BRIEFING NOTE FOR DECISION

DATE: July 12, 2021

PREPARED FOR: Honourable Katrine Conroy, Minister of Forests, Lands, Natural Resource

Operations and Rural Development

ISSUE: Minister's approval is required to allocate up to \$19.5M of remaining rural

development funding in FLNRORD base budget for FY2021/22.

RECOMMENDED OPTION:

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BACKGROUND:

- The Rural Dividend Program (RDP) was established in 2016 to assist rural communities to reinvigorate and diversify their local economies. The program also included a "Special Circumstances" stream to provide urgent funding to communities impacted by the loss of a main employer or the impacts of a natural disaster.
- The RDP delivered up to \$25M in annual funding (2016-2019) with five intakes completed, 1,326 applications received, and \$126M in funding requested. In total, 857 projects were approved and over \$72M allocated to community-led projects.
- In 2019, the RDP was suspended and \$42M (over three fiscal years) reallocated to a \$69M package to support forest workers and communities impacted by mill closures in BC's Interior. This process has left \$19.5M in unallocated funding in FLNRORD's base budget for FY21/22.
- The COVID-19 pandemic impacted rural communities with job and revenue losses resulting from reduced industrial operations and mandatory business shutdowns. The economic impacts are amplifying challenges caused by forest sector closures, wildfires and floods.
- In 2020, CERIP was delivered by the Ministries of Municipal Affairs (MUNI), Tourism, Arts and Culture (TAC), Children and Family Development (MCFD), and FLNRORD as part of the Stronger BC Recovery Plan.
- The CERIP RER stream, administered by FLNRORD's Rural Policy and Programs Branch (RPP), was allocated \$20M in new funding to support shovel-ready projects to further recovery from the economic impacts of COVID-19.
- The CERIP intake ran October 1st 29th 2020, with the RER stream receiving 148
 applications for a total funding request of \$88M (\$68M oversubscribed). It provided a total of
 \$20M to 38 projects that will create an estimated 348 jobs.

DISCUSSION:

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OPTIONS:

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Approved

Not Approved

Signature

Aug 5, 2021 Date

Honourable Katrine Conroy, Minister, FLNRORD

PREPARED BY:

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REVIEWED BY:

	Initials	Date
DM	Rm	2021-07-28
Associate DM		
DMO		
ADM	sf	July 19,2021
Program Dir/Mgr.	LH	July 16, 2021