,

(b) provide an opportunity for municipalities or regional districts within the region that have populations of less than 500 to be represented on the regional advisory committee,

(c) establish the terms of office for members of the regional advisory committee, and

(d) ensure that if a member of the regional advisory committee ceases to meet the qualifications for membership set out under paragraph (a), that individual immediately ceases to be a member of the regional advisory committee.

Procedures

4 The members of a regional advisory committee must appoint one of their number as chair and may, subject to section 3, otherwise establish their own procedures.

Division 2 — Establishment and Structure of the Southern Interior Development Initiative Trust

Southern Interior Development Initiative Trust established

5 (1) There is established a corporation known as the Southern Interior Development Initiative Trust consisting of the directors referred to in section 6.

(2) The Southern Interior Development Initiative Trust has the powers and capacity of an individual of full capacity.

(3) The Southern Interior Development Initiative Trust is not an agent of the government.

Directors of the Southern Interior Development Initiative Trust

6 (1) Directors of the Southern Interior Development Initiative Trust must be appointed in accordance with this Division.

(2) Subject to section 7 and to subsection (8) of this section, the board of directors of the Southern Interior Development Initiative Trust is to consist of 13 individuals of whom

(a) 8 are to be appointed by the regional advisory committees, with each of the 2 regional advisory committees appointing 4 of their number as directors, and

(b) 5 are to be appointed by the Lieutenant Governor in Council.

(3) Subject to section 7 (3), the term of office of a director of the Southern Interior Development Initiative Trust is,

(a) if the director is appointed under subsection (2) (a) of this section, 2 years from the expiry of the term of the retiring director that he or she replaces, and

(b) if the director is appointed under subsection (2) (b) of this section, 3 years from the expiry of the term of the retiring director whom he or she replaces.

(4) Nothing in this Act prevents

(a) a regional advisory committee from removing and replacing, in accordance with any procedures it has established for that purpose, any individual the regional advisory committee has appointed as a director of the Southern Interior Development Initiative Trust, and

(b) the Lieutenant Governor in Council from removing and replacing any individual the Lieutenant Governor in Council has appointed as a director of the Southern Interior Development Initiative Trust.

(5) If a director is removed and replaced under subsection (4),

(a) the regional advisory committee or the Lieutenant Governor in Council, as the case may be, must promptly notify the directors of the Southern Interior Development Initiative Trust of the replacement appointment, and

(b) the term of office of the replacement director is the remainder of the term of the director he or she replaces.

(6) A director of the Southern Interior Development Initiative Trust is removed

as, and ceases to be, a director of the Southern Interior Development Initiative Trust on the passing of a resolution to that effect by all of the remaining directors.

(7) An act or proceeding of the directors of the Southern Interior Development Initiative Trust is not invalid merely because fewer than the number of directors required by subsection (2) are in office or in attendance.

(8) An individual who is a Member of the Legislative Assembly must not be appointed as a director of the Southern Interior Development Initiative Trust.

First directors of the Southern Interior Development Initiative Trust

7 (1) On the coming into force of this Act, the first directors of the Southern Interior Development Initiative Trust are

(a) from the regions, the following persons:

(i) from the Columbia-Kootenay region, the mayors of Cranbrook, Trail, Golden and Grand Forks;

(ii) from the Thompson-Okanagan region, the mayors of Kelowna, Vernon, Princeton and Salmon Arm, and

(b) 5 individuals appointed as directors by the Lieutenant Governor in Council.

(2) The first directors of the Southern Interior Development Initiative Trust

(a) must establish a Regional Account,

(b) must receive the Southern Interior one-time development allocation and deposit it into the Regional Account,

(c) subject to section 22, may invest any or all of the Southern Interior one-time development allocation and any other money in the Regional Account, and

(d) subject to paragraphs (b) and (c) of this subsection and to section 20 (2), must not make any use of the Southern Interior one-time development allocation.

(3) The term of office of the first directors of the Southern Interior Development Initiative Trust expires 6 months after the date of the coming into force of this Act.

Subsequent directors

8 (1) On or before the expiry of the term of any directors it appoints under section 6 (2) (a) and on or before the expiry of the term of the directors from its region referred to in section 7 (1) (a), a regional advisory committee must appoint 4 of their number as directors to replace the retiring directors, and must promptly notify the directors of the Southern Interior Development Initiative Trust of those replacement appointments.

(2) On or before the expiry of the term of directors appointed under section 6 (2) (b) or 7 (1) (b), the Lieutenant Governor in Council must appoint 5 individuals to replace those directors, and must promptly notify the directors of the Southern Interior Development Initiative Trust of those appointments.

Vacancies among the directors

9 (1) A director of the Southern Interior Development Initiative Trust ceases to hold office when

- (a) the director's term of office expires,
- (b) the director ceases to be a member of the regional advisory committee by which he or she was appointed, or
- (c) the director dies, resigns or is removed from office.

(2) If one of the directors of the Southern Interior Development Initiative Trust ceases to hold office, a replacement for that director must be appointed in the same manner as that director was appointed.

(3) A replacement director appointed under subsection (2) holds office until the end of the term of the director he or she replaces.

Proceedings of directors

10 (1) The directors of the Southern Interior Development Initiative Trust

- (a) must appoint one of their number as chair, and
- (b) may, subject to this Division, otherwise establish their own procedures.

(2) Subject to section 22, the directors of the Southern Interior Development Initiative Trust may invest any or all of the Southern Interior one-time development allocation.

(3) In appointing a chief executive officer and a chief financial officer under section 11 (1) and a review committee under section 26 (1), the directors are to be guided by the guidelines set out in the following as amended or replaced from time to time:

- (a) the *Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations* published by the British Columbia Board Resourcing and Development Office;
- (b) the *Review of the Governance Framework for Canada's Crown Corporations — Meeting the Expectations of Canadians* published by the Treasury Board of Canada Secretariat.

Appointment of chief executive officer and chief financial officer

11 (1) Subject to section 10 (3), the directors must appoint a qualified individual

as the chief executive officer of the Southern Interior Development Initiative Trust, and the same or a different qualified individual as the chief financial officer of the Southern Interior Development Initiative Trust, to carry out

(a) the functions and duties of the chief executive officer and chief financial officer, respectively, under this Act, and

(b) the functions and duties that the directors specify.

(2) The directors may set the remuneration of the chief executive officer and chief financial officer.

Officers and employees

12 (1) The chief executive officer, to the extent authorized by the directors, may do one or more of the following:

(a) enter into contracts on behalf of the Southern Interior Development Initiative Trust to carry out any of its purposes;

(b) appoint other officers and employees considered necessary to carry out the operations of the Southern Interior Development Initiative Trust;

(c) define the duties and set the remuneration of the individuals appointed under paragraph (b);

(d) provide a system of organization to establish responsibility and promote efficiency.

(2) The *Public Service Act*, the *Public Service Benefit Plan Act*, the *Public Sector Pension Plans Act* and the *Public Service Labour Relations Act* do not apply to the Southern Interior Development Initiative Trust, the chief executive officer, the chief financial officer or a director, officer or employee of the Southern Interior Development Initiative Trust.

Operating expenses and remuneration

13 (1) The directors may use money from the Regional Account to satisfy those expenses that are reasonably and necessarily incurred in order to allow the directors and officers to perform their obligations under this Act.

(2) A director of the Southern Interior Development Initiative Trust must not accept remuneration from that corporation other than for reasonable travelling and out of pocket expenses necessarily incurred by the director in discharging his or her duties.

Part 3 — Public Accountability

Strategic plans

14 (1) For the purposes of public accountability, the directors must prepare strategic plans in accordance with this section.

(2) The directors must

(a) each year establish a 3 year strategic plan for the Southern Interior Development Initiative Trust including goals for each year of the strategic plan relating to the fulfillment of the purposes identified in section 20 in relation to the Regional Account,

(b) provide a copy of each strategic plan prepared under this section to each of the regional advisory committees, and

(c) publish each strategic plan prepared under this section in a manner that can reasonably be expected to bring the plan to the attention of the public.

(3) The directors must prepare

(a) the first strategic plan required under subsection (1) on or before the earlier of

(i) the date on which the Southern Interior Development Initiative Trust makes any of the payments contemplated by section 20, and

(ii) the first anniversary of the coming into force of this section, and

(b) after that, a strategic plan before the first day of each fiscal year of the Southern Interior Development Initiative Trust.

Annual reports

15 (1) Within 4 months after the end of each fiscal year of the Southern Interior Development Initiative Trust, the directors must

(a) prepare an annual report that complies with subsection (2) (a), and

(b) prepare, in accordance with generally accepted accounting principles, financial statements for the Southern Interior Development Initiative Trust for that fiscal year and have those financial statements audited in accordance with section 16.

(2) The directors must,

(a) in each annual report referred to in subsection (1) of this section,

(i) report on the goals set by the directors for the preceding fiscal year under section 14 (2), indicate how, if at all, those goals have been met and detail how those achievements met the intent of the purposes identified in section 20 in relation to the Regional Account,

(ii) compare actual results for the preceding fiscal year with the expected results identified in the strategic plan for that fiscal year, and

(iii) include the audited financial statements referred to in subsection (1) (b),

(b) provide a copy of that annual report to each of the regional advisory committees, and

(c) publish each annual report in a manner that can reasonably be expected to bring the annual report to the attention of the public.

Audit

16 (1) The Southern Interior Development Initiative Trust must, on or before the end of each fiscal year, appoint, as auditor for the Southern Interior Development Initiative Trust, an individual who is authorized to be an auditor of a company under section 205 of the *Business Corporations Act* to audit the accounts, transactions and financial statements of the Southern Interior Development Initiative Trust for the following fiscal year.

(2) The accounts, transactions and financial statements of the Southern Interior Development Initiative Trust must, at least once in every year, be audited and reported on by the auditor and the costs of the audit must be paid by the Southern Interior Development Initiative Trust.

(3) An oral or written statement or report made under this Act by the auditor or a former auditor of the Southern Interior Development Initiative Trust has qualified privilege.

Part 4 — Allocations

Limit on the Southern Interior one-time development allocation

17 Despite any other enactment, if the government makes Southern Interior one-time development allocation payments to the Southern Interior Development Initiative Trust, the total of those payments must not exceed \$50 million.

Management of Regional Account

18 (1) The Southern Interior Development Initiative Trust must manage the Regional Account.

(2) If any donation is made to the Southern Interior Development Initiative Trust, the directors of the Southern Interior Development Initiative Trust must deposit that money into the Regional Account.

Interest and other income on invested money

- 19 The interest or other income earned in relation to the Regional Account must be paid into that account.

Purpose of Regional Account

- 20 (1) The purpose of the Regional Account is to support investment in the following in the Southern Interior area:

- (a) forestry;
- (b) pine beetle recovery;
- (c) transportation;
- (d) tourism;
- (e) mining;
- (f) Olympic opportunities;
- (g) small business;
- (h) economic development;
- (i) energy;
- (j) agriculture.

(2) Without limiting section 18 (1), money may be paid out of the Regional Account for any of the purposes referred to in subsection (1) or section 13, including, without limitation, any payments required under sections 11 (2) and 12 (1) (c).

Regional advisory committees may advise on projects

- 21 (1) Each regional advisory committee may identify, for the directors of the Southern Interior Development Initiative Trust, projects that the regional advisory committee considers are appropriate for application of the money in the Regional Account.

(2) The directors of the Southern Interior Development Initiative Trust may reject any recommendation made to them by a regional advisory committee under subsection (1).

Investments

- 22 The Southern Interior Development Initiative Trust must invest the Southern Interior one-time development allocation, and any other money in the Regional Account, only as permitted under the provisions of the *Trustee Act* respecting the investment of trust property by a trustee.

Part 5 — General

Winding up

23 (1) Promptly after the Regional Account has been reduced to a nil balance, the directors must

(a) in accordance with the direction of the regional advisory committees, distribute the remaining assets of the Southern Interior Development Initiative Trust, if any,

(i) firstly in satisfaction of any outstanding liabilities of the Southern Interior Development Initiative Trust, and
(ii) after that, to the municipalities and regional districts in the Southern Interior area, or to any of them, in the proportions or amounts the regional advisory committee may direct,

(b) close the account, and

(c) publish notice of the closing of the account, and the consequent dissolution of the Southern Interior Development Initiative Trust, in a manner that can reasonably be expected to bring those matters to the attention of the public.

(2) On the closing of the Regional Account,

(a) the Southern Interior Development Initiative Trust is dissolved and disestablished,

(b) the appointment of each member of the board of directors of the Southern Interior Development Initiative Trust is rescinded, and

(c) the regional advisory committees are dissolved and disestablished.

Offence Act

24 Section 5 of the *Offence Act* does not apply to this Act.

Power to make regulations

25 The Lieutenant Governor in Council may make regulations referred to in section 41 of the *Interpretation Act*.

Review of this Act

26 (1) Subject to section 10 (3), on or before the fifth anniversary of the coming into force of this section, and on or before every fifth anniversary after that, the directors must, if the Southern Interior Development Initiative Trust has not by that date been dissolved and disestablished under section 23, appoint a committee of qualified individuals to review this Act and evaluate how it is

functioning.

(2) The review committee may consult with business, labour, education providers, government and any other person or organization it considers appropriate.

(3) If a review committee is appointed, it must publish a report of its findings in a manner that can reasonably be expected to bring the report to the attention of the public.

Commencement

27 This Act comes into force by regulation of the Lieutenant Governor in Council.

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Appendix B: LRC FOCUS GROUP DISCUSSION

Legislative Premise

The introduction of the *Scottish Rural Development Act 2010* (the Act) marks a significant milestone in the way rural development is managed in Scotland. The Act is a landmark piece of legislation that will enable the Scottish Government to deliver a more integrated and effective rural development strategy, and to ensure that the rural development budget is used in a more efficient and effective way.

The Act enables the Scottish Government to establish a new independent body, the *Scottish Rural Development Board* (SRDB), to manage the rural development budget. The SRDB will be responsible for the delivery of the rural development strategy, and for ensuring that the budget is used in a more efficient and effective way.

Hon. C. Stewart
Official Report of Debates of The Scottish Assembly
(Glasgow), Tuesday, October 18, 2011

Terms of Reference LRC

- » Review of Terms of Reference
- » Suggestions for change
- » Adoption

LRC Input to Evaluation Framework

» Four Key Questions

» Overview

- 1. How does the Act contribute to or support SDG's efficiency and effectiveness?
- 2. How might the Act be improved or amended to enhance SDG performance?

» Specifically

1. What particular parts of the Act are especially enabling results to:
 2. What particular parts of the Act are especially enabling results to:
- Values And Guiding Principles
 - Outputs and Impacts
 - Cost
 - Access and Awareness
 - Governance

Review Act

Four Key Questions

» Overview

- 1. How does the Act contribute to or support SDG's efficiency and effectiveness?
- 2. How might the Act be improved or amended to enhance SDG performance?

» Specifically

1. What particular parts of the Act are especially enabling results to:
 2. What particular parts of the Act are especially enabling results to:
- Values And Guiding Principles
 - Outputs and Impacts
 - Cost
 - Access and Awareness
 - Governance

Next Steps

- » Digest
- » Deliberate with other stakeholders
- » Draft
- » Review Feedback

Thank you!



Appendix C: SOUTHERN INTERIOR DEVELOPMENT INITIATIVE TRUST

Southern Interior

DEVELOPMENT INITIATIVE TRUST

Legislative Review - April 12, 2011

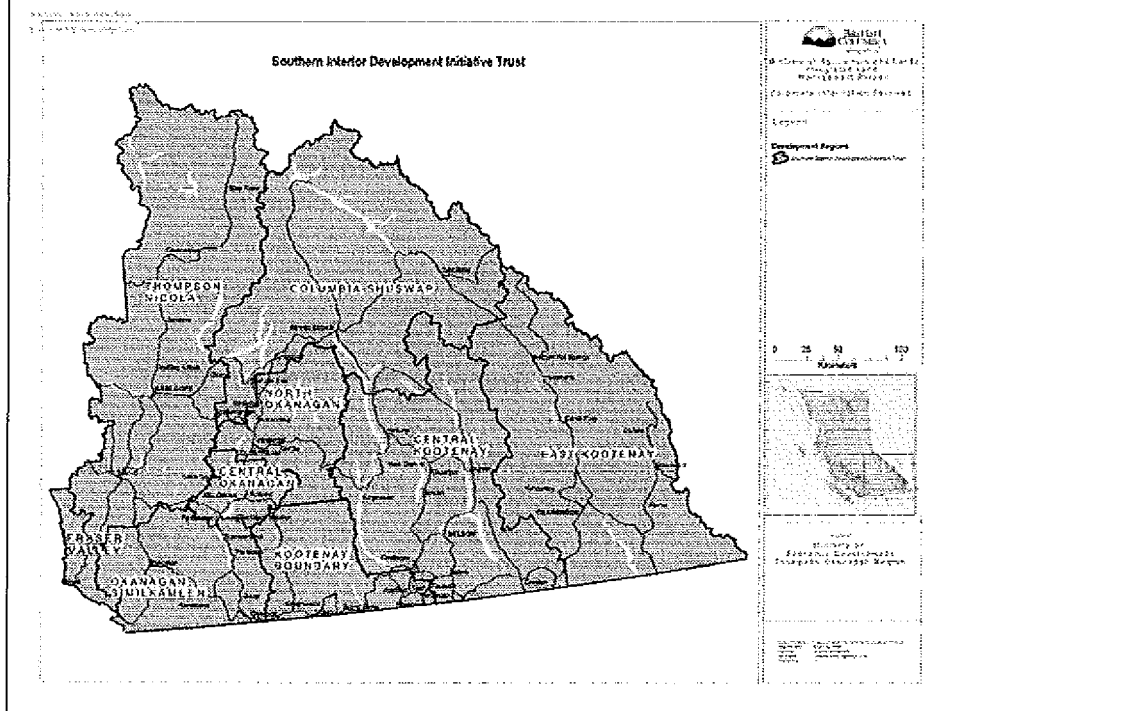
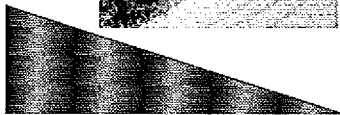
Southern Interior
DEVELOPMENT INITIATIVE TRUST

History


- *Created by an Act of Legislation (Bill 8 - 2005)
February 27, 2006*
- *Set up as a Corporation, independent of
government*
- *One time \$50 million allocation from the
Province*
- *Commenced operations October, 2006*

Mission


The mission of the Southern Interior Development Initiative Trust is to support regionally strategic investments in economic development projects that will have long-lasting and measurable regional benefits for the Southern Interior.



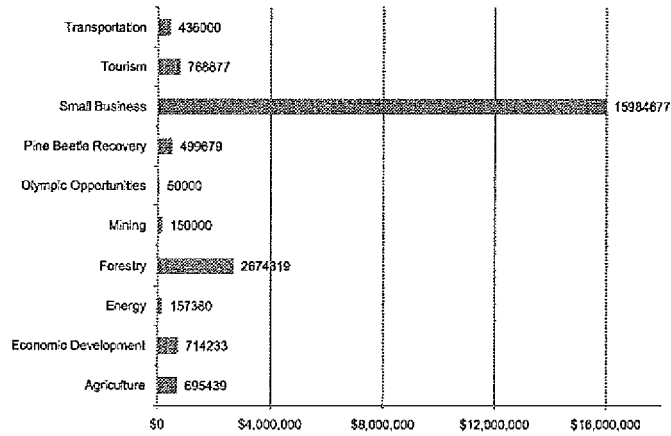
Trust Model

- › *\$30 million disbursed at an annual rate of \$7.5 million per year commencing 2007.*
 - › *Annual Grant Funding distributions: \$750,000 maximum \$50,000 per applicant.*
 - › *Based on projected returns from market investments and return of principal and investment gains on project funding it is anticipated a continuous lending stream will be created and an endowment will be established.*
- 

Goals

- › *To support initiatives that will have regional economic impact within the Southern Interior*
 - › *To support economic diversification and sustainability within Southern Interior communities*
 - › *To support and create sound, economically viable communities*
 - › *To encourage investment in the Southern Interior through leveraging and by acting as a catalyst*
 - › *To be open, transparent and accountable*
 - › *To support the creation, enhancement or preservation of employment in the Southern Interior*
 - › *To strive, to the best extent possible, that all regions of the Southern Interior have fair and equitable access to the SIDIT Funds*
 - › *To grow SIDIT's \$50 million trust fund*
- 

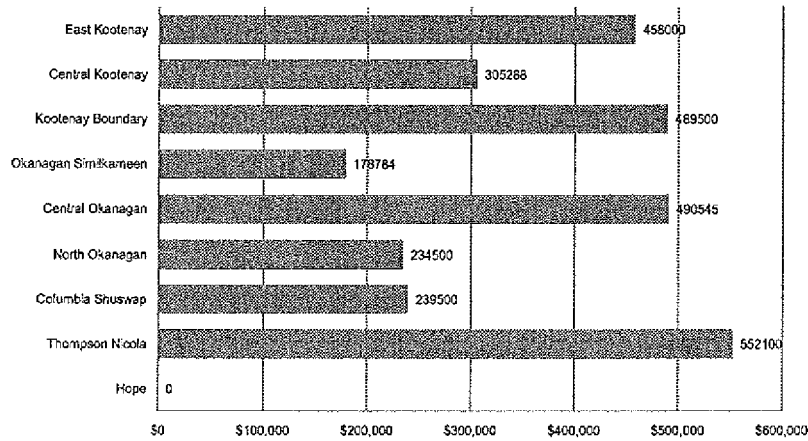
Funding by Investment Sectors



Education Funding

<u>College/University</u>	<u>Amount</u>	<u>Population</u>	<u>\$ per capita</u>
› Okanagan College	\$1,434,000		
› Thompson River	<u>\$1,290,000</u>		
› Thompson Okanagan Region	\$2,724,000	533,837	\$5.10
› College of the Rockies	\$ 588,000		
› Selkirk College	<u>\$ 588,000</u>		
› Columbia Kootenay Region	\$1,176,000	149,769	\$7.85

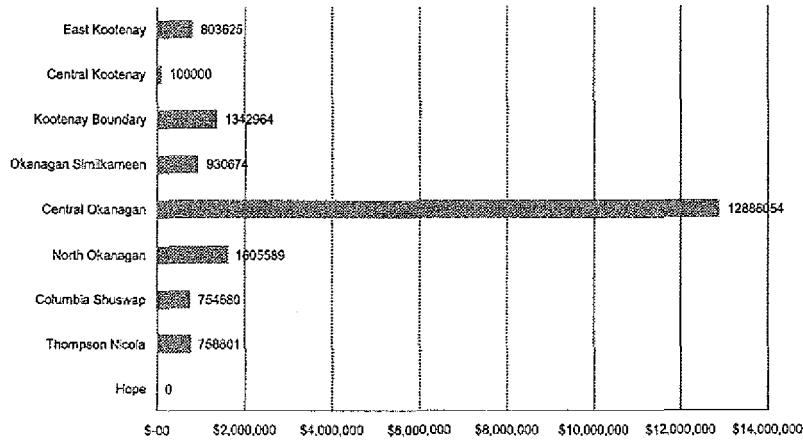
Grants Approved by Region



Grant Funding per Capita

Region	Funded Grants	Population	\$ per capita
Hope	0	6,185	0
Thompson Nicola	\$552,100	130,132	\$ 4.24
North Okanagan	\$234,500	81,932	\$ 2.86
Central Okanagan	\$490,545	180,114	\$ 2.72
Okanagan Similkameen	\$178,784	82,436	\$ 2.17
Total T/O Grants	\$1,455,929	533,837	\$2.73
Columbia Shuswap	\$239,500	53,038	\$ 4.52
Kootenay Boundary	\$489,500	31,921	\$15.33
Central Kootenay	\$305,288	58,824	\$ 5.19
East Kootenay	\$458,000	59,024	\$ 7.76
Total C/K Grants	\$1,492,288	149,769	\$ 9.96

Loans and Equity Funded by Region




Loan Funding per Capita

Region	Funded Loans	Population	\$ per Capita
Fraser Valley	\$ 0	6,185	0
Thompson Nicola	\$ 758,801	130,132	\$ 5.83
North Okanagan	\$ 1,605,589	81,932	\$19.60
Central Okanagan	\$12,886,054	180,114	\$71.54
Okanagan Similkameen	\$ 930,674	82,436	\$13.46
Total Loans T/O Region	\$16,181,118	533,837	\$16.18
Kootenay Boundary	\$ 1,342,964	31,921	\$42.07
Central Kootenay	\$ 100,000	58,824	\$ 1.70
East Kootenay	\$ 803,625	59,024	\$13.62
Columbia Shuswap	\$ 754,680	53,038	\$16.11
Total Loans C/K Region	\$ 3,001,269	149,769	\$20.04

Future Direction

The Directors of the Southern Interior Development Initiative Trust are committed to funding strategic economic development initiatives that focus on regional benefits and diversify local economies. Financing business opportunities enhances job creation, innovation and market diversification. Through leverage and partnerships the resources of the Trust will benefit from a multiplier effect allowing participation in a greater number of projects and ensure resources are available to respond to future challenges and opportunities as they evolve.







FINAL

Date:

2011-07-20

Typist/Editor Initials: GG/tlc/KS

Ref: 61956

Mr. Wayne Lippert
Chair
Southern Interior Development Initiative Trust
204 - 3131 29th Street
Vernon, B.C. V1T 5A8

Dear Mr. Lippert:

I would like to take this opportunity to acknowledge the receipt of the report *SIDIT Evaluation: Legislative Review Process Southern Interior Development Initiative Trust Act (BILL 8 – 2005)* dated April 2011. I appreciate the Board's diligence in ensuring this legislated requirement was fulfilled according to the stated criteria.

I am pleased that SIDIT's Legislative Review Committee concluded that the Act provided your organization with sufficient flexibility to create a model that has proven effective in response to developing economic opportunities for the region.

The report also concluded that the Act could benefit from some fine tuning of the legislation. The recommendations from SIDIT's Legislative Review Committee will be considered in the context of the review of the economic trust organizations which Premier Christy Clark committed to in her "Families First" platform.

Please accept my thanks for the completion of the SIDIT legislative review, and the work you have accomplished on behalf of the residents and businesses in your region.

Sincerely,

Pat Bell
Minister

Mason, Patty JTI:EX

Subject: FW: Island Coastal Economic Trust Strategic Plan 2011-2013
Attachments: Strategic Plan 2011 (rev 01.4)Final.pdf

From: Denice Regnier [<mailto:denice.regnier@islandcoastaltrust.ca>]
Sent: Monday, April 4, 2011 10:01 AM
To: Minister, JTI JTI:EX
Cc: info@islandcoastaltrust.ca
Subject: Island Coastal Economic Trust Strategic Plan 2011-2013

Dear Minister Bell,

On behalf of Mayor Barry Janyk, Chair of the Island Coastal Economic Trust Board of Directors, please find attached the ICET Strategic Plan 2011-2013.

The Strategic Plan 2011-2013 can also be found on our website at www.islandcoastaltrust.ca.

Best regards,

Denice Regnier
Corporate Administrator
Island Coastal Economic Trust
denice.regnier@islandcoastaltrust.ca
www.islandcoastaltrust.ca
Phone: (250) 334-2427 ext. 230
Fax: (250) 331-0962

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_____ Information from ESET NOD32 Antivirus, version of virus signature database 6014 (20110404)

_____ The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

**MINISTRY OF JOBS, TOURISM
AND INNOVATION**

Date: April 7, 2010
Cliff# 47907
File# 280-30
Version #1

INFORMATION NOTE

PREPARED FOR: Minister Pat Bell

ISSUE: Northern Development Initiative Trust: Legislative Review – Outstanding Issues
and April 15 meeting in Prince George

BACKGROUND:

Section 23.1 of the *Northern Development Initiative Trust Act* (Act) requires the Northern Development Initiative Trust (NDIT) to “appoint a committee of qualified individuals to review this Act and evaluate how it is functioning” within five years of the Act coming into force. The legislative review committee is to review the Act and evaluate how it is functioning. The review committee is to be comprised of “qualified individuals,” which by definition, excludes government employees, NDIT board directors, regional advisory committee members, elected representatives of local and provincial governments, and relatives of these individuals from being appointed to the review committee.

