



Committee of the Whole

penticton.ca

Committee of the Whole
to be held at
City of Penticton, Council Chambers
171 Main Street, Penticton, B.C.

Tuesday, February 19, 2019
Recessed from the Regular Council Meeting at 1:00 p.m.

1. **Call Committee of the Whole to Order**
2. **Adoption of Agenda**
3. **Delegations and Community Recognition**
 - 3.1 Carmi Intensive Research Area as a Community Forest
Neda Joss and Andrew Drouin 1-8
 - 3.2 2019-2023 Five Year Financial Plan – Budget Primer
Jim Bauer, Chief Financial Officer 9
4. **Adjourn to Regular Meeting of Council**



Request to Appear as a Delegation

Preferred Council Meeting Date: Feb 5th

Second choice(s): Feb 19

Subject matter: Carmi Intensive Recreation Area as a Community Forest

Name of person(s) making presentation:

Neda Jass, Andrew Drouin

Address:

Phone:

Email:

Please provide details of your presentation or request of Council here: (or provide a detailed attachment)

<p>SOTA and Carmi Recreation Trails asks the City of Penticton to support a Community Forest Application which will include the Carmi Intensive Recreation Area, and area to the north and east of this boundary. It is our goal to have this area managed with sustainable logging practises while preserving and enhancing the present trail system within this area and ensuring it remains as a recreation area.</p>
--

Please note:

- This form and submissions will become part of the public record.
- The Mayor has the authority to determine if the subject matter warrants the delegation to appear before Council and may determine at which meeting.
- Please submit this completed form at your earliest convenience. Written Requests to Appear are to be received by the Corporate Officer, no later than noon Monday, one week prior to the Council meeting. Please include a copy of all materials that will be discussed.
- If you'd like to share a PowerPoint with Council, email it to the Corporate Officer by 9:30 a.m. Wednesday prior to the Council meeting to be included with the Agenda.
- We recommend you bring backup PowerPoint files with you on a memory stick.
- Delegations are limited to 5 minutes.

Corporate Office
 Angie Collison, Corporate Officer
 171 Main Street, Penticton, B.C., V2A 5A9

Phone: 250-490-2410
 Fax: 250-490-2402
angie.collison@penticton.ca



Jan. 23, 2019

Community Forest

SOTA and Carmi Recreation Trails group is proposing to apply to operate the IRA, and area to the east and north, as a community forest.

Community forest is an area dedicated to a non-profit society to manage as their forestry practises dictate.

Non-profit society would comprise of members from City of Penticton, RDOS, Penticton Indian Band, and recreational groups and it is their vision that determines how logging is done.

Recreational use and the area's continuation as such is a high priority.

We would have to log.... but....

This can be done with sustainable logging practises: lower yields, with local enterprises, using smaller equipment and less invasive methods.

The society would hire a full time "forester" to manage the operation: to oversee planning, harvesting, replanting, and managing contractors.

Length of the contract is 25 to 99 years and there is a minimal leased fee to be paid on the area in use, estimated \$5,000.00.

The society would be responsible for covering costs that incur with logging and replanting, outside of a contractor's expense.

It is hoped that fiber extracted would stay in the local economic community – We have approached Penticton Indian Band to be involved with the milling of the timber and also to be involved with the extraction of fiber as per the PIB's method of logging (old growth trees which are fire resistant are left as a forest canopy, smaller trees are extracted, prescribed burns are carried out post logging to reduce fire hazard, replanting to be done with native fauna. Timber can be used by local entrepreneurs and artisans.

The amount of wood extraction can be determined by the necessary costs needed to be covered and community benefit goals; such as, recreational development in the form of trail building and

maintenance and recreation area enhancement, scholarships and bursaries, society funded skill education. The amount of wood extracted will be done with sustainability in mind

What we need from City of Penticton:

Initially we need to have a letter of endorsement for this project. Once the project is approved by Ministry of Forest, we will work with Community Futures to develop a business plan for the final approval. A society will be formed and we would require a representative from the City of Penticton as a board member.

What is a Community Forest Agreement?

Community Forest Agreements (CFA) can be held by a municipality, community corporation, cooperative, society, First Nations band council, or partnership. These agreements are area based tenures that grant holders exclusive rights to harvest timber. The tenure also grants non-exclusive rights to harvest, manage, and charge fees for botanical forest products and other products, as well as the ability to manage for water, recreation, wildlife, and viewscape resources.

