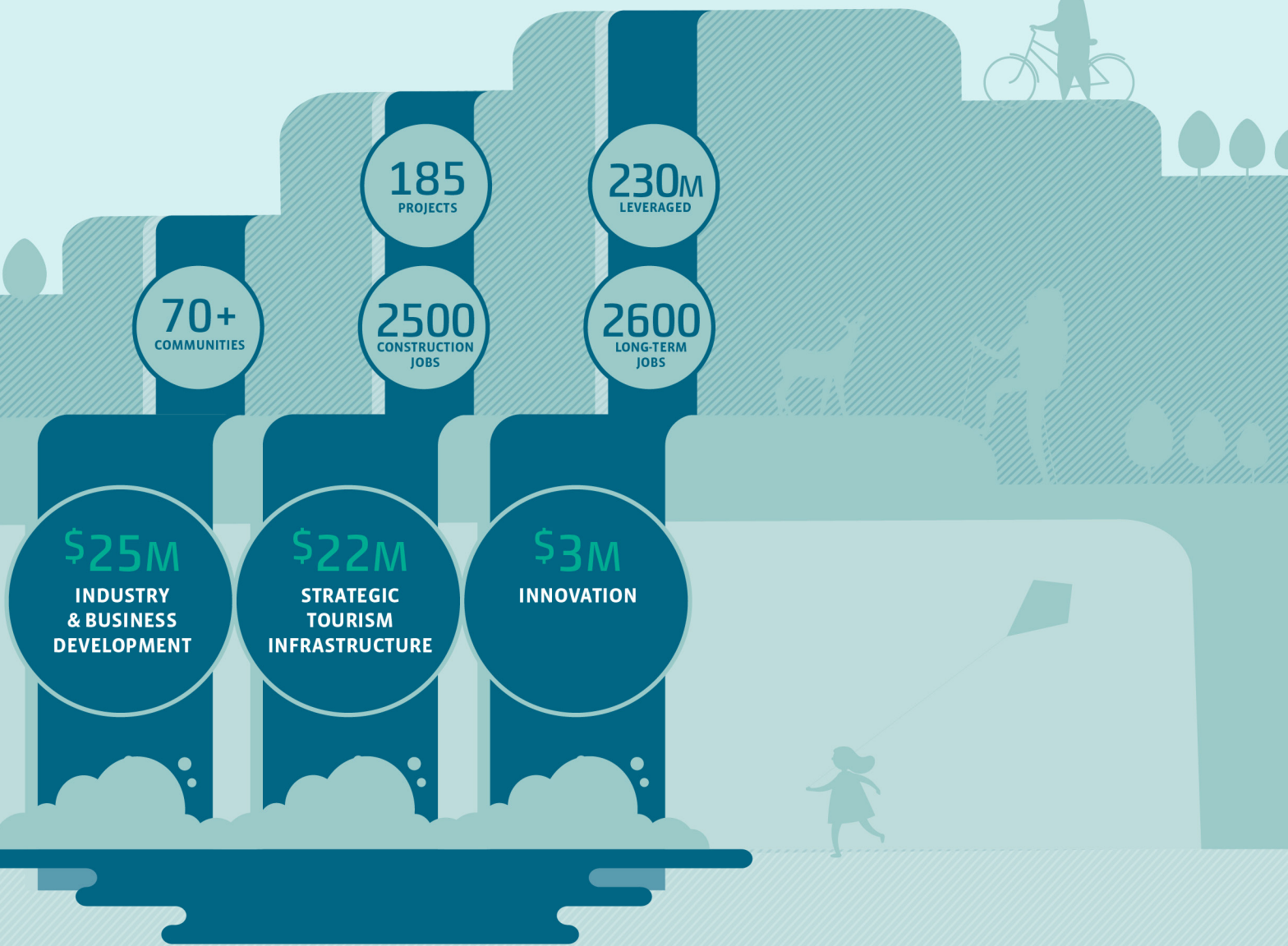