The review committee may consult with business, labour, education providers, government and any other person or organization it considers appropriate.

In addition, the review committee is expected to conduct its review in an independent fashion, to establish its own terms of reference and to be guided by the following;

- a high standard of transparency, scrutiny and disclosure;
- terms of reference that define the purpose, composition, responsibilities, working procedures and termination date; and,
- a requirement to disclose the names of committee members, the terms of reference and termination date of the committee.

The review committee’s final report is also required to be available for public review.

In an attempt to fulfill this legislative requirement, NDIT submitted and publicly posted a document entitled *Five Years of Success with Northern Development* (see Appendix 1). It details the economic development successes and the high rates of client satisfaction over the past five years.

s13, s14

s13

s13 ICET has now both submitted and posted its legislative review document, which ministry staff have determined fully complies with the statutory requirements. SIDIT has indicated its report will be made available to the ministry by the end of April 2011, and by all accounts, appears to have a good understanding of the required process and content.

The ADM and Executive Director Greg Goodwin have since spoken with Janine North, Chief Executive Officer, and Evan Saugstad, Chair of the Board, who committed to restarting the legislative review process with a likely completion by September 2011.

First Nations Considerations: N/A

DISCUSSION:

NDIT has indicated its intention to present *The Five Years of Success with Northern Development* report at the April 15 meeting with the Minister in Prince George.

s13

s13

NEXT STEPS:

Ministry staff will remain in contact with the NDIT CEO and Chair on an ongoing basis, and look forward to the completion of the legislative review no later than September 2011.

Prepared by:	Greg Goodwin, Executive Director, RuralBC Secretariat	Written by:	KC
	Jobs, Tourism & Innovation	Director:	KP
Phone #:	250 953 3008	Executive Director	GG
		Assistant Deputy Minister	GB
		Deputy Minister	

APPENDIX 1

Five Years of Success with Northern Development, also found at:
http://northerndevelopment.bc.ca/uploads/file/NDIT_2011_5yrReport.pdf

Pages 52 through 56 redacted for the following reasons:

s13, s14

Island Coastal

ECONOMIC TRUST

May 25th, 2011

Honourable Pat Bell
Minister of Jobs, Tourism and Innovation
Room 138 - Parliament Buildings
Victoria, B.C. V8V 1X4

Minister's Office of:					
JUN 02 2011					
Min Sig.	<input type="checkbox"/>	DM's Sig.	<input type="checkbox"/>	Info/ File	<input type="checkbox"/>
ADM Reply	<input type="checkbox"/>	FYI	<input type="checkbox"/>		
ROUTE TO: <u>AC</u>					

Dear Minister Bell:

Re: Invitation to Tour ICET Region


On behalf of the Board of Directors of the Island Coastal Economic Trust, thank you for meeting with us on Tuesday, May 17. Board members and staff really enjoyed the conversation and appreciated the opportunity to present our Trust's highlights and project successes as well as share our ideas regarding the future direction for the Trust.

We would also like to thank you for sharing your thoughts and initial ideas regarding the direction for the Ministry of Jobs, Tourism and Innovation. We understand that this vision will be solidified over the course of the summer and we look forward to hearing more details regarding new initiatives. Our Board is eager to pursue the dialogue regarding our Trust's future and how it will complement Provincial priorities. As such, we greatly appreciate your offer to help us develop that business case we suggested which will provide the rationale for further Provincial consideration.

In your concluding remarks, you mentioned that you would like another opportunity to meet with the Board and visit key projects the Trust has helped create. Please accept this as a sincere invitation from ICET to accommodate you at your earliest convenience. Perhaps a tour could take place sometime in the month of July.

Please have your staff contact Al Baronas, CEO, at 250.334.2427, ext 223 to discuss the timing and logistics for this tour. We guarantee both new insight and genuine enjoyment!

Sincerely yours,



Mayor Barry J. Janyk, Chair

cc Mr. Al Baronas, CEO

NORTH ISLAND - COAST DEVELOPMENT INITIATIVE TRUST

201A, 2435 Mansfield Drive, Courtenay, BC V9N 2M2

Tel 250 334-2427 Fax 250 331-0962

www.islandcoastaltrust.ca

JTI-2011-00101

Appendix A

Framework for Regional Trust Review

Purpose: To review the progress made by the regional trusts organizations and make recommendations to enhance regionally based economic investments.

Trusts to review: Northern Development Initiative Trust, Island Coastal Economic Trust, Southern Interior Development Initiative Trust and Columbia Basin Trust.

Objective: That the objective of the review address the following questions:

- Have the trusts achieved their objectives and mandate?
- Have they created significant economic benefits to their regions and communities?
- How do stakeholders feel about their performance?
- What is the effectiveness of the governance and accountability structures?
- How can the trusts, the provincial government or others improve and enhance regionally based economic investments?

Appendix B

A listing of other provincially funded, independent (or Crown Corporations) economic agencies which may also be considered for inclusion.

British Columbia Provincial Trusts – Active as of June 20, 2011

Trust Name	Date of Initiation	Funding Commitment	Mandate	Ministry Responsible	Legislation Agreement
BC Rail Benefits (First Nations)	2004	\$15,000,000	To provide funds for First Nations' projects that advance economic development, education advancement and cultural renewal.	Transportation and Infrastructure	BC Rail Benefits (First Nations) Trust Act [SBC 2004] Chapter 58
Coast Sustainability Trust	2002	\$35,000,000	To provide short-term mitigation of adverse impacts resulting from land use planning decisions made in respect of the Central Coast, the North Coast, and the Queen Charlotte Islands (Haida Gwaii).	Environment	BC Forestry Revitalization Trust II This Declaration of Trust is dated for reference as of February 28, 2008.
Columbia Basin Trust	1996	\$295,000,000	To promote and create long-term jobs and investment in the Columbia-Kootenay region. It addresses the long-term needs of the people of the region whose interests and desires were not adequately considered in the original negotiations of the Columbia River Treaty.	Agriculture	Columbia Basin Trust Act [RSBC 1996] Chapter 53
First Citizen's Fund	1969	\$72,000,000	To help create new employment and business opportunities for Aboriginal and non-Aboriginal people throughout British Columbia.	Aboriginal Relations and Reconciliation	Special Accounts Appropriation and Control Act [RSBC 1996] Chapter 436
Nechako-Kitimaat Development Fund	1998	\$15,000,000	To support sustainable economic activity in northern communities affected by the Kitimat-Kemano project and by the creation of the Nechako Reservoir.	Jobs, Tourism and Innovation	BC-Alcan Northern Development Fund Act [SBC 1998] Chapter 3

Trust Name	Date of Initiation	Funding Commitment	Mandate	Ministry Responsible	Legislation Agreement
New Relationship Trust	2006	\$100,000,000	<ul style="list-style-type: none"> - Respect First Nations' decision-making authority - Fairness and Equity - Transparency and Accountability - Sustainable Management of the Fund 	Aboriginal Relations and Reconciliation	Bill 11 – 2006 New Relationship Trust Act
Northern Development Initiative Trust	2005	\$185,000,000	To give Northern communities the funding, control and a mechanism to identify and pursue new opportunities for stimulating sustainable economic growth and job creation in their regions.	Jobs, Tourism and Innovation	Bill 6 – 2005 Northern Development Initiative Trust Amendment Act, 2005
North Island – Coast Development Initiative Trust	2006	\$50,000,000	To create new and sustainable regional economic growth through strategic investments in targeted “sectors” within the north Island, coastal and Sunshine Coast regional economy.	Jobs, Tourism and Innovation	Bill 7 -- 2005 North Island-Coast Development Initiative Trust Act
Southern Interior Development Initiative Trust	2006	\$50,000,000	To support regionally strategic investments in economic development projects that will have long-lasting and measurable regional benefits for the Southern Interior.	Jobs, Tourism and Innovation	Southern Interior Development Initiative Trust Act [SBC 2005] Chapter 39

Ministry of Jobs, Tourism and Innovation
BRIEFING NOTE FOR DEPUTY MINISTER

Ref: 61306

FOR DECISION

July 4, 2011

Issue: Approval of Ministry Action Plan Response - Internal Audit and Advisory Services' (IAAS) Report on the Review of the Economic Development Trusts.

Background:

S13

In December 2010

the Office of the Comptroller General (OCG) initiated a review of provincial economic development initiatives, specifically "the structure and processes used to coordinate and manage the province's efforts to support rural communities affected by the economic downturn."

The initial focus of this review was to assess the effectiveness of the Island Coastal Economic Trust (ICET); Northern Development Initiative Trust (NDIT); Southern Interior Development Initiative Trust (SIDIT); and the Nechako-Kitamaat Development Fund Society (NKDFS) including their different business models by:

- providing an assessment of the functioning and effectiveness of each entity in the context of their regional needs; and
- assessing the effectiveness of ministry relationships with the entities.

The review approach included:

- interviews with trust staff, ministry staff, local government staff, Regional Advisory Committee members, and some MLAs. 80 interviews were conducted in total.
- review of the governance, service delivery, and performance management structures of each trust, including planning and reporting practices, to assess their effectiveness in the context of regional needs.
- review of operating policies and procedures, including samples of loan and grant files in each entity, to assess their adherence to sound practices and entity policies, procedures, and business model, and their success to date.

The OCG has produced a draft final report (attached) outlining the results from the review. Ministry staff have prepared the attached draft Ministry Action Plan response which will form part of the final report. The final report will be submitted by the OCG to Treasury Board.

S13

S13

Options:

1. Receive the report findings and approve the Ministry Action Plan response with any required revisions.
2. Direct staff to revise and resubmit the Ministry Action Plan response.

Recommendation

Option 1. Receive the report findings and approve the Ministry Action Plan response with any required revisions.

Appendix 1: Draft Ministry Action Plan Response.

Attachment: Draft IAAS *Report on the Review of Economic Development Initiatives*.

Approved / Not Approved	Date:
Dana Hayden Deputy Minister	
Comments:	

Contact: Greg Goodwin, Executive Director
 RuralBC Secretariat, Strategic Initiatives Office
 Telephone: 250-953-3008

Approvals			
Dir: KP	ED:GG	ADM: GB	DM:

Appendix 1: Action Plan – Internal Audit Report on the Review of Economic Development Trusts

s 13

Pages 65 through 99 redacted for the following reasons:

S12

S13

Mason, Patty JTI:EX

From: Minister's Correspondence JTI:EX
Subject: FW: 61789 Invitation to Minister Pat Bell to Attend Northern Development Initiative Trust Board Meeting - Wednesday, July 20th, 2011

From: Birk, Kim JTI:EX
Sent: Tuesday, July 19, 2011 10:53 AM
To: Minister's Correspondence JTI:EX
Cc: Kwan, Shirley JTI:EX; Yelovatz, Maureen JTI:EX
Subject: FW: 61789 Invitation to Minister Pat Bell to Attend Northern Development Initiative Trust Board Meeting - Wednesday, July 20th, 2011

CB, please log and close. Thx! Kim

From: Birk, Kim JTI:EX
Sent: Tuesday, July 19, 2011 10:02 AM
To: 'karen@northerndevlopment.bc.ca'
Subject: RE: 61789 Invitation to Minister Pat Bell to Attend Northern Development Initiative Trust Board Meeting - Wednesday, July 20th, 2011

Hello Karen,

On behalf of Minister Pat Bell, I would like to thank you for the invitation to attend Northern Development Initiative Trust's Board meeting tomorrow. Unfortunately, Minister Bell will not be able to attend. Please accept the Minister's regrets and his best wishes for a successful meeting.

Thank you,

Kim Birk

Administrative Coordinator
to the Honourable Pat Bell
Minister of Jobs, Tourism and Innovation
Phone (250) 387-9133
Fax (250) 356-3000

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From: Karen Borden [mailto:karen@northerndevlopment.bc.ca]
Sent: Tuesday, June 28, 2011 1:47 PM
To: Minister, JTI JTI:EX
Cc: Groot, Charlotte S LASS:EX
Subject: 61789 Invitation to Minister Pat Bell to Attend Northern Development Initiative Trust Board Meeting - Wednesday, July 20th, 2011

Good afternoon:

Northern Development Initiative Trust Chair Evan Saugstad and the Board of Directors invites the Honourable Pat Bell, Minister of Jobs, Tourism and Innovation to join them at their July 20th, 2011 Northern Development Initiative Trust board meeting which is being held in Prince George, BC.

The Board is very interested in Minister Bell's vision for the Ministry of Jobs, Tourism and Innovation and how it relates to ongoing economic development in central and northern British Columbia.

The Board would also be very interested in Minister Bell's vision for the proposed Wood Innovation and Design Centre which is being contemplated for Prince George and how they might be supportive.

In addition, the independent Legislative Review Committee has now completed Northern Development's Five Year Review and they would appreciate the opportunity to present their findings to Minister Bell and the Northern Development Board in person at this meeting.

The meeting is scheduled to begin at 8:30 am on Wednesday, July 20th. Minister Bell is welcome to attend the entire meeting, however, given his busy schedule, we would be happy to work around his schedule with respect to timing for his visit.

Thank you and we look forward to your response.

Regards,

Karen Borden

Executive Coordinator

tel 250-561-2525 | fax 250-561-2563

karen@northerndevelopment.bc.ca



Northern Development Initiative Trust

301-1268 Fifth Avenue, Prince George BC V2L 3L2

<http://www.northerndevelopment.bc.ca/>

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Mason, Patty JTI:EX

Subject: FW: Invitation to Meet and Attend an Island Coastal Economic Trust Board Meeting
Attachments: Draft Response Letter Hayden to Baronas.docx

From: Yelovatz, Maureen JTI:EX
Sent: Sunday, April 17, 2011 4:50 PM
To: Kwan, Shirley TTI:EX; Olsen, Terry K RESD:EX
Cc: Fekete, Renee TTI:EX
Subject: Fw: Invitation to Meet and Attend an Island Coastal Economic Trust Board Meeting

Hi Shirley

Could you please formalise this for the dms signature

From: Borgstrom, Gordon RESD:EX
Sent: Sunday, April 17, 2011 04:18 PM
To: Hayden, Dana JTI:EX
Cc: Olsen, Terry K RESD:EX; Yelovatz, Maureen JTI:EX
Subject: FW: Invitation to Meet and Attend an Island Coastal Economic Trust Board Meeting

Dana...sorry for the delay in getting this Draft response to you.

I would think that usually I would route these draft responses to you thru Maureen....but in response to your question below – normally I would suggest that you attend the first meetings with the Trusts rather than the Minister. However, I understand that the Board Chair and CEO of the Northern Trust met with the Minister on Friday in Prince George. Therefore the others two Trusts may well expect to be afforded the same opportunity.

819

Gordon

From: Hayden, Dana JTI:EX
Sent: Friday, April 8, 2011 9:14 PM
To: Borgstrom, Gordon RESD:EX
Cc: Fekete, Renee TTI:EX; Yelovatz, Maureen JTI:EX
Subject: Fwd: Invitation to Meet and Attend an Island Coastal Economic Trust Board Meeting

Gord

Can you please draft a response to this invitation, and let me know if attending their board meeting makes sense for me or the minister. Thx.

Maureen - can you see if MPB is planning to attend. Thx

Dana Hayden
Deputy Minister,
Ministry of Jobs, Tourism and Innovation

Begin forwarded message:

From: "Denice Regnier" <denice.regnier@islandcoastaltrust.ca>
To: "Hayden, Dana JTI:EX" <Dana.Hayden@gov.bc.ca>
Cc: "Barry Janyk" <bjanyk@gibsons.ca>
Subject: Invitation to Meet and Attend an Island Coastal Economic Trust Board Meeting

Dear Ms. Hayden,

On behalf of Al Baronas, Chief Executive Officer of the Island Coastal Economic Trust (ICET), I attach a letter inviting you to a meeting of the ICET Board of Directors. I have also attached a copy of the Report of the Legislative Review Committee for your information.

Regards,

Denice Regnier

Corporate Administrator

Island Coastal Economic Trust

denice.regnier@islandcoastaltrust.ca

www.islandcoastaltrust.ca

Phone: (250) 334-2427 ext. 230

Fax: (250) 331-0962

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Information from ESET NOD32 Antivirus, version of virus signature database
6020 (20110406)

The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

Page 104 redacted for the following reason:

s13

Mason, Patty JTI:EX

Subject: FW: Invitation to Meet and Attend an Island Coastal Economic Trust Board Meeting
Attachments: dana hayden 6april11.pdf; ATT00001.htm; Island Coastal Economic Trust Final LRC Report March 10 2011.pdf; ATT00002.htm

From: "Denice Regnier" <denice.regnier@islandcoastaltrust.ca>
To: "Hayden, Dana JTI:EX" <Dana.Hayden@gov.bc.ca>
Cc: "Barry Janyk" <bjanyk@gibsons.ca>
Subject: Invitation to Meet and Attend an Island Coastal Economic Trust Board Meeting

Dear Ms. Hayden,

On behalf of Al Baronas, Chief Executive Officer of the Island Coastal Economic Trust (ICET), I attach a letter inviting you to a meeting of the ICET Board of Directors. I have also attached a copy of the Report of the Legislative Review Committee for your information.

Regards,

Denice Regnier

Corporate Administrator

Island Coastal Economic Trust

denice.regnier@islandcoastaltrust.ca

www.islandcoastaltrust.ca

Phone: (250) 334-2427 ext. 230

Fax: (250) 331-0962

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6020 (20110406) _____

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<http://www.eset.com>

April 6, 2011

VIA EMAIL

Dana Hayden, Deputy Minister
Ministry of Jobs, Tourism and Innovation
Parliament Buildings
PO Box 9846 STN PROV GOVT
Victoria, B.C. V8W 9T2

Dear Ms Hayden:

Re: Invitation to meet and attend an ICET Board Meeting

On behalf of the Board of Directors of the Island Coastal Economic Trust (ICET), I congratulate you on your appointment as the Deputy Minister of Jobs, Tourism and Innovation. Our team looks forward to working in close collaboration with you and Ministry staff on matters of interest to both the Province and the Island Coastal Economic Trust.

Our Trust was established in February 2006 with a \$50 million contribution from the Province which it has been investing in economic initiatives on northern Vancouver Island and the Sunshine Coast. As our resources are now diminishing, we are in the process of beginning a process for a formal "business case" submission to the Province to replenish ICET's funding in the future.

We have just completed an arm's length Legislative Review process which has been made available to the public on our website at www.islandcoastaltrust.ca. I am pleased to report that the outcome of this review was positive with some important recommendations for improvements to the structure of the Act. I have attached a copy of this review.

In addition, the Ministry of Finance, of its own initiative, has just completed a "review" of ICET, as part of a review of all three Trusts, to examine how the Trusts meet the needs of the community and help the Province achieve its economic objectives. We received a very positive verbal report we understand that written reports on this review will be available to Ministers in the near future.

To further your understanding of ICET, I would like the opportunity to meet with you at your earliest convenience for a brief presentation and discussion on some of the issues that may affect the timing and substance of our planned work going forward.

As you may already know, a letter was sent to the Honourable Pat Bell, Minister of Jobs, Tourism and Innovation inviting him to meet with our Board of Directors so that we can present a current status report regarding our work and discuss possibilities for strengthening our working relationships with the Government of British Columbia.

NORTH ISLAND-COAST DEVELOPMENT INITIATIVE TRUST

201A, 2435 Mansfield Drive, Courtenay, BC V9N 2M2

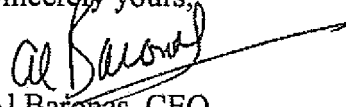
Tel 250 334-2427 Fax 250 331-0962

www.islandcoastaltrust.ca

I would also like to invite you to attend a meeting of the Board. The next two Board of Directors meetings will be held on May 27th and June 24th. The May 27th meeting will be held at the Vancouver Island University Deep Bay Field Station and the June 24th meeting will be held in Courtenay at the Kingfisher Oceanside Resort.

I look forward to hearing from you at your convenience, by email at info@islandcoastaltrust.ca or by phone at 250-334-2427, extension 223.

Sincerely yours,


Al Batonas, CEO

cc. Mayor Barry J. Janyk, Chair

ISLAND COASTAL ECONOMIC TRUST

INDEPENDENT LEGISLATIVE REVIEW OF THE NORTH ISLAND-COAST DEVELOPMENT INITIATIVE TRUST ACT 2006

REPORT OF THE LEGISLATIVE REVIEW COMMITTEE

**Hon. Anthony C. Abbott; Dr. Robin Dodson;
Marilyn Hutchinson; Keith Wilson**

March 10 2011

Prepared for the Committee by Katherine Gordon

TABLE OF CONTENTS

A. Executive Summary	3
i. Background	
ii. Conclusions	
iii. Recommendations	
B. Introduction	6
i. Requirement for legislative review	
ii. Background to the Act	
iii. ICET outcomes to date	
C. Analysis and Recommendations	8
i. General comments on legislation	
ii. ICET model	
iii. Cap on provincial contribution	
iv. Strategic Areas for Investment	
v. Regional Scope	
vi. Governance	
vii. First Nations representation	
viii. Winding up	
ix. Recommendations	
Appendices:	
1. Legislative Review Committee: Context	16
2. Appointment of review committee	18
3. Names and bios of members	23
4. Terms of reference for committee	26
5. Topics covered in review	29
6. List of consultees	30
7. Summary of consultation results	31
8. Text of the Act	36

A. EXECUTIVE SUMMARY

i. Background

The \$50 million Island Coastal Economic Trust (ICET) was established in 2006 pursuant to the *North Island-Coast Development Initiative Trust Act* (the "Act"). On or before its fifth anniversary, the ICET was required under the Act to appoint an independent committee to review the Act and evaluate how it is functioning.

The committee was empowered under the Act to undertake appropriate consultations as part of the process. Based on criteria that included knowledge and understanding of ICET, its work and its objectives, and/or experience of working with the Act and ICET, the committee consulted fourteen individuals with the relevant knowledge, understanding and experience.

The Board of ICET has advised the committee that during 2011 it also expects to complete a comprehensive performance review of the organization. Persons consulted in this legislative review process will also be asked to participate in the comprehensive performance review process, as will a broader range of consultees including ICET funding recipients and organizations which have worked in close partnership with ICET and those funding recipients.

Those consultations may result in the provision of additional information and/or recommendations with respect to the Act and matters within the scope of this review. Any such information and recommendations will also be made public. The findings in this report will also be considered in the context of the comprehensive review.

ii. Conclusions

The results of the consultations were very consistent in their scope. While respondents raised a small number of potential improvements to the Act, they applauded the Act for its flexibility, permissiveness, and requirements for transparency and accountability.

The ICET model created in the legislation has worked very well. It is seen by local governments as an excellent and very cost-effective delegation model for disbursement by them of provincial dollars to support regional economic development. Fund moneys go to regional priorities, with minimal operational expenditure. Respondents also supported the arms' length nature of the Act, giving the ICET Board maximum flexibility to allocate funds without provincial government intervention.

The ICET model consists of regional advisory committees (RACs) comprised of local government representatives and local MLAs, functioning as reviewers of projects and

advisors to the Board. This legislated model has worked very effectively in practice, according to the majority of respondents.

It has also provided an unprecedented forum, considered of very high value, for collaboration, networking and information/ideas exchange among local politicians and municipal staff from different communities across the region.

This relationship-building extends to other organizations and funding partners with which ICET has worked over the last five years. Respondents raised serious concerns that this substantial non-fiscal side-benefit of the Act would be lost in the event that the ICET ceases to exist. There is no other forum in existence that provides this sort of opportunity for substantive regional financial collaboration and relationship-building at a local government level.

The committee's view is that overall the functioning of the Act is sound. Nothing in the Act has significantly impeded the effective operation of the ICET to date. Its broad scope has empowered the ICET to follow its chosen policy and operational direction, with positive results. The flexibility of the Act is demonstrated by the fact that the two other provincially-funded sister Trusts created along with the ICET, under virtually identical legislation, have chosen completely different models for disbursement of their funds.

iii. Recommendations

Section 17: Cap on provincial contribution

The single most important concern raised by all respondents relates to the cap on provincial funding of the ICET contained in section 17 of the Act. Section 17 limits the amount of the provincial contribution to the \$50 million provided to the ICET on its creation. Now in its fifth year of operation, the fund is dwindling¹. All respondents believe the ICET model has proven its merits, the Act has worked well, and that the ICET should continue its existence with additional provincial funding to support its work.

It is outside the scope of the mandate of the committee to recommend that the provincial government increase its contribution to the ICET fund. However, if the government wishes to extend the life of the ICET by investing further capital, the non-fiscal benefits of the model (in addition to cost-efficiencies and economic benefits) should be taken into consideration. If ICET is to receive additional provincial funding, it is also clear that section 17 requires amendment or deletion to permit that to occur (and

¹ As at the date of this report, \$8,807,570 of the fund remained unallocated. \$22,713,457 of allocated funds have not been distributed, and distribution remains subject to satisfaction of outstanding conditions.

other consequential amendments may need consideration if any parameters or conditions are placed on renewed funding).

In that event, the committee also makes the following recommendations for potential amendments to the Act. The committee considers these recommendations could be equally applicable to all three trusts under their respective legislation, and are not unique to the ICET.

- ***First Nations representation:*** Make First Nations representation on the Board, through the provincial appointees, an explicit requirement in section 8; and review options for meaningful inclusion of First Nations representation on the RACs so as to enhance the operations and effectiveness of those bodies.
- ***Strategic areas for investment:*** Delete section 20(1) (e) "Olympic Opportunities."
- ***Winding up:*** Amend section 23(1) to provide the Board with the flexibility to decide when winding up should commence, how remaining resources should be allocated, and how the process should be implemented.

B. INTRODUCTION

i. Requirement for legislative review

The \$50 million Island Coastal Economic Trust (ICET) was established in 2006 pursuant to the *North Island-Coast Development Initiative Trust Act* (the "Act"). Pursuant to section 26 of the Act, on or before the 5th anniversary of the establishment of the ICET (February 27, 2011), a committee had to be appointed to review the Act and evaluate how it is functioning. The text of the Act is set out in **Appendix 8** on page 36.

The context for the creation of the committee; the scope of the review; the biographies of the committee members, and the terms of reference for the committee are all set out in the appendices to this report.

The committee was empowered under the Act to undertake consultations as part of the process. Based on criteria that included knowledge and understanding of ICET, its work and its objectives, and/or experience of working with the Act and ICET, the committee consulted fourteen individuals with the relevant knowledge, understanding and experience. The list of consulted individuals is set out in **Appendix 6** on page 30. A detailed summary of the consultation results is set out in **Appendix 7** on page 31.

Based on the results of consultation and its own review of the Act, as well as a review of ICET annual reports and strategic plans, the committee has evaluated the extent to which the Act has functioned to enhance or impede the successful implementation of the ICET's primary objective to be a catalyst to build a diverse and sustainable Island Coastal Economy. The committee's full analysis and recommendations are set out in **Section C** on page 7.

ii. Background to the Act

The background information set out below is intended to provide additional context to the consultation results, as well as the analysis and recommendations.

Provincial objectives

When the draft legislation was introduced into the Provincial Legislature, the government outlined a number of its objectives for the ICET². Those objectives included:

- Supporting strategic investments in regional priorities to increase economic growth and create more jobs.

² Hansard, October 18 and 19 2005: <http://www.leg.bc.ca/hansard/38th1st/h51018a.htm#840>,
<http://www.leg.bc.ca/hansard/38th1st/h51019p.htm#934>.

- Providing as broad a scope as possible to the range of activities that fall within the strategic areas for economic development set out in the Act.
- Giving communities control over the Trust fund to pursue their regional priorities for regional benefit.
- Supporting regional collaboration between communities for mutual advantage.
- Achieving a multiplier effect from the original \$50 million through leveraging matching capital from other sources.

The government also stated that it wished to afford the ICET complete freedom to determine how trust moneys should be allocated, without government direction or interference, and to set its own operational and funding policies.

