

Funding and Delivery Models for Watershed Sustainability

Discussion Paper
May 1, 2014 Version

Table of Contents

| | |
|--|-----------|
| A. Advancing Watershed Sustainability in BC | 3 |
| B. Introduction to Funding and Delivery Models | 5 |
| Policy Rationale – Why is there a need for enhanced funding? | 6 |
| C. Summary of Recommendations | 8 |
| D. Key Themes, Recommendations and Examples | 11 |
| 1. <i>Renewed Government Funding to Advance Watershed Sustainability</i> | 11 |
| 2. <i>Local, Regional and Province-wide Capacity to Advance Watershed Sustainability</i> | 13 |
| 3. <i>Flexibility to Address Diverse Needs and Priorities</i> | 16 |
| 4. <i>Multi-Year Funding</i> | 20 |
| 5. <i>Encouraging Successful Project Delivery</i> | 21 |
| 6. <i>Explore Opportunities for Alignment and Efficiency</i> | 25 |
| 7. <i>Explore Opportunities for Innovation</i> | 25 |
| E. Conclusions | 27 |
| Appendix 1. Funding Programs to Advance Watershed Sustainability from 1980-2014 | 28 |

A. Advancing Watershed Sustainability in BC

The BC Wildlife Federation (BCWF), in conjunction with funding from the Gordon & Betty Moore Foundation is undertaking a project to advance watershed conservation and sustainability throughout BC. BCWF is delivering the project in partnership with the Fraser Basin Council (FBC). In addition, many other organizations and individuals, representing a diversity of perspectives, experiences and expertise, were engaged in various ways throughout year-one (Fall 2013 – Spring 2014) of this three-year project.

This initiative arose from a concern, shared by many, that watershed ecosystems in BC are losing their resilience and sustainability. The long-term health of watersheds is key to ensure the sustainability of the ecosystems, communities and economies that depend upon them. However, over the years, land and water use decisions and activities have resulted in the gradual loss of ecological function in watersheds including degradation of habitat, declining water quality, inadequate flows for environmental values, and conflict among different sectors that depend upon water. Though there are many diverse organizations and jurisdictions working on the stewardship, management, planning and governance of watersheds and water resources, there is still a need for enhanced coordination and collaboration among these efforts.

The goal of this project is to educate British Columbians on the importance of watershed sustainability and protecting BC's diverse and unique aquatic resources. It also aims to help strengthen capacity in BC to achieve healthy watersheds by considering watershed health and sustainability through several different lenses, or sub-projects. The focus of the sub-projects facilitated by the Fraser Basin Council include the following:

1. Vision of Watershed Sustainability – Develop a unifying vision of sustainability for watersheds and landscapes through a collaborative process that engages First Nations organizations and non-governmental conservation organizations.
2. Watershed Management Actions – Conduct research on the roles, responsibilities and actions required to effectively manage the health and sustainability of BC's watersheds, including an assessment of capacity, challenges and opportunities.
3. **Funding and Delivery Models – Conduct research and develop recommendations on funding and delivery models needed to advance watershed health and sustainability at local and regional scales throughout BC.**
4. Capacity and Accountability for Shared Decision-Making = Conduct research and develop recommendations regarding capacity requirements and accountability mechanisms for shared decision-making at local, regional and watershed scales.
5. Natural Resource Practices Board – Conduct research and develop recommendations regarding a Natural Resource Practices Board to provide advice on effective, science-based management of natural resources including independent performance audits and reporting.

6. Indicators of Watershed Health – Conduct research and develop a set of indicators to measure the health of watershed and estuarine ecosystems throughout BC.
7. Workshop for Advisors and Practitioners – Plan, deliver and co-host a workshop to present key findings to date and facilitate dialogue and feedback.

Each of the projects outlined above are intended to focus on a particular aspect of watershed management. (e.g. vision, management, governance, capacity, oversight, funding, etc.). However, these different aspects can also be seen as distinct pieces of a more complex and interconnected puzzle. The following is intended to illustrate how the different pieces fit together.

1. **Vision** – What are our needs, aspirations and goals for our watersheds?

- Project - Vision of Watershed Sustainability

2. **Implementation** – What actions do we take to achieve our vision?

- Project – Watershed Management Actions
- Project – Capacity and Accountability for Shared Decision-Making

3. **Resources** – What human and financial resources do we allocate – and how – to most efficiently and effectively manage watersheds and achieve our vision?

- **Project – Funding and Delivery Models**

4. **Evaluation and Performance Management** – How can we best assess progress towards achieving our vision of healthy watersheds and what auditing and reporting mechanisms can assist?

- Project – Indicators of Watershed Health
- Project – Natural Resources Practices Board

Note: the highlighted project above indicates the focus of this particular discussion paper.

Acknowledgements

The project – Advancing Watershed Sustainability in BC – would not be possible without generous contributions from the BC Wildlife Federation and the Gordon and Betty Moore Foundation. A special thanks also to the various advisors, reviewers, and information sources that enabled the project team to advance this work. Thank you all for your generous support.

B. Introduction to Funding and Delivery Models

This initiative arose from the recognition that government resources alone are insufficient to cover the full range of activities required to effectively manage watersheds for sustainability. Therefore there is a need to examine a range of funding and delivery models to identify ways to optimize the efficient delivery of limited resources and broaden the opportunities and accessibility of funds to a range of organizations working in support of watershed health.

One of the components of this larger project includes research on collaborative funding and delivery models for activities advancing the sustainability of watersheds in BC as well as developing recommendations to strengthen funding and delivery models going forward. The purpose of this initiative is to learn from a wide range of current and historical approaches to funding and delivery of watershed sustainability to put forward recommendations for future models.

The project will be undertaken using two steps. First, research has been undertaken on a wide range of funding and delivery models. These were selected to cover different time periods, focus, scope of issues, and geographic regions. Second, feedback and input was sought from a diversity of advisors to share their experience and observations regarding funding and delivery.

FUNDING MODELS

1. SALMONID ENHANCEMENT PROGRAM (SEP)
2. PACIFIC SALMON FOUNDATION (PSF)
3. FOREST RENEWAL BC
4. URBAN SALMON HABITAT PROGRAM
5. FISHERIES RENEWAL BC
6. HABITAT CONSERVATION TRUST FOUNDATION
7. HABITAT CONSERVATION STEWARDSHIP PROGRAM (DFO)
8. LIVING RIVERS TRUST FUND
9. ENVIRONMENTAL DAMAGES FUND (EDF)
10. ECO-ACTION COMMUNITY FUNDING PROGRAM
11. STEWARDSHIP WORKS! CORE FUNDING PROGRAM

DELIVERY MODELS

1. BAKER CREEK ENHANCEMENT SOCIETY
2. COMOX VALLEY PROJECT WATERSHED SOCIETY
3. FARMLAND-RIPARIAN INTERFACE STEWARDSHIP PROGRAM (FRISP)
4. FRASER VALLEY WATERSHED COALITION
5. LANGLEY ENVIRONMENTAL PARTNERS SOCIETY
6. MURRAY CREEK REHABILITATION PROJECT
7. SALMON RIVER WATERSHED ROUNDTABLE

Policy Rationale – Why is there a need for enhanced funding?