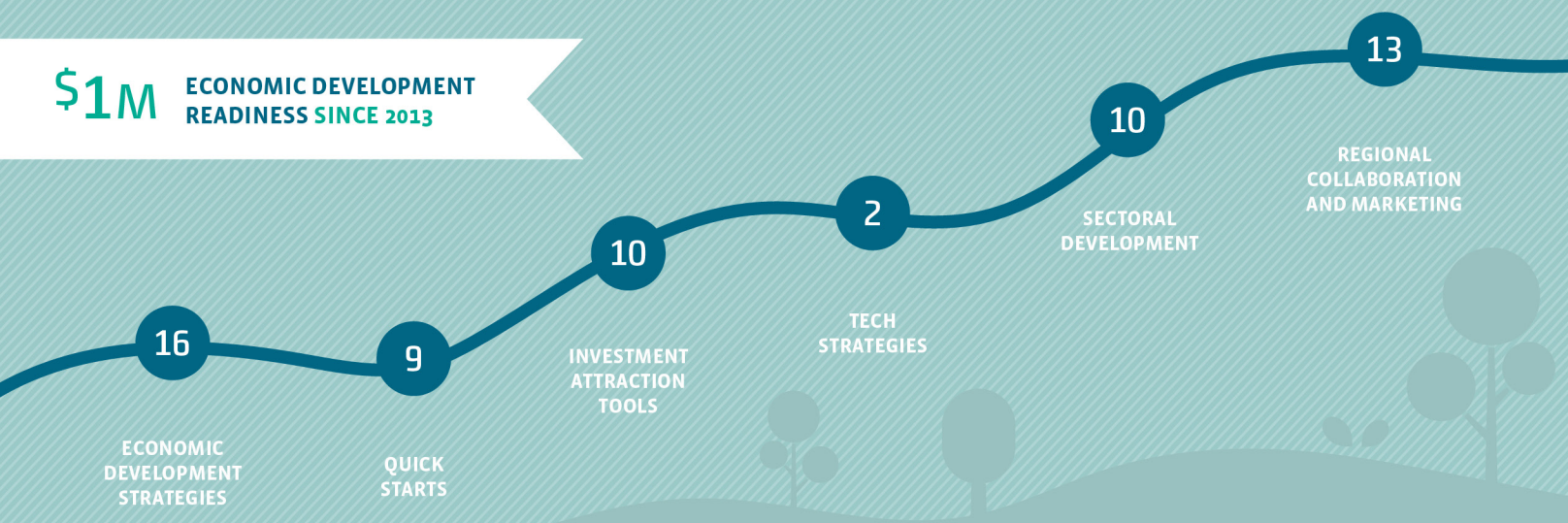