Community Forest Agreement holders have stewardship responsibilities that include strategic and operational planning, inventory maintenance, and reforestation. Community forests are subject to the provisions of the Forest and Range Practices Act, and pay stumpage fees to the Crown based on a tabular rate structure. Community Forest Agreements are issued for a 25-year term and are replaceable every 10 years.

As of May 2018, there are 63 community organizations involved at some stage of planning or operating a Community Forest Agreement. Collectively, community forests represent approximately 2% of the provincial annual harvest. The provincial government's objectives for community forests are as follows:

- Provide long-term opportunities for achieving a range of community objectives, values and priorities.
- Diversify the use of and benefits derived from the community forest agreement area.
- Provide social and economic benefits to British Columbia.
- Undertake community forestry consistent with sound principles of environmental stewardship that reflect a broad spectrum of values.
- Promote community involvement and participation.
- Promote communication and strengthen relationships between Aboriginal and non-Aboriginal communities and persons.
- Foster innovation.
- Advocate forest worker safety.

Steps to obtaining a Community Forest Agreement

Before initiating an opportunity for a CFA, the Crown may consider a number of factors, including:

- The availability of suitable allowable annual cut,
- The availability of unencumbered landbase within a timber supply area,
- The anticipated level of local support for the opportunity, and
- The potential to address local land use issues.

Applicants should meet with the appropriate regional ministry contact to go over the requirements in detail prior to starting their application. Applicants must receive an invitation to apply from the Minister of Forests and this is normally done through some sort of lobbying effort by local community organizations or an advertisement by the Ministry of Forests to the related community.

After an invitation has been provided by the Minister of Forests, the application must submit a management plan along with its application for review by the Minister of Forests.

An excerpt from the Forest Act of BC:

Applications for community forest agreements

43.2 (1) *On request or on his or her own initiative the minister, by advertising in the prescribed manner, may invite applications for a community forest agreement.*

(2) *An application for a community forest agreement must meet prescribed requirements.*

(3) *A community forest agreement may be entered into only with an applicant that is*

(a) a first nation,

(b) a municipality or regional district, or

(c) any of the following if prescribed requirements are met:

(i) a society as defined in the Societies Act;

(ii) an association as defined in the Cooperative Association Act;

(iii) a corporation;

(iv) a partnership.

(4) *The minister must evaluate applications for a community forest agreement in accordance with prescribed requirements.*

(5) *After evaluating applications under subsection (4), the minister may*

(a) approve an application,

(b) approve an application subject to conditions with which the applicant must comply before the community forest agreement is entered into, or

(c) decline to approve all applications.

Management Plan Template for Community Forests

Below is an example management plan template for a large community forest in BC. Simpler templates exist, however this is a fairly complete example of all the sections of a successful CFA bid.

Executive Summary

Introduction

Backgrounder

- What is a Community Forest Agreement?
- Challenge: What recently happened that a Community Forest can resolve?
- Solution: Community Forest Proposal
- Location

Governance

- Vision, Mission and Guiding Principles
- Strategic Goals
- Board of Directors
- Legal Structure
- Annual Reporting

Local Community Impact

- Triple-Bottom Line
- Distribution of Funds to Community

Log Sales and Marketing

- Industry Overview
- Timber Profile
- Products
- Customers

Operations

- Contract Management
- General Administration
- Road Construction and Maintenance
- Forestry Planning
- Harvesting
- Hauling
- Silviculture

Risk Management

- Market Risk
- Public and Private Use and Safety
- Soil Disturbance
- Wildfire
- Archaeological, Riparian and Visual

Action Plan

Financial Analysis

- 5-year Projected Financials
- Tax Exemption
- Financial Results
- Break-even Analysis
- Sensitivity Analyses

Conclusion

Appendices

- Appendix A – Formal Invitation to Apply for Community Forest
- Appendix B – Map of Community Forest Area
- Appendix C – Action Plan
- Appendix D - Harvest Volumes and Rates
- Appendix E - Projected Income Statement
- Appendix F - Projected Cash Flow Statement
- Appendix G - Projected Balance Sheet

Issued and Invited Community Forests Status May 10, 2018

Area	Resource District	Licensee	Licence #	AAC (m³) at issuance	AAC (m³) - current	Area (Ha)	Date issued*
North	Nadina	Burns Lake Community Forest Ltd.	K1A	86,000	100,000	84,886	2005-04-12
South	Selkirk	Harrop-Procter Community	K1B	2,603	10,000	10,932	2007-03-31
South	Central Cariboo	Esk'etemic	K1C	17,000	22,000	21,906	2006-03-31
North	Fort St. James	District of Fort St. James	K1D	23,895	100,000	15,131	2010-03-07
Coast	South Island	Bamfield-Huu-ay-aht Community (Bamfield)	K1E	860	860	361	2011-09-20
North	Prince George	McBride Community Forest	K1H	50,000	50,000	62,406	2007-02-28
Coast	South Island	Khowutzun Forest Services Limited Partnership	K1K	10,000	10,000	1,786	2013-11-25
South	Central Cariboo	Likely-Xats'uli Community Forest Ltd.	K1L	25,000	25,000	11,963	2007-04-01
North	Nadina	Cheslatta Carrier Nation	K1M	16,613	20,000	35,729	2007-10-01
North	Prince George	Tano T'enneh Limited Partnership	K1N	15,000	28,000	13,069	2010-06-01
South	Okanagan Shuswap	West Bank First Nation	K1P	55,000	52,700	46,603	2009-08-01
South	Rocky Mountain	Nupgu Development Corporation	K1W	5,790	10,600	20,234	2009-10-01
North	Coast Mountain	Terrace Community Forest Limited Partnership	K1X	30,000	30,000	9,500	2011-06-01
South	Thompson Rivers	Lower North Thompson Community Forest Society	K1Z	20,800	20,800	8,254	2010-08-01
South	Thompson Rivers	Wells Gray Community Forest Corp	K2A	20,000	33,000	13,148	2011-07-03
Coast	South Island	Alberni Valley Community Forest Corporation	K2D	18,156	18,156	3,231	2009-11-02
South	Thompson Rivers	Logan Lake Community Forest Corporation	K2E	20,000	32,000	16,627	2011-12-01
North	Nadina	Dungate Community Forest Limited Partnership	K2L	20,000	38,000	15,569	2013-02-14
North	MacKenzie	McLeod Lake-Mackenzie Community Forest Limited Partnership	K2M	30,000	80,000	24,218	2009-09-01
North	Peace	Little Prairie Community Forest Inc	K2N	20,000	20,000	12,579	2012-01-01
North	Peace	Tumbler Ridge Community Forest Corp.	K2O	20,000	40,000	18,962	2011-01-01
North	Skeena Stikine	Wetzin'kwa Community Forest Corporation	K2P	30,304	30,304	22,369	2010-07-01
South	Selkirk	Siocan Integral Forestry Cooperative	K2R	16,300	16,300	15,981	2011-12-11
South	Selkirk	Nakusp & Area Community Forest (2013) Inc.	K2S	20,000	20,000	9,149	2011-01-01
North	Prince George	Valemont Community Forest Company Ltd.	K2T	40,000	48,706	70,182	2012-04-01
South	Okanagan Shuswap	Lower Similkameen Community Forests Limited Partnership	K2U	20,000	20,000	26,804	2011-02-01
South	100 Mile House	100 Mile Development Corporation	K2W	20,000	18,500	1,871	2009-12-01
South	Okanagan Shuswap	Monashee Community Forest LLP	K2X	21,595	21,595	7,405	2013-01-01
South	Cascades	Vermillion Forks Community Forest Corporation	K2Y	20,000	20,000	12,950	2010-01-01
South	Central Cariboo	Eniyud Community Forests Ltd.	K2Z	40,000	40,000	114,571	2012-08-09
South	Central Cariboo	WL Community Forest Limited Partnership	K3A	40,000	40,000	28,828	2014-12-05
South	Selkirk	Kaslo and District Community	K3C	25,000	25,000	32,510	2010-01-01
South	Selkirk	Creston Valley Forest Corporation	K3D	15,000	25,000	21,329	2013-12-15
Coast	Sunshine Coast	Sechelt Community Projects Inc.	K3F	20,000	20,000	10,790	2011-05-31
Coast	Sunshine Coast	Powell River Community Forest Ltd.	K3G	25,000	35,000	7,109	2011-07-07
Coast	North Island	Nuxalk Forestry Limited Partnership	K3H	20,000	20,000	48,461	2011-12-01
Coast	Chilliwack	Cascade Lower Canyon Community Forest General Partner Corp.	K3J	30,900	30,900	26,087	2011-12-14
Coast	North Island	Bella Coola Resource Society	K3K	30,000	30,000	127,248	2011-03-30
South	Cascades	Xaxli'p Community Forest Corporation	K3L	25,683	4,900	23,182	2011-02-01
Coast	South Island	HFN Forestry Limited Partnership	K3N	16,992	16,992	2,345	2010-12-17
North	Prince George	Dunster Community Forest	K3O	15,000	15,000	20,009	2009-12-31
Coast	Sunshine Coast	Tla'amin Timber Products Ltd.	K3P	28,000	28,000	9,430	2012-12-04
South	Quesnel	Wells-Barkerville Community Forest Ltd.	K3R	5,000	5,000	4,527	2014-09-01
Coast	South Island	Barkley Community Forest Limited Partnership	K3S	27,000	27,000	6,757	2015-06-09
South	Okanagan Shuswap	Cherry Ridge Management Committee	K3T	1,500	1,500	1,081	2009-01-01
Coast	Squamish	Cheakamus Community Forest Ltd Partnership	K3V	20,000	20,000	33,018	2009-04-09
Coast	North Island	North Island Community Forest Limited Partnership	K3Z	10,400	10,400	2,392	2011-05-17
North	Fort St. James	Tanizul Timber Ltd.	K4B	152,672	154,112	49,111	2009-11-01
Coast	Sunshine Coast	Klahoose Forestry Limited Partnership	K4C	102,293	115,146	160,122	2009-10-06
North	Nadina	Babine Lake Community Forest Society	K4D	10,088	10,088	8,939	2011-08-18
South	Selkirk	West Boundary Community Forest Inc	K4E	23,000	23,000	18,113	2015-03-27
South	100 Mile House	Clinton & District Community Forest of BC Limited	K4F	20,000	20,000	62,374	2014-06-10
Coast	Sunshine Coast	Cortes Forestry General Partnership	K4G	13,600	13,600	3,776	2013-08-22
North	Nadina	Chinook Comfor Limited	K4R	150,000	150,000	90,658	2016-04-01
North	Stuart Nechako	Village of Fraser Lake	K5E	85,930	85,930	21,120	2016-03-31
North	Stuart Nechako	District of Vanderhoof	K5P	80,000	80,000	23,181	2016-03-31
North	Prince George	Valemount Community Forest Company Ltd.	K5Q	35,209	35,209	71,720	2016-02-24
Total	57			1,647,974	1,903,089	1,547,691	

Invitations to apply				AAC	Date of invite
North	Fort Nelson	Northern Rockies Regional Municipality / Fort Nelson First Nation Partnership	K3X	**	2017-03-17
South	Cariboo Chilcotin	Likely-Xats'uli / Big Lake	K5W	**	2017-05-25
Coast	South Island	Qala-yit Community Forest (Reduced Volume Condition Licence)	K5U	**	2017-03-16
Coast	Squamish	Village of Pemberton and Lil'wat Nation	K5X	**	2017-09-28
Coast	Squamish	District of Squamish and the Squamish Nation	K5Y	**	2017-09-28
Coast	Halda Gwaii	MIEDS (Reduced Volume Condition Licence)	K5F	**	2017-12-15
Total	6				

*Some CFAs were issued earlier as PCFAs. In these instances, the issue date denotes the date of conversion from PCFA to CFA.
 ** AAC will be determined upon completion of an approved Management Plan

Grand Total 63

2019 – 2023 Five Year Financial Plan

February 14, 2019	Business planning and budget documents available to view here: https://www.penticton.ca/EN/main/departments/finance/financial-plan-2019.html https://www.shapeyourcitypenticton.ca/2019-budget-talks
February 19, 2019	Budget Primer Overview
February 20 & 21, 2019	Community Engagement Sessions: February 20 – Penticton Seniors’ Drop-in Centre, 2965 South Main from 10:00 a.m. – 12:00 p.m. February 21 – Penticton Trade and Convention Centre, 273 Power Street from 4:00 p.m. – 7:00 p.m.
February 26 – 28, 2019	Special Council Meetings – Budget Deliberations
March 19, 2019	First, second and third reading to “2019-2023 Five Year Financial Plan Bylaw”
April 2, 2019	Adopt “2019-2023 Five Year Financial Plan Bylaw”