Water is the lifeblood of British Columbia. We depend on it and recognize it as one of Canada's most precious natural resources¹. Therefore, given the pressures and impacts of climate change, population growth, increased natural resource development and competition between water uses, all life and future generations will undoubtedly be influenced by how we manage water.

Watersheds provide many services for communities including a safe, secure and adequate supply of water; a receiving environment for wastewater discharge; fish and wildlife habitat; moderation of flooding, erosion and sedimentation processes; and a whole host of other social, cultural, economic and spiritual values. However, these systems are experiencing unprecedented changes at many different scales which can lead to impacts on water, watersheds and communities.

Renewed and strengthened levels of funding should be seen as an opportunity to strengthen watershed health and sustainability in a way that avoids future costs associated with environmental degradation, conflicts between different sectors regarding water quality and quantity, as well as erosion of ecosystem services such as flood and drought attenuation. Funding in support of watershed sustainability has the potential for significant returns on investment. There are many policy objectives that may be advanced by strategically supporting local, regional and watershed-based initiatives in ways that complement government mandates. Some examples include:

- Protecting water quality for drinking, recreation and environmental benefits;
- Conserving fish, wildlife and a range of habitat features and functions;
- Management of flood, erosion and sedimentation hazards; and,
- Addressing species at risk, biodiversity and cumulative effects.

Though the provincial and federal governments have the primary authority to manage watersheds and water resources (and other associated resources), steadily shrinking budgets and staff resources^{2 3} (see Figure 1) have decreased the capacity to fulfill these mandates especially amidst expanding resource development pressures⁴. This has resulted in an increasing demand for communities to implement innovative and localized solutions and subsequently, a rise in organizations and collaborative initiatives across BC with a focus on watersheds⁵. In many cases throughout BC, local governments, First Nations, communities and grassroots organizations have undertaken very significant roles in different aspects of protecting and restoring watershed health.

¹ McAllister Opinion Research (2014). 'Freshwater Insights BC 2013: A Survey of British Columbian Attitudes on Fresh Water.' Funded by The Real Estate Foundation of BC and the Vancouver Foundation. <http://www.refbc.com/sites/default/files/V1.02-PUBLIC-RELEASE-BC-WATER-POLL-2013-Final-Topline-Findings.pdf>

² West Coast Environmental Law. (2004). 'Please Hold. Someone Will Be With You. A report on diminished monitoring and enforcement capacity in the Ministry of Water, Land and Air Protection.' <http://wcel.org/sites/default/files/publications/Please%20Hold%20-%20A%20Report%20on%20Diminished%20Monitoring%20and%20Enforcement%20Capacity%20in%20the%20Ministry%20of%20Water,%20Land%20and%20Air%20Protection.pdf>

³ Archibald, R. et al. (2012). 'Trends in Renewable Resource Management in BC.' *BC Journal of Ecosystems and Management*. FORREX Forum for Research and Extension in Natural Resources. <http://bcforestconversation.com/wp-content/uploads/TrendsinRR.pdf>

⁴ Brandes, O & J. O'Riordan. (2014). 'A Blueprint for Watershed Governance in British Columbia.' POLIS Project on Ecological Governance. <http://poliswaterproject.org/sites/default/files/POLIS-Blueprint-web.pdf>

⁵ *Ibid*, p. 12.

However, unless these initiatives are adequately resourced, it is very difficult for local or regional initiatives to continue to deliver success over the long-term.

Funding programs to support this kind of work have come and gone in recent decades; however, there has been a significant lack of funding in recent years, particularly following the financial downturn in 2008 and 2009 (see figures 1 and 2). Many community-based groups have ceased to exist; others limp along from project to project; and others volunteer burnout.

A long-standing, multi-year source of funding is critical to sustain watershed-related activities. In addition, the provision of financial and technical support to local communities falls within the mandates of various agencies related to and dependent on water and watersheds (e.g. drinking water, agriculture, natural resource development, etc.) providing a timely opportunity for the Province to explore more proactive and cost-effective approaches to watershed sustainability.

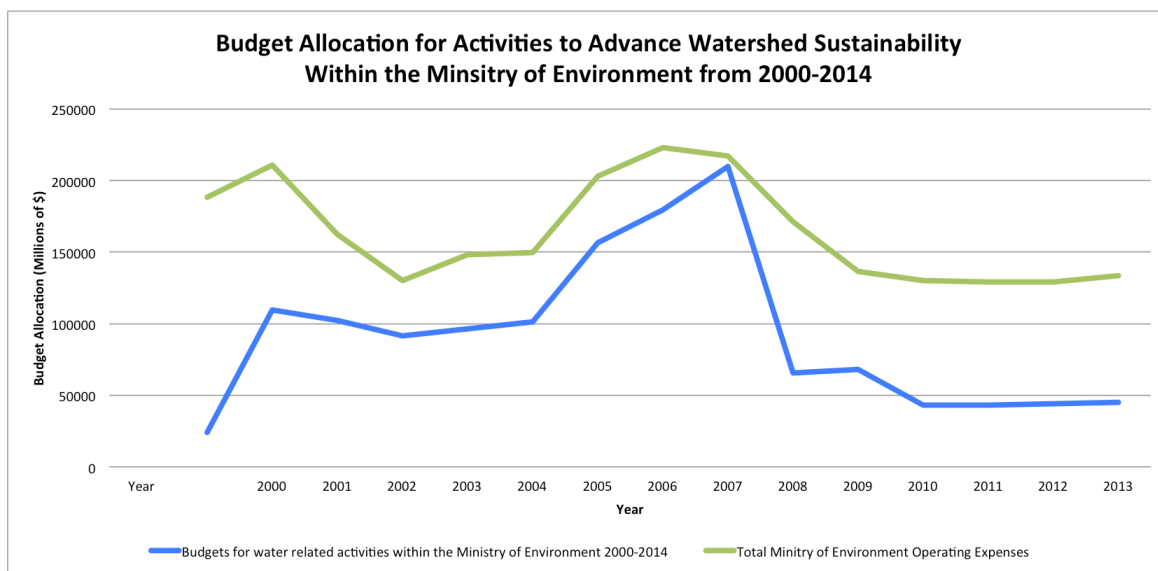


Figure 1. Budget Allocation for Activities to Advance Watershed Sustainability within the Ministry of Environment from 1980-2014.