SINCE 2006
\$51M
 ICET INVESTMENT



\$1M ECONOMIC DEVELOPMENT READINESS SINCE 2013



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ABOUT THE ISLAND COASTAL ECONOMIC TRUST

Created and capitalized by the Province of British Columbia in 2006, the Island Coastal Economic Trust has been at the forefront of economic diversification, planning and regional revitalization in the Vancouver Island and Sunshine Coast region for the past eleven years.

Independently governed by a Board of Directors and two Regional Advisory Committees which include more than 50 locally elected officials, MLAs and appointees from the Island and Coast, this exceptional team of leaders collaborate to set regional priorities and build vital multi-regional networks.

Through a community centered decision-making process, funds are invested in a wide range of economic development and community building initiatives.

To date, over \$50 million in funding has supported more than 180 projects, resulting in total regional investments of more than \$280 million, creating an estimated 2500 construction phase jobs and 2600 long term jobs.

In early 2018, the Province of British Columbia provided the Island Coastal Economic Trust with a new funding infusion of \$10 million to pursue its work in the region and support the development of a robust technology and innovation sector.

The specific region where activity may occur is shown on the map and may be viewed in detail at www.islandcoastaltrust.ca

ICET REGION Island Coastal Economic Trust Regions

- Central South Island
- North Island — Sunshine Coast
- Other



STRATEGIC OBJECTIVES

- 1 LEVERAGE ECONOMIC INVESTMENT IN THE ICET REGION

- 2 INVEST IN ECONOMIC INFRASTRUCTURE AND INNOVATION

- 3 BUILD COMMUNITY AND REGIONAL ECONOMIC DEVELOPMENT CAPACITY

- 4 SUPPORT REGIONAL COLLABORATION AND PLANNING

- 5 MAXIMIZE THE IMPACT OF TRUST RESOURCES



MISSION

ICET is a partner and catalyst to build a diverse, innovative and sustainable Island and Coastal economy

VISION

The North Island and Sunshine Coast area is a diversified, globally competitive regional economy

VALUES

- + Integrity
- + Transparency
- + Accountability
- + Collaboration

LETTER FROM THE CHAIR AND CEO

Since inception, innovation has been at the core of our driving principles and has been an important part of our programs and organizational culture.

The arrival of \$10M in new provincial funding in March of this year, has provided us with the opportunity to refresh the programs that support economic growth across the Island and Sunshine Coast regions and to expand our role as a catalyst for innovation leadership.



Phil Kent,
Chair

The new funding triggered a round of intensive one-on-one consultations with our stakeholders to assess the region's current needs and opportunities. More than 30 business and industry organizations were part of the conversation, and their conclusions were firmly focused on the capacity to adapt, lead and thrive in a changing economy.

Within our flagship Economic Infrastructure Program, we've created new funding streams to specifically target projects that support innovation leadership. Our partnerships with agencies like Innovation Island ensure that we're aligned with regional and provincial goals around high-tech and innovation across industries and sectors.

Our previous experience in supporting innovation leadership can be seen in projects like ThisFish (see page 32), one of the first seafood traceability platforms developed, which is now used around the world. You can also read about how CRAAdvantage, an innovative community-based open access network, is providing affordable, broadband connectivity to business (page 28) and attracting new entrepreneurs to Campbell River.

Our report also highlights some past investments made to support the region's rural and remote communities. Projects such as the Remote Regions Marine Tourism Marketing project, the Salmon Brewster Equine Trail near Sayward, or the Gwayasdums Bighouse on Gilford Island are helping to draw visitors further afield, creating new business and employment

opportunities in remote communities and creating benefits in other gateway and neighbouring communities.

Across all of our programs, a common theme is becoming more evident: Indigenous communities and projects are coming to the forefront of applications and approvals. Building stronger long-term relationships with Indigenous communities has been a strategic priority of ours for many years, and it is gratifying to see the transformative projects being proposed and completed.

One of the new and exciting trends in our recent Economic Infrastructure program funding approvals is the increase in the development of remote Indigenous tourism hubs. West Coast projects like the Toquaht Nation's Secret Beach Marina, the Huu-ay-aht Nation's Anacla to Bamfield trail, and others in development and approval stages on the east coast of the Island, are changing perceptions about opportunities in remote communities. Experiential resource-sector tourism projects like Sayward's Working Waterfront Trail are also demonstrating the advantages of sharing and showcasing the region's history and culture.

The Economic Development Readiness Program continues to serve as a support for communities as they move along the economic development continuum. Since its inception four years ago, it has helped to fund the development of 16 new economic development strategies in communities where none existed previously. But more impressive, is the fact that most of these communities have moved forward on implementation, with support from other program funding streams such as the Quick Start, Investment Attraction tools or with the support of the Province of BC's Rural Dividend program. A true measure of progress, in the past two years, we have approved new community economic infrastructure born of those strategies. Mid-sized and larger communities, as well as regional non-profits, are using the program to strengthen investment attraction with initiatives such as industrial land strategies, targeted sectoral strategies and to support joint regional collaboration and marketing initiatives.