Act permissive, not prescriptive

The Act was therefore drafted broadly and with minimal prescription as to how ICET moneys are to be spent. Section 20 of the Act simply describes the purpose of the ICET as being to support investment in the North Island-Coast Area (communities north of the Malahat on Vancouver Island, and on the Sunshine Coast) in the areas of forestry, transportation, tourism, mining, Olympic opportunities, small business, economic development, energy, and agriculture.

iii. ICET outcomes to date

In its 2010—2012 Strategic Plan, the ICET states that its intent is to provide communities, non-profit societies, First Nations, and other organizations with the funding and mechanisms to support strategic investments in the regional economy of the north Island and Sunshine Coast. The ICET uses its funds to leverage partnerships and other investments with local governments and authorities, non-profit societies and other organizations.

The 2009—2010 ICET Annual Report states that 71 projects totaling close to \$42 million of ICET funding have been approved (more than 200 project applications in total have been reviewed). The leverage of the ICET investment on approved projects has been 1:4.55 (ICET's investment leverage target is 1:3). It is estimated that 1,865 jobs have been created through ICET-funded projects.

Tourism has been the largest sector for investment to date, with more than \$20 million allocated. General economic development initiatives have received \$12.45 million. Agriculture, forestry and transportation have received between \$1.24 million and \$3.4 million each. Relatively small investments (under a million dollars each) have been made in the energy, small business and Olympic opportunities sectors. No allocations have been made for mining-related projects.

C. ANALYSIS AND RECOMMENDATIONS

i. General comments on legislation

Respondents in the consultation process were canvassed for their views on all aspects of the Act. The results were very consistent in their scope. Respondents applauded the Act for its flexibility, permissiveness, and requirements for transparency and accountability. The administrative or "boilerplate" components of the Act received little, if any comment as they have caused no concerns for respondents.

The committee's view is that overall the functioning of the Act is sound, and that nothing in the Act has posed a significant barrier to the effective functioning of the ICET to date. Its broad scope has empowered the ICET to follow its chosen policy and operational direction, with positive results. The flexibility of the Act is demonstrated by the fact that the two other provincially-funded sister trusts created along with the ICET, under virtually identical legislation, have chosen completely different models for disbursement of their funds. The administrative provisions of the Act are standard for an organization of this nature and the committee had no concerns in this respect, with the sole exception of the winding up or "sunset" provisions in section 23.

The following sections of the report discuss the key issues raised and commented upon by respondents, and set out the committee's analysis of those issues.

ii. Trust model

The ICET model created in the Act has worked very well. It is seen by local governments as an excellent and very cost-effective delegation model for disbursement by them of provincial dollars to support regional economic development, with all money going to regional priorities and minimal operational expenditure. Respondents also supported the arms' length nature of the Act, giving the ICET Board maximum flexibility to allocate funds without provincial government intervention.

The ICET model consists of regional advisory committees (RACs) comprised of local government representatives and local MLAs, functioning as reviewers of projects and advisors to the Board. This legislated model has worked very effectively in practice, according to the majority of respondents.

It has also provided an unprecedented forum, considered of very high value, for collaboration, networking and information/ideas exchange among local politicians and municipal staff from different communities across the region.

This relationship-building extends to other organizations and funding partners with which ICET has worked over the last five years. Respondents raised serious concerns

that this substantial non-fiscal side-benefit of the Act would be lost in the event that the ICET ceases to exist. There is no other forum in existence that provides this sort of opportunity for substantive regional financial collaboration and relationship-building at a local government level.

iii. Cap on provincial contribution

The single most important concern raised by all respondents relates to the cap on provincial funding of the ICET contained in section 17 of the legislation. Section 17 limits the amount of the provincial contribution to the \$50 million provided to the ICET on its creation. Now in its fifth year of operation, the fund is dwindling. As at the date of this report, \$8,807,570 of the fund remained unallocated. \$22,713,457 of allocated funds have not been distributed, and distribution remains subject to satisfaction of outstanding conditions.

All respondents believe the ICET model has proven its merits, the legislation that supports it has worked very well, and that the ICET should continue its existence with ongoing provincial funding to support its work. However, the uncertainty around the constraints on the provincial contribution to the fund impacts strategic planning significantly. It is difficult for the ICET to know whether to plan for a "sunset" strategy or for continuance of the same model.

It is outside the scope of the mandate of the committee to recommend that the provincial government increase its contribution to the ICET fund. However, if the government does consider whether to extend the life of the ICET by investing further capital, the non-fiscal benefits of the model (in addition to cost-efficiencies and economic benefits) should be taken into consideration.

If ICET is to receive additional provincial funding, it is also clear that section 17 requires amendment or deletion to permit that to occur (and other consequential amendments may need consideration if any parameters or conditions are placed on renewed funding).

iv. Strategic areas for investment

The list of strategic areas for investment of the ICET fund in section 20 of the Act is broad enough to accommodate all potential projects falling within ICET's criteria. One respondent felt that a separate category for fisheries and small business would be helpful, but the majority were comfortable that those sectors could be dealt with (and indeed, have been) under the existing categories for investment. Section 20(1) (g) "Economic Development" is a broad category that can cover a very wide range of potential projects.

Project investment in some sectors has been minimal (with no mining projects undertaken at all). That is in part due to ICET policy not to fund for-profit ventures, and in part due to the low level of activity in those sectors in the region. The Olympics category is now redundant (and was not a major category for investment by ICET).

The committee is of the view that no change is required to section 20, as it is (a) very broad in scope and (b) a permissive list. ICET is under no obligation to invest in all categories specified. However, if an amendment to the Act is undertaken, the Olympic opportunities category in section 20(1) (e) should be deleted.

v. Regional scope

Although it was clearly a provincial goal that the ICET investment would be regional in scope (see Section B, Background to the Act) nothing in the Act prescribes this as a requirement. Nonetheless, ICET has adopted the following criterion as one of its three key investment goals: "Preference will be given to partnerships and leveraged investments that achieve the projected economic and diversification impacts for the broader region, with a bias for projects which have a broad regional impact while recognizing that local benefits of projects are also valuable." The importance of regional collaboration and regional strategic thinking is a cornerstone of its strategic plan.

Several respondents considered that for the sake of clarity, this is one area in which, at least in the earliest days of the Trust's existence, it would have been helpful if the Act had been more prescriptive. Considerable time was expended in the start-up phase of the ICET in the development of its regional model, including extensive discussions on its merits, and to establish policy and criteria supporting that model. This may have been a faster and more efficient process if regional scope had been a clear requirement of the Act. However, in its fifth year of operations and with regional scope a well-established policy of the ICET which it has consistently implemented, this concern appears to be largely one of the past.

Moreover, the ICET has advised that it considers it vital that ICET also be able to respond to the needs of smaller, more isolated communities whose projects do not necessarily meet regional criteria. Such communities can find it extremely difficult to raise matching funding for projects, and the additional barrier of requiring their projects to meet regional criteria can mean that those communities are unable to benefit from ICET project funding.

Like its two sister Trusts, ICET values the flexibility it has under the legislation's current permissive structure to approve new initiatives and develop programs that assist with, for example, local marketing, downtown revitalization, and other similar local initiatives that make a great difference to the economic viability of small and remote communities.

The committee is sympathetic to that view. Given the continued slow pace of economic recovery, particularly in rural coastal communities, if the Province does consider extending the life of the ICET and making a further financial contribution, then it will be more important than ever that such communities have the opportunity to apply successfully to the ICET. Ensuring that the legislation continues to allow the ICET Board some flexibility regarding a project's regional or local scope (which the committee believes it does) will support continuing economic diversification efforts.

The committee is of the view that the legislation as drafted supports both provincial and ICET goals in this respect and therefore requires no change.

vi. Governance

(a) Board of Directors

Effective model: With the exception of the issue of First Nations representation outlined below, the Board model appears to function very well. Nothing in the Act significantly impedes effective Board operations. The composition of the Board, with equal geographic representation of elected officials from the two regions and a smaller number of non-elected provincial appointees, limits parochialism, encourages collaboration and results in a high level of sound, balanced decision-making.

Board remuneration: Board members exhibit a high level of commitment and dedicate considerable time to ICET business. The Act explicitly prohibits Board members from receiving remuneration. Respondents were divided on this issue. Some respondents felt that recognition of this high level of time commitment with a reasonable level of remuneration for meetings should be considered. Others were satisfied that Board members, whether elected or provincial appointees, did not need to receive more than reimbursement for expenses. All respondents agreed that the issue of remuneration has not had a negative impact on Board function to date.

The issue of remuneration of directors of public service agencies is one of broader provincial policy and is not confined to the ICET. Complex considerations are involved in determining the nature of the organization, the appropriate balance of compensation for time and expertise contributed to the organization, minimization of operational spending, and public accountability issues. Any decision made with respect to ICET would have an impact on other similar organizations. Given these complexities, the fact that the issue has not impeded Board function to date and that the respondents were divided on this issue, the committee declines to make a recommendation on remuneration of directors.

(b) RACs

Functioning of RACs: The RACs, as reviewers of projects and advisors to the Board, have functioned reasonably effectively. The elected representatives have an intimate understanding of local issues and are highly motivated to participate in project review and analysis. Respondents report that RAC members understand their advisory role and are comfortable with it, as they elect the majority of the Board. The RAC model, which requires collaboration for effective decision-making, has worked very well in minimizing parochialism and supporting the interests of the entire region, without undue concerns arising over accessing funding in particular for individual constituencies or regions.

Geographic boundaries: Dividing the RACs into two geographic regions has helped focus each RAC on the different regional issues they face and on projects in its own region. There is nothing in the Act preventing cross-boundary collaboration on a project or consideration of cross-boundary benefits. The majority of respondents were comfortable with the geographic boundaries as specified in the Act.

Composition: The general consensus is that the composition of the RACs is fundamentally sound. Including MLAs on the RACs adds a broader regional viewpoint and the RACs have become a good forum for two-way communication between local and provincial government. The ability after the first six months for the RACs themselves to determine their membership (subject to being qualified individuals as defined in the Act) has been helpful in terms of the independent operation of the RACs. The only concern of any significance is the lack of First Nations representation (see below).

Risks associated with termination of ICET model: The legislated ICET model has provided an unprecedented forum for collaboration, networking and information/ideas exchange among local politicians and municipal staff from different communities across the region that is considered of very high value.

Respondents did raise concerns that this substantial non-fiscal side benefit of the Act would be lost in the event that the ICET ceases to exist. There is no other forum with such a broad reach that provides this sort of opportunity for substantive regional financial collaboration at a local government level.

vii. First Nations representation

While there is no explicit reference to First Nations' representation in the legislation, when the Act was introduced the government confirmed that First Nations are eligible to apply to the Fund on the same basis as other communities, and its intention to make sure First Nations are well represented in ICET decision-making through provincial government appointments to the Trust Board.

However, leaders of First Nations communities are not eligible to sit on the RACs (with the exception of Sechelt Nation, which has local government status for the purposes of the Act). The government's expectation is that First Nations will be represented by their local MLAs, who do sit on the RACs.

Several respondents viewed the lack of greater First Nations representation at RAC level and the failure to commit to First Nations' Board representation in the Act as a shortcoming of the legislation. First Nations bring a different perspective on economic and community development and may have different issues and concerns which MLAs and their local government representatives do not fully appreciate. Those respondents were supportive of consideration of other options for First Nations' participation and of formal recognition of representation in the legislation.

At the same time, some respondents were concerned that including all First Nations communities in the region on the RACs would make the RACs too large and unwieldy.

The committee considers that this issue is worthy of review by the provincial government, with a view to making First Nations representation on the Board (through provincial appointees) an explicit requirement of section 8 of the Act, and developing options for meaningful inclusion of First Nations representation on the RACs so as to enhance the operations and effectiveness of those bodies.

viii. Winding up

Section 23 provides for the winding up of the ICET after its funds have been reduced to zero, and provides direction on the responsibilities of the Board with respect to the steps that must be taken to accomplish this.

A minority of respondents felt that some more detailed guidance in the legislation and support for the logistics of winding up the ICET *before* its funds are fully expended (an exit strategy) would have been helpful. Most felt that the winding up process is a matter that is a Board responsibility and one that the Board is able to and should manage independently. The committee concurs with that view. All three trusts are likely to establish very different winding up plans, and flexibility and permissiveness in this regard are therefore very important.

While the ICET has no immediate plans to wind up its operations, it advises that following preliminary cost calculations for winding down operations, \$5 million has been set aside in a separate account to ensure that there will be more than enough funding available to administer the process when and if it is required. Any surplus will be invested in ICET programs and activities. The current requirements of the Act have been taken into account in the planning process to date.

In reviewing section 23, the committee has concluded that subsection (1) is not only potentially confusing, but it appears to take the decision on winding up out of the hands of the Board. This rests on a narrow point of interpretation, but it is one that the committee considers would benefit from consideration by the Province.

Taken literally, section 23(1) could be interpreted as meaning that winding up the ICET would take place after the resources required to accomplish it are exhausted. This leaves the Board with no flexibility to make the decision earlier and plan accordingly. It also takes the decisions out of the hands of the Board on distribution of remaining assets and funds.

While a “sunset” clause to disestablish the statutory bodies (the Board and the RACs) is required as set out in section 23(2), the prescriptive requirements of section 23(1) are out of step with the goal of permissiveness and flexibility in the legislation in supporting Board decisions.

The committee is therefore of the view that consideration should be given to amending section 23(1) to provide the Board with the flexibility to decide when winding up should commence, how remaining resources should be allocated, and how the process should be implemented.

ix. RECOMMENDATIONS

Section 17: Cap on provincial contribution

It is outside the scope of the mandate of the committee to recommend that the provincial government increase its contribution to the ICET fund. However, if the government does consider whether to extend the life of the ICET by investing further capital, the non-fiscal benefits of the model (in addition to cost-efficiencies and economic benefits) should be taken into consideration. If ICET is to receive additional provincial funding, it is also clear that section 17 requires amendment or deletion to permit that to occur (and other consequential amendments may need consideration if any parameters or conditions are placed on renewed funding).

In that event, the committee also makes the recommendations set out below for potential amendments to the Act. The committee considers these recommendations could be equally applicable to all three trusts under their respective legislation, and are not unique to the ICET.

- ***First Nations representation:*** Make First Nations representation on the Board, through provincial appointees, an explicit requirement in section 8, and review options for meaningful inclusion of First Nations representation on the RACs so as to enhance the operations and effectiveness of those bodies.

- ***Strategic areas for investment:*** Delete section 20(1) (e) "Olympic Opportunities."
- ***Winding up:*** Amend section 23(1) to provide the Board with the flexibility to decide when winding up should commence, how remaining resources should be allocated, and how the process should be implemented.

APPENDIX 1: LEGISLATIVE REVIEW COMMITTEE: CONTEXT

i. Selection of committee members

Appendix 2 comprises a summary by ICET of the process for creation of the committee and appointment of members. Brief professional biographies of each committee member, all of whom are qualified individuals as defined in section 1 of the Act, are set out in **Appendix 3**.

ii. Terms of reference

The terms of reference adopted by the review committee are set out in **Appendix 4**. Also in accordance with the guidelines referred to above, those terms of reference were made public by ICET on its website on 31 January, 2011.

iii. Scope of review

The topics covered in the consultation process are set out in **Appendix 5**. All aspects of the legislation were canvassed; however, those consulted all focussed on the substantive content of the Act that has been directly relevant to their work with ICET and evaluation of its functioning under the Act. Everyone interviewed expressly confirmed that if they did not raise a particular aspect of the legislation, that signified they had no concerns with it.

iv. Consultation

Under section 26 the review committee was empowered to consult with business, labour, education providers, government and any other person or organization it considers appropriate. In determining who to select for this review process, the committee identified a list of individuals based on criteria that included knowledge and understanding of ICET, its work and its objectives, and/or experience of working with the Act and ICET over the last five years. The list of consulted individuals is set out in **Appendix 6** and a summary of the results of the consultation is set out in **Appendix 7**.

v. Comprehensive organizational review

The Board of ICET has advised the committee that during 2011 it also expects to complete a comprehensive performance review of the organization. Persons consulted in this legislative review process will also be asked to participate in the comprehensive

performance review process, as will a broader range of consultees including ICET funding recipients and organizations which have worked in close partnership with ICET and those funding recipients.

Those consultations may result in the provision of additional information and/or recommendations with respect to the Act and matters within the scope of this review. Any such information and recommendations will also be made public.

The findings in this report will also be considered in the context of the comprehensive review.

APPENDIX 2

CREATION OF LEGISLATIVE REVIEW COMMITTEE

The following summary of the process followed by ICET in establishing the legislative review committee was prepared by the ICET and provided to the committee. It is also available on ICET's website at www.islandcoastaltrust.ca.

The committee notes in particular that, as required by section 10 of the Act, ICET states in its summary that it was guided by the *Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations*, published by the British Columbia Board Resourcing and Development Office, and by the *Review of the Governance Framework for Canada's Crown Corporations—Meeting the Expectations of Canadians*, published by the Treasury Board of Canada Secretariat.

Both documents specify best practices for creation of committees, including process transparency, professional competency requirements, independence, and lack of material interest in ICET's functions.

The review committee fully supports ICET's compliance with best practices in this regard. At its first meeting it directed ICET to make the information contained in Appendices 1 and 2 public on its website as soon as reasonably possible and in advance of receipt of this Final Report. ICET complied and the information was made public on January 31, 2011.

ISLAND COASTAL ECONOMIC TRUST INDEPENDENT LEGISLATIVE REVIEW:

Summary of process for creation of committee

Requirement for independent legislative review

The Island Coastal Economic Trust (ICET) is required under Section 26 of the North Island-Coast Development Initiative Trust Act (the Act) to undertake a legislative review no later than February 27, 2011, five years after the establishment of ICET.

Under the Act, ICET must appoint a committee of "qualified individuals" to review the Act and evaluate how it is functioning (the Legislative Review Committee). The Legislative Review Committee (LRC) may consult with business, labour, education providers, government and any other person or organization it considers appropriate and must publish a report of its findings in a manner that can reasonably be expected to bring the report to the attention of the public.

Creation of Steering Committee

On October 22nd 2010, the Board of Directors of the Trust appointed a Legislative Review Steering Committee (Steering Committee), comprised of three Board Members,

to oversee the legislative review process. The Steering Committee's mandate will end once the final Legislative Review Report is published.

The Board Members on the Steering Committee are:

1. Mayor Barry Janyk (Chair)
2. Mayor Phil Kent
3. Dave Mannix

Mandate of the Steering Committee

The responsibilities of the Steering Committee include (but are not limited to):

- Development of the process for the legislative review;
- Recruitment of qualified candidates for the LRC;
- Reporting and making recommendations to the Board regarding the process and appointment of qualified candidates;
- Overseeing the LRC and process to ensure compliance with the Act and that the process and draft report meets the standards set out in the *Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations*, and *Review of the Governance Framework for Canada's Crown Corporations—Meeting the Expectations of Canadians*;
- Ensuring that the LRC members' names and biographies, Terms of Reference and Final Report are published and available for public review;
- Reporting to the Board of Directors on the process;
- Liaison as required with the provincial government on the process.

The process

The Steering Committee has determined that this obligatory legislative review will be conducted within the larger context of a voluntary, arms-length, comprehensive organizational performance review but will be prioritized to ensure completion by February 27 2011.

The committee of four "qualified individuals" were recruited by the Steering Committee and appointed by the Trust Board of Directors to direct the legislative review. These individuals were selected for their professional qualifications and capability to understand and review legislation, as well as their track record of working effectively, collaboratively and efficiently in a team or committee setting.

It is expected that the LRC will carry out appropriate consultations to ensure a balanced view of any issues related to the legislation. The Steering Committee hopes that LRC members will participate in the comprehensive review, where they will be joined by up to 3 additional individuals representing specific geographic areas, economic sectors, and/or areas of expertise.

The LRC is supported by a consultant hired to assist them in the development of their Terms of Reference, to carry out the required consultations and to draft the final report as per the Committee's direction. A biography of consultant Katherine Gordon is attached to this summary.

The LRC selection and appointment process

The Act requires that the Trust appoint a committee of "qualified individuals" to review the Act and evaluate how it is functioning. The definition of "qualified individuals" in the legislation is as follows:

"qualified individual" means an individual who is not

- a) an elected official of a municipality or regional district,
- b) a Member of the Legislative Assembly,
- c) an employee of the government
- d) a member of the board of directors of the North Island-Coast Development Initiative Trust,
- e) a member of a regional advisory committee, or
- f) a person who is
 - i) the spouse, parent or child of any individual referred to in paragraph d) or e)
 - ii) any other relative residing with that individual

All LRC members are qualified individuals.

The Directors of the Trust were also, in appointing the review committee, guided by the guidelines set out in the following documents:

- a) the *Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations* published by the British Columbia Board Resourcing and Development Office;
- b) The *Review of the Governance Framework for Canada's Crown Corporations—Meeting the Expectations of Canadians* published by the Treasury Board of Canada Secretariat.

Those best practices guidelines require that the committee be comprised of individuals with combined professional competencies and personal attributes to do the job assigned to them. They must be independent of ICET and have no material interest in ICET's functions. Their appointment must be competency based, transparent and professional. The composition of the committee, their biographies and their names must be published, as must the process for appointing them and any remuneration. The Terms of Reference must also be published, as must the LRC's termination date, the purpose of the committee, and their working procedures.

The Steering Committee is satisfied that ICET has fully complied with these best practices. All relevant information is available in this public summary.

Criteria for selection of LRC members

The following criteria for the recruitment and appointment of candidates to the LRC were considered:

1. Legal training or experience working with legislation;
2. Knowledge of, or experience working with, organizations governed by legislation;
3. Knowledge of the ICET mandate area and economic development initiatives within the area;
4. Arms'-length from ICET staff, Board and funded projects;
5. Strong professional reputation and credibility of the candidate;
6. Ability to work as a team, at arms' length and independently of ICET or any other influence, and
7. Ability to direct process, analyze information and make credible, independent recommendations.

The Steering Committee shortlisted a number of candidates and invited them to form part of the LRC. The candidates were individually contacted by ICET staff, provided with information about the process, estimated time requirements and terms of reimbursement of expenses. Following a short telephone interview and verification that the candidates met all of the requirements of the Board and legislation, they were invited to participate in the LRC.

The four candidates were then formally appointed by the Board of Directors of ICET, after confirming that the process and qualifications of the candidates comply with the legislation, the *Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations*, the *Review of the Governance Framework for Canada's Crown Corporations—Meeting the Expectations of Canadians* as well as the additional criteria set by the Trust.

Legislative Review Committee

The role of the LRC will be to develop and approve the terms of reference for the legislative review process, steer the process and ensure that the necessary research and consultations are undertaken to meet the requirements of the legislation. They will be expected to provide strategic direction and guidance to the consultant hired to assist them with the process. Finally, the LRC will be required to analyze the results of the research and consultations and make recommendations regarding the legislation.

The Terms of Reference developed by the LRC are also available on ICET's website³ for further details on the process and scope of the review.

³ <http://www.islandcoastaltrust.ca/legislative-review-process>

LRC members receive, for meeting attendance, a pro-rated *per diem* expense reimbursement of up to \$150.00, in addition to the reimbursement of eligible travel expenses or other expenses not covered by the *per diem*.

On publication of their Final Report, the LRC will be terminated.

Publication of the Report

In addition to the publication of this Summary of the Process, LRC member biographies and the LRC Terms of Reference, the Trust is committed to publishing the final report and recommendations as presented by the LRC. These documents have been made available for public viewing on the ICET website.

Biography: Katherine Gordon, Consultant

Katherine Gordon works with First Nations and other governments and communities to facilitate relationships; negotiate and reach agreements on matters of common interest; provide strategic advice; undertake policy development and analysis, organizational review and compliance monitoring; and support communications needs and initiatives.

Gordon graduated with an LLB (Hons) from the University of Canterbury in Christchurch, New Zealand. With more than twenty years' experience in general corporate and business law practice, specialising in contract negotiation, regulatory advice, strategy and risk management, administrative law, public policy and treaty/aboriginal affairs issues, she has worked in New Zealand, Toronto, Ottawa and British Columbia as a lawyer and negotiator, including four years as a chief treaty negotiator for B.C. She is also on the Board of the First Peoples' Cultural Foundation.

APPENDIX 3 BIOGRAPHIES OF COMMITTEE MEMBERS

HON. ANTHONY C. ABBOTT P.C. LL.B.

The Honourable Anthony C. Abbott was born in Montreal in 1930. He was educated in Quebec at Bishop's University and obtained his LL.B at Osgoode Hall Law School in Ontario.

Mr. Abbott has distinguished himself during his long career in law, business and public service. During his early career he worked as internal legal counsel for the Brazilian Light and Power Co.

He served as Chief of Staff to the federal Minister of Trade and Commerce and in 1974 was elected to federal Parliament for Mississauga, ON. He became the federal Minister of Consumer and Corporate Affairs, and subsequently the federal Minister of National Revenue in Ottawa. He has also served as president of the Retail Council of Canada. He worked in London England from 1980 to 1988 as business advisor and legal counsel in the establishment of a London branch office of a leading central Canadian law firm.

In 1989 he moved to British Columbia and since that time has practised law with the firm of MacIsaac and Co. in Duncan. Mr. Abbott now resides in Duncan and is actively involved in community service as well as his law practice.

DR. ROBIN DODSON

Dr. Dodson received his Bachelor's and Master's degrees in Electrical Engineering from the University of Waterloo and a PhD in Operations Research from the University of Lancaster in the U.K.

He has worked in the Canadian chemical industry and has worked for several departments in the federal government.

In 1988, Dr. Dodson became the Assistant Deputy Minister of the federal Department of Western Economic Diversification in BC and served on a number of boards during his government tenure. In 1994, he joined the Federal Treaty Negotiations Office as Chief Federal Negotiator, representing Canada at treaty tables around the Province under the BC Treaty Commission process. After retiring from the federal government in 1998, Dr. Dodson ran his own consulting company specializing in economic development issues and negotiations support services.

He moved to Nanaimo in 2002 and wound down his consulting business in 2008. In 1995, he became the founding President of the PROBUS Club of Nanaimo North, a

position he held for one year. He has also been a member of the Board of the *Centre for the Arts*, and *Habitat for Humanity* in Nanaimo.

Robin and his wife Jo-Anne have three children and six grandchildren, living in Coombs, Saskatoon and Bloomington, Indiana.

MARILYN HUTCHINSON

Marilyn Hutchinson is a long-time resident of Vancouver Island. Most recently she was the Economic Development Officer for the City of Nanaimo from 2005 – 2010. She was responsible for implementing the mandate of the Economic Development department including business retention and expansion, investor attraction and overseeing the community's tourism development initiatives, many which involved collaborations with the Snuneymuxw First Nation.

Previously she was Executive Director of the Mid-Island Science, Technology & Innovation Council (MISTIC) for seven years, managing the organization which provided business development and start-up information to Vancouver Island and coast technology and manufacturing enterprises, including aboriginal entrepreneurs. During her time with MISTIC, Marilyn was seconded for a term as Director of Technology Transfer at Malaspina University College, now known as Vancouver Island University. This role involved securing funding and facilitating research partnerships between faculty of the Department of Science & Technology, with regional entrepreneurs developing new technologies.

In addition to her work, Marilyn was an Order-in-Council appointee to the BC Parole Board from 2004 – 2005, reviewing parole applications and meeting with applicants in the two Vancouver Island corrections facilities. From 2001 – 2009, she was a member of the Natural Sciences & Engineering Research Council (NSERC) College & Community Innovation Program, which adjudicated funding applications from Canada's colleges, to establish research partnerships with industry.

Marilyn is currently on the Board of the Economic Development Association of BC. She is Past President of the Vancouver Island & Coast Economic Development Association as well as the Pacific Northwest Economic Development Council, a Canada-US economic development association. She is a founding member of the BC Regional Science & Technology Network.

Marilyn holds a Bachelor of Commerce degree and Certificate of Project Management, both from Royal Roads University and currently resides in Ladysmith, BC.

KEITH WILSON

Keith Wilson is a skilled business management professional with more than 35 years direct experience in the business finance and management fields. He has been involved in a number of industries including agriculture, petroleum, construction and graphic arts and has extensive experience in First Nations administration, management and finance in Western Canada.