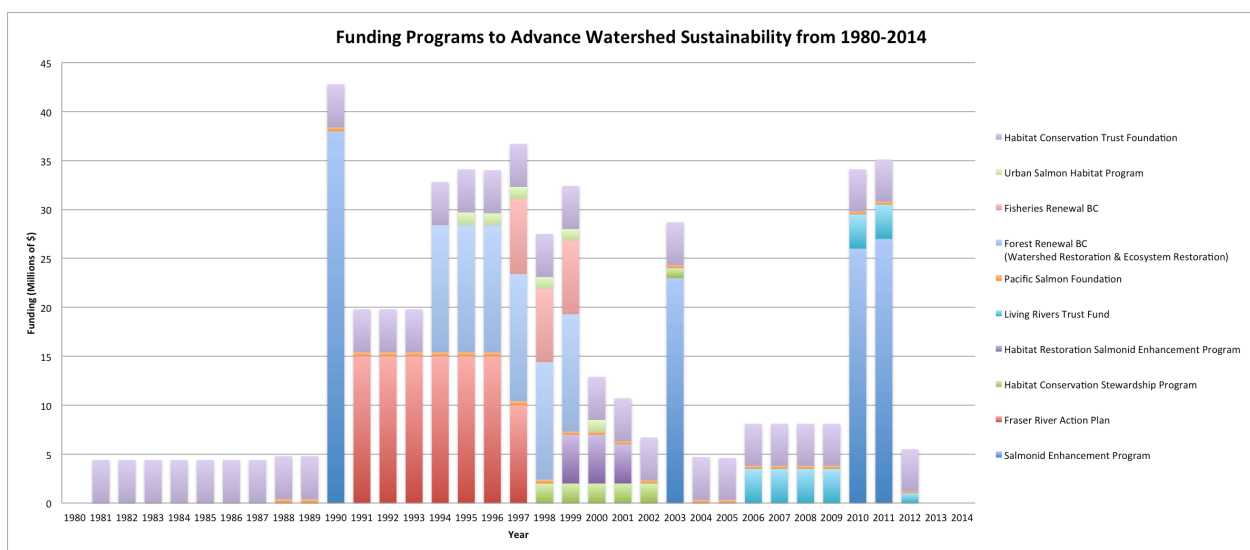


Figure 2. Funding Programs to Advance Water Sustainability from 1980-2014. (For larger image, see Appendix 1)

C. Summary of Recommendations

1. Renewed Government Funding to Advance Watershed Sustainability

- There is a need for senior governments to renew or re-establish a funding program to enhance the capacity of local, regional and province-wide organizations to advance watershed sustainability in a way that complements government management functions and leverages additional resources beyond the current capacity of government.
- Senior governments should consider a wide range of sources to secure revenues for a renewed funding program ranging from general revenue to water rentals / pricing, specialized taxes, dedicated fees, resource royalties, fines and court awards, and other sources.
- Senior government should consider a new Service Crown Corporation responsible for water use reporting, water rent collection and supporting improved water management in identified sensitive watersheds in BC⁶.

2. Local, Regional and Province-wide Capacity to Advance Watershed Sustainability

- Local, regional and province-wide organizations should use government-based funding to leverage additional funds from a diversity of other sources including non-profit foundations, the private sector and other orders of government.
- Local, regional and province-wide organizations should supplement and further leverage financial resources from both government and non-government sources with volunteer capacity and in-kind contributions of materials and equipment.
- Local, regional and province-wide organizations can increase their success in fund-raising by maximizing the alignment of their project objectives with the vision, objectives and mandate of funding agencies and/or programs.
- Link overall sustainability issues with watershed management for broader funding options. The broader the vision, the broader the range of potential funding sources.

3. Flexibility to Address Diverse Needs and Priorities

- Renewed funding programs should be flexible in terms of applicability across a diversity of local and regional needs and priorities, including wide range of:
 - Geographic scales (e.g. local, regional, watershed, province-wide);
 - Types of stewardship activities (e.g. restoration, conservation, planning, governance, monitoring, scientific research, outreach and education); and,
 - Types of eligible organizations (e.g. NGOs, local governments, First Nations, collaborative partnerships, organizations that don't have charitable status, etc.)

⁶ Jatel, Nelson. Okanagan Basin Water Board. 'Concept Paper: BC Water Use Reporting Crown Corporation.' Submission to Minister Steve Thomson. August 8, 2013.

4. Multi-Year Funding

- Renewed funding programs should allow for multi-year funding that would enhance financial stability of local, regional and province-wide organizations; enable flexibility in project planning, design and implementation; and enable proponents to optimize efficient delivery and cost-effectiveness.

5. Encouraging Successful Project Delivery

- Renewed funding programs should require or encourage some or all of the following key factors for successful delivery of watershed stewardship and sustainability projects at local, regional and province-wide scales:
 - Demonstrate the importance of a proposal with good, credible information
 - Leveraged funding and/or in-kind contributions
 - Collaborative approaches and project partnerships
 - Demonstrate learning from the successes and failures of past projects to inform new projects and initiatives.
 - Use of qualified professionals appropriate to project scope, including internal and external technical staff, as well as consultants (e.g. biology, engineering, planning, facilitation, administration, etc.)
 - Inclusion of training, skills development and capacity building
 - Appropriate capacity and procedures for project management and administration; and,
 - Appropriate accountability measures including monitoring, evaluation and reporting
- Funding agencies can support successful project delivery by providing ongoing technical support, capacity building and mentoring through the full “life-cycle” of a project, from developing and submitting a proposal to implementation of a funded project to project evaluation and reporting.
- A core funding program should be established providing small amounts of ongoing financial support for community-based groups to maintain and build capacity (office, telephone, courier, computer, part-time coordinator and/or contractors, production of project fund raising applications, data entry, etc.) associated with managing, training, retraining, deploying and recruiting of staff and volunteers.

6. Explore Opportunities for Alignment and Efficiency

- Funding agencies and project proponents would benefit from improving opportunities for alignment and efficiency across multiple funding programs. For example:
 - Standard template for applications accepted by multiple funders;
 - Provisions for improved alignment of timelines across multiple funders;
 - Standard template or increased consistency in terms of reporting requirements of funding agencies and organizations;
 - Seed funding available for proposal development.

7. Explore Opportunities for Innovation

- Renewed funding programs should explore opportunities for innovative approaches to securing and distributing financial resources to advance watershed health and sustainability. Some examples include:
 - Developing a framework of standards for acceptability regarding wetlands compensation, offsets and mitigation. This could lead to improved performance regarding the investments of project proponents in compensation, offsets and/or mitigation projects.
 - Developing local or regional conservation funds based on a parcel tax to undertake conservation projects.
 - Explore opportunities to assess the value of ecological goods and services and mechanisms to provide financial incentives to farmers, businesses, and landowners to implement best practices to protect and maintain ecological goods and services.

D. Key Themes, Recommendations and Examples

1. Renewed Government Funding to Advance Watershed Sustainability

Recommendation:

- There is a need for senior governments to renew or re-establish a funding program to enhance the capacity of local, regional and province-wide organizations to advance watershed sustainability in a way that complements government management functions and leverages additional resources beyond the current capacity of government.

Recommendation:

- Senior governments should consider a wide range of sources to secure revenues for a renewed funding program ranging from general revenue to water rentals / pricing, specialized taxes, dedicated fees, resource royalties, fines and court awards, and other sources.

Recommendation:

- Senior government should consider a new Service Crown Corporation responsible for water use reporting, water rent collection and supporting improved water management in identified sensitive watersheds in BC⁷.

Government-led funding programs are needed to leverage other funding sources including those from other orders of government, non-government and the private sector. There are several different sources of funding from within government including general revenue and the dedication of specific sources of revenue for re-investment in related activities. For example, water license fees, annual water rentals, other resource royalties or user fees could be dedicated for water management and watershed sustainability rather than going into general revenue. Fines and/or court awards associated with non-compliance with legislation and regulations are other sources of revenue for government. However, this requires adequate resources for effective monitoring and enforcement.

An important rationale for a government-led funding program is that communities and economies depend upon healthy watersheds.

Example: Living Rivers Trust Fund

Between 2006-2012, the LRTF invested \$21 million in 450 projects across the Fraser Basin, Georgia Basin/Vancouver Island and Skeena watersheds. An additional \$1 million was contributed by the Ministry of Agriculture for projects in 2012-2013. An estimated \$57.5 million was leveraged through a partnership with the federal government and from other sources, including foundations and corporations.

Example: Water Pricing

The Ministry of Forests, Lands and Natural Resource Operations currently collects water license fees and annual water rentals from licensees. Presently, these funds go into provincial general revenue.

⁷ Jatel, Nelson. Okanagan Basin Water Board. 'Concept Paper: BC Water Use Reporting Crown Corporation.' Submission to Minister Steve Thomson. August 8, 2013.

There are options available for expanding or increasing fees associated with water licenses and/or dedicating these revenues toward watershed stewardship, planning, management and governance to advance watershed sustainability. For example, fees could be increased upon renewal of water licenses and the incremental fee increases could be dedicated towards watershed stewardship, planning, management and/or governance.

Within the proposed Water Sustainability Act, different approaches to water pricing are being considered. In addition, this Act includes the application of water licenses to some groundwater withdrawals. Changes to water pricing, license fees, annual water rentals and the extension of these fees to groundwater could all strengthen the amount of financial resources available to support sustainable watershed management. The price structure could also provide incentives for good water stewardship and management (e.g. water conservation) as well as disincentives for poor management practices. Changes and increases to water pricing might be more likely to be accepted if the additional revenues collected were dedicated toward watershed sustainability, particularly if they were re-invested to manage water resources and watersheds within the community or region that they were collected.

Example: Environmental Damages Fund

The Environmental Damages Fund (EDF) was created in 1995 by the Government of Canada and is a specified purpose account. It is administered by Environment Canada to provide a mechanism for directing funds received as a result of fines, court orders, and negotiated settlements to priority projects that will benefit our natural environment. A specified purpose account is one maintained separately from the general revenue of the Government of Canada.⁸ The Environmental Damages Fund (EDF) follows the polluter pay principle to help ensure that those who cause environmental damage or harm to wildlife take responsibility for their actions. The intent is to invest the funds in ways that directly address the harm that was done as closely as possible (i.e. address the same or similar location, environmental feature or function, and/or environmental stressor).

Combining water license and water use reporting through a new Service Crown Corporation could potentially improve the efficiency of collecting water rents by the Province⁹. Water use reporting and water license rent collection are linked services, as rents are based on water use. However, there currently is no system in place to collect detailed water use data, water use is given only as total volume extracted per year, and the data is not easily accessed from the license rent collection program. A new Service Crown Corporation could be self-funded from water rent revenues if there is a small increase in license rents. Given the minimal rate of residential use is \$0.45 per year per person; a marginal increase in licence rents would have limited impact on end users or the fiscal health of organizations. In addition, the new Service Crown Corporation could be given authority to raise funds through municipal tax levies or a regional (watershed) commission tax levy to support improved water management in identified sensitive watersheds in BC and support water management programs such as source water protection plans, water infrastructure planning and upgrades, climate change impact mitigation and/or water meters.

⁸ Environmental Damages Fund. Environment Canada website. <http://www.ec.gc.ca/edf-fde/default.asp?lang=En&n=BD1220D8-1>

⁹ Jatel, Nelson. Okanagan Basin Water Board. 'Concept Paper: BC Water Use Reporting Crown Corporation.' Submission to Minister Steve Thomson. August 8, 2013.

This funding could also support the implementation of groundwater licensing as proposed by the Water Sustainability Act. For example, grants could be made available to large groundwater extractors being grandfathered into the licensing system for a range of system improvements. The creation of a BC Water Use Reporting Centre (building on the Okanagan water use reporting system) would help reduce costs associated with the maintenance of a license database for groundwater licensees and support improved groundwater management¹⁰.

2. Local, Regional and Province-wide Capacity to Advance Watershed Sustainability

Recommendation:

- Local, regional and province-wide organizations should use government-based funding to leverage additional funds from a diversity of other sources including non-profit foundations, the private sector and other orders of government.

Recommendation:

- Local, regional and province-wide organizations should supplement and further leverage financial resources from both government and non-government sources with volunteer capacity and in-kind contributions of materials and equipment.

Recommendation:

- Local, regional and province-wide organizations can increase their success in fund-raising by maximizing the alignment of their project objectives with the vision, objectives and mandate of funding agencies and/or programs.

Recommendation:

- Link overall sustainability issues with watershed management for broader funding options. The broader the vision, the broader the range of potential funding sources.

Other sources of leveraged funding and resources have been utilized by local governments to implement various watershed projects. These include government sources such as the Gas Tax Fund and local taxes such as parcel taxes. Other sources include non-profit foundations, private sector grants and in-kind donations (e.g. volunteer, supplies, materials, etc.). Water purveyors are another potential source of local funding which could be applicable in cases where watershed projects are aligned with the mandate and goals of the water purveyor. For example, water conservation projects could help reduce the operating costs or avoid significant capital costs by deferring the need to expand water supply infrastructure or develop new water supplies. Watershed projects that focus on improving water quality through source protection would also align with the goals of a local water purveyor, potentially reducing the costs of water treatment. Collaboration and partnerships with watershed and stewardship organizations are an important key to achieving these goals. However, it is important to note that not all water purveyors will have the financial capacity to allocate funding for watershed sustainability. Municipalities are in a stronger financial position to assist than would be operators of small, rural water systems.

¹⁰ Jatel, Nelson. Okanagan Basin Water Board. 'Concept Paper: BC Water Use Reporting Crown Corporation.' Submission to Minister Steve Thomson. August 8, 2013. P. 11.

Newer approaches being considered also include the following: crowd funding and social media driven fundraising (e.g. indiegogo.com, kickstarter.com), micro-credit inspired giving (e.g. Kiva.org), and a conservation lottery (e.g. a similar lottery such as the BC Lottery and Gaming Corp. Sport Funder lotteries/games which are directed towards province-wide sporting organizations).

Examples: Gas Tax Fund, Regional District of Nanaimo (RDN) Parcel Tax, Habitat Conservation Trust Foundation (HCTF) Conservation Surcharges, Pacific Salmon Foundation (PSF) Conservation Stamps, Okanagan Basin Water Board.

Gas Tax Fund

The Gas Tax Fund provides funding for BC local governments and other eligible recipients for a variety of capital and planning projects. Project categories related to watershed sustainability work include the categories of water/wastewater and capacity building/integrated community sustainability planning. Regional districts can apply for funding through 3 sub-funds:

- Community Works Fund
 - Funding is delivered twice annually and is based on a per capita formula with a funding floor.
 - Capital projects include: public transit, local roads, bridges, tunnels, active transportation, community energy, waste, wastewater or solid waste infrastructure that reduce GHGs or provide cleaner air or cleaner water.
 - Capacity building and integrated community sustainability planning projects.
- General Strategic Priorities Fund
 - Support environmentally sustainable projects that are larger in scale or regional in impact.
- Innovation Fund
 - Support environmentally sustainable projects that are innovative.

Regional District of Nanaimo (RDN) Parcel Tax

Parcel taxes are a form of property tax. Where used, they are typically applied in addition to basic property taxes for particular purposes. Parcel taxes can either be a flat rate per property or a variable rate based on assessed value.

Originally the RDN applied a flat rate parcel tax for Electoral Areas within the RDN to support its Drinking Water and Watershed Protection (DWWP) Action Plan. The RDN raised approximately \$1/month per electoral area resident. Since its inception, the RDN DWWP service has evolved into a full region-wide service, which includes all seven Electoral Areas and four municipalities. Due to a number of factors (timing, economics, coordination with other function initiatives, etc.) Electoral Area and municipal residents would pay different parcel taxes to the DWPP service until the rates for all residents would equalize over a transitional period of three to six years at \$8.00 per parcel.

Shawnigan Basin Society Annual Financial Contribution Service Establishment

Through an Alternative Approval Process¹¹, the Cowichan Valley Regional District (CVRD) approved a financial contribution for the Shawnigan Basin Society located in Electoral Area B (Shawnigan Lake) in January 2014. This will earmark \$50,000 annually or an amount equal to the amount that

¹¹ Cowichan Valley Regional District. (2014). 'Results of Alternative Approval Process – 'CVRD Bylaw No 3737 – Shawnigan Basin Society Annual Financial Contribution Service Establishment Bylaw, 2013.' CVRD Staff Report. <http://cvr.bc.ca/DocumentCenter/View/62053>

could be raised by a property value tax (\$0.0323 per \$1000 of net taxable value of land and improvements within the service area)¹². The maximum cost to residential property owners with an assessed property value of \$100,000, for example, would be approximately \$2.98 per annum. These funds are intended to assist the Shawnigan Basin Society with costs associated with watershed management and public safety issues in the Shawnigan and upper Koksilah Basins. Proposed activities include the development of a watershed master plan and basin data bank, implementation of watershed ecological and hydrological studies essential to plan, ongoing public engagement, coordination of government agency activity in the watershed, interface fire protection planning and fuel management programs in critical areas as well as local funding leverage for applications to outside foundations and government infrastructure programs¹³.

Habitat Conservation Trust Foundation (HCTF) Conservation Surcharges

The HCTF was established with dedicated funding obtained from conservation surcharges associated with licenses for hunting, angling, trapping and guide outfitting. These resource users pay for conservation work beyond the license fees required by government for basic management of wildlife and fish resources. Conservation investments funded by HCTF surcharges are intended to benefit contributors by enhancing fish and wildlife resources. The projects funded by HCTF contribute to healthy and diverse populations of native fish and wildlife by improving knowledge, restoring or managing habitats, and enabling stewardship. Some limited research funding is also available where there is a direct application to the management or conservation of native fish, wildlife and habitats.

Pacific Salmon Foundation (PSF) Conservation Stamps

Proceeds from the sales of the federal conservation stamp on saltwater sport and commercial fishing licenses have been used for grants administered by PSF. Any angler must purchase a new stamp each year and affix it to their tidal water license if they wish to retain any species of salmon. From the sale of each conservation stamp, \$1.00 of the proceeds is contributed to PSF to help support salmon restoration and enhancement efforts in BC. PSF also holds a competition annually for the design on the stamp. PSF produces and sells limited edition prints of the winning painting each year to further assist fundraising for conservation events.

Okanagan Basin Water Board Funding Model

The Okanagan Basin Water Board is an inter-regional local government agency founded in 1970 to promote the shared water interests of Okanagan communities. It is a collaborative governance institution comprised of elected public officials, ex officio members and staff. It is legislated under the *Municipalities Enabling and Validating Act* and by *Supplementary Letters Patent (SLP)* to the Okanagan regional districts. Together with policies approved through resolution and basic municipal law, these set out the authority, objectives and purpose for OBWB activities as well as outline its funding model¹⁴.

¹² Cowichan Valley Regional District website. (2013). 'CVRD Bylaw No. 3737 - Shawnigan Basin Society Annual Financial Contribution.' <http://www.cvr.bc.ca/index.aspx?NID=1789>

¹³ Shawnigan Basin Authority. (2013). 'Shawnigan Basin Authority Q&A.' <http://shawniganwater.org/wp-content/uploads/2013/05/Basin-Authority-QA.pdf>

¹⁴ Okanagan Basin Water Board. (2010). Governance Manual. http://www.obwb.ca/fileadmin/docs/obwb_governance_manual.pdf

OBWB programs are supported through two main sources: (1) Requisitions from residents and businesses based on tax assessments on lands within the Okanagan watersheds; and (2) Grant contributions.

Every property tax payer in the Okanagan Basin contributes at the same rate to the finances of the Board¹⁵. The OBWB applies for requisitions through the local governments to support each of the OBWB programs. The annual contributions to the Board have a ceiling that cannot be increased unless approved by a referendum of voters from the Basin or a change to the Supplementary Letters Patent. The requisitions are a consistent source of base funding and cover the base operating costs of the OBWB. The contribution agreements between the OBWB and the Regional Districts have a three-year renewal clause for the water management program. The clause allows for discretion by the Regional Districts and calls for accountability on the part of the OBWB.

The OBWB also secures annual and multi-year project grants. This funding allows the OBWB to undertake strategic projects with partners that are relevant to the funder and of priority within the Basin.

3. Flexibility to Address Diverse Needs and Priorities

Recommendation:

- Renewed funding programs should be flexible in terms of applicability across a diversity of local and regional needs and priorities, including wide range of:
 - Geographic scales (e.g. local, regional, watershed, province-wide);
 - Types of stewardship activities (e.g. restoration, conservation, planning, governance, monitoring, scientific research, outreach and education); and,
 - Types of eligible organizations (e.g. NGOs, local governments, First Nations, collaborative partnerships, organizations that don't have charitable status, etc.)

Given the diversity of ecosystems throughout BC and the array of activities associated with watershed stewardship, a province-wide funding program should be flexible in scope to be responsive to local and regional circumstances and/or priorities. This scope encompasses four model characteristics: geography, eligible activities, eligible organizations and timeline.

Multiple Geographic Scales (Including Local, Regional and Province-wide Delivery)

Regional delivery partners can help to adapt province-wide funding programs to regional circumstances and priorities. Funding can be delivered to or through regional non-profit organizations or stewardship groups doing work on the ground (e.g. Living Rivers or Fisheries Renewal BC). However, local or regional-scale decisions about the allocation of funding may be more vulnerable to influence or lobbying by local or regional interests, particularly if some local organizations have more power than others. A senior government agency or a province-wide delivery organization may be better shielded from local politics and imbalanced power dynamics.

¹⁵ 'The costs are apportioned among the participating regional districts in the ratio that the total taxable values in the regional district bears to the total assessed values in the Basin. The cost of each participating regional district is apportioned among that regional district's participating member municipalities on the basis of assessed values. Municipalities and rural areas that lie outside the Basin watershed boundaries do not contribute.' (*Ibid*, p. 11)

Alternatively, regional stewardship coordinators can support local groups with project delivery (e.g. Habitat Conservation Stewardship Program).

Examples: Living Rivers Trust Fund, Fisheries Renewal BC, and Habitat Conservation Stewardship Program

Living Rivers Trust Fund

Regional delivery partners included:

- Pacific Salmon Foundation – Skeena region
- Fraser Basin Council and Pacific Salmon Foundation – Fraser Basin
- BC Conservation Foundation – Georgia Basin/Vancouver Island

Fisheries Renewal BC

Fisheries Renewal BC was a government agency established in 1997 to address issues affecting the fishing industry by carrying out a range of activities, including community-based fisheries, and habitat restoration. Regional delivery partners included First Nations, local governments, NGOs, community based organizations and citizens doing work in the fisheries sector or in fisheries communities.

Habitat Conservation Stewardship Program

The Habitat Conservation Stewardship Program was designed to fund Stewardship Coordinators (SCs) to increase the community's capacity to participate in watershed management planning and proactive habitat protection activities. SCs would provide support for restoration and enhancement projects, coordination of training for community volunteers and others, stewardship group capacity building and participation in local or regional land and water use planning processes.

Stewardship Centre for BC

The Stewardship Works! Program, run by the Stewardship Centre for BC, was designed to increase capacity of community-based stewardship organizations by providing core-funding grants of up to \$5,000. This program acknowledged – and attempted to address – the difficulty experienced by stewardship organizations in delivering programs amid a shift of government funding from core funding to more project-specific funding grants.

Multiple Stewardship Activities

A multi-pronged scope of activities eligible for funding helps to support the breadth of activities necessary to advance watershed sustainability. Watershed sustainability must be addressed from several different angles including, but not limited to:

- Science and technical studies
- On the ground conservation and restoration
- Collaboration and conflict resolution
- Implementing best practices in all sectors
- Planning and governance
- Outreach and public education.

Therefore, an effective funding model would support a diversity of activities such as this.

In addition, funding also needs to take into account the management, administration, coordination and overhead of organizations undertaking this work.

Examples: Salmonid Enhancement Program (SEP) (DFO), Community Salmon Program (PSF), Urban Salmon Habitat Program, Habitat Conservation Stewardship Program (DFO), Living Rivers, Stewardship Works! Core Funding Program

Activities Eligible for Funding

SEP, DFO

- Assessment; habitat restoration; delivery of public education and awareness; public stewardship; planning/consultation; technical support; and facilities maintenance

Community Salmon Program, PSF

- Salmon conservation; restoration; enhancement projects; habitat assessment; habitat rehabilitation; stewardship and community planning; stock assessment; and stock enhancement

Urban Salmon Habitat Program

- Rehabilitation and restoration of urban salmon streams; community-based watershed planning; assessment and mapping of salmon habitat; public awareness and education; monitoring and evaluation projects; and land-owner contact
- In addition to these activities, USHP provided dedicated technical staff to provide advice and aid stewards on the ground

Habitat Conservation Stewardship Program, DFO

- Land and water use planning (incorporation of fish habitat protection); public and stakeholder awareness raising about fish habitat requirements; habitat mapping and inventory data required for land management and resource planning; local stream surveillance and monitoring; compliance monitoring of development projects; provision of technical information, advice, and support to partners and communities; development of pilot watershed management plans for several priority watersheds; and, enhancement and restoration of habitats as part of watershed management plans

Living Rivers Trust Fund

- Education and outreach; science and research; planning and governance; and, habitat protection and restoration

Stewardship Works! Core Funding Program

- Volunteer management; data entry (keeping track of volunteer time, finances, etc.); project application writing and/or promoting the NGO to funders; Reporting/outreach/education/websites; Representative at events, meetings, etc.; strategic planning; financial audits and building broad community presence and membership

Multiple Stewardship Organizations

Successful funding models allow for a wide array of groups to apply for funding such as local governments, First Nations, NGOs and other community-based organizations. Each of these types of organizations fulfills a wide range of stewardship functions in different watersheds throughout BC. Not all are active stewards in all watersheds or regions. There are different “lead” organizations in different watersheds and these organizations may have different interests, priorities and capacities in different regions and communities of the province. Therefore funding programs should enable a diversity of appropriate organizations to advance stewardship based on merit and capacity.

In addition, collaboration and partnerships are a key factor to success. This allows for a broad range of interests, perspectives, expertise, experiences as well as an opportunity to leverage and pool together funding and in-kind resources. Collaboration is also important to increase the eligibility of funding for groups that don’t have charitable status.

Langley Environmental Partners Society (LEPS)

- LEPS is a non-profit, partnership-driven organization aimed at ‘protecting and restoring the natural environment through education, cooperation and action.’¹⁶ To achieve this mission, LEPS has a series of program areas that address a broad array of issues such as,
 - Environmental education and awareness,
 - Inventory and mapping of local fisheries and wildlife resources,
 - Fisheries and wildlife habitat protection and restoration, and,
 - Watershed stewardship coordination and technical training.

LEPS’ partnerships also include a broad array of watershed stewardship groups, government agencies, schools (elementary, secondary and post-secondary), First Nations and other specialized groups such as stewardship organizations. This diverse network enables them access to technical expertise and knowledge as well as provides opportunities to leverage and pool resources.

Baker Creek Enhancement Society

- Baker Creek Enhancement Society also engages a large network of partners across various sectors to deliver projects across a range of issues including:
 - Removing car bodies and asphalt and cement blocks,
 - Restoration and stewardship projects on Baker Creek, Narcosli Creek, Naver Creek, Dragon Creek and wetland,
 - Chinook rearing channels,
 - Fencing,
 - Riparian setbacks in the area’s Official Community Plan, and
 - Planting riparian corridors.

Partners include government agencies, foundations, local government, NGOs and universities.

¹⁶ Langley Environmental Partnership Society. (2013). LEPS website. Accessed 13 March 2014. <http://www.leps.bc.ca/>

4. Multi-Year Funding

Recommendation:

- Renewed funding programs should allow for multi-year funding that would enhance financial stability of local, regional and province-wide organizations; enable flexibility in project planning, design and implementation; and enable proponents to optimize efficient delivery and cost-effectiveness.

Multi-year funding supports stability and enables effective and efficient project planning and delivery. Multi-year funding also allows for the time that is necessary to build partnerships, leverage additional resources, and coordinate volunteers, permit approvals and appropriate “work windows”.¹⁷ Multi-year funding also enables organizations to advance both near-term, ‘on the ground’ outcomes along with medium and longer-term outcomes, and also enables groups to work strategically within their mandate. Multi-year funding can help organizations avoid a situation where they have to “chase” different sources of project-based funding from one year to the next based on evolving funding opportunities rather than focus on their primary mandate. Relying on fewer funding sources across a multi-year time period also reduces the administrative burden associated with a multitude of short-term funding sources and their various reporting requirements.

Example: Living Rivers Trust Fund

The Living Rivers Trust Fund Advisory Group approved 3 major multi-year business plans:

1. Fraser Salmon and Watersheds program (FSWP): delivered by the Pacific Salmon Foundation (PSF) and Fraser Basin Council (FBC)
2. Living Rivers – Georgia Basin/Vancouver Island: delivered by the BC Conservation Foundation (BCCF) and PSF
3. Skeena Salmon Program: delivered by PSF

Habitat Conservation Trust Foundation (HCTF)

The HCTF has several grant programs that award funding on an annual basis but approve multi-year projects in principle¹⁸:

- Enhancement and Restoration Grants
- Burrard Inlet Restoration Pilot Program
- Public Conservation Assistance Fund (PCAF)
- Field Experience Grants for Outdoor Learning (CEAF)
- Acquisition
- Operations and Maintenance

¹⁷ For the purposes of this paper a “work window” refers to a period of time when aquatic habitat restoration or other instream works are authorized to be undertaken.

¹⁸ From Evaluation of the Urban Salmon Habitat Program. (2000). Quadra Planning Consultants, Ltd.

5. Encouraging Successful Project Delivery

Recommendation:

- Renewed funding programs should require or encourage some or all of the following key factors for successful delivery of watershed stewardship and sustainability projects at local, regional and province-wide scales:
 - Demonstrate the importance of a proposal with good, credible information
 - Leveraged funding and/or in-kind contributions
 - Collaborative approaches and project partnerships
 - Demonstrate learning from the successes and failures of past projects to inform new projects and initiatives.
 - Use of qualified professionals appropriate to project scope, including internal and external technical staff, as well as consultants (e.g. biology, engineering, planning, facilitation, administration, etc.)
 - Inclusion of training, skills development and capacity building
 - Appropriate capacity and procedures for project management and administration; and,
 - Appropriate accountability measures including monitoring, evaluation and reporting

Recommendation:

- Funding agencies can support successful project delivery by providing ongoing technical support, capacity building and mentoring through the full “life-cycle” of a project, from developing and submitting a proposal to implementation of a funded project to project evaluation and reporting.

Recommendation:

- A core funding program should be established providing small amounts of ongoing financial support for community-based groups to maintain and build capacity (office, telephone, courier, computer, part-time coordinator and/or contractors, production of project fund raising applications, data entry, etc.) associated with managing, training, retraining, deploying and recruiting of staff and volunteers.

Leveraging

Grant leveraging entails using one source of funds to secure matching funds from other sources. Delivery organizations reviewed in this project used leveraged funds to bring in additional money to support an expanding project or one with an extended timeline.

Collaboration and Partnerships

Collaboration and partnerships are key to success. In many cases collaboration includes NGOs, local governments, First Nations, the private sector and others. A diversity of partners brings with it a wide range of interests, perspectives, expertise and experience. Collaboration and partnerships can also lead to significant leveraging of financial and in-kind resources as different partners can often access different sources of funding, labour, materials and equipment.

An important component to collaboration is the inclusion of a mechanism for local and regional organizations to connect with regulatory agencies, to improve communications and coordination.

This can be particularly important to avoid duplication of efforts and to ensure that the respective efforts of various agencies and organizations are not counter productive to one another.

Examples: Murray Creek Rehabilitation Project, Salmon River Watershed Roundtable, and Comox Valley Project Watershed Society

Murray Creek Rehabilitation Project

Diversity of membership includes the District of Vanderhoof, White Sturgeon Recovery Initiative, Ministry of Forests, Lands and Natural Resource Operations, Ministry of Environment, Rio Tinto Alcan, Regional District Bulkley Nechako and the Regional Cattleman's Association. The Murray Creek Project also partners with School District 91 as well as the University of Northern British Columbia, engaging students and faculty for much of their restoration work. Due to this broad collaboration, the Murray Creek Project has successfully secured funding from a diversity of sources.

Salmon River Watershed Roundtable (SRWR)

The SRWR has approximately 130 members, which are representative of the following sectors: NGOs (e.g. Ducks Unlimited), Department of Fisheries and Oceans, Ministry of Environment, First Nations, industry, ranchers, farmers, landowners, community activists, citizens and forest licensees (e.g. Riverside Forest Products Ltd). The SRWR has also successfully secured funding from diverse sources due to its broad membership base.

Comox Valley Project Watershed Society (CVPWS)

Similar to the previous examples, the CVPWS Board membership represents a diversity of sectors. They have also been able to engage the business community with funding from Mountain Equipment Co-op supporting their restoration work.

Technical Expertise and Capacity Building

Successful delivery organizations supplement their internal capacity with technical support from agencies and other organizations (e.g. government staff, academic institutions, industry staff, network of practitioners).

In addition, these delivery models include a component of capacity building to strengthen stability, skills development and longer-term delivery. Successful delivery models include elements of capacity building, both within their organizations and within their audiences and partners. For example, networks, coalitions and collaborative processes enable the sharing of knowledge and lessons learned (both successes and failures) among the different participants. Initiatives that involve landowner contact or public outreach and education are more likely to be successful if they strive to build capacity within their target audiences.

In some cases funding programs including dedicated staff support from the funding agency to help to ensure that projects are designed and implemented effectively and that groups have access to the necessary technical expertise, information or other relevant resources.

Example: Farmland-Riparian Interface Stewardship Program (FRISP)

Farmland-Riparian Interface Stewardship Program (FRISP)

The objective of FRISP is to increase the understanding and cooperation between agencies responsible for resource management and the agricultural community regarding farmland development and use resulting in the overall improvement of watershed health. Because the program manager is himself a rancher, getting those in the agricultural community onside to do riparian restoration and stewardship work has been a great success. This has helped build the capacity of landowners to adopt better management practices as well as created a network of landowners who can support and share best practices.

Project Management and Administration

Successful delivery organizations demonstrate capacity and commitment for project management and administration including planning, delivery, financial management and performance evaluation. Capacity for project management and administration is somewhat influenced by the availability of core funding as well as the establishment of a paid coordinator position.

A paid coordinator provides stability and support and leverages volunteer capacity. Most, if not all of the delivery models that were researched include some component of paid staff. In some cases full-time staff were available to provide a range of services while in other cases resources were only available for a part-time coordinator. Volunteers are another critical component in many of the delivery models; however, the risk of volunteer burnout is prevalent in many organizations due to increasing workloads and lack of funding to hire support staff. Therefore, paid staff are key to serve in effective management, administration and technical capacities. In many cases, organizations involved a combination of paid staff, volunteers, and contractors to assist with specific projects.

Example: Langley Environmental Partners Society (LEPS), Salmon River Watershed Roundtable (SRWR) and the Fraser Valley Watersheds Coalition (FVWC)

Langley Environmental Partners Society (LEPS)

In order to coordinate various programs and activities, LEPS has eight paid staff members. These include an Executive Director, Financial Officer, Education Program Coordinator, Langley Stewardship Coordinator, Agriculture Program Coordinators, Field Supervisor, Special Projects Coordinator and Eco-Crew Coordinator. Program coordinators supervise and recruit volunteer groups, which then undertake activities. LEPS draws on a diversity of funding sources to pay their staff members.

Salmon River Watershed Roundtable (SRWR)

The SRWR hires a part-time Watershed Resource Coordinator subject to adequate funding. Funding from the Department of Fisheries and Oceans, local governments, industry and local service clubs has previously supported this position. All other members are volunteers.

Fraser Valley Watersheds Coalition (FVWC)

The Fraser Valley Watersheds Coalition has three paid staff members: an Outreach Coordinator, Project Manager and Administrator. Though the first two positions are subject to available funding, a staff person from the Fraser Valley Regional District (FVRD) provides administration of the project, which strengthens the stability of the FVWC.

Accountability Measures

According to the evaluation reports for some of the financial models reviewed, measures of accountability to ensure proper use of funds were a key to success. This included financial controls such as payment by installments and holdback of final payments until demonstrated project completion (including reporting and deliverables). Typically, there are also requirements for monitoring, evaluation and reporting. Some examples of accountability measures include:

- Signed agreements outlining delegated responsibilities and expectations of applicant groups
- Terms of Reference created to outline the applicant's vision, as well as roles and responsibilities
- Effective monitoring of projects (e.g. qualified personnel to review the quantity and quality of completed work and financial reporting)

Core Funding

The success of community based stewardship groups is often hindered by the lack of capacity and limited resources to attract, training and manage volunteers, coordinate their activities and plan their projects. Although some funding programs allow for a small amount of funding to offset overhead and/or administration costs (e.g. 10-12%), this is usually not enough to cover the full range of activities necessary. This lack of capacity greatly inhibits the effective delivery of existing stewardship initiatives. A core-funding program would enable these groups the following¹⁹:

- An increase in volunteer numbers
- An increase in skills, volunteer satisfaction and partnership development
- An increase in outreach and community programs
- An increase profile and community support
- Success in grant writing and donations

The Stewardship Works! project defined "core" as "small amounts of ongoing financial support for community-based groups to maintain and build capacity associated with administrating and operating the organizations and managing volunteers."²⁰

These improvements in organizational capacity can lead to greater stability and viability. In addition, the accountability of the uses and outcomes of core funding can be effectively measured (e.g. increases in volunteer bases, capacity to leverage funding, increased participation in events and meetings, etc.).

¹⁹ From Stewardship Works! A Core Funding Program for Stewardship and Conservation Organizations in BC: Evaluation Summary Report. Stewardship Centre for BC. 2012.

http://stewardshipcentrebc.ca/PDF_docs/SW/SW! Summary_Report%20Jan_11_2013.pdf

²⁰ *Ibid*, p. 3.

6. Explore Opportunities for Alignment and Efficiency

Recommendation:

- Funding agencies to project proponents would benefit from improving opportunities for alignment and efficiency across multiple funding programs. For example:
 - Standard template for applications accepted by multiple funders;
 - Provisions for improved alignment of timelines across multiple funders;
 - Standard template or increased consistency in terms of reporting requirements of funding agencies and organizations;
 - Seed funding available for proposal development.

Habitat Conservation Trust Foundation (HCTF) Enhancement and Restoration Grants – Seed Funding
The HCTF provides approximately \$5.5 million in Enhancement and Restoration Grants for projects that²¹:

- Focus on freshwater wild fish, native wildlife species and their habitats;
- Have the potential to achieve a significance conservation outcomes;
- Best represent the interests of HCTF’s contributors; and,
- Maintain or enhance opportunities for fishing, hunting, trapping, wildlife viewing and associated outdoor recreational activities.

Organizations can apply for a budgets ranging from \$10,000 to \$100,000 annually.

If the organization needs to do some initial planning before submitting a new project proposal, they are eligible to apply for up to \$5000 of seed funding. Seed funding is²²:

- Available to non-government proponents only;
- Limited to a maximum of \$5000;
- Not for small projects under \$5000 that are regular enhancement projects or for ‘on-the-ground’ activities; and,
- Must result in a full Enhancement proposal submitted the following year.

7. Explore Opportunities for Innovation

Recommendation:

- Renewed funding programs should explore opportunities for innovative approaches to securing and distributing financial resources to advance watershed health and sustainability. Some examples include:
 - Developing a framework of standards for acceptability regarding wetlands compensation, offsets and mitigation. This could lead to improved performance regarding the investments of project proponents in compensation, offsets and/or mitigation projects.
 - Developing local or regional conservation funds based on a parcel tax to undertake conservation projects.

²¹ Habitat Conservation Trust Foundation website. ‘Enhancement and Restoration Grant Overview.’ <http://www.hctf.ca/apply-for-funding/enhancement-grants/overview>

²² Habitat Conservation Trust Foundation website. ‘Proposal Status Definitions.’ <http://www.hctf.ca/apply-for-funding/enhancement-grants/overview/proposal-status-definitions#NewProjectSeed>

- Explore opportunities to assess the value of ecological goods and services and mechanisms to provide financial incentives to farmers, businesses, and landowners to implement best practices to protect and maintain ecological goods and services.

Example: East Kootenay Regional District - Columbia Valley Local Conservation Fund

“The Columbia Valley Local Conservation Fund was set up to provide local financial support for important projects that contribute to the conservation of valuable natural areas; one step towards restoring and preserving a healthy physical environment. The participants in the Conservation Fund Service are Electoral Areas F and G, District of Invermere, and Villages of Radium Hot Springs and Canal Flats. On an annual basis, about \$230,000 is raised through a \$20 tax on each parcel of land in the Columbia Valley. The funds are pooled and allocated to conservation projects that are not the existing responsibility of federal, provincial or local governments. For service delivery, the RDEK has partnered with the East Kootenay Conservation Program (EKCP), which is a partnership of 54 conservation organizations, industries, and government agencies dedicated to conserving natural areas for Kootenay communities. The themes for the Fund are water conservation, wildlife and habitat conservation, and open space conservation.”²³

²³ UBCM. 2012. 2012 Community Excellence Awards.
http://www.civicinfo.bc.ca/practices_innovations/p-ekrd.pdf

E. Conclusions

This discussion paper has highlighted the need for more substantial levels of financial and human resources to more effectively protect, conserve and restore watershed health throughout BC. Several historical funding programs have effectively enabled many community-based organizations and agencies to contribute to different aspects of watershed management and/or stewardship. However, in recent years there has been a significant loss of funding and human capacity.

The primary recommendation of this discussion paper is for a renewed, multi-year, government funding program that would support a variety of organizations at local, regional and watershed scales to advance watershed sustainability. Such a funding program from government could help community-based organizations leverage additional funds, volunteers and other in-kind resources through the delivery of a highly cost-effective model to advance watershed sustainability. This should be seen to be complementary with adequate levels of staffing and budgets within government; not a substitute for government capacity.

The paper offers several other recommendations regarding sources of government funding (e.g. water pricing through the *Water Sustainability Act*), flexibility and scope of funding programs and opportunities to build in considerations of alignment, efficiency and innovation.

The proposed model of funding should be seen as an opportunity to strengthen watershed health and sustainability in a way that avoids future costs associated with environmental degradation, conflicts between different sectors regarding water quality and quantity, as well as erosion of ecosystem services such as flood and drought attenuation. Funding in support of watershed sustainability has the potential for significant returns on investment.

Appendix 1. Funding Programs to Advance Watershed Sustainability from 1980-2014