Our 'home' in government is the Ministry of Jobs, Trade and Technology, and we are working closely with their staff to ensure our programs support and complement their mandate to grow B.C.'s technology sector, champion innovation, nurture small businesses, and support economic development.

Recent Ministry changes have also deepened our relationship with the Ministry of Forests, Lands, Natural Resource Operations as it is now home to rural economic development, a staple of our day-to-day business. We have been pleased to continue our partnerships and collaboration with the Regional Managers, Rural Dividend Fund staff and were contracted to organize two regional focus groups to support the development of the new BC rural strategy.

In this year of change, we were also saddened by the sudden loss of Tahsis Mayor Jude Schooner, a member of our North Island - Sunshine Coast Regional Advisory Committee. Jude's leadership and vision, and her passion for her community, will be missed by all.

As we look forward, we're preparing for governance changes. Local government elections take place this fall, and they coincide with our five provincial appointee terms. We know that some of our current Board members won't be running this fall or seeking provincial reappointment, so that means new faces and ideas at our leadership table.

It's fitting that 'innovation' is such a key word in ICET's vocabulary. Its Latin roots are "to make new".

Change, opportunity, and innovation are in the air, and we're excited to continue to support the community and industry-based leaders who are revitalizing the Island and Sunshine Coast economies.

STATEMENT OF ACCOUNTABILITY

The 2017-2018 Island Coastal Economic Trust Annual Report was prepared under the direction of the CEO and the Board, according to the British Columbia Performance Reporting Principles and the North Island Coast Development Initiative Trust Act. The Board is accountable for the contents of the report and how it has been prepared.

The information presented represents the actual performance of the Island Coastal Economic Trust for the 12 months ended March 31, 2018.

The Board is responsible for ensuring internal controls are in place so that performance information is measured and reported accurately and in a timely fashion.

The measures presented are consistent with the organization's mission, goals and objectives and focus on aspects critical to understanding our performance. The report contains estimates and interpretive information that represent the best judgement of management. Any significant limitations in the reliability of the data are identified in the report.

The North Island Coast Development Initiative Trust Act defines the governance structure for the Island Coastal Economic Trust (ICET). This arms' length decision making model includes two regional advisory committees made up of local government representatives and MLAs who function as Board Advisors. The Board of Directors is the final decision making voice for the organization and is responsible for strategic planning and operations oversight.

BOARD OF DIRECTORS

The Board of Directors consists of 13 directors, 8 of whom are appointed by two Regional Advisory Committees (RACs), representing the Central South Island Region and the North-Island Sunshine Coast Region. The remaining 5 Directors are appointed by BC's Lieutenant Governor in Council.

The Board incorporates best practices into its governance procedures as guided by the [Best Practices Guidelines on Governance and Disclosure for Public Sector Organizations](#).

The Board includes representatives from diverse areas in the region, from its largest community to some of the smallest, as well as from other urban and rural areas. This diverse Board, complemented by the specific expertise of the provincial appointees, brings an exceptional skill set and a wide range of perspectives to the table. The full Board of Directors meets approximately seven to ten times per year.

REGIONAL ADVISORY COMMITTEES

The Board is advised by two Regional Advisory Committees comprised of the mayors, Regional District Chairs and MLAs from the region. Regional Advisory Committees meet two to three times a year to review funding applications to the Trust and provide advice to the Board on strategic issues. The Chairs from each of the committees attend Board meetings as ex officio members.

The Regional Advisory Committees play a key role in operations. Their regional knowledge and ground truth perspective provides the Board with valuable information about local needs and economic environment. The RACs also bring the region's voice to the table in the development of strategy and policy, ensuring that no community is left unheard.