Wilson worked for a large privately-owned group of companies in Calgary, Alberta where his responsibilities included budgeting, communications and strategic planning in the oil and gas, mining, heavy construction, railroad maintenance, engineering and real estate industries. He moved to a large, publicly-traded, integrated petroleum company after six years, where he managed the corporate communications office. Keith was a key part of a team that developed the successful debenture fundraising strategy in the petroleum industry in the late 1980s.

As a management consultant over the past 15 years, Keith has helped numerous small businesses in the areas of fund raising, administration, policy development, strategic planning and financial management. He has also directed a number of economic development initiatives for First Nations on Vancouver Island, sitting as a member of Nanaimo's Economic Development Group from 2001 to 2004 and a director of Community Futures Development Corporation of Central Island from 2002 to 2007.

As Chief Executive Officer of the Naut'sa mawt Tribal Council, Keith coordinates the on-going operations of this regional government that serves eleven Coast Salish First Nations located around the Georgia Strait and the Strait of Juan de Fuca on British Columbia's south coast. Keith is currently involved in developing effective financial and operating structures and policies related to self-government initiatives for Coast Salish First Nations in British Columbia.

Wilson is a director of Naut'sa mawt Resources Group Inc. of Tsawwassen, British Columbia, Cascadia Concrete Corporation of Nanaimo, British Columbia and Chairman of the Board of Akita Coastal Drilling Ltd. of Calgary, Alberta.

APPENDIX 4
TERMS OF REFERENCE FOR COMMITTEE
Adopted January 18 2011

A. Purpose and role of committee

The ICET was established in 2005 pursuant to the *North Island-Coast Development Initiative Trust Act* (the "Act"), with the purpose of investing in the North Island-Coast Area (as defined in the Act) in the areas of forestry, transportation, tourism, mining, Olympic opportunities, small business, economic development, energy, and agriculture. The primary objective of the ICET is to be a catalyst to build a diverse and sustainable island coastal economy.

Pursuant to section 26 of the Act, on or before the fifth anniversary of the establishment of the ICET a committee must be appointed by the Board of ICET to review the Act and evaluate how it is functioning.

The review committee may consult with business, labour, education providers, government and any other person or organization it considers appropriate. It must publish a report of its findings in a manner that can reasonably be expected to bring the report to the attention of the public.

B. Further context

By June 2011 the Board of ICET expects to complete a comprehensive performance review. Members of the legislative review committee will also participate in the comprehensive review process on a separate committee comprising six or more individuals representing specific geographic areas, economic sectors or areas of expertise.

C. Scope of review

Objectives of review:

The primary objective of the review is compliance with section 26 of the Act. The results (including both barriers and assets to effective performance identified by the committee in their evaluation of how the Act is functioning) will also be taken into consideration in the comprehensive review process.

Consultation:

The review committee will identify appropriate individuals and organizations with which to consult on the functioning of the Act. The key criteria for selection of those individuals and organizations will be knowledge and understanding of ICET, its work and

its objectives, and/or experience of working with the Act and ICET over the last five years.

Recommendations:

The review committee will make recommendations for changes to the Act that appear to the committee to be necessary or desirable to support or improve the effective functioning of the Act and of ICET.

Publication of review report:

The review committee will, in consultation with ICET staff and the Legislative Review Steering Committee, determine an appropriate method of publication of its report in a manner that can reasonably be expected to bring the report to the attention of the public.

D. Matters to be addressed in review

Without limiting the scope of its review and the evaluation of the functioning of the Act, the review committee will address the following matters:

Governance:

1. *Board:* The composition of the Board of ICET, term of office, and proceedings (clauses 6—10);
2. *RACs:* The composition of regional advisory committees (RACs), term of office, and proceedings (clauses 2—4); regional divisions and structures (clauses 1—2); and role (clause 21).

Core purposes:

Scope and validity of strategic areas for investment (clause 20).

Finance and administration:

Limit on total allocation to ICET (clause 17); requirement to pay interest and donations into Regional Account (clauses 18—19, 22); operational spending (clause 13); appointment and authorities of staff (clauses 11—12); winding up provisions (clause 23); review requirements (clause 26).

Public accountability:

Strategic planning process (clause 14); annual reports (clause 15); audit requirements (clause 16).

General:

Flexibility and transparency of the Act; aspects of the Act that have supported or been barriers to the objectives of the ICET; aspects of the Act that have supported or been

barriers to the operational efficiency and capacity of ICET to meet its primary objective to be a catalyst to build a diverse and sustainable Island coastal economy.

Responses obtained in the consultation process that are not pertinent to the legislative review, but which may be useful in the context of the comprehensive review, will be provided separately to ICET. Consulted parties will be asked to participate in the comprehensive review.

E. Process: duties and procedures

Procedures:

ICET will:

- Provide administrative support for the review committee, including preparation and distribution in advance of agendas for meetings, arranging locations for meetings, distribution and maintenance of decision records, publication of the final report and other reasonable administrative support as required.
- Ensure that the consultant has the necessary materials and documentation to support the committee.
- Liaise with the provincial government as required.

The consultant engaged by ICET to assist the committee with the review process will:

- Record decisions of the committee;
- Provide information as required to the committee;
- Conduct the consultation process on behalf of the committee;
- Present the results of the process to the committee for review;
- Prepare a draft report and recommendations for the committee's review;
- Prepare the final report for committee approval prior to submission to ICET.

The review committee will:

- Operate on the basis of consensus. For the purposes of this committee, consensus is defined as no member opposes a final decision of the committee.
- Report to and liaise with the Legislative Review Steering Committee established by ICET.
- Provide strategic direction and guidance for the consultant regarding the consultation process and the reporting content and format.
- Review draft reports.
- Attend a minimum of three and maximum of four meetings.
- Modify these terms of reference from time to time as considered necessary or desirable to meet the objectives of the legislative review.
- Use reasonable efforts to present a final report to ICET for publication no later than February 27, 2011.

APPENDIX 5

TOPICS COVERED IN REVIEW

Matters in legislation to be addressed:

Governance:

3. *Board:* The composition of the Board of ICET, term of office, and proceedings (clauses 6—10);
4. *RACs:*
 - a. The composition of regional advisory committees (RACs), term of office, and proceedings (clauses 2—4);
 - b. Regional divisions and structures (clauses 1—2); and
 - c. Role (clause 21).

Core purposes:

5. Scope and validity of strategic areas for investment (clause 20).

Finance and administration:

6. Limit on total allocation to ICET (clause 17);
7. Requirement to pay interest and donations into Regional Account (clauses 18—19, 22);
8. Operational spending (clause 13);
9. Appointment and authorities of staff (clauses 11—12);
10. Winding up provisions (clause 23);
11. Review requirements (clause 26).

Public accountability:

12. Strategic planning process (clause 14);
13. Annual reports (clause 15);
14. Audit requirements (clause 16).

General:

15. Flexibility and transparency of the Act;
16. Aspects of the Act that have supported the purposes of the ICET set out in clause 20;
17. Aspects of the Act that have been barriers to the purposes of the ICET set out in clause 20;
18. Aspects of the Act that have supported the operational efficiency and capacity of ICET to meet its primary objective to be a catalyst to build a diverse and sustainable Island coastal economy.
19. Aspects of the Act that have been barriers to the operational efficiency and capacity of ICET to meet its primary objective to be a catalyst to build a diverse and sustainable Island coastal economy.

APPENDIX 6
LIST OF CONSULTEES
(In alphabetical order)

Current and former Board and RAC members

1. Mayor Craig Anderson, Gold River, Northern RAC member
2. Bob Bennie, Nanaimo, Director (provincial appointee)
3. Gerry Giles, CVRD, Southern RAC Chair
4. Mayor Barry Janyk, Gibsons, Chair
5. Dave Mannix, Nanaimo, Director (provincial appointee)
6. Mayor Ken McRae, Port Alberni, Director; Member, Northern RAC
7. Mayor Bev Parnham, Port Hardy, Member, Northern RAC
8. Jack Peake, Former Chair
9. Mayor Greg Phelps, Courtenay, Northern RAC
10. Chair Mayor John Ruttan, Nanaimo, Director, Southern RAC member
11. Dallas Smith, Campbell River, Director (provincial appointee)

Staff and provincial officials

12. Al Baronas, CEO, ICET
13. Doug Kalcsics, Consulting support, ICET
14. Sarah Fraser, Executive Director, Ministry of Regional Economic and Skills Development

APPENDIX 7

SUMMARY OF CONSULTATION RESULTS

General comments

- Excellent model for regional economic development: The ICET is a very sound, cost-effective delegation model for arms' length and independent disbursement by local governments of provincial dollars to support the regional economic development objectives of the provincial government. All money goes to regional priorities determined by those local governments, free of political bias and conflict of interest and with minimal operational expenditure.
- Permissive legislation: The permissive nature of the Act means it is very flexible, allowing ICET ample scope for broad policy-making tailored to the goals and priorities of the organization and placing no constraints on how and on what basis ICET funds are allocated.
- Flexibility: The flexibility of the legislation is demonstrated by the considerable diversity in program and policy between the three Trusts created under almost identical legislation.
- Arms' length operations: ICET does effectively operate at arms' length from government under the Act, with no political or bureaucratic interference. It is not hobbled by typical government policies such as purchase policies and competitive bidding, allowing its procedures to be less complicated and enabling ICET to respond to communities and eligible organizations more quickly and effectively.
- Goal of regional benefit: Some respondents felt that it would have been helpful if the Act had been more prescriptive in terms of the provincial goals outlined in the background to this report. The ICET was not intended to simply fill gaps in municipal budgets. However, the Act does not specify that. It does not even specify that regional benefit is to be a goal of the investment of the ICET fund, which must be deposited in a "Regional Account."
- As a result, and because of the lack of prescription on the way in which money is to be allocated and how, the ICET effectively lost the first six months of its existence in developing the model, and negotiating its way through the desire of some municipalities to simply receive a pro rata share of the fund and self-determine its use for community projects not necessarily oriented to economic development. In terms of a renewal/extension of the ICET, a minority of respondents felt it should be clear that the regional model must be adhered to.

Provincial funding

- Cap on provincial fund: The single most important concern raised by all respondents relates to the cap on provincial funding of the ICET, limiting the amount of the provincial contribution to the \$50 million provided to the ICET on its creation, contained in section 17 of the legislation.

- Uncertainty about future: Now in its fifth year of operation, the fund is dwindling⁴. All respondents believe the ICET model has proven its merits, the legislation that supports it has worked very well, and that the ICET should continue its existence with additional provincial funding to support its work. However, the uncertainty around the constraints on the provincial contribution to the fund impacts strategic planning significantly. It is difficult for the ICET to know whether to plan for a “sunset” strategy or for continuance.
- Amendment of clause 17: All respondents recommended amending clause 17 to enable the province to reinvest in the ICET fund in the future.

Governance:

Board

- General: The Board as structured under the Act functions well. In general, nothing in the legislation is significantly impeding Board process.
- Composition: The balance between elected directors and provincially-appointed ones appears to be appropriate and work well, and it is helpful to have the expertise of the provincial appointees at the table while ensuring a municipal lead on decision-making. The number of elected officials and the geographic representation reduces the risk of parochial bias.
- Term of office: The terms of elected directors are driven by municipal election cycles, so they are not inappropriate. There is potential for loss of corporate memory and relationships because of turnover at elections, so it is helpful to have the continuity of appointed directors, with their longer terms of office.
- One respondent suggested that there should be a limit as to the number of terms served by directors, but acknowledged that could be dealt with as a matter of policy and did not need to be legislated.
- Directors’ remuneration: While expenses related to meetings are fully covered, no honoraria can be paid under the Act. However, directors, especially officers, contribute substantial time and effort to ICET business.
- Those consulted were evenly divided on this issue. Half felt it would be helpful to be able to pay reasonable honoraria to recognize those contributions. The remainder were concerned that operational funds would be diverted into remuneration for Board members instead of being devoted to projects.
- They also felt that elected Board members have sufficient motivation to participate in terms of community and regional benefits and are already paid to participate on Boards and committees of this nature by virtue of their office. For

⁴ As at the date of this report, \$8,807,570 of the fund remained unallocated. \$22,713,457 of allocated funds have not been distributed, and distribution remains subject to satisfaction of outstanding conditions.

non-elected officials, those respondents also felt they received sufficient benefit in terms of networking opportunities and contribution to regional well-being.

RACs

- Functioning of RACs: The RACs, as reviewers of projects and advisors to the Board, have functioned reasonably effectively. There is some redundancy in discussion of issues that the Board also has to consider but that is normal in any organization with advisory groups. Overall the groups are a valuable forum for review of potential projects and regional interests and issues.
- Geographic boundaries: Dividing the RACs into two geographic regions was considered a good idea. The north has similar economic ambitions but little in common with the south, so separating their consideration of projects and issues leads to a more efficient and faster process as each group can focus on projects in its own region. There is nothing in the Act preventing cross-boundary collaboration on a project or consideration of cross-boundary benefits.
- The Northern RAC is considerably larger than the Southern RAC. One respondent felt it would have been helpful to give the Board the flexibility to adjust the boundary, but most respondents were comfortable with the geographic boundaries.
- Composition: It is good to have MLAs on the RACs. They add a broader regional viewpoint and the RACs have become a good forum for two-way communication between local and provincial government. The ability after the first six months for the RACs themselves to determine their membership (subject to being qualified individuals as defined in the Act) has been helpful in terms of the independent operation of the RACs. The only concern of any significance is the lack of First Nations representation (see below).
- Role: The RACs are hands-on, inclusive, team-based, respectful, constructive, groups. RAC members understand their advisory role and are comfortable with it as they elect the majority of the Board.
- Collaboration: While there is no requirement in the Act to maintain an equitable distribution of grants between regions or parts of regions, the actual distribution has tended to be fairly equitable in any event. The RAC model, which requires collaboration for effective decision-making, has worked very well in minimizing parochialism and supporting the interests of the entire region, without undue concerns arising over accessing funding in particular for individual constituencies or regions. Trying to promote self-interest under this model simply does not work.
- Risks associated with termination of ICET model: This legislated model has provided an unprecedented forum for collaboration, networking and information/ideas exchange among local politicians and municipal staff from different communities across the region that is considered of very high value. Respondents did raise concerns that this substantial non-fiscal side-benefit of the Act would be lost in the event that the ICET ceases to exist. There is no other

forum with such a broad reach that provides this sort of opportunity for substantive regional financial collaboration at a local government level.

Strategic purposes

- Scope of list: The list of strategic areas for investment of the ICET fund in section 20 of the Act is broad enough to accommodate all potential projects falling within ICET's criteria, and a good filter for sound project applications supporting economic development.
- Categories: One respondent felt that a separate category for fisheries and small business would be helpful, but the majority were comfortable that those sectors could be dealt with (and have been) under the existing categories for investment. Section 20(1) (g) "Economic Development" is a broad category that can cover a very wide range of potential projects.
- Application of categories: Projects in some sectors have been minimal (with no mining projects undertaken at all). However, that is in part due to ICET policy not to fund for-profit ventures and in part due to the range of applications that have come before the ICET. The ICET has not attempted to solicit particular categories in the list over others.
- Olympics: The Olympics category is now redundant (and was not a major category for investment by ICET). There was general consensus that in the event the legislation is amended, that category should be removed so as not to cause any confusion on the part of potential future applicants.

First Nations representation

- There is no explicit reference to First Nations' representation in the Act. First Nations are eligible to apply to the ICET Fund on the same basis as other communities, and First Nations are represented in ICET decision-making through provincial government appointments to the Trust Board.
- However, leaders of First Nations communities are not eligible to sit on the RACs (with the exception of Sechelt Nation, which has local government status for the purposes of the Act). The government's expectation is that First Nations will be represented by their local MLAs on the RACs.
- Several respondents viewed the lack of greater First Nations representation at RAC level and the failure to commit to First Nations' Board representation in the Act as a shortcoming of the Act. First Nations bring a different perspective on economic and community development and may have different issues and concerns which MLAs and their local government representatives do not fully appreciate, including interests in tenures on Crown lands and in archaeological material on development sites. Those respondents were supportive of consideration of other options for First Nations' participation and of formal recognition of representation in the legislation.

- Other respondents were concerned about the high number of First Nations communities in the region, and the potential to make RACs unduly unwieldy in size by including every First Nation in the RACs.

Strategic planning and reporting

- The annual requirement for a strategic plan, annual reports, audits and transparency, have not been onerous. These are standard and sound requirements for any agency expending public funds.

Public accountability and transparency

- The requirements for reporting, transparency and accountability are appropriate for any agency expending public funds. Even if they were not requirements of the Act, best practices demand the high standards to which ICET has adhered over the last five years.

Administration and operations

- No concerns were raised regarding the administrative, operational and "boilerplate" provisions of the Act, with the exception of the winding up provisions.

Winding up

- Some respondents felt that some more detailed guidance in the legislation and support for the logistics of winding up the ICET *before* its funds are fully expended (an exit strategy) would have been helpful. Most felt that this is a matter that the Board is able to and should manage independently.

**APPENDIX 8
TEXT OF THE ACT**

North Island-Coast Development Initiative Trust Act

Part 1 -- Interpretation

Definitions

1 In this Act:

"Central South Island region" has the meaning prescribed by regulation;

"North Island-Coast area" means that area of British Columbia comprising the Central South Island region and the North Island-Sunshine Coast region;

"North Island-Coast Development Initiative Trust" means the North Island-Coast Development Initiative Trust established under section 5 (1);

"North Island-Coast one-time development allocation" means any money paid by the government to the North Island-Coast Development Initiative Trust;

"North Island-Sunshine Coast region" has the meaning prescribed by regulation;

"qualified individual" means an individual who is not

(a) an elected official of a municipality or a regional district,

(b) a Member of the Legislative Assembly,

(c) an employee of the government,

(d) a member of the board of directors of the North Island-Coast Development Initiative Trust,

(e) a member of a regional advisory committee, or

(f) a person who is

(i) the spouse, parent or child of any individual referred to in paragraph (d) or (e), or

(ii) any other relative residing with that individual;

"region" means the Central South Island region or the North Island-Sunshine Coast region;

"Regional Account" means the account established under section 7 (2) (a);

"regional advisory committee" means a regional advisory committee established under this Act.

Part 2 -- North Island-Coast Development Initiative Trust

Division 1 -- Regional Advisory Committees

Establishment of regional advisory committees

2 (1) There is established, for each region, a regional advisory committee comprising the following:

(a) the mayors of each of the municipalities that

(i) is within the region, and

(ii) on the coming into force of this Act, has a population greater than 500;

(b) the chairs of each regional district that is, in whole or in part, within the region;

(c) the Members of the Legislative Assembly who have been elected, in whole or in part, by electors from the region.

(2) The term of membership on a regional advisory committee for each individual referred to in subsection (1) expires on the earlier of

(a) the date that is 6 months after the coming into force of this Act, and

(b) the date on which he or she ceases to hold the position referred to in subsection (1).

(3) Within 6 months after the coming into force of this Act, each of the regional advisory committees must

(a) appoint 4 directors of the North Island-Coast Development Initiative Trust in accordance with sections 6 (2) (a) and 8 (1), and

(b) subject to section 3,

(i) determine the size of, and the manner of appointing members to, the regional advisory committee, and

(ii) determine the role of, and the manner of appointing, the chair of the regional advisory committee.

(4) On the coming into force of this Act, the following persons are the first chairs of the regional advisory committees:

(a) for the regional advisory committee for the Central South Island region, the mayor of North Cowichan;

(b) for the regional advisory committee for the North Island-Sunshine Coast region, the mayor of Courtenay.

(5) The first chair of a regional advisory committee must call and chair the meeting or meetings necessary to allow that regional advisory committee to perform its obligations under subsection (3).

Composition of regional advisory committees

3 A regional advisory committee, whether under section 2 (3) (b) or otherwise, may from time to time determine the size of, and the manner of appointing members to, the regional advisory committee and the role of, and the manner of appointing, the chair of the regional advisory committee, but in doing so the members of the regional advisory committee must

(a) ensure that the only persons who are eligible to become members of the regional advisory committee are

(i) elected officials of municipalities or regional districts that are, in whole or in part, within the region, or

(ii) Members of the Legislative Assembly who have been elected, in whole or in part, by electors from the region,

(b) provide an opportunity for municipalities or regional districts within the region that have populations of less than 500 to be represented on the regional advisory committee,

(c) establish the terms of office for members of the regional advisory committee, and

(d) ensure that if a member of the regional advisory committee ceases to meet the qualifications for membership set out under paragraph (a), that individual immediately ceases to be a member of the regional advisory committee.

Procedures

4 The members of a regional advisory committee must appoint one of their number as chair and may, subject to section 3, otherwise establish their own procedures.

Division 2 -- Establishment and Structure of the North Island-Coast Development Initiative Trust

North Island-Coast Development Initiative Trust established

5 (1) There is established a corporation known as the North Island-Coast Development Initiative Trust consisting of the directors referred to in section 6.

(2) The North Island-Coast Development Initiative Trust has the powers and capacity of an individual of full capacity.

(3) The North Island-Coast Development Initiative Trust is not an agent of the government.

Directors of the North Island-Coast Development Initiative Trust

6 (1) Directors of the North Island-Coast Development Initiative Trust must be appointed in accordance with this Division.

(2) Subject to section 7 and to subsection (8) of this section, the board of directors of the North Island-Coast Development Initiative Trust is to consist of 13 individuals of whom

(a) 8 are to be appointed by the regional advisory committees, with each of the 2 regional advisory committees appointing 4 of their number as directors, and

(b) 5 are to be appointed by the Lieutenant Governor in Council.

(3) Subject to section 7 (3), the term of office of a director of the North Island-Coast Development Initiative Trust is,

(a) if the director is appointed under subsection (2) (a) of this section, 2 years from the expiry of the term of the retiring director that he or she replaces, and

(b) if the director is appointed under subsection (2) (b) of this section, 3 years from the expiry of the term of the retiring director whom he or she replaces.

(4) Nothing in this Act prevents

(a) a regional advisory committee from removing and replacing, in accordance with any procedures it has established for that purpose, any individual the regional advisory committee has appointed as a director of the North Island-Coast Development Initiative Trust, and

(b) the Lieutenant Governor in Council from removing and replacing any individual the Lieutenant Governor in Council has appointed as a director of the North Island-Coast Development Initiative Trust.

(5) If a director is removed and replaced under subsection (4),

(a) the regional advisory committee or the Lieutenant Governor in Council, as the case may be, must promptly notify the directors of the North Island-Coast Development Initiative Trust of the replacement appointment, and

(b) the term of office of the replacement director is the remainder of the term of the director he or she replaces.

(6) A director of the North Island-Coast Development Initiative Trust is removed as, and ceases to be, a director of the North Island-Coast Development Initiative Trust on the passing of a resolution to that effect by all of the remaining directors.

(7) An act or proceeding of the directors of the North Island-Coast Development Initiative Trust is not invalid merely because fewer than the number of directors required by subsection (2) are in office or in attendance.

(8) An individual who is a Member of the Legislative Assembly must not be appointed as a director of the North Island-Coast Development Initiative Trust.

First directors of the North Island-Coast Development Initiative Trust

7 (1) On the coming into force of this Act, the first directors of the North Island-Coast Development Initiative Trust are

(a) from the regions, the following persons:

(i) from the Central South Island region, the mayors of Nanaimo, Parksville, Ladysmith and Lake Cowichan;

(ii) from the North Island-Sunshine Coast region, the mayors of Campbell River, Port Alberni, Port McNeill and Gibsons, and

(b) 5 individuals appointed as directors by the Lieutenant Governor in Council.

(2) The first directors of the North Island-Coast Development Initiative Trust

(a) must establish a Regional Account,

(b) must receive the North Island-Coast one-time development allocation and deposit it into the Regional Account,

(c) subject to section 22, may invest any or all of the North Island-Coast one-time development allocation and any other money in the Regional Account, and

(d) subject to paragraphs (b) and (c) of this subsection and to section 20 (2), must not make any use of the North Island-Coast one-time development allocation.

(3) The term of office of the first directors of the North Island-Coast Development Initiative Trust expires 6 months after the date of the coming into force of this Act.

Subsequent directors

8 (1) On or before the expiry of the term of any directors it appoints under section 6 (2) (a) and on or before the expiry of the term of the directors from its region referred to in section 7 (1) (a), a regional advisory committee must appoint 4 of their number as directors to replace the

retiring directors, and must promptly notify the directors of the North Island-Coast Development Initiative Trust of those replacement appointments.

(2) On or before the expiry of the term of directors appointed under section 6 (2) (b) or 7 (1) (b), the Lieutenant Governor in Council must appoint 5 individuals to replace those directors, and must promptly notify the directors of the North Island-Coast Development Initiative Trust of those appointments.

Vacancies among the directors

9 (1) A director of the North Island-Coast Development Initiative Trust ceases to hold office when

(a) the director's term of office expires,

(b) the director ceases to be a member of the regional advisory committee by which he or she was appointed, or

(c) the director dies, resigns or is removed from office.

(2) If one of the directors of the North Island-Coast Development Initiative Trust ceases to hold office, a replacement for that director must be appointed in the same manner as that director was appointed.

(3) A replacement director appointed under subsection (2) holds office until the end of the term of the director he or she replaces.

Proceedings of directors

10 (1) The directors of the North Island-Coast Development Initiative Trust

(a) must appoint one of their number as chair, and

(b) may, subject to this Division, otherwise establish their own procedures.

(2) Subject to section 22, the directors of the North Island-Coast Development Initiative Trust may invest any or all of the North Island-Coast one-time development allocation.

(3) In appointing a chief executive officer and a chief financial officer under section 11 (1) and a review committee under section 26 (1), the directors are to be guided by the guidelines set out in the following as amended or replaced from time to time:

(a) the *Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations* published by the British Columbia Board Resourcing and Development Office;

(b) the *Review of the Governance Framework for Canada's Crown Corporations -- Meeting the Expectations of Canadians* published by the Treasury Board of Canada Secretariat.

Appointment of chief executive officer and chief financial officer

11 (1) Subject to section 10 (3), the directors must appoint a qualified individual as the chief executive officer of the North Island-Coast Development Initiative Trust, and the same or a different qualified individual as the chief financial officer of the North Island-Coast Development Initiative Trust, to carry out

(a) the functions and duties of the chief executive officer and chief financial officer, respectively, under this Act, and

(b) the functions and duties that the directors specify.

(2) The directors may set the remuneration of the chief executive officer and chief financial officer.

Officers and employees

12 (1) The chief executive officer, to the extent authorized by the directors, may do one or more of the following:

(a) enter into contracts on behalf of the North Island-Coast Development Initiative Trust to carry out any of its purposes;

(b) appoint other officers and employees considered necessary to carry out the operations of the North Island-Coast Development Initiative Trust;

(c) define the duties and set the remuneration of the individuals appointed under paragraph (b);

(d) provide a system of organization to establish responsibility and promote efficiency.

(2) The *Public Service Act*, the *Public Service Benefit Plan Act*, the *Public Sector Pension Plans Act* and the *Public Service Labour Relations Act* do not apply to the North Island-Coast Development Initiative Trust, the chief executive officer, the chief financial officer or a director, officer or employee of the North Island-Coast Development Initiative Trust.

Operating expenses and remuneration

13 (1) The directors may use money from the Regional Account to satisfy those expenses that are reasonably and necessarily incurred in order to allow the directors and officers to perform their obligations under this Act.

(2) A director of the North Island-Coast Development Initiative Trust must not accept remuneration from that corporation other than for reasonable travelling and out of pocket expenses necessarily incurred by the director in discharging his or her duties.

Part 3 -- Public Accountability

Strategic plans

14 (1) For the purposes of public accountability, the directors must prepare strategic plans in accordance with this section.

(2) The directors must

(a) each year establish a 3 year strategic plan for the North Island-Coast Development Initiative Trust including goals for each year of the strategic plan relating to the fulfillment of the purposes identified in section 20 in relation to the Regional Account,

(b) provide a copy of each strategic plan prepared under this section to each of the regional advisory committees, and

(c) publish each strategic plan prepared under this section in a manner that can reasonably be expected to bring the plan to the attention of the public.

(3) The directors must prepare

(a) the first strategic plan required under subsection (1) on or before the earlier of

(i) the date on which the North Island-Coast Development Initiative Trust makes any of the payments contemplated by section 20, and

(ii) the first anniversary of the coming into force of this section, and

(b) after that, a strategic plan before the first day of each fiscal year of the North Island-Coast Development Initiative Trust.

Annual reports

15 (1) Within 4 months after the end of each fiscal year of the North Island-Coast Development Initiative Trust, the directors must

(a) prepare an annual report that complies with subsection (2) (a), and

(b) prepare, in accordance with generally accepted accounting principles, financial statements for the North Island-Coast Development Initiative Trust for that fiscal year and have those financial statements audited in accordance with section 16.

(2) The directors must,

(a) in each annual report referred to in subsection (1) of this section,

- (i) report on the goals set by the directors for the preceding fiscal year under section 14 (2), indicate how, if at all, those goals have been met and detail how those achievements met the intent of the purposes identified in section 20 in relation to the Regional Account,
 - (ii) compare actual results for the preceding fiscal year with the expected results identified in the strategic plan for that fiscal year, and
 - (iii) include the audited financial statements referred to in subsection (1) (b),
- (b) provide a copy of that annual report to each of the regional advisory committees, and
 - (c) publish each annual report in a manner that can reasonably be expected to bring the annual report to the attention of the public.

Audit

16 (1) The North Island-Coast Development Initiative Trust must, on or before the end of each fiscal year, appoint, as auditor for the North Island-Coast Development Initiative Trust, an individual who is authorized to be an auditor of a company under section 205 of the *Business Corporations Act* to audit the accounts, transactions and financial statements of the North Island-Coast Development Initiative Trust for the following fiscal year.

(2) The accounts, transactions and financial statements of the North Island-Coast Development Initiative Trust must, at least once in every year, be audited and reported on by the auditor and the costs of the audit must be paid by the North Island-Coast Development Initiative Trust.

(3) An oral or written statement or report made under this Act by the auditor or a former auditor of the North Island-Coast Development Initiative Trust has qualified privilege.

Part 4 -- Allocations

Limit on the North Island-Coast one-time development allocation

17 Despite any other enactment, if the government makes North Island-Coast one-time development allocation payments to the North Island-Coast Development Initiative Trust, the total of those payments must not exceed \$50 million.

Management of Regional Account

18 (1) The North Island-Coast Development Initiative Trust must manage the Regional Account.

(2) If any donation is made to the North Island-Coast Development Initiative Trust, the directors of the North Island-Coast Development Initiative Trust must deposit that money into the Regional Account.

Interest and other income on invested money

19 The interest or other income earned in relation to the Regional Account must be paid into that account.

Purpose of Regional Account

20 (1) The purpose of the Regional Account is to support investment in the following in the North Island-Coast area:

- (a) forestry;
- (b) transportation;
- (c) tourism;
- (d) mining;
- (e) Olympic opportunities;
- (f) small business;
- (g) economic development;
- (h) energy;
- (i) agriculture.

(2) Without limiting section 18 (1), money may be paid out of the Regional Account for any of the purposes referred to in subsection (1) or section 13, including, without limitation, any payments required under sections 11 (2) and 12 (1) (c).

Regional advisory committees may advise on projects

21 (1) Each regional advisory committee may identify, for the directors of the North Island-Coast Development Initiative Trust, projects that the regional advisory committee considers are appropriate for application of the money in the Regional Account.

(2) The directors of the North Island-Coast Development Initiative Trust may reject any recommendation made to them by a regional advisory committee under subsection (1).

Investments

22 The North Island-Coast Development Initiative Trust must invest the North Island-Coast one-time development allocation, and any other money in the Regional Account, only as permitted under the provisions of the *Trustee Act* respecting the investment of trust property by a trustee.

Part 5 -- General

Winding up

23 (1) Promptly after the Regional Account has been reduced to a nil balance, the directors must

(a) in accordance with the direction of the regional advisory committees, distribute the remaining assets of the North Island-Coast Development Initiative Trust, if any,

(i) firstly in satisfaction of any outstanding liabilities of the North Island-Coast Development Initiative Trust, and

(ii) after that, to the municipalities and regional districts in the North Island-Coast area, or to any of them, in the proportions or amounts the regional advisory committees may direct,

(b) close the account, and

(c) publish notice of the closing of the account, and the consequent dissolution of the North Island-Coast Development Initiative Trust, in a manner that can reasonably be expected to bring those matters to the attention of the public.

(2) On the closing of the Regional Account,

(a) the North Island-Coast Development Initiative Trust is dissolved and disestablished,

(b) the appointment of each member of the board of directors of the North Island-Coast Development Initiative Trust is rescinded, and

(c) the regional advisory committees are dissolved and disestablished.

Offence Act

24 Section 5 of the *Offence Act* does not apply to this Act.

Power to make regulations

25 The Lieutenant Governor in Council may make regulations referred to in section 41 of the *Interpretation Act*.

Review of this Act

26 (1) Subject to section 10 (3), on or before the fifth anniversary of the coming into force of this section, and on or before every fifth anniversary after that, the directors must, if the North Island-Coast Development Initiative Trust has not by that date been dissolved and disestablished under section 23, appoint a committee of qualified individuals to review this Act and evaluate how it is functioning.

(2) The review committee may consult with business, labour, education providers, government and any other person or organization it considers appropriate.

(3) If a review committee is appointed, it must publish a report of its findings in a manner that can reasonably be expected to bring the report to the attention of the public.

Commencement

27 This Act comes into force by regulation of the Lieutenant Governor in Council.

FINAL

Date:

2011 04 18

Typist/Editor Initials: SK

Ref: 48056

Mr. Al Baronas
Chief Executive Officer
North Island-Coast Development Trust Initiative Trust
201 A, 2435 Mansfield Drive
Courtenay, BC V9N 2M2

Dear Mr. Baronas:

Thank you for your letter of April 6, 2011, and for forwarding a copy of your recently completed Legislative Review process final report.

I appreciate your invitation to meet with the Board of Directors of the Trust at either their May or June Board meetings. I understand that you have also invited Minister Bell to attend the Board meeting.

As I am sure you can appreciate the first few months of a creating a new Ministry can be extremely busy. However, if my schedule does allow I would like to be able to attend one of the upcoming meetings of the Board of Directors.

I will be in contact with you in the near future to confirm.

Thanks you again for the invitation.

Yours truly,

Dana Hayden
Deputy Minister

DM: diary copy ADM: diary copy Branch: file copy Branch: diary copy

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Ministry of Jobs,
Tourism and Innovation

Office of the Deputy Minister

Mailing Address:
PO Box 9846 Stn Prov Govt
Victoria BC V8W 9T2
Phone: 250 952-0102
Fax: 250 356-1195

Location:
8th Floor, 1810 Blanshard Street
Victoria BC

www.gov.bc.ca/jti

Mason, Patty JTI:EX

From: Minister's Correspondence JTI:EX
Subject: FW: Southern Interior Development Initiative Trust

From: Birk, Kim JTI:EX
Sent: Monday, June 13, 2011 5:17 PM
To: Minister's Correspondence JTI:EX
Cc: Hourston, Sveah JTI:EX; Yelovatz, Maureen JTI:EX
Subject: FW: Southern Interior Development Initiative Trust

I spoke to Luby Pow by phone last week and gave regrets. CB, could you please log and close? Thanks! Kim

From: Luby Pow [<mailto:ceo@sidit-bc.ca>]
Sent: May-16-11 2:39 PM
To: Bell.MLA, Pat
Cc: 'Anita Rhodes'
Subject: Southern Interior Development Initiative Trust

Hello Minister Bell,

SIDIT will be holding its AGM at the Hillcrest Hotel, 2100 Oak Drive, Revelstoke on June 22, 2011. We would be pleased if you would consider attending our appreciation luncheon at 11:30 which will be immediately followed by our AGM. Kindly advise if you will be able to attend and if you would like time reserved at the AGM to speak to our Board of Directors.

Sincerely,

Luby Pow, CEO
Southern Interior Development Initiative Trust
204 - 3131, 29th Street,
Vernon, B.C.
V1T 5A8
250-545-6829 (phone)
250-545-6896 (fax)
250-306-8948 (cell)
www.sidit-bc.ca

Hall, Jane M CSCD:EX

Not Responsive

From: Love, Roger FIN:EX
Sent: Wed, February 2, 2011 2:31 PM
To: Danshin, Tamara RESD:EX
Subject: FW: development initiatives review

Tammy, Further to our phone discussion, I'm attaching an outline of people that we think we should talk to in fieldwork. The basic questions for these "external" contacts are listed on the attached.

Can you please provide any additional potential contacts in your area – EDOs, Chambers of Commerce, etc., in the NDIT "user" community - that we might contact (by phone if not in Prince George).

Thanks,

Roger
7-8187



SIDIT Interview
questions for ...



NDIT Fieldwork
Schedule.docx

7

REGIONAL DEVELOPMENT INITIATIVES REVIEW				Initials	Date
File No.	Ministry		Preparer	RL	12/20/10
060053	RESO	SIDIT INTERVIEW QUESTIONS	Reviewer		

1. Local Government - EDOs

- 1) How are regional needs determined?
- 2) What role does the municipality play in the determination of regional needs?
- 3) How does the municipality interact with the Trust and with its RAC?
- 4) What is its input to the Trust and RAC as a stakeholder?
- 5) What is the strength of the working relationship with the Trust?
- 6) What are the weaknesses in the relationship with the Trust?
- 7) How effective is the municipality's relationship with the Trust?
- 8) What could be done to improve the effectiveness of the relationship with the Trust?

2. Local Chamber of Commerce

- 1) How are regional needs determined?
- 2) What role does the Chamber play in the determination of regional needs?
- 3) How does the Chamber interact with the Trust and with its RAC?
- 4) What is its input to the Trust and RAC as a stakeholder?
- 5) What is the strength of the working relationship with the Trust?
- 6) What are the weaknesses in the relationship with the Trust?
- 7) How effective is the Chamber's relationship with the Trust?
- 8) What could be done to improve the effectiveness of the relationship with the Trust?
- 9) Does the Chamber have any view on the effectiveness of the local municipality's relationship with the Trust?

REGIONAL DEVELOPMENT INITIATIVES REVIEW				Initials	Date
File No.	Ministry		Preparer	RL	
060053	RES D	NDIT/NKDF FIELDWORK SCHEDULE	Reviewer		

Monday, Wednesday:

RAC members: Masset, Smithers, Mackenzie, Clinton, Lillooet.

Board members: Mitch Campbell, Lori Ackemann, Gerald Wesly, Fred Punko.

EDOs: where?

Business Development Canada

Monday, March 7

301-1268 5th Ave, Prince George; 250-561-2525

8:30: Janine North, CEO, NDIT

10:00: Evan Saugstad, Chair – or, will he be in PG that week?

Tuesday

Chamber of Commerce office 2353 Burrard, Vanderhoof – BD & MS

8:30: Dan Boudreau, Manager, NKDF, 250-964-4066

9:30: Vanderhoof Chamber of Commerce President, or suitable person,

10:30 NKDF File review

1:30: Mike Robertson, Director, NKDF, by phone 250-694-3632

2:30: Keith Federink, Manager, Community Futures, Stuart Nechako, (also NKDF Director) by phone 250-567-5219

3:30: NKDF File review

4:30: Return to Prince George

NDIT file review – RL

Wednesday

Leslie Lax, RM RBCS Cariboo; 1577 7th Avenue, Suite 203; 250-565-6685

Thursday

District of Vanderhoof Office, 160 Connaught– BD & MS; Dan Boudreau, 250-964-4066

8:30: Kathie Laforge, Vanderhoof EDO,

10:00: Bob Clark, NKDF Chair

11:00: Vanderhoof NDIT RAC member

1:30: Burns Lake NDIT RAC member by phone

REGIONAL DEVELOPMENT INITIATIVES REVIEW				Initials	Date
File No.	Ministry		Preparer	RL	
060053	RES D	NDIT/NKDF FIELDWORK SCHEDULE	Reviewer		

2:30: Cindy Shelford, **EDO, Lakes Economic Development Association**, by phone 250-692-3700

3:30: Wrap-up with Dan Boudreau and Bob Clark, NKDF

4:30: Return to Prince George

NDIT file review - RL

Friday

8:30: EDO Brodie Guy; EDI, Kelly Bryan

12:00: Wrap-up lunch with Janine North (and other invitees?)

2:15: Leave for airport

Not Responsive

From: Fraser, Sarah W RESD:EX
Sent: Friday, January 21, 2011 2:41 PM
To: Love, Roger FIN:EX
Subject: RE: Development Initiative Trusts review

Thanks Roger I had forgotten the CFA review discussion but would be interested in an external review at some point, perhaps towards the end of the next fiscal year. By then many of the projects will have completed which would allow for a more fulsome review.

Call me if you have further Trust questions.

Sarah Fraser, MBA : Executive Director | Regional Operations | Ministry of Regional and Economic Development | 250 387 5440 | [RuralBC](#)
Secretariat



Please consider the environment before printing this e-mail

From: Love, Roger FIN:EX
Sent: Friday, January 21, 2011 2:33 PM
To: Fraser, Sarah W RESD:EX
Subject: FW: Development Initiative Trusts review

Sarah,

Re your comments about the CFA review, the person I exchanged emails with about the review was Ray Schultz (below). We're interested in doing a ministry-funded review for you and it does make sense from a continuity perspective if we've looked at the Trusts and would look at other initiatives afterward, as an overall package of reviews.

Thanks again for taking time to talk with Michael and me.

Regards,

Roger
7-8187

From: Love, Roger FIN:EX
Sent: Wednesday, October 27, 2010 11:01 AM
To: Schultz, Ray CD:EX
Subject: RE: Development Initiative Trusts review

Ray,

Thanks for the reply. s22 so would prefer that a meeting with NDIT be in December. However, if it has to be while I'm away, Behram Dadachanji (250-387-8180) is now the Director for the project and he can look after things.

We'll be guided by your decision on the CFA review, but will still be interested in doing it for you. If you wish to discuss further, perhaps a phone call when convenient for you would be the easiest.

Live Meeting works for me, I can always go to Johnson Street if we can't do things from here.

Regards,

Roger
250-387-8187

From: Schultz, Ray CD:EX
Sent: Wednesday, October 27, 2010 10:49 AM
To: Love, Roger FIN:EX
Cc: Goodwin, Greg CD:EX; Fraser, Sarah W CD:EX
Subject: RE: Development Initiative Trusts review

Thanks Roger. In light of the changes unfolding we have decided to re-schedule the November 4 interactions with NDIT to allow a bit of the transition to unfold. Regarding the CFA review, we were mulling over whether the review would add more value if were done in 2011/12 rather than this year. It would give us more experience and track record with the relatively new approach, and may increase our learnings. Perhaps we could speak about that further. Regarding my location in Kamloops, we are getting more and more comfortable with Live Meeting, it seems to work better all the time. Failing that, we do a lot by conference call I would think. Thanks Roger.

Ray L. Schultz, RPF
Assistant Deputy Minister
Mountain Pine Beetle Epidemic Response
Ministry of Community and Rural Development

From: Love, Roger FIN:EX
Sent: Monday, October 25, 2010 1:41 PM
To: Schultz, Ray CD:EX
Subject: Development Initiative Trusts review

Ray,

s22

I spoke with Tom today, about the review (which will now go forward as a corporate review). He indicated that Kerry and Greg were reviewing the draft ToR that I had sent out. Kerry later advised that they will revert, Wednesday, so I'll follow on Thursday, if not received. I'm attaching the draft fyi – it has been kept very simple, to allow maximum flexibility.

We will finalize whether the proposed November 4 meeting with Janine North and her staff goes ahead when Kerry and Greg have worked out the issues arising from your transfer of ministry and ministers.

We would still like to do the CFA review this year, for you as a ministry review. It would probably be less costly than using a consultant, keep the fees in government, and provide the linkage to the Trusts review and the other potential reviews of rural programs.

Little else at the moment but, with your location in Kamloops, how would you expect to go forward? Should we try to include you in conference calls, rather than just going up to the ministry office? We can copy you on emails; what else can you suggest – meeting if you are in Victoria?

Regards,

Roger Love
250-387-8187

<< File: 060053 ToRDrt3.docx >>

Hall, Jane M CSCD:EX

From: Richardson, Dale B JTI:EX
Sent: Wednesday, February 2, 2011 2:49 PM
To: Love, Roger FIN:EX
Subject: RE: development initiatives review

Excellent! Please let me know if I can be of further assistance to you.

Regards,

Dale

From: Love, Roger FIN:EX
Sent: Wednesday, February 2, 2011 2:48 PM
To: Richardson, Dale B RESD:EX
Subject: RE: development initiatives review

Dale,

Apologies – on checking after your reply, today, I found that I had received your reply but, for some reason had put it into a different folder from my outgoing email. Everything is under control, now!

Regards,

Roger
250-387-8187

From: Richardson, Dale B RESD:EX
Sent: Wednesday, February 2, 2011 2:40 PM
To: Love, Roger FIN:EX
Subject: FW: development initiatives review

Hi Roger – I sent this to you earlier this week. Not sure why some things are not making their way to you. Can you please confirm receipt of this message? Thank you.

Regards,

Dale

Dale Richardson

Regional Manager, Northwest Region | Ministry of Rural Economic & Skills Development
<mailto:dale.richardson@gov.bc.ca> | 250-624-7499 | **RuralBC Secretariat**

From: Richardson, Dale B RESD:EX

Sent: Monday, January 31, 2011 9:26 AM
To: Love, Roger FIN:EX
Cc: Braam, Rick RESD:EX
Subject: RE: development initiatives review

Hi Roger,

I am assuming by your note below that you have the contacts you need in the regions east of mine. Here are some suggested external contacts from the North Coast region:

Derek Baker – EDO, Prince Rupert and Port Edward Economic Development Corporation (PREDC)
Derek.baker@princerupert.ca
Tel: 250-627-5138

Maynard Angus - President, Prince Rupert Chamber of Commerce
mangus@rupertport.com
Tel: 250-627-2521

Evan van Dyk – EDO, Terrace Economic Development Authority (TEDA)
evan@teda.ca
Tel: 250-635-4168

Diane Hewlett – EDO, District of Kitimat
dhewlett@kitimat.ca
Tel: 250-632-8921

I hope that these contacts are useful to you.

Dale

Dale Richardson

Regional Manager, Northwest Region | Ministry of Rural Economic & Skills Development
mailto:dale.richardson@gov.bc.ca | 250-624-7499 | [RuralBC Secretariat](#)

From: Love, Roger FIN:EX
Sent: Thursday, January 20, 2011 2:14 PM
To: Richardson, Dale B RESD:EX
Subject: development initiatives review

Dale,

Further to our phone discussion, I'm attaching an outline of people that we think we should talk to in fieldwork. The basic questions for these "external" contacts are listed on the attached.

Can you please provide any additional potential contacts – EDOs, Chambers of Commerce, etc., in the NDIT "user" community - that we might contact (by phone if not in Prince George).

Thanks,

Roger

7-8187

<< File: SIDIT Interview questions for externals only.docx >> << File: NDIT Fieldwork Schedule.docx >>

Hall, Jane M CSCD:EX

From: Love, Roger FIN:EX
Sent: Wednesday, February 2, 2011 2:08 PM
To: Richardson, Dale B JTI:EX
Subject: FW: development initiatives review

Dale,

I don't think I got anything back on this. Could you please let me know any ideas for contacts that you may have?

Thanks,

Roger
250-387-8187

From: Love, Roger FIN:EX
Sent: Thursday, January 20, 2011 2:14 PM
To: Richardson, Dale B RESD:EX
Subject: development initiatives review

Dale,

Further to our phone discussion, I'm attaching an outline of people that we think we should talk to in fieldwork. The basic questions for these "external" contacts are listed on the attached.

Can you please provide any additional potential contacts – EDOs, Chambers of Commerce, etc., in the NDIT "user" community - that we might contact (by phone if not in Prince George).

Thanks,

Roger
7-8187



SIDIT Interview
questions for ...



NDIT Fieldwork
Schedule.docx

Hall, Jane M CSCD:EX

From: Love, Roger FIN:EX
Sent: Wednesday, January 5, 2011 3:18 PM
To: Richardson, Dale B JTI:EX
Subject: RE: Internal Audit Development Initiatives Review

Actually, I didn't get a response for today's meeting, so rescheduled. We'll call you Monday.

Roger
7-8187

-----Original Appointment-----

From: Richardson, Dale B RESD:EX
Sent: Wednesday, January 5, 2011 3:16 PM
To: Love, Roger FIN:EX
Subject: Accepted: Internal Audit Development Initiatives Review
When: Monday, January 10, 2011 2:00 PM-3:00 PM (GMT-08:00) Pacific Time (US & Canada).
Where: We'll phone you at 250-624-7499

We were going to meet today at 3pm? Monday is fine too.

Dale

Hall, Jane M CSCD:EX

From: Richardson, Dale B JTI:EX
Sent: Wednesday, January 5, 2011 3:21 PM
To: Love, Roger FIN:EX
Subject: FW: Internal Audit Development Initiatives Review

Not sure what happened there, Roger – a technical glitch of some kind. Monday is fine.

Dale

-----Original Appointment-----

From: Richardson, Dale B RESD:EX
Sent: Tuesday, January 4, 2011 8:56 AM
To: Love, Roger FIN:EX
Subject: Accepted: Internal Audit Development Initiatives Review
When: Wednesday, January 5, 2011 3:00 PM-4:00 PM (GMT-08:00) Pacific Time (US & Canada).
Where: We'll phone you at 250-624-7499

Hall, Jane M CSCD:EX

From: Richardson, Dale B JTI:EX
Sent: Tuesday, January 4, 2011 8:56 AM
To: Love, Roger FIN:EX
Subject: Accepted: Internal Audit Development Initiatives Review

Not Responsive

From: Grant, Peggy M JTI:EX
Sent: Thursday, August 25, 2011 11:03 AM
To: JTI ED RBCS Regional Offices
Cc: Code, Kathy L JTI:EX
Subject: ACTION REQUIRED: TRUST REVIEW DISCUSSION - R.O.B AUG 30TH CON CALL
Importance: High

Please be advised that Kathy Code will be joining our Tuesday conference call at 2:15 on Tuesday. Please see her email below regarding preparation of responses.

Thank you.

Peggy Grant
Administrative Assistant
Ministry of Jobs, Tourism & Innovation
Tel: 250 751-3227 / Fax: 250 751-3245
Peggy.Grant@gov.bc.ca

From: Code, Kathy L JTI:EX
Sent: Thursday, August 25, 2011 10:52 AM
To: Grant, Peggy M JTI:EX
Cc: Rundell, Marilyn JTI:EX; Fraser, Sarah W JTI:EX
Subject: RE: REPLY: RE: Regional Operations Branch - August 30 Branch Conference Call

Thanks, Peggy, that time should suffice. Could you let the call participants know so they can have time to prepare responses before the call?

Cheers.

Katy

From: Grant, Peggy M JTI:EX
Sent: Thursday, August 25, 2011 10:48 AM
To: Code, Kathy L JTI:EX
Cc: Rundell, Marilyn JTI:EX; Fraser, Sarah W JTI:EX
Subject: REPLY: RE: Regional Operations Branch - August 30 Branch Conference Call

Thank you Kathy;

I have allotted 25 minutes for you and Trust Review information/discussions. That will allow for good information to be shared as well as discussions and questions. You are on the agenda from 2:30 pm - 2:55 pm. Please dial in at 2:20. Please let me know if you think you will need more time and I will adjust the agenda. If you'd like to join us sooner, please let us know. I will send you a meeting request for your calendar. Call in details are as follows:

**REGIONAL OPERATIONS BRANCH
BI-WEEKLY BRANCH CONFERENCE CALL**

August 30, 2011

Time: 1:30 pm – 3:00 pm

Toll-free Dial-in: S15, S17

Conference ID is

Chairperson: Sarah Fraser

Thank you for getting back to me so quickly. We look forward to you joining us.

Peggy Grant
Administrative Assistant
Ministry of Jobs, Tourism & Innovation
Tel: 250 751-3227 / Fax: 250 751-3245
Peggy.Grant@gov.bc.ca

Not Responsive

From: McLay, Cheryl RESD:EX
Sent: Friday, February 11, 2011 9:58 AM
To: Love, Roger FIN:EX
Subject: RE: development initiatives review

Hi Roger. The reports Cori Lynn referred to are here

<http://ubcm.ca/EN/main/resolutions/policy-areas/community-economic-development/economic-development-policy-initiatives.html>

yes, in public domain
Amen.

Best,

Cheryl McLay

Regional Manager Vancouver Island/Coast Region
RuralBC Secretariat
Ministry of Regional Economic & Skills Development
250.751.3217 office
s17
Cheryl.McLay@gov.bc.ca

RuralBC

From: Love, Roger FIN:EX
Sent: Thursday, February 10, 2011 12:22 PM
To: McLay, Cheryl RESD:EX
Subject: development initiatives review

Cheryl,

Cori Lynn sent me the link to The Link Project report. The second page of the Introduction refers to a 2009 UBCM survey. Do you have a title for it (I can't find a reference on the UBCM website) or, better still, can you direct me to any report that resulted from it?

Regards,

Roger

250-387-8187

Not Responsive

From: McLay, Cheryl RESD:EX
Sent: Tuesday, February 8, 2011 9:58 AM
To: Love, Roger FIN:EX
Subject: Re: Development Initiatives review

Hi Roger. No worries. I confirmed with Pat Deakin, Geoff Millar, and Paris Gaudet as you mentioned and haven't contacted anyone else. I did not contact Colleen Evans (maybe Khris did?).

Hope all goes well with the interviews.

Cheers,
Cheryl

From: Love, Roger FIN:EX
Sent: Tuesday, February 08, 2011 09:50 AM
To: McLay, Cheryl RESD:EX
Subject: RE: Development Initiatives review

Cheryl,

Kerry Pridmore phoned about the arrangements for meetings. Apparently, there is some concern about having the RMs contact the external people and it was suggested that I contact everyone. Could you please let me know who you have contacted (other than Colleen Evans, Pat Deakin, Paris Gaudet, and Geoff Millar) and I'll do the necessary with the remainder.

Apologies for the confusion – I only found out this morning!

Regards,

Roger
250-387-8187

From: McLay, Cheryl RESD:EX
Sent: Monday, February 7, 2011 3:11 PM
To: Love, Roger FIN:EX
Subject: RE: Development Initiatives review

Hi Roger. Khris and I are both out of the office at a regional quarterly meeting in Vancouver until Friday. I think we can touch base with everyone on Feb 11th if that works for you? If I understand correctly, you would like us to give the non-Board/RAC members a friendly heads up that you will be in contact and confirm day/time? (no problem)

In terms of February 21st, I'll have to send my regrets.

s22

s22

~Cheryl

From: Love, Roger FIN:EX
Sent: Monday, February 7, 2011 2:52 PM
To: McLay, Cheryl RESD:EX
Subject: FW: Development Initiatives review

Cheryl,

s22
requests, please? Could we prevail on you to look after all of the non-Board/RAC meeting

Thanks,

Roger
250-387-8187

From: Love, Roger FIN:EX
Sent: Monday, February 7, 2011 1:54 PM
To: McLay, Cheryl RESD:EX; Singh, Khris RESD:EX
Cc: 'Line Robert'
Subject: Development Initiatives review

Cheryl, Khris,

We have scheduled fieldwork in Courtenay for the week of February 21.

Attached is the expected schedule for phone calls. Line Robert is arranging the meetings with Board and RAC members.

Monday and Friday are tentative at the moment, depending on how the meeting with Dave Mannix in Nanaimo can be scheduled for the Monday. Can you please arrange for the non-Board/RAC people in your area scheduled for Tuesday through Thursday and for the February 28 week - and let me have phone numbers where these are not shown? Feel free to move meetings around within the contacts you are arranging meetings for, or work with each other and Line if you need more flexibility. The list for the days other than Monday 21st and Friday 25th is open as far as we are concerned.

Cheryl, if Dave Mannix confirms for 10:30, Monday, are you free for lunch? If Dave cannot confirm, can we see you at 10:30?

In previous work, we have circulated the areas of interest ahead of time – also attached. I've given you the full listing, but your contacts' interest would be either #5 or #6. This should set the basic context, which we will amplify on at the start of each discussion.

If you have questions, please let me know.

Thanks for your help; Michael Sy and I look forward to meeting with you in the field.

Roger Love

250-387-8187

<< File: Interview questions summary.docx >> << File: ICET Fieldwork Schedule.docx >>

Not Responsive

From: McLay, Cheryl RESD:EX
Sent: Thursday, January 20, 2011 1:27 PM
To: Love, Roger FIN:EX
Subject: RE: List of Small Town CAOs for Internal Audit

Hi Roger. CAO stands for Chief Administrative Officer. The highest local government staff position...aka City Manager. They report directly to the Mayor and Council.
~Cheryl

From: Love, Roger FIN:EX
Sent: Thursday, January 20, 2011 9:58 AM
To: McLay, Cheryl RESD:EX
Subject: RE: List of Small Town CAOs for Internal Audit

Cheryl, Thanks! What does CAO stand for? **Roger** 7-8187

From: McLay, Cheryl RESD:EX
Sent: Thursday, January 20, 2011 9:37 AM
To: Love, Roger FIN:EX
Subject: FW: List of Small Town CAOs for Internal Audit

Hi Roger. Here are some CAO names from the North Island. Khris Singh did not include Al Sweet from Port McNeill as he is involved on the accounting side of the Trust.

Port Hardy, Rick Davidge, 250-949-6665 rickd@porthardy.ca

Port Alice, Gail Lind, 250-284-3391 clerk@portalice.ca

Alert Bay, Madeline McDonald, 250-974-5213. mmcdonald@alertbay.ca

Best, *Cheryl McLay*

Regional Manager Vancouver Island/Coast Region
RuralBC Secretariat
Ministry of Regional Economic & Skills Development
250 751 3217 office

s17

Cheryl.McLay@gov.bc.ca

RuralBC

Not Responsive

-----Original Message-----

From: McLay, Cheryl RESD:EX

Sent: Monday, January 17, 2011 3:57 PM

To: Love, Roger FIN:EX

Subject: RE: Development Initiatives review Island/Coast contacts

Hi Roger. Would you like a list of some of the CAOs from the smaller communities? They often do economic development off the side of their desk and may have some good insight on the needs of smaller communities. Khris and I can put a list together for you if that would help.

Some of the smaller communities pay for an EDO through the regional district.

I think the RAC members would provide good feedback.

Cheers,
Cheryl

-----Original Message-----

From: Love, Roger FIN:EX

Sent: Friday, January 14, 2011 9:43 AM

To: McLay, Cheryl RESD:EX

Subject: RE: Development Initiatives review Island/Coast contacts

Cheryl,

The list is comprehensive, but I think we can probably manage to cover most people within the week, and the following Monday. It will be worthwhile to get a broad cross-section of opinion, particularly of the EDOs.

One question that looms large, and not just for ICET, is that of what do we do about the small remote communities that have no EDO - I'm thinking of, say, Alert Bay, or Zeballos. Do we just ignore them - would the mayors on the RACs have much to contribute or suggest? The underlying is really: what can they do?

Am I correct in thinking that including the remote RAC members would provide appropriate balance to the EDOs - who represent more successful communities?

Regards,

Roger

-----Original Message-----

From: McLay, Cheryl RESD:EX

Sent: Thu 13/01/2011 09:14

To: Love, Roger FIN:EX

Cc: Singh, Khrris RESD:EX; Fraser, Sarah W RESD:EX

Subject: RE: Development Initiatives review Island/Coast contacts

HI Roger. Spoke to Khrris and Sarah on Tuesday re: contacts for interviews. In terms of the ICET board, the Chair Barry Janyk (Mayor Gibsons), Rob Hutchins (Mayor Ladysmith), and Charlie Cornfield (Mayor Campbell River) would provide good insight (as would any of the Board members). In terms of the Provincial government appointments to the Board it may be interesting to interview one of the First Nation representatives for their perspective- Dave Mannix (Snuneymuxw First Nation) or Dallas Smith (Tlowitsis Nation).

In terms of the RAC members, any of the local government officials or MLAs would be great to interview. We would suggest equal representation from the Northern RAC and Southern RAC for interviews.

In terms of EDOs-

Geoff Millar, Manager
Economic Development Cowichan
T 250-746-7880 ext 246
E gmillar@cvr.d.bc.ca

Pat Deakin
Economic Development Manager
Port Alberni
Phone: 250.720.2527
patrick.deakin@portalberni.ca

Patti Smedley
Economic & Community Coordinator
Port Hardy
(250) 949-6665
psmedley@porthardy.ca

Scott Randolph
Economic Development Manager
Powell River Regional Economic Development Society
Office: (604) 485-0325
srandolph@prreds.com
John Watson, Ec.D
Executive Director
Comox Valley Economic Development
Tel: 250-334-2427
john@investcomoxvalley.com
Neil Smith
EDO Mount Waddington Regional District

250.956.3301
nsmith@rdmw.bc.ca

The City of Nanaimo does not currently have an EDO (in the process of hiring). Contact:

Amrit Manhas,
Research & Information Analyst
City of Nanaimo Economic Development
455 Wallace St Nanaimo, BC V9R 5J6
amrit.manhas@nanaimo.ca (250)755-4468
www.nanaimo.ca

In terms of Chambers of Commerce, any of the ED's would provide good input. (eg. Colleen Evans Campbell River or Kim Burden Parksville)

In terms of Community Futures, perhaps Lori Camire Port Alberni, Cathy Robinson Cowichan or David Mitchell Mount Waddington.

In terms of the Regional Science Council...

Paris Gaudet
Executive Director
Mid-Island Science, Technology & Innovation Council (MISTIC)
P: 250.753.8324 (TECH) | 1.877.664.7842
E: pgaudet@mistic.bc.ca

In terms of the Vancouver Island Economic Alliance.

Cori Lynn Germiquet
President
Vancouver Island Economic Alliance
250-240-5157
corilynn@shaw.ca

In terms of the federal government and Western Economic Diversification.

Steve Perrault
Senior Business Officer
Western Economic Diversification Canada
604.666.5332 steve.perrault@wd.gc.ca

Hope this helps.

Best,

Cheryl McLay
Regional Manager Vancouver Island/Coast Region
RuralBC Secretariat
Ministry of Regional Economic & Skills Development
250.751.3217 office

s17

Cheryl.McLay@gov.bc.ca
RuralBC <<http://www.ruralbc.gov.bc.ca/>>

Not Responsive

From: McLay, Cheryl RESD:EX
Sent: Thursday, January 13, 2011 1:51 PM
To: Love, Roger FIN:EX
Subject: RE: Development Initiatives review Island/Coast contacts

Hi Roger. Sounds good. However we can assist...we shall.
Have a delightful day. Cheers, Cheryl

From: Love, Roger FIN:EX
Sent: Thursday, January 13, 2011 1:25 PM
To: McLay, Cheryl RESD:EX
Subject: RE: Development Initiatives review Island/Coast contacts

Cheryl, Thanks for putting this together for me. Saves a lot of work! We'll figure out the people with whom we'd like to talk – probably most EDOs and a couple from each of the RACs and Board. I'll touch base later this month with a suggested schedule and ask that you initiate the contact, so that they're not a cold call for us. Thanks again, **Roger**
7-8187

From: McLay, Cheryl RESD:EX
Sent: Thursday, January 13, 2011 9:15 AM
To: Love, Roger FIN:EX
Cc: Singh, Khri RESD:EX; Fraser, Sarah W RESD:EX
Subject: RE: Development Initiatives review Island/Coast contacts

Hi Roger. Spoke to Khri and Sarah on Tuesday re: contacts for interviews. In terms of the ICET board, the Chair Barry Janyk (Mayor Gibsons), Rob Hutchins (Mayor Ladysmith), and Charlie Cornfield (Mayor Campbell River) would provide good insight (as would any of the Board members). In terms of the Provincial government appointments to the Board it may be interesting to interview one of the First Nation representatives for their perspective- Dave Mannix (Snuneymuxw First Nation) or Dallas Smith (Tlowitsis Nation).

In terms of the RAC members, any of the local government officials or MLAs would be great to interview. We would suggest equal representation from the Northern RAC and Southern RAC for interviews.

In terms of EDOs-
Geoff Millar, Manager
Economic Development Cowichan
T 250-746-7880 ext 246
E gmillar@cvr.d.bc.ca

Pat Deakin

Economic Development Manager
Port Alberni
Phone: 250.720.2527
patrick_deakin@portalberni.ca

Patti Smedley
Economic & Community Coordinator
Port Hardy
(250) 949-6665
psmedley@porthardy.ca

Scott Randolph
Economic Development Manager
Powell River Regional Economic Development Society
Office: (604) 485-0325
srandolph@prreds.com

John Watson, Ec.D
Executive Director
Comox Valley Economic Development
Tel:250-334-2427
john@investcomoxvalley.com

Neil Smith
EDO Mount Waddington Regional District
250.956.3301
nsmith@rdmw.bc.ca

The City of Nanaimo does not currently have an EDO (in the process of hiring). Contact:

Amrit Manhas,
Research & Information Analyst
City of Nanaimo Economic Development
455 Wallace St Nanaimo, BC V9R 5J6
amrit.manhas@nanaimo.ca (250)755-4468
www.nanaimo.ca

In terms of Chambers of Commerce...any of the ED's would provide good input. (eg. Colleen Evans Campbell River or Kim Burden Parksville)

In terms of Community Futures...perhaps Lori Camire Port Alberni, Cathy Robinson Cowichan or David Mitchell Mount Waddington.

In terms of the Regional Science Council...

Paris Gaudet
Executive Director
Mid-Island Science, Technology & Innovation Council (MISTIC)
P: 250.753.8324 (TECH) | 1.877.664.7842
E: pgaudet@mistic.bc.ca

In terms of the Vancouver Island Economic Alliance...

Cori Lynn Germiquet
President

Vancouver Island Economic Alliance
250-240-5157
corilynn@shaw.ca

In terms of the federal government and Western Economic Diversification...

Steve Perrault
Senior Business Officer
Western Economic Diversification Canada
604.666.5332 steve.perrault@wd.gc.ca

Hope this helps.

Best,

Cheryl McLay

Regional Manager Vancouver Island/Coast Region
RuralBC Secretariat
Ministry of Regional Economic & Skills Development
250.751.3217 office
s17
Cheryl.McLay@gov.bc.ca

RuralBC

Not Responsive

From: McLay, Cheryl RESD:EX
Sent: Tuesday, January 11, 2011 9:24 AM
To: Love, Roger FIN:EX
Subject: RE: Development Initiatives review

Hi Roger. Sounds good. Sarah works out of Nanaimo two days a week and has the most direct contact with the ICET Board as ED of the Regional Office. We will coordinate a response and send your way.
Cheers, Cheryl

From: Love, Roger FIN:EX
Sent: Tuesday, January 11, 2011 9:17 AM
To: McLay, Cheryl RESD:EX
Subject: RE: Development Initiatives review

Cheryl, If you could coordinate with Sarah and Khris, that would be great. I was going to email Khris today about contacts. I had not thought about Sarah, since she is in Victoria - but, if she has business with ICET, please include her in your coordination and we should also include her in our contacts.

Thanks for helping with this.
Regards, **Roger**
7-8187

From: McLay, Cheryl RESD:EX
Sent: Monday, January 10, 2011 4:25 PM
To: Love, Roger FIN:EX
Subject: RE: Development Initiatives review

Hi Roger. Would you like Sarah Fraser, Khris Singh and I to draft a list of contacts for the Vancouver Island Coast region or would you just like my contacts? The three of us happen to be meeting tomorrow.
Please advise. Thanks, Cheryl

From: Love, Roger FIN:EX
Sent: Monday, January 10, 2011 2:00 PM
To: McLay, Cheryl RESD:EX
Subject: Development Initiatives review

Cheryl, Thanks again for a very useful conversation last week. In follow-up, we want to talk with the ICET Board Chair, a Board member, some RAC members, local EDOs, and Chamber of Commerce. Can you please advise some appropriate contacts for your region that would be able to provide us with some insight and viewpoints? Thanks, **Roger Love** 250-387-8187

Not Responsive

From: McLay, Cheryl RESD:EX
Sent: Friday, January 7, 2011 12:10 PM
To: Love, Roger FIN:EX
Subject: Trust Review Responses- McLay

Hi Roger. Thanks again for including me in the review. Below are some of my responses- could you please share with Michael as well. The federal department that I referenced re: funding updates is also below. I have also attached an example of an email from Brandon so that you have a sense of the update (at the bottom of this email below my signature.)

Federal Colleagues:
Renee Umezuki (her colleague is Brandon Hughes)
Regional Manager – BC/Yukon/NWT
Rural and Co-operatives Secretariat
Agriculture and Agri-Food Canada
Government of Canada

1. How does the Regional Office interact with the Trust?

The regional office links the Trust to provincial government programs, services and contacts per their request. For example, meeting with Tourism to discuss Trusts investments in trails, the provincial trail strategy, and potential collaborative business development and marketing opportunities to enhance the return on investment, job creation etc. We also provide the Trust with information about provincial programs and services that align with their mandate and could potentially add value. (eg. new funding programs). Also, if the Trust receives an application outside their mandate, we will assist in identifying another potential funding source for the applicants. (for example, an art restoration project was able to then apply for some funds from Heritage Canada)

We also interact with the Trust as partners on specific projects. Previous examples include the Vancouver Island Coast Regional Economic Analysis, the Vancouver Island Coast Air Transportation Outlook and the Port Alberni Communities First Agreement (CFA). The Trust, Rural BC Secretariat and Ministry of Agriculture are currently working as partners on the Vancouver Island Coast Agricultural Outlook . The goal is to create a strategic framework for action (implementation plan) which identifies short and long term actions to strengthen and grow the agricultural section from a regional economic development perspective.

There is ongoing and regular communication with staff from the Trust related to regional needs, priorities, projects and troubleshooting for projects (removing barriers and creative problem solving).

2. What input to the Trust does the Regional Office have about ministry initiatives and programs that affect the Trust's geographic business area?

Ongoing communication ensures that new Ministry initiatives are shared on a regular basis. We share provincial government reports and analysis with the Trust as the Board requires good data for evidence based decisions. When we can't find the information we often partner to create the data (eg. Vancouver Island Coast Regional Economic Analysis and VI Coast Air Transportation Outlook).

We shared our vision related to regional economic sector development with the Trust and that dialogue led to our partnership on the Vancouver Island Agriculture Outlook.

3. How does the Regional Office work with the Trusts to develop information about the effectiveness of legislation/regulations and support recommendations for changes that would improve a Trust's effectiveness from the ministry's perspective?

Not part of my role/mandate.

4. What are the strengths of the Office's relationship with the Trust?

Solid and positive working relationships with staff from the Trust. Shared mandate related to regional economic development means that we can work together to strengthen the economic resiliency of communities. We also support projects together. For example, we assisted the Maritime Heritage Society and the Town of Ladysmith with their harbour application to Western Economic Diversification. Then both the Trust and the regional office advocated on behalf of the project secure the federal funding (\$800,000 recently announced).

The Trust participated in the Port Alberni CFA pilot and in addition to funding certain projects (via the Trust's application process) the Trust staff added value in terms of their expertise and experience in community economic development.

5. What are the weaknesses and challenges in the Office's relationship with the Trust?

The Island Trust requires more funds to continue to move regional economic development priorities forward.

6. How effective is the overall ministry relationship with the Trust?

Overall-effective. Each minister has met with Trust and the Trust has had positive feedback regarding each meeting. Over the last few years, we have had seven ministers in three different ministries, each meeting with the Trust. While this ensures that more Ministers are familiar with the goals and priorities of the Trust/region it is a challenge to build relationships at the Executive level.

The Trust has also included us when other Deputy Ministers have toured the region.

7. How effective can the Regional Office be in its relationship with the Trusts?

I feel that we have an effective relationship but we would need to ask the Trust how we can add additional value and increase the effectiveness of their organization.

8. What could be done to improve the effectiveness of the ministry and Regional Office relationships with the Trust?

Additional resources to the regional office would enable us to fund initiatives to enhance economic development.

Formal communication to the ICET board from the Vancouver Island Coast Economic Developers Association and Vancouver Island Economic Alliance.

That's it. Hope this helps!

Best,

Cheryl McLay

Regional Manager Vancouver Island/Coast Region
RuralBC Secretariat
Ministry of Regional Economic & Skills Development
250.751.3217 office
S17
Cheryl.McLay@gov.bc.ca

RuralBC

From: Brandon Hughes [mailto: S22]
Sent: Thursday, January 6, 2011 12:47 PM
To: Brandon Hughes
Subject: First Nations Art Support/Green Grants

This e-mail is one of an ongoing series of information updates from the BC Rural Network and Rural Team BC issued by Brandon Hughes (Canada's Rural Partnership). Any input or update ideas are welcomed. If you wish to be added to the list or taken off or for more information mail me. Please feel free to forward this information to others who would be interested. I am sorry that there are some tight deadlines below, but I just got some of these opportunities. In order to get funding opportunities to you more quickly, I will be posting selected, tight timeline program information tweets to Twitter at this site - <http://twitter.com/BCRuralNetwork>
Sorry if this is a duplicate, I sent it before Xmas but I don't think it went through.

1. YVR Art Foundation Grants - YVRAF, in collaboration with corporate sponsors, offers an art scholarship to First Nations youth who wish to develop their artistic potential in traditional Northwest Coast art. Deadline January 31, 2011
<http://www.yvraf.com/scholarship.html>

2. Walmart and Home Depot-Evergreen Green Grants - Grants are offered to support community groups in protecting and restoring urban green spaces. All proposed projects must be open to the community, should have a strong volunteer-involvement component, and must be located entirely on publicly accessible lands. Deadline January 31, 2011
<http://www.evergreen.ca/en/funding/grants/>

3. Green Building Grant - The Vancity/Real Estate Foundation Green Building Grant Program deadline is January 24, 2011. [Click here](#) for the application form. Program focus areas are:

- Building renovations/retrofits that demonstrate leadership and can inspire similar projects with positive environmental impacts or benefits (no new construction)
- Regulatory changes that advance green building development and practice
- Education to increase the understanding and use of practical green building strategies

4. Learn about the funding opportunities (grants and contributions) that are offered by [HRSDC](#), [Service Canada](#), and [Labour](#): what programs are currently accepting applications, listings of all programs and who can apply, and links to more information. http://www.hrsdc.gc.ca/eng/funding_programs/index.shtml

Brandon Hughes, Regional Advisor
Rural Secretariat, Government of Canada
P - 250-499-9562
F - 250-499-2922

Not Responsive

-----Original Message-----

From: McLay, Cheryl RESD:EX
Sent: Friday, January 14, 2011 8:41 AM
To: Love, Roger FIN:EX; 'Line Robert'
Cc: Sy, Michael FIN:EX
Subject: RE: Meeting with Mayor Janyk

Hi All. I have booked the Albert Edward Room on the second floor of our building from 8am til noon.

When you enter our building please proceed to the elevator and proceed to the second floor (security pass not required to second floor). Please check in with receptionist. I booked the meeting under "Island Coastal Economic Trust Review".

Best,

Cheryl McLay
Regional Manager Vancouver Island/Coast Region RuralBC Secretariat Ministry of Regional
Economic & Skills Development
250.751.3217 office

s17

Cheryl.McLay@gov.bc.ca
RuralBC

-----Original Message-----

From: Love, Roger FIN:EX
Sent: Friday, January 14, 2011 8:16 AM
To: Line Robert
Cc: McLay, Cheryl RESD:EX; Sy, Michael FIN:EX
Subject: RE: Meeting with Mayor Janyk

Line,

Sounds like a plan. It is better when we can meet rather than having to talk over the phone, so please thank the Mayor for going out of his way for this meeting.

We'll be in Cheryl's office,

S15

, at 9:00 on Monday, February 21.

Regards,

Roger

-----Original Message-----

From: Line Robert [<mailto:line.robert@islandcoastaltrust.ca>]

Sent: Thu 13/01/2011 18:08

To: Love, Roger FIN:EX

Subject: RE: Meeting with Mayor Janyk

Hello Roger,

I have spoken with Mayor Janyk and he can fly over at 8:30 and could be at Cheryl's office shortly after 9. Unless you hear otherwise this should be the time for his interview.

Thanks,

Line

From: Love, Roger FIN:EX [<mailto:Roger.Love@gov.bc.ca>]

Sent: Thursday, January 13, 2011 3:48 PM

To: Line Robert

Subject: RE: Meeting with Mayor Janyk

Line,

We do appreciate the Mayor flying over from Gibsons. If he needs a later time, maybe we could stop in Duncan and see Cathy Robinson, Community Futures, Cowichan first thing - so, say, 11:00 in Nanaimo?, We are quite happy to do a phone call if necessary - most of our interviews are that way and I'm not in a position of wanting to "see the whites of their eyes" on this one!!!

Regards,

Roger
7-8187

From: Line Robert [<mailto:line.robert@islandcoastaltrust.ca>]
Sent: Thursday, January 13, 2011 3:29 PM
To: Love, Roger FIN:EX
Subject: RE: Meeting with Mayor Janyk

Hello Roger,

I am just waiting for a response from Mayor Janyk regarding the timing of the flights from Gibson. I will follow up with you as soon as I know.

Cheers,

Line

From: Love, Roger FIN:EX [<mailto:Roger.Love@gov.bc.ca>]
Sent: Thursday, January 13, 2011 2:11 PM
To: Line Robert
Cc: McLay, Cheryl RESD:EX
Subject: RE: Meeting with Mayor Janyk

Line,

We may as well change our schedule - we were going to drive up, Sunday afternoon but this makes sense.

If he is able to meet in Nanaimo, how about an 8:30, or 9:00, meeting?
Cheryl McLay has OK'd using a meeting room in her office at S15

S15 .

Regards,

Roger
7-8187

From: Line Robert [<mailto:line.robert@islandcoastaltrust.ca>]
Sent: Thursday, January 13, 2011 1:42 PM
To: Love, Roger FIN:EX
Subject: Meeting with Mayor Janyk

Hello Roger,

Our Chair, Mayor Janyk was asking if it would be possible to meet with you in Nanaimo on the 21st. We were wondering if you were driving in from Victoria that morning, whether it would be possible for you to meet him there. Mayor Janyk is from Gibsons and the commute to Courtenay is quite lengthy for him (car, plane, rental car). He is happy to do a phone interview if this idea doesn't work, but would prefer to speak with you in person.

Thanks again for your sensitivity to his time constraints.

Line

Line Robert

Acting CEO and

Project Manager

Island Coastal Economic Trust

Tel: 250-334-2427 ext. 227

Fax: 250-331-0962

<<mailto:line.robert@islandcoastaltrust.ca>>
line.robert@islandcoastaltrust.ca

<<http://www.islandcoastaltrust.ca/>> www.islandcoastaltrust.ca

_____ Information from ESET NOD32 Antivirus, version of virus signature
database 5617 (20101113) _____

The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

_____ Information from ESET NOD32 Antivirus, version of virus signature
database 5617 (20101113) _____

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<http://www.eset.com>

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database 5617 (20101113) _____

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<http://www.eset.com>

_____ Information from ESET NOD32 Antivirus, version of virus signature
database 5617 (20101113) _____

The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

Not Responsive

From: Love, Roger FIN:EX
Sent: Tuesday, March 22, 2011 11:03 AM
To: McLay, Cheryl RESD:EX
Cc: Goodwin, Greg RESD:EX; Sy, Michael FIN:EX; Pridmore, Kerry RESD:EX; Fraser, Sarah W RESD:EX
Subject: Outline for Thursday's meeting

Cheryl,

I talked with Greg this morning about Thursday's meeting. He suggested that we outline what we want to talk about in more detail than was in the meeting invitation.

We're looking at the role of Regional Managers in terms of identifying some sound practices for working with the Trusts, following on from your comments when we talked back in January and after visiting all three Trusts and talking with other RMs. Part of this is how the Trusts work with you as a resource and part what you bring to the table, to work with them.

- What has the Trust indicated that it wants you to do as a Regional Manager? How does it view your role?
- Is this realistic - and how are you able to respond to this? What other resources would you need?
- Could formal meetings of RMs and Trust staff improve this part of the relationship?
- Are you generally able to address requests from the Trust for assistance/information; are you able to provide what is wanted?
- Where are there gaps?
- Can these gaps be resolved by government?
- Are you finding that other RMs are requesting particular information/assistance from you, based on your experience and resources?
- Should the RMs already have access to such information?
- Could formal meetings of RMs improve this part of the relationship?
- Are you able to share information adequately with the Trust, bearing in mind its independent status?
- Could formal meetings of RMs and Trust staff improve this part of the relationship?

Looking forward to seeing you, Thursday.

Regards,

Roger Love
250-387-8187

Hall, Jane M CSCD:EX

From: Love, Roger FIN:EX
Sent: Tuesday, January 18, 2011 8:26 AM
To: Fraser, Sarah W JTI:EX
Subject: RE: Development Initiatives review

Marilyn,

I've rescheduled for 1:00pm Friday. Hope this works!

Roger

7-8187

-----Original Appointment-----

From: Rundell, Marilyn RESD:EX **On Behalf Of** Fraser, Sarah W RESD:EX
Sent: Monday, January 17, 2011 3:58 PM
To: Love, Roger FIN:EX
Subject: New Time Proposed: Development Initiatives review
When: Thursday, January 20, 2011 1:30 PM-2:30 PM (GMT-08:00) Pacific Time (US & Canada).
Where: We'll phone Sarah at 387-5440

My apologies Roger but due to meeting outside of the office Sarah feels that Thursday will not work either.

She does have free time on Friday (by phone at this number: S22).

If this time does not work then anytime in the afternoon will.

Please let me know.

Marilyn Rundell, Branch Administrator
Victoria Regional Office, RuralBC Secretariat
Ministry of Regional Economic and Skills Development
250-387-0220 marilyn.rundell@gov.bc.ca

New Meeting Time Proposed:
Friday, January 21, 2011 11:00 AM-12:00 PM (GMT-08:00) Pacific Time (US & Canada).

Pages 197 through 198 redacted for the following reasons:

s13

Northern Development Initiative Trust

Independent Legislative Review of the Northern Development Initiative Trust Act 2004

REPORT OF THE LEGISLATIVE REVIEW COMMITTEE

Ron Fichtner, Deanna Randall, Rob van Adrichem

October 7, 2011

Prepared for the Legislative Review Committee by Roxanne Yanishewski

TABLE OF CONTENTS

A. Executive Summary	3
i. Background	
ii. Recommendations	
B. Introduction	5
i. Requirement for Legislative Review	
ii. Background to the Act	
iii. Northern Development Outcomes To Date	
C. Recommendations	7
i. Sustainability	
ii. Governance	
iii. Inclusiveness	
iv. Strategic Areas for Investment	
v. Performance Measures	
vi. Reporting	

Appendices:

1. Legislative Review Committee: Context	13
2. Creation of the Legislative Review Committee	14
3. Biographies of Legislative Review Committee members	19
4. Terms of Reference for Legislative Review Committee	20
5. List of Consultees	23
6. Northern Development Initiative Trust Act	24

A. EXECUTIVE SUMMARY

i. Background

The Northern Development Initiative Trust ("Northern Development") was established in 2004 pursuant to the *Northern Development Initiative Trust Act* (the "Act"). On or before its fifth anniversary, Northern Development was required under the Act to appoint an independent committee to review the Act and evaluate how it is functioning. A five year performance review was posted on the website in November 2010, but this additional process and report is being undertaken to provide additional certainty of an independent review.

The Legislative Review Committee (the "committee"), consisting of three members and a facilitator, was empowered under the Act to undertake appropriate consultations as part of the process. Consultations were conducted to gain a better understanding of Northern Development and its functioning, and its experience with the benefits and limitations of the Act.

ii. Recommendations

The results of the review raised a number of issues either with the functioning of the Act or Northern Development. Generally, Northern Development's funds have been managed in such a manner that they have been sustained. Modifications to the Act and additional efforts by the Board of Northern Development would assist the Board in continuing to sustain Northern Development's capital while meeting all relevant legislation.

During its brief history and for various reasons, Northern Development has experienced difficulty in maintaining continuity and key competencies on its board. Modifications to the Act and a greater effort by the Government of BC in appointing its board members in a timely and considerate manner would assist in addressing this. In addition, the committee noted that the extraordinary commitment required by the Chair of the Board and recommends remuneration for anyone holding this position.

The committee considered the issue of enhancing the representation of local First Nation communities in Northern Development's governance and recommends that the Act be amended to accommodate this. The committee also strongly encourages local MLAs and MPs to regularly participate in Northern Development's Regional Advisory Committees.

In its efforts to support economic development in central and northern BC, Northern Development has identified additional areas of investment not currently included in the Act. In particular, these should be expanded to include commercializing intellectual property and financially supporting applied research.

Northern Development has been entrusted with a significant amount of capital and appears to have managed it in a responsible and sustainable manner. To this end, Northern Development might benefit from regular auditing by the Province, as well as being measured against broad performance standards, such as job creation, leveraging funds, sustaining capital (inflation adjusted), and supporting investment for economic outcomes.

Northern Development's board relies on the results reported in the annual report to prepare the strategic plan and goals for the coming year. However, the Act currently does not support the timing of the preparation of these reports and should be modified accordingly. Finally, while Northern Development reports to the public about its goals and results, these could be presented in a more direct comparison for the public.

B. INTRODUCTION

i. Requirement for Legislative Review

The Northern Development Initiative Trust ("Northern Development") was established in 2004 pursuant to the *Northern Development Initiative Trust Act* (the "Act"). The primary objective of the Northern Development Initiative Trust is to be a catalyst to build a diverse and sustainable central and northern BC economy.

Pursuant to Section 23.1 of the Act, on or before the fifth anniversary of the establishment of the Northern Development Initiative Trust, a committee was to be appointed by the Board of Northern Development Initiative Trust to review the Act and evaluate how it was functioning. The text of the Act is set out in **Appendix 6** on page 24. To this end, a committee was formed and a five year review was posted on the website in November 2010, but this additional process and report is being undertaken to provide additional certainty of an independent review.

The context for the creation of the legislative review committee (the "committee"), the scope of the review, the biographies of the committee members, and the terms of reference for the committee are all set out in the appendices to this report.

The committee must publish a report of its findings in a manner that can reasonably be expected to bring the report to the attention of the public.

Based on the results of consultation and its own review of the Act, as well as a review of Northern Development's performance reviews, annual reports and strategic plans, the committee has evaluated the extent to which the Act has functioned to enhance or impede the successful implementation of the Northern Development's primary objective to be a catalyst to build a diverse and sustainable central and northern BC economy. The committee's recommendations are set out in **Section C** on page 7.

ii. Background to the Act

The background information set out below is intended to provide additional context to the committee's recommendations.

Provincial objectives

When the draft legislation was introduced into the Provincial Legislature, the government outlined a number of its objectives for Northern Development¹. Those objectives included:

¹ Hansard, October 18 and 19 2005: <http://www.leg.bc.ca/hansard/38th1st/h51018a.htm#840>,
<http://www.leg.bc.ca/hansard/38th1st/h51019p.htm#934>.

- Supporting strategic investments in regional priorities to increase economic growth and create more jobs.
- Providing as broad a scope as possible to the range of activities that fall within the strategic areas for economic development set out in the Act.
- Giving communities control over the Trust fund to pursue their regional priorities for regional benefit.
- Supporting regional collaboration between communities for mutual advantage.
- Achieving a multiplier effect from the original \$50 million through leveraging matching capital from other sources.

The government also stated that it wished to afford Northern Development complete freedom to determine how trust moneys should be allocated, without government direction or interference, and to set its own operational and funding policies.

The Act was therefore drafted broadly and with minimal prescription as to how Northern Development moneys are to be spent. Section 18 of the Act simply describes the purpose of the Northern Development as being to support investment in the legacy area (the Cariboo-Chilcotin/Lillooet region, the Northwest region, the Peace region, and the Prince George region) in forestry, pine beetle recovery, transportation, tourism, mining, Olympic opportunities, small business, economic development, energy, and agriculture.

iii. Northern Development Outcomes To Date

In its current Strategic Plan, Northern Development states that its primary goal is to directly and through leveraged investment, bring between \$1 and \$2 billion into communities of the region to aid in realizing their economic potential by 2020, and to have a sustainable base of \$185 million to do it again every decade.

Northern Development's 2010 Annual Report states that it was initially endowed with \$185 million in 2005 and that its current total balance at the end of December 31st, 2010 was 188.3 million. From inception to December 31st, 2010, it has disbursed \$75.6 million and leveraged over \$942 million in funding to the region from other sources. 4,328 jobs have been created through Northern Development-funded projects.

General economic development initiatives have been the largest sector for investment to date, with more than \$42 million allocated. Transportation has received over \$12 million. Forestry and Tourism have each received over \$9 million. Olympic opportunities have received over \$5 million. Small business, Pine Beetle recovery, mining, agriculture, and energy have received between \$1.8 and \$3.2 million.

C. RECOMMENDATIONS

1. Sustainability

- a. Protect Capital - The *Northern Development Initiative Trust Act*, S.B.C. 2004, ch.69, as amended (the "Act"), has created a pool of funds with some properties of an endowment. However, it is not a true endowment in that a predictable income is not the main role of the capital. Rather, it serves as a pool of funds that can be drawn down to depletion by the Northern Development Initiative Trust (the "Northern Development"). It appears to be the objective of the current board of Northern Development to manage the capital of the trust sustainably. This could, under a different board, or in a different political climate, change. While the ability to draw down Northern Development's capital or to make Northern Development insolvent is consistent with the Act, it is not consistent with the functioning of a corporation. This lack of certainty could make it difficult for Northern Development to enter into longer-term agreements. The committee recommends that Northern Development be provided with greater security of its capital by adding a section to the Act to give a general direction that the board of directors will manage funds in the Cross-Regional Account to provide a sustainable stream of income.
- b. Investment Principles - Under Section 20 of the Act, Northern Development is required to invest the monies initially allocated to it and any other money in the accounts established under this Act "...only as permitted under the provisions of the *Trustee Act* respecting the investment of trust property by a trustee." The applicable sections of the *Trustee Act* are set out below:

Investment of trust property

15.1 (1) A trustee may invest property in any form of property or security in which a prudent investor might invest, including a security issued by an investment fund as defined in the *Securities Act*.

(2) Subsection (1) does not authorize a trustee to invest in a manner that is inconsistent with the trust.

(3) Without limiting subsection (1), a trustee may invest trust property in a common trust fund managed by a trust company, whether or not the trust company is a co-trustee.

Standard of care

15.2 In investing trust property, a trustee must exercise the care, skill, diligence and judgment that a prudent investor would exercise in making investments.

The committee recommends Section 20 of the Act be amended such that only the Operating Endowment Account funds remain subject to the investment standards of the *Trustee Act*, while the remaining funds managed by Northern Development be freed from these restrictions to allow greater latitude in Northern Development's investment policy. Northern Development has taken an innovative approach, (and one not anticipated perhaps by the legislation's drafters) in terms of encouraging economic development and job creation in the region. Northern Development has developed a program to identify certain projects that are worthy of funding but in which an institutional lender would generally be unwilling to participate. For these types of projects, Northern Development lends money at non-market interest rates to persons, societies, partnerships, corporations and cooperatives as opposed to issuing straight grants. The objective of these loans is to promote economic development as opposed to making an investment. This program has been successful; to date, the loans advanced are in good standing or have been repaid according to their terms. General Security Agreements have been taken for some loans.

Northern Development in one instance took a mortgage over land as security for a loan. If Northern Development decides to adopt the practice of taking a mortgage over land, it may be required to enrol under the *Mortgage Brokers Act*. We recommend that Northern Development or its employees be exempted from any requirement to register under the *Mortgage Brokers Act*.

- c. Preserve Capital – Previous fund managers of Northern Development's capital may have, at times, included derivatives in their investment strategies. Derivatives may not represent an investment following the prudent investor standard. The committee understands that the Board is in the process of adopting a policy that will exclude derivatives from their portfolio. The committee recommends that the Board periodically review the investment principles applied by their fund managers to ensure that they are comfortable with the risks inherent in those strategies. The committee also encourages the Board to consider creating an investment advisory committee populated by individuals with appropriate expertise.
- d. Maximize Capital – Northern Development consists of four regions. Each of these regions, prior to the establishment of Northern Development's board and management, developed a different model for allotting its share of the available funds. These models vary along a continuum ranging from one large pool of funds shared by all of the communities in that region to each community having an independent pool of funds (relative to its population) from which to draw. The former model requires a high degree of trust such that when a community has a worthwhile project, the other communities in that region will support its application for funding. It also results in greater flexibility in selecting projects and less restriction on the size of those ventures, thereby enhancing economic

impact. The latter model requires communities to restrict the size of their projects due to their limited capital and hence, reduces their economic impact. The committee recommends that the regional advisory committees establish a regular process of reviewing their fund management and allocation, with an eye to ensuring that regions have the greatest flexibility possible in both identifying and funding economic development projects that may affect multiple communities. The committee also encourages those RACs with subdivided funds to aggregate and repool their funds to facilitate maximizing regional economic development.

- e. Increase Capital – In its relatively short history, it appears that Northern Development has emerged as a service delivery model with various advantages: actual location within the region, established networks, knowledge of leveraging opportunities, and relationships with service providers and local governments. Other levels of government are recognizing the benefits of the Northern Development model. For example, the federal government has contracted with Northern Development to deliver its Community Adjustment Fund (\$30 million) and the New Relationship Trust has for the past two years contracted with Northern Development to deliver a grant writing support program (\$250,000) across the province. The committee recommends that the Government of BC recognize the vehicle it has available for delivering programs related to regional development.

2. Governance

- a. Continuity – During its brief history, Northern Development has experienced difficulty in maintaining continuity on its board. This has been caused by several factors. First, as per Section 8 of the Act, because eight of its members are appointees from the pool of elected representatives in each regional advisory committee (RAC), up to eight of those members may be replaced when municipal elections take place. As municipal elections take place on the same date for each community represented within all four RACs, it is possible that all eight board appointees will be replaced at the same time. In fact, this has occurred, exposing the Board to possible dysfunction. Second, the two year term for board members representing RACs does not align with the three year term of elected community officials. This gives board members, especially those appointed by their RAC, a very short period in which to become acquainted with the functioning of the Board and then contribute in an active manner. Third, provincially appointed board members have terms of three years, allowing for little flexibility in term lengths. Finally, the Act is silent on renewing terms of board members. The committee recommends that these issues be partially addressed by modifying Section 6 of the Act to allow the terms of all of the directors to be renewed. The committee also recommends that provincial appointee terms be changed to match those of Crown corporations, i.e., the first

term is one year, which can then be renewed for two years, which can then be renewed for three years (for a maximum of six years).

- b. Membership – Over its short life, the Board has struggled to maintain key competencies of chairmanship, along with legal, financial, and communication knowledge and experience. The five Order in Council (OIC) appointees (Section 8) provide the opportunity to ensure that at least some board members are proficient in these key areas. The committee recommends that in selecting Northern Development Board members, the Government of BC must ensure all five positions are filled and those selected have as many of the following core competencies as possible: chairmanship, legal, financial, communication, diversity, and regional knowledge.
- c. Remuneration – Most board members appointed by their RAC have an excellent record of dedication to Northern Development and attendance at regular and extraordinary board meetings. The Chair of the Board, in particular, makes an extraordinary commitment due to extra responsibilities that can take up to an additional twenty-five days per year. Given Northern Development's financial resources, the committee recommends that the Chair receive remuneration for his or her preparation for and attendance at board meetings and Section 11 of the Act be amended accordingly. Remuneration could be equal to remuneration provided for level 3 organizations as set out in the Provincial Treasury Board Directive, dated December 16, 2010 or level three as per the guidelines for College Board members.

3. Inclusiveness

- a. First Nations – Throughout its brief history, Northern Development has sought and been unable to retain, until recently, strong First Nation governance representation on its board. This has had to come through an Order in Council appointment. The RACs are unable to include any direct First Nation representation due to the wording of Section 3 of the Act, which allows for only "elected officials of municipalities or regional districts..." Hence, there is no opportunity for participation by the elected leaders of Aboriginal communities. This is unfortunate, as local First Nations have the potential of making a significant impact on the economy and play leadership roles in the region. Subject to repooling of funds as per our recommendation in 1d (Maximize Capital), the committee recommends that Section 3 of the Act be amended to include elected representatives from unincorporated communities, which would allow the RACs to include local aboriginal communities. Including elected aboriginal representatives on local RACs creates the possibility of elected aboriginal representatives becoming Northern Development board members through the RACs. If and when First Nation communities are included, new

funds would need to be introduced, particular in those RACs where funds have been distributed by municipality to avoid further dilution of municipal accounts.

- b. Members of Parliament – The committee has been informed that it has been beneficial to have MLAs participating in their local RACs. Specifically, MLAs have been able to provide invaluable assistance by educating RAC members about the existence and functioning of the Provincial ministries and programs. In return, RAC members have direct access to their MLAs to keep them better informed of the economic development issues within their constituent communities and regions. The committee noted that a similar exchange of information between the regions and their Members of Parliament would likely also be beneficial, especially given that a number of regional economic issues, such as trade policies and ports fall within federal jurisdiction. Moreover, the Northern Development has been an effective vehicle for disbursing federal government funds. The committee recommends that Section 3 of the Act be amended to include regional Members of Parliament, and that these members be invited and strongly encouraged to participate, if even by teleconference, in their local RACs as a means of further integrating the federal government in developing the economic vitality of the local regions. Like MLAs, MPs should also be restricted from being appointed as directors of Northern Development (Section 6 (6)). The committee also recommends that MLAs be encouraged to make their attendance at RAC meetings consistent.

4. Strategic Areas for Investment

- a. Because it is a vehicle to support economic development in central and northern BC, Northern Development has identified additional areas for investment not currently included in Section 18 of the Act. The committee recommends that Section 18 of the Act be amended to describe “economic development” as the primary focus of the Northern Development and that examples be listed below, such as forestry, etc. This list of examples should also include facilitating the commercialization of intellectual property and financially supporting applied research. Any amendment to Section 18 should also include removing the category of “Olympic opportunities”.

5. Performance measures

- a. During its six years of existence, Northern Development has been entrusted with a significant amount of capital and appears to have managed it in a responsible and sustainable manner. In addition, it has received funds from sources other than the provincial government, for example, the federal government and the New Relationship Trust. Northern Development has developed policies and procedures to manage its funds, programs, and operations. It develops a three year strategic plan and an annual work plan, conducts annual audits, and

publishes annual reports. The committee believes that it is important that Northern Development be held accountable for its management of the funds with which it is entrusted. To this end, it recommends that auditing by the Province take place regularly and that these results be reviewed with Northern Development and then made available to the public. Furthermore, Northern Development might also benefit from being measured against broad performance-based expectations or standards as a means of determining its success. These standards could include measures such as job creation, leveraging funds, sustaining capital (inflation adjusted), and supporting investment for economic outcomes. These performance measures should drive Northern Development's communication strategy.

6. Reporting

- a. Report timing - Section 12.2 of the Act requires that the Board prepare an annual report within four months after the end of the fiscal year of Northern Development. Section 12.1 stipulates that the Board prepare a three-year strategic plan with goals for each year before the end of Northern Development's fiscal year. Given that the Board relies on the results reported in the annual report to prepare the strategic plan and goals for the coming year, the Board is unable to meet the deadline for the strategic plan as specified in Section 12.1. The committee recommends that Section 12.1 be modified to allow the strategic plan with its annual goals to be prepared within six months after the end of Northern Development's fiscal year.
- b. Reporting information - Sections 12.2 (a) (i) and (ii) of the Act require the Board to annually report on the goals set by the directors, indicate how, if at all, those goals were met, and compare the actual results of the preceding year with the expected result of that year's strategic plan. While a form of this comparison is available to the public, the committee believes that a more direct comparison of Northern Development's goals and results would be more in keeping with the Act and more informative for the public. Given its importance in achieving transparency, the committee recommends making such a comparison readily available to the public.

APPENDIX 1: LEGISLATIVE REVIEW COMMITTEE: CONTEXT

i. Selection of Legislative Review Committee members

Appendix 2 comprises a summary by Northern Development of the process for creation of the Legislative Review Committee (the “committee”) and appointment of members. Brief professional biographies of each committee member, all of whom are qualified individuals as defined in Section 1 of the Act, are set out in **Appendix 3**.

ii. Terms of Reference

The terms of reference adopted by the committee are set out in **Appendix 4**. Also in accordance with the guidelines referred to above, those terms of reference will be made public by Northern Development on its website.

iii. Scope of Review

As per Section 23.1 of the Act, the primary focus of the committee was to review the Act and evaluate how it was functioning. The topics covered in the review process are set out in **Appendix 4**.

iv. Consultation

Under Section 26 the committee was empowered to consult with business, labour, education providers, government and any other person or organization it considers appropriate. In determining who to select for this review process, the committee identified a list of individuals based on criteria that included knowledge and understanding of Northern Development, its work and its objectives, experience of working with the Act and Northern Development over the last five years and/or knowledge of the Act. The list of consulted individuals is set out in **Appendix 5**.

v. Comprehensive Organizational Review

Northern Development advised the committee that during 2010 it completed a comprehensive five year performance review of the organization. The review committee responsible for this review consulted with a broader range of consultees including Northern Development funding recipients. This report was published in November 2010 and was available to the committee.

APPENDIX 2

CREATION OF LEGISLATIVE REVIEW COMMITTEE (the "committee")

The following summary of the process that will be followed by Northern Development Initiative Trust in establishing the Legislative Review Committee (the "committee") was prepared by the Northern Development Initiative Trust and will be provided to the committee. It will also be available on Northern Development Initiative Trust's website at www.northerndevelopment.bc.ca.

Section 10 of the Northern Development Initiative Trust Act requires the Board and the committee be guided by the *Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations*, published by the British Columbia Board Resourcing and Development Office, and by the *Review of the Governance Framework for Canada's Crown Corporations—Meeting the Expectations of Canadians*, published by the Treasury Board of Canada Secretariat. Evidence of compliance with governance guidelines is found at <http://northerndevelopment.bc.ca/about/strategic-plan>.

Both documents specify best practices for creation of committees, including process transparency, professional competency requirements, independence, and lack of material interest in Northern Development Initiative Trust functions.

Northern Development Initiative Trust INDEPENDENT LEGISLATIVE REVIEW: Summary of process for creation of the Legislative Review Committee

Requirement for Independent Legislative Review

The Northern Development Initiative Trust is required under Section 23.1 of the Northern Development Initiative Trust Act (the Act) to undertake a legislative review no later than October 21, 2010 five years after the establishment of the Northern Development Initiative Trust. A five year review was posted on the website in November 2010, but this additional process and report is being undertaken to provide additional certainty of an independent review.

Under the Act, Northern Development Initiative Trust must appoint a committee of "qualified individuals" to review the Act and evaluate how it is functioning (the legislative review committee). The Legislative Review Committee (the "committee") may consult with business, labour, education providers, government and any other person or organization it considers appropriate and must publish a report of its findings in a manner that can reasonably be expected to bring the report to the attention of the public.

Creation of Steering Committee

On April 27th, 2011, the Board of Directors of the Trust appointed a Legislative Review Steering committee (Steering Committee), comprised of three board members, to oversee the legislative review process. The Steering Committee's mandate will end once the final Legislative Review Report is published.

The Board Members on the Steering Committee are:

1. Mayor Evan Saugstad (Chair)
2. Mayor Dan Rogers
3. Councillor Lori Ackerman

Mandate of the Steering Committee

The responsibilities of the Steering Committee include (but are not limited to):

- Development of the process for the legislative review;
- Recruitment of qualified candidates for the Legislative Review Committee(the "committee");
- Reporting and making recommendations to the Board regarding the process and appointment of qualified candidates;
- Overseeing the committee and process to ensure compliance with the Act and that the process and draft report meets the standards set out in the *Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations*, and *Review of the Governance Framework for Canada's Crown Corporations—Meeting the Expectations of Canadians*;
- Ensuring that the committee members' names and biographies, Terms of Reference and Final Report are published and available for public review;
- Reporting to the Board of Directors on the process;
- Liaison as required with the provincial government on the process.

The Process

The Steering Committee has determined that this obligatory legislative review will be conducted within the larger context of a voluntary governance review completed in April 2011, a client service review completed in January 2011 and a consultative five year performance review published November 2010.

The committee of three to four "qualified individuals" will be recruited by the Steering Committee and appointed by the Trust Board of Directors to direct the legislative review. These individuals will be selected for their professional qualifications and capability to understand and review legislation, as well as their track record of working effectively, collaboratively and efficiently in a team or committee setting.

It is expected that the committee will carry out appropriate consultations to ensure a balanced view of any issues related to the legislation. The committee is supported by a consultant hired to assist them in the development of their Terms of Reference, to carry out the required consultations and to draft the final report as per the committee's direction. A biography of consultant Roxanne Yanishewski is attached to this summary.

The Legislative Review Committee (the "committee") Selection and Appointment Process

The Act requires that the Trust appoint a committee of "qualified individuals" to review the Act and evaluate how it is functioning. The definition of "qualified individuals" in the legislation is as follows:

"qualified individual" means an individual who is not

- a) an elected official of a municipality or regional district,
- b) a Member of the Legislative Assembly,
- c) an employee of the government
- d) a member of the board of directors of the Northern Development Initiative Trust,
- e) a member of a regional advisory committee, or
- f) a person who is
 - i) the spouse, parent or child of any individual referred to in paragraph d) or e)
 - ii) any other relative residing with that individual

All committee members will be qualified individuals.

The Directors of the Trust will also, in appointing the committee, be guided by the guidelines set out in the following documents:

- a) *The Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations* published by the British Columbia Board Resourcing and Development Office;
- b) *The Review of the Governance Framework for Canada's Crown Corporations—Meeting the Expectations of Canadians* published by the Treasury Board of Canada Secretariat.

Those best practices guidelines require that the committee be comprised of individuals with combined professional competencies and personal attributes to do the job assigned to them. They must be independent of Northern Development Initiative Trust and have no material interest in Northern Development Initiative Trust's functions. Their appointment must be competency based, transparent and professional. The composition of the committee, their biographies and their names must be published, as must the process for appointing them and any remuneration. The Terms of Reference

must also be published, as must the committee's termination date, the purpose of the committee, and their working procedures.

The Steering Committee must be satisfied that Northern Development Initiative Trust has fully complied with these best practices. All relevant information will be available in a public summary.

Criteria for Selection of Legislative Review Committee (the "committee") Members

The following criteria for the recruitment and appointment of candidates to the committee will be considered:

1. Legal training or experience working with legislation;
2. Knowledge of, or experience working with, organizations governed by legislation;
3. Knowledge of the Northern Development Initiative Trust mandate area and economic development initiatives within the area;
4. Arms' length from Northern Development Initiative Trust staff, Board and funded projects;
5. Strong professional reputation and credibility of the candidate;
6. Ability to work as a team, at arms' length and independently of Northern Development Initiative Trust or any other influence, and
7. Ability to direct process, analyze information and make credible, independent recommendations.

The Steering Committee will shortlist a number of candidates and will invite them to form part of the committee. The candidates were individually contacted by Northern Development Initiative Trust staff, provided with information about the process, estimated time requirements and terms of reimbursement of expenses. Following a short telephone interview and verification that the candidates met all of the requirements of the Board and legislation, they were invited to participate in the committee.

The three to four candidates will then be formally appointed by the Board of Directors of Northern Development Initiative Trust, after confirming that the process and qualifications of the candidates comply with the legislation, the *Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations*, the *Review of the Governance Framework for Canada's Crown Corporations—Meeting the Expectations of Canadians* as well as the additional criteria set by the Trust.

Legislative Review Committee (the "committee")

The role of the committee will be to develop and approve the terms of reference for the legislative review process, steer the process and ensure that the necessary research and consultations are undertaken to meet the requirements of the legislation. They will be expected to provide strategic direction and guidance to the consultant hired to assist

them with the process. Finally, the committee will be required to analyze the results of the research and consultations and make recommendations regarding the legislation.

The Terms of Reference developed by the committee will be available on Northern Development Initiative Trust's website for further details on the process and scope of the review.

Committee members receive, for meeting attendance, a pro-rated *per diem* expense reimbursement of up to \$350.00, in addition to the reimbursement of eligible travel expenses or other expenses not covered by the *per diem*.

On publication of their Final Report, the committee will be terminated.

Publication of the Report

In addition to the publication of this Summary of the Process, committee member biographies and the Committee Terms of Reference, the Trust is committed to publishing the final report and recommendations as presented by the committee. These documents will be made available for public viewing on the Northern Development Initiative Trust website.

Biography: ROXANNE YANISHEWSKI, Consultant

Ms Yanishewski graduated with a BA from the University of Alberta and an MA from the University of Victoria. She has accumulated more than fifteen years' experience in working with industry, crown agencies, and communities, including First Nations, to facilitate relationships; assist in negotiating agreements on matters of common interest; provide strategic advice; undertake policy development and analysis, organizational review and compliance monitoring; and support communications needs and initiatives. Ms. Yanishewski brings a strong background in conflict resolution and problem solving, strategy and risk management, negotiation, facilitation, and project management. She has worked in British Columbia and Alberta, including several years as the manager of Aboriginal Affairs for Canadian Forest Products Ltd.

APPENDIX 3

BIOGRAPHIES OF LEGISLATIVE REVIEW COMMITTEE MEMBERS

RON FICHTNER FCA, Partner, Deloitte Touch

Prince George Audit partner Ron Fichtner was honoured when the Institute of Chartered Accountants of British Columbia named him a Fellow of the Institute of Chartered Accountants (FCA) after nearly 30 years in the profession. Election to the Fellowship is granted to CAs whose outstanding career achievements and leadership contributions to the community are a tribute to their profession. Ron joined Deloitte after graduating from the University of British Columbia in 1976, earned his CA designation in 1979, and became a partner in 1990. Within his role as an audit partner, Ron has developed a specialization in GST, working closely with Vancouver's commodity tax practice. Ron is retiring as a partner in 2011.

DEANNA RANDALL LLB, Associate, Wilson, King and Company

Deanna began working at Wilson King LLP in 2000. She works in the area of wills and estates, corporate and commercial law, creditors' remedies and legal matters concerning land. Deanna grew up in Prince George and enjoys exploring trails in and around the City. Deanna is a member of the Canadian Bar Association and an occasional speaker on matters concerning estate planning.

ROB VAN ADRICHEM, Vice President of External Relations, UNBC

Rob oversees the Office of External Relations, which includes the Office of Communications, and has played a key role in fostering UNBC's profile over his 17 years at the University. Rob earned a UNBC bachelor's degree while working full-time and recently completed his Master's degree in Political Science.

APPENDIX 4

TERMS OF REFERENCE FOR LEGISLATIVE REVIEW COMMITTEE

Adopted June 10 2011

A. Purpose and Role of the Legislative Review Committee (the "committee")

The Northern Development Initiative Trust was established in 2004 pursuant to the *Northern Development Initiative Trust Act* (the "Act"), with the purpose of investing in the central and northern BC Area (as defined in the Act) in the areas of forestry, transportation, tourism, mining, Olympic opportunities, small business, economic development, energy, pine beetle, and agriculture. The primary objective of the Northern Development Initiative Trust is to be a catalyst to build a diverse and sustainable central and northern BC economy.

Pursuant to Section 23.1 of the Act, on or before the fifth anniversary of the establishment of the Northern Development Initiative Trust, a committee must be appointed by the Board of Northern Development Initiative Trust to review the Act and evaluate how it is functioning.

The committee may consult with business, labour, education providers, government and any other person or organization it considers appropriate. It must publish a report of its findings in a manner that can reasonably be expected to bring the report to the attention of the public.

B. Scope of Review

Objectives of review:

The primary objective of the review is compliance with Section 23.1 of the Act. The results (including both barriers and assets to effective performance identified by the committee in their evaluation of how the Act is functioning) will also be taken into consideration in the comprehensive review process by the Board.

Consultation:

The committee will identify appropriate individuals and organizations with which to consult on the functioning of the Act. The key criteria for selection of those individuals and organizations will be knowledge and understanding of Northern Development Initiative Trust, its work and its objectives, and/or experience of working with the Act and Northern Development Initiative Trust over the last five years.

Recommendations:

The committee will make recommendations for changes to the Act that appear to the committee to be necessary or desirable to support or improve the effective functioning of the Act and of Northern Development Initiative Trust.

Publication of review report:

The committee will, in consultation with Northern Development Initiative Trust staff and the Legislative Review Steering Committee, determine an appropriate method of publication of its report in a manner that can reasonably be expected to bring the report to the attention of the public.

C. Matters to be addressed in Review

Without limiting the scope of its review and the evaluation of the functioning of the Act, the committee will address the following matters:

Governance:

1. *Board:* The composition of the Board of Northern Development Initiative Trust, term of office, and proceedings (clauses 6—10);
2. *RACs:* The composition of regional advisory committees (RACs), term of office, and proceedings (clauses 2—4); regional divisions and structures (clauses 2, 3); and role (clause 19).

Core purposes:

Scope and validity of strategic areas for investment (clause 18)

Finance and administration:

Limit on total allocation to Northern Development Initiative Trust (clause 13.1); requirement to pay interest and donations into Regional and Cross Regional Accounts (clauses 15, 16, 20); Operating Endowment Account (clause 17); appointment and authorities of staff (clauses 10.1, 10.2); winding up provisions (clause 21.1); review requirements (clause 23.1).

Public accountability:

Strategic planning process (clause 12.1); annual reports (clause 12.2); audit requirements (clause 12.3).

General:

Flexibility and transparency of the Act; aspects of the Act that have supported or been barriers to the objectives of the Northern Development Initiative Trust; aspects of the Act that have supported or been barriers to the operational efficiency and capacity of Northern Development Initiative Trust to meet its primary objective to be a catalyst to build a diverse and sustainable central and northern BC economy.

Responses obtained in the consultation process that are not pertinent to the legislative review, but which may be useful in the context of the comprehensive review, will be provided separately to Northern Development Initiative Trust.

D. Process: Duties and Procedures

Procedures:

Northern Development Initiative Trust will:

- Provide administrative support for the committee, including preparation and distribution in advance of agendas for meetings, arranging locations for meetings, distribution and maintenance of decision records, publication of the final report and other reasonable administrative support as required.
- Ensure that the consultant has the necessary materials and documentation to support the committee.
- Liaise with the provincial government as required.

The consultant engaged by Northern Development Initiative Trust to assist the committee with the review process will:

- Record decisions of the committee;
- Provide information as required to the committee;
- Conduct the consultation process on behalf of the committee;
- Present the results of the process to the committee for review;
- Prepare a draft report and recommendations for the committee's review;
- Prepare the final report for committee approval prior to submission to Northern Development Initiative Trust.

The committee will:

- Operate on the basis of consensus. For the purposes of this committee, consensus is defined as no member opposing a final decision of the committee.
- Report to and liaise with the Legislative Review Steering Committee established by Northern Development Initiative Trust.
- Provide strategic direction and guidance for the consultant regarding the consultation process and the reporting content and format.
- Review draft reports.
- Attend a minimum of three and maximum of four meetings.
- Modify these terms of reference from time to time as considered necessary or desirable to meet the objectives of the legislative review.
- Use reasonable efforts to present a final report to Northern Development Initiative Trust for publication no later than July 2011.

APPENDIX 5
LIST OF CONSULTEES

1. Janine North, Chief Executive Officer, Northern Development Initiative Trust
2. Evan Saugstad, Chair, Board of Directors, Northern Development Initiative Trust
3. Doug Foster, Director, Strategic Initiatives – Deputy Minister's Office, Ministry of Finance

APPENDIX 6

NORTHERN DEVELOPMENT INITIATIVE TRUST ACT

Contents

Part 1 — Interpretation

1 Definitions

Part 2 - Northern Development Initiative Trust

Division 1 — Regional Advisory Committees

- 2 Establishment of regional advisory committees**
- 3 Composition of regional advisory committees**
- 4 Procedures**

Division 2 — Establishment and Structure of the Northern Development Initiative Trust

- 5 Northern Development Initiative Trust established**
- 6 Directors of the Northern Development Initiative Trust**
- 7 First directors of the Northern Development Initiative Trust**
- 8 Subsequent directors**
- 9 Vacancies among the directors**
- 10 Proceedings of directors**
- 10.1 Appointment of chief executive officer and chief financial officer**
- 10.2 Officers and employees**
- 11 Remuneration**
- 12 Repealed**

Part 2.1 — Public Accountability

- 12.1 Strategic plans**
- 12.2 Annual reports**
- 12.3 Audit**

Part 3 — Allocations

Division 1 — Directions

- 13 Appropriation**
- 13.1 Limit on the additional one-time allocation**
- 14 Government may issue directions**

Division 2 — Northern Development Initiative Trust

- 15 Management of accounts**
- 16 Interest and other income on invested money**
- 17 Operating Endowment Account**
- 18 Purpose of other accounts**
- 19 Regional advisory committees may advise on projects**
- 20 Investments**

Part 4 — General

- 21 *Balanced Budget and Ministerial Accountability Act*
- 21.1 Winding up
- 22 *Offence Act*
- 23 Power to make regulations
- 23.1 Review of this Act
- 24 Commencement

Part 1 — Interpretation

Definitions

1 In this Act:

"additional one-time allocation" means any money, other than the northern development allocation, paid by the government to the Northern Development Initiative Trust;

"B.C. Rail Benefits {First Nations} Trust" means the B.C. Rail Benefits (First Nations) Trust established under the *B.C. Rail Benefits (First Nations) Trust Act*;

"Cariboo-Chilcotin/Lillooet region" has the meaning prescribed by regulation;

"company" means the British Columbia Railway Company;

"Cross-regional Account" means the account established under section 7 (3) (a) (vi);

"legacy area" means that area of British Columbia comprising the Cariboo-Chilcotin/Lillooet region, the Northwest region, the Peace region and the Prince George region;

"northern development allocation" means the \$135 million paid to the Northern Development Initiative Trust under section 13 (a);

"Northern Development Initiative Trust" means the Northern Development Initiative Trust established under section 5 (1);

"Northwest region" has the meaning prescribed by regulation;

"Operating Endowment Account" means the account established under section 7 (3) (a) (i);

"Peace region" has the meaning prescribed by regulation;

"Pine Beetle Account" means the account established under section 10 (1.1) (a);

"Prince George region" has the meaning prescribed by regulation;

"proceeds" means any money realized by the company

(a) from the disposition of shares held by it in a subsidiary, as that term is defined in the *British Columbia Railway Act*, or interests held by it in BC Rail Partnership, as that term is defined in the *British Columbia Railway Act*,

(b) under any revitalization agreement, as that term is defined in the *British Columbia Railway Act*, or

(c) from the investments of money referred to in paragraph (a) or (b);

"qualified individual" means an individual who is not

(a) an elected official of a municipality or a regional district,

(b) a Member of the Legislative Assembly,

(c) an employee of the government,

(d) a member of the board of directors of the Northern Development Initiative Trust,

(e) a member of a regional advisory committee, or

(f) a person who is

(i) the spouse, parent or child of any individual referred to in paragraph (d) or (e), or

(ii) any other relative residing with that individual;

"region" means the Cariboo-Chilcotin/Lillooet region, the Northwest region, the Peace region or the Prince George region;

"regional advisory committee" means a regional advisory committee established under this Act;

"regional development accounts" means the accounts established under section 7 (3) (a) (ii) to (v);

"transaction" means the disposition to Canadian National Railway Company of

- (a) shares of BC Rail Ltd. that are held by the company,
- (b) the shares of BC Rail Ltd. that are held by BCR Properties Ltd.,
- and
- (c) the company's partnership interest in BC Rail Partnership.

Part 2 — Northern Development Initiative Trust

Division 1 — Regional Advisory Committees

Establishment of regional advisory committees

- 2** (1) There is established, for each region, a regional advisory committee comprising the following:
- (a) the mayors of each of the municipalities that
 - (i) is within the region, and
 - (ii) on the coming into force of this Act, has a population greater than 500;
 - (b) the chairs of each regional district that is, in whole or in part, within the region;
 - (c) the Members of the Legislative Assembly who have been elected, in whole or in part, by electors from the region.
- (2) The term of membership on a regional advisory committee for each individual referred to in subsection (1) expires on the earlier of
- (a) the date that is 6 months after the coming into force of this Act, and
 - (b) the date on which he or she ceases to hold the position referred to in subsection (1).
- (3) Within 6 months after the coming into force of this Act, each of the regional advisory committees must

(a) appoint 2 directors of the Northern Development Initiative Trust in accordance with sections 6 (2) (a) and 8 (1), and

(b) subject to section 3,

(i) determine the size of, and the manner of appointing members to, the regional advisory committee, and

(ii) determine the role of, and the manner of appointing, the chair of the regional advisory committee.

(4) On the coming into force of this Act, the following persons are the first chairs of the regional advisory committees:

(a) for the regional advisory committee for the Cariboo-Chilcotin/Lillooet Region, the mayor of Quesnel;

(b) for the regional advisory committee for the Northwest Region, the mayor of Terrace;

(c) for the regional advisory committee for the Peace Region, the mayor of Dawson Creek;

(d) for the regional advisory committee for the Prince George Region, the mayor of Mackenzie.

(5) The first chair of a regional advisory committee must call and chair the meeting or meetings necessary to allow that regional advisory committee to perform its obligations under subsection (3).

Composition of regional advisory committees

3 A regional advisory committee, whether under section 2 (3) (b) or otherwise, may from time to time determine the size of, and the manner of appointing members to, the regional advisory committee and the role of, and the manner of appointing, the

chair of the regional advisory committee, but in doing so the members of the regional advisory committee must

- (a) ensure that the only persons who are eligible to become members of the regional advisory committee are
 - (i) elected officials of municipalities or regional districts that are, in whole or in part, within the region, or
 - (ii) Members of the Legislative Assembly who have been elected, in whole or in part, by electors from the region,
- (b) provide an opportunity for municipalities or regional districts within the region that have populations of less than 500 to be represented on the regional advisory committee,
- (c) establish the terms of office for members of the regional advisory committee, and
- (d) ensure that if a member of the regional advisory committee ceases to meet the qualifications for membership set out under paragraph (a), that individual immediately ceases to be a member of the regional advisory committee.

Procedures

- 4 The members of a regional advisory committee must appoint one of their number as chair and may, subject to section 3, otherwise establish their own procedures.

Division 2 — Establishment and Structure of the Northern

Development Initiative Trust

Northern Development Initiative Trust established

- 5 (1) There is established a corporation known as the Northern Development Initiative Trust consisting of the directors referred to in section 6.
- (2) The Northern Development Initiative Trust has the powers and capacity of an individual of full capacity.
- (3) The Northern Development Initiative Trust is not an agent of the government.

Directors of the Northern Development Initiative Trust

- 6 (1) Directors of the Northern Development Initiative Trust must be appointed in accordance with this Division.
- (2) Subject to section 7 and to subsection (6) of this section, the board of directors of the Northern Development Initiative Trust is to consist of 13 individuals of whom
 - (a) 8 are to be appointed by the regional advisory committees, with each of the 4 regional advisory committees appointing 2 of their number as directors, and
 - (b) 5 are to be appointed by the Lieutenant Governor in Council.
- (3) Subject to section 7(5), the term of office of a director of the Northern Development Initiative Trust is,
 - (a) if the director is appointed under subsection (2) (a) of this section, 2 years from the expiry of the term of the retiring director that he or she replaces, and
 - (b) if the director is appointed under subsection (2) (b) of this section, 3 years from the expiry of the term of the retiring director whom he or she replaces.

(4) Nothing in this Act prevents

(a) a regional advisory committee from removing and replacing, in accordance with any procedures it has established for that purpose, any individual the regional advisory committee has appointed as a director of the Northern Development Initiative Trust, and

(b) the Lieutenant Governor in Council from removing and replacing any individual the Lieutenant Governor in Council has appointed as a director of the Northern Development Initiative Trust.

(4.1) If a director is removed and replaced under subsection (4),

(a) the regional advisory committee or the Lieutenant Governor in Council, as the case may be, must promptly notify the directors of the Northern Development Initiative Trust of the replacement appointment, and

(b) the term of office of the replacement director is the remainder of the term of the director he or she replaces.

(4.2) A director of the Northern Development Initiative Trust is removed as, and ceases to be, a director of the Northern Development Initiative Trust on the passing of a resolution to that effect by all of the remaining directors.

(5) An act or proceeding of the directors of the Northern Development Initiative Trust is not invalid merely because fewer than the number of directors required by subsection (2) are in office or in attendance.

(6) An individual who is a Member of the Legislative Assembly must not be appointed as a director of the Northern Development Initiative Trust.

First directors of the Northern Development Initiative Trust

7 (1) On the coming into force of this Act, the first directors of the Northern Development Initiative Trust are

- (a) from the regions, the following persons:
 - (i) from the Cariboo-Chilcotin/Lillooet Region, the mayors of Williams Lake and Lillooet;
 - (ii) from the Northwest Region, the mayors of Prince Rupert and Kitimat;
 - (iii) from the Peace Region, the mayors of Fort St. John and Fort Nelson;
 - (iv) from the Prince George Region, the mayors of Prince George and Vanderhoof, and
- (b) 5 individuals appointed as directors by the Lieutenant Governor in Council.

(2) The first directors of the Northern Development Initiative Trust must not, despite any other provision of this Act, incur any expense until the northern development allocation is paid by the government to the Northern Development Initiative Trust.

(3) The first directors of the Northern Development Initiative Trust

(a) must establish the following accounts:

- (i) an Operating Endowment Account;
- (ii) a Cariboo-Chilcotin/Lillooet regional development account;
- (iii) a Peace regional development account;
- (iv) a Northwest regional development account;
- (v) a Prince George regional development account;
- (vi) a Cross-regional Account,

(b) must receive the northern development allocation and

- (i) deposit \$25 million into the Operating Endowment Account,
- (ii) deposit \$15 million into each of the regional development accounts, and
- (iii) deposit \$50 million into the Cross-regional Account,

(c) subject to section 20, may invest any or all of the northern development allocation, and

(d) subject to paragraphs (b) and (c) of this subsection and to subsection (4), must not make any use of the northern development allocation.

(4) The first directors of the Northern Development Initiative Trust may use money from the Cross-regional Account to satisfy those expenses that

(a) are reasonably and necessarily incurred in order to allow the directors to perform their obligations under this Division, and

(b) cannot be funded from the income referred to in section 17 (1).

(5) The term of office of the first directors of the Northern Development Initiative Trust expires 6 months after the date of the coming into force of this Act.

Subsequent directors

8 (1) On or before the expiry of the term of any directors it appoints under section 6 (2) (a) and on or before the expiry of the term of the directors from its region referred to in section 7 (1) (a), a regional advisory committee must appoint 2 of their number as directors to replace the retiring directors, and must promptly notify the directors of the Northern Development Initiative Trust of those replacement appointments.

(2) On or before the expiry of the term of directors appointed under section 6 (2) (b) or 7 (1) (b), the Lieutenant Governor in Council is to appoint 5 individuals to replace those directors, and must promptly notify the directors of the Northern Development Initiative Trust of those appointments.

Vacancies among the directors

9 (1) A director of the Northern Development Initiative Trust ceases to hold office when

- (a) the director's term of office expires,
 - (b) the director ceases to be a member of the regional advisory committee by which he or she was appointed, or
 - (c) the director dies, resigns or is removed from office.
- (2) If one of the directors of the Northern Development Initiative Trust ceases to hold office, a replacement for that director must be appointed in the same manner as that director was appointed.
- (3) A replacement director appointed under subsection (2) holds office until the end of the term of the director he or she replaces.

Proceedings of directors

10 (1) The directors of the Northern Development Initiative Trust

- (a) must appoint one of their number as chair,
 - (b) must establish in Prince George a head office for that corporation, and
 - (c) may, subject to this Division, otherwise establish their own procedures.
- (1.1) The directors of the Northern Development Initiative Trust must
- (a) establish a Pine Beetle Account, and
 - (b) receive the additional one-time allocation and
 - (i) deposit 60% of that allocation into the Pine Beetle Account, and
 - (ii) deposit 10% of that allocation into each of the regional development accounts.
- (2) Subject to section 20, the directors of the Northern Development Initiative Trust may invest any or all of the northern development allocation, the additional one-time allocation and any other money in the accounts established under this Act.
- (3) In appointing a chief executive officer and a chief financial officer under section 10.1(1) and a review committee under section

23.1(1), the directors are to be guided by the guidelines set out in the following as amended or replaced from time to time:

- (a) the *Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations* published by the British Columbia Board Resourcing and Development Office;
- (b) the *Review of the Governance Framework for Canada's Crown Corporations- Meeting the Expectations of Canadians* published by the Treasury Board of Canada Secretariat.

Appointment of chief executive officer and chief financial officer

10.1 (1) Subject to section 10 (3), the directors must appoint a qualified individual as the chief executive officer of the Northern Development Initiative Trust, and the same or a different qualified individual as the chief financial officer of the Northern Development Initiative Trust, to carry out

- (a) the functions and duties of the chief executive officer and chief financial officer, respectively, under this Act, and
- (b) the functions and duties that the directors specify.

(2) The directors may set the remuneration of the chief executive officer and chief financial officer.

Officers and employees

10.2 (1) The chief executive officer, to the extent authorized by the directors, may do one or more of the following:

- (a) enter into contracts on behalf of the Northern Development Initiative Trust to carry out any of its purposes;
- (b) appoint other officers and employees considered necessary to carry out the operations of the Northern Development Initiative Trust;

(c) define the duties and set the remuneration of the individuals appointed under paragraph(b);

(d) provide a system of organization to establish responsibility and promote efficiency.

(2) The *Public Service Act*, the *Public Service Benefit Plan Act*, the *Public Sector Pension Plans Act* and the *Public Service Labour Relations Act* do not apply to the Northern Development Initiative Trust, the chief executive officer, the chief financial officer or a director, officer or employee of the Northern Development Initiative Trust.

Remuneration

11 A director of the Northern Development Initiative Trust must not accept remuneration from that corporation other than for reasonable travelling and out of pocket expenses necessarily incurred by the director in discharging his or her duties.

Repealed

12 [Repealed 2005-37-5.]

Part 2.1 — Public Accountability

Strategic plans

12.1 (1) For the purposes of public accountability, the directors must prepare strategic plans in accordance with this section.

(2) The directors must

(a) each year establish a 3 year strategic plan for the Northern Development Initiative Trust including goals for each year of the strategic plan relating to the fulfillment of the purposes identified in section 18 in relation to the accounts established under this Act,

(b) provide a copy of each strategic plan prepared under this section to each of the regional advisory committees, and

(c) publish each strategic plan prepared under this section in a manner that can reasonably be expected to bring the plan to the attention of the public.

(3) The directors must prepare

(a) the first strategic plan required under subsection (1) within 6 months after the coming into force of this section, and

(b) after that, a strategic plan before the first day of each fiscal year of the Northern Development Initiative Trust.

Annual reports

12.2 (1) Within 4 months after the end of each fiscal year of the Northern Development Initiative Trust, the directors must

(a) prepare an annual report that complies with subsection (2) (a), and

(b) prepare, in accordance with generally accepted accounting principles, financial statements for the Northern Development Initiative Trust for that fiscal year and have those financial statements audited in accordance with section 12.3.

(2) The directors must,

(a) in each annual report referred to in subsection (1) of this section,

(i) report on the goals set by the directors for the preceding fiscal year under section 12.1 (2), indicate how, if at all, those goals have been met and detail how those achievements met the intent of the purposes identified in section 18 in relation to the accounts established under this Act,

(ii) compare actual results for the preceding fiscal year with the expected results identified in the strategic plan for that fiscal year, and

- (iii) include the audited financial statements referred to in subsection (1) (b),
- (b) provide a copy of that annual report to each of the regional advisory committees, and
- (c) publish each annual report in a manner that can reasonably be expected to bring the annual report to the attention of the public.

Audit

- 12.3** (1) The Northern Development Initiative Trust must, on or before the end of each fiscal year, appoint, as auditor for the Northern Development Initiative Trust, an individual who is authorized to be an auditor of a company under section 205 of the Business Corporations Act to audit the accounts, transactions and financial statements of the Northern Development Initiative Trust for the following fiscal year.
- (2) The accounts, transactions and financial statements of the Northern Development Initiative Trust must, at least once in every year, be audited and reported on by the auditor and the costs of the audit must be paid by the Northern Development Initiative Trust.
- (3) An oral or written statement or report made under this Act by the auditor or a former auditor of the Northern Development Initiative Trust has qualified privilege.

Part 3 — Allocations

Division 1 — Directions

Appropriation

- 13** The government may, without any appropriation other than this Act, pay the following grants:
- (a) through the minister, \$135 million to the Northern Development Initiative Trust;

- (b) through the minister, up to \$200 million to the BC Transportation Financing Authority for its multi-year capital program;
- (c) through the Minister of Community, Aboriginal and Women's Services, \$15 million to the B.C. Rail Benefits (First Nations) Trust;
- (d) through the Minister of Small Business and Economic Development, up to \$13 million for the promotion of one or more of sport, recreation, music and volunteer initiatives;
- (e) through the Minister of Small Business and Economic Development, up to \$4 million for an Asia Pacific Market outreach program;
- (f) through the Minister of Energy and Mines, up to \$2 million for hydrogen and fuel cell research;
- (g) through the Minister of Finance, up to \$22 million for other initiatives that have been approved by Treasury Board for funding under the appropriation contemplated by this paragraph.

Limit on the additional one-time allocation

13.1 Despite any other enactment, if the government makes additional one-time allocation payments to the Northern Development Initiative Trust, the total of those payments must not exceed \$50 million.

Government may issue directions

- 14 (1)** The Lieutenant Governor in Council may, for the purposes of this Act, issue directions to the company, directing the company to pay to the government any or all of the proceeds.
- (2) Despite section 25 of the British Columbia Railway Act and any other enactment, the company must pay to the government, out of the proceeds, the money it is directed to pay under subsection (1).

Division 2 – Northern Development Initiative Trust

Management of accounts

15 (1) The Northern Development Initiative Trust must manage the accounts established under this Act.

(2) If any donation is made to the Northern Development Initiative Trust, the directors of the Northern Development Initiative Trust must deposit that money into whichever of the accounts established under this Act was specified in the donation, or, if no account was so specified, into the Cross-regional Account.

Interest and other income on invested money

16 The interest or other income earned in relation to an account established under this Act must be paid into that account or, if the interest or other income was earned in relation to 2 or more of the accounts established under this Act, be paid proportionately into those accounts.

Operating Endowment Account

17 (1) Subject to subsection (2), the directors of the Northern Development Initiative Trust may use the interest or other income earned from the money held in or invested out of the Operating Endowment Account to satisfy those expenses that are reasonably and necessarily incurred in order to allow the directors and officers to perform their obligations under this Act, including, without limitation, any payments required under sections 10.1 (2) and 10.2 (1) (c).

(2) The directors of the Northern Development Initiative Trust must ensure that the balance of the Operating Endowment Account does not fall below \$25 million.

Purpose of other accounts

18 (1) The purpose of the Cross-regional Account is to support investment in the following in the legacy area:

- (a) forestry;
- (b) pine beetle recovery;
- (c) transportation;

- (d) tourism;
- (e) mining;
- (f) Olympic opportunities;
- (g) small business;
- (h) economic development;
- (i) energy;
- (j) agriculture.

(2) The purpose of each of the regional development accounts is to support investment in the matters referred to in paragraphs (a) to (j) of subsection (1) to benefit, and facilitate the development of, the region after which the account is named.

(3) The purpose of the Pine Beetle Account is to support pine beetle recovery projects to help communities in the legacy area respond to the mountain pine beetle infestation.

(4) Without limiting section 15 (1) but subject to section 17, money may be paid out of an account established under this Act for the purpose established for that account under this Act.

Regional advisory committees may advise on projects

19 (1) Each regional advisory committee may identify, for the directors of the Northern Development Initiative Trust, projects that the regional advisory committee considers are appropriate for application of the money in the Cross-regional Account, and may recommend to those directors the ways in which the money in the regional development account applicable to their region should be spent.

(2) The directors of the Northern Development Initiative Trust must ensure that the money in each regional development account is spent in accordance with the recommendations of the regional advisory committee for that region under subsection (1).

(3) Despite subsection (2), the directors of the Northern Development Initiative Trust may reject any recommendation

made to them by a regional advisory committee under subsection (1).

Investments

- 20 The Northern Development Initiative Trust must invest the northern development allocation, the additional one-time allocation and any other money in the accounts established under this Act only as permitted under the provisions of the Trustee Act respecting the investment of trust property by a trustee.

Part 4 — General

Balanced Budget and Ministerial Accountability Act

- 21 For the purposes of sections 5 (1) and 6 (1) of the Balanced Budget and Ministerial Accountability Act, in relation to each of the ministers referred to in section 13 of this Act for the relevant fiscal year in which the expense is made, the estimated amount under section 6 (1) of the Balanced Budget and Ministerial Accountability Act is the sum of the amounts appropriated for

- (a) the operating expenses for which that minister is responsible in the main estimates for that fiscal year,
- (b) the expenses authorized for that minister under section 13 of this Act, and

(c) any other expenses that, under any other enactment, are, for that fiscal year, to be added to the estimated amount for that minister under section 6 (1) of the *Balanced Budget and Ministerial Accountability Act* for the purposes of sections 5 (1) and 6 (1) of that Act.

Winding up

21.1 (1) Promptly after all of the accounts established under this Act, other than the Operating Endowment Account, have been reduced to a nil balance, the directors must

(a) in accordance with the direction of the regional advisory committees, distribute the remaining assets of the Northern Development Initiative Trust, if any, including the money in the Operating Endowment Account,

(i) firstly in satisfaction of any outstanding liabilities of the Northern Development Initiative Trust, and

(ii) after that, to the municipalities and regional districts in the legacy area, or to any of them, in the proportions or amounts the regional advisory committees may direct,

(b) close all of the accounts established under this Act, and

(c) publish notice of the closing of the accounts, and the consequent dissolution of the Northern Development Initiative Trust, in a manner that can reasonably be expected to bring those matters to the attention of the public.

(2) On the closing of the accounts established under this Act,

(a) the Northern Development Initiative Trust is dissolved and disestablished,

(b) the appointment of each member of the board of directors of the Northern Development Initiative Trust is rescinded, and

(c) the regional advisory committees are dissolved and disestablished.

Offence Act

22 Section 5 of the *Offence Act* does not apply to this Act.

Power to make regulations

23 (1) The Lieutenant Governor in Council may make regulations referred to in section 41 of the *Interpretation Act*.

(2) Without limiting subsection (1), the Lieutenant Governor in Council may, if requested to do so by the directors of the Northern Development Initiative Trust, make regulations amending the definition of the Cariboo-Chilcotin/Lillooet region by adding or removing areas in accordance with that request.

Review of this Act

23.1 (1) Subject to section 10 (3), on or before the fifth anniversary of the coming into force of this Act, and on or before every fifth anniversary after that, the directors must, if the Northern Development Initiative Trust has not by that date been dissolved and disestablished under section 21.1, appoint a committee of qualified individuals to review this Act and evaluate how it is functioning.

(2) The review committee may consult with business, labour, education providers, government and any other person or organization it considers appropriate.

(3) If a review committee is appointed, it must publish a report of its findings in a manner that can reasonably be expected to bring the report to the attention of the public.

Commencement

24 This Act comes into force by regulation of the Lieutenant Governor in Council.