KEY STAFF AND CONTRACTORS

Regional funding delivery is provided through a cost-effective, responsive approach. The core staffing model is lean, comprised of a Chief Executive Officer, Project and Corporate Administrator supplemented with contract teams and interns. Finances and investments are managed by a contract Chief Financial Officer and team of accounting and financial professionals. Communications and economic analysis are provided on contract, and consultants are used for due diligence and other specialized duties on an as-needed basis, in order to provide the highest level expertise and flexibility adapted to the fluctuating nature of operations.

NISCRAC MEMBERS

(NORTH ISLAND-SUNSHINE COAST REGIONAL ADVISORY COMMITTEE)

Mayor Teunis Westbroek
Qualicum Beach –
NISCRAC Chair

Mayor Bruce Milne
Sechelt and Chair, Sunshine Coast
Regional District
– NISCRAC Vice-Chair

Mayor Shirley Ackland
Port McNeill

Mayor Andy Adams
Campbell River

Mayor Jan Allen
Port Alice

Michele Babchuk
Chair, Strathcona
Regional District
(from January 2018)

Mayor Leslie Baird
Cumberland

Mayor Michael Berry
Alert Bay

Mayor Hank Bood
Port Hardy

Patrick Brabazon
Chair, Powell River
Regional District

Mayor Donnie Cox
Zeballos

Mayor Dave Formosa
Powell River

Honourable Scott Fraser
MLA, Alberni-Qualicum

Andrew Hory
Chair, Mt. Waddington
Regional District
(from January 2018)

Mayor Paul Ives
Comox

John Jack
Chair, Alberni-Clayoquot
Regional District

Mayor Larry Jangula
Courtenay

Bruce Jolliffe
Chair, Comox Valley
Regional District

Ronna Rae Leonard
MLA, Comox Valley

Mayor John MacDonald
Sayward

Garry Nohr
Chair, Sunshine Coast Regional
District (to December 2017)

Mayor Josie Osborne
District of Tofino

Chief Warren Paull
Sechelt Nation

Mayor Wayne Rowe
Gibsons

Dave Rushton
Chair, Mt. Waddington
Regional District
(to December 2017)

Mayor Mike Ruttan
Port Alberni

Mayor Jude Schooner
Tahsis (passed away February
2018)

Nicholas Simons
MLA, Powell River-
Sunshine Coast

Mayor Dianne St. Jacques
Ucluelet

Acting Mayor Randy Taylor
Tahsis

Honourable Claire Trevena
MLA, North Island

Mayor Brad Unger
Gold River

CSIRAC MEMBERS

(CENTRAL SOUTH ISLAND REGIONAL ADVISORY COMMITTEE)

Mayor Jon Lefebvre
North Cowichan –
CSIRAC Chair

Mayor Marc Lefebvre
Parksville –
CSIRAC Vice-Chair

Mayor Ross Forrest
Lake Cowichan

Sonia Furstenu
MLA, Cowichan Valley

Mayor Colin Haime
Lantzville

Mayor Phil Kent
Duncan

Leonard Krog
MLA, Nanaimo

Mayor Bill McKay
Nanaimo

Ian Morrison
Director, Cowichan
Valley Regional District

Doug Routley
MLA, Nanaimo-North Cowichan

Michelle Stilwell
MLA, Parksville-Qualicum

Mayor Aaron Stone
Ladysmith

Bill Veenhof
Chair, Nanaimo
Regional District

KEY STAFF AND CONTRACTORS

Line Robert
Chief Executive Officer

Denice Regnier
Project and Corporate
Administrator

Donna Cloutier
Chief Financial Officer

Judith Marriott
Accountant

Jamie Vann Struth
Consulting Economist

Stephen Harris
Communications Consultant

BOARD OF DIRECTORS



MAYOR PHIL KENT
Duncan – Board Chair



CAMELA TANG
Provincial Appointee –
Vice Chair



MAYOR PAUL IVES
Comox – Board Treasurer



MAYOR JOSIE OSBORNE
Tofino – Board Secretary



DALLAS SMITH
Provincial Appointee –
Member at Large



MAYOR SHIRLEY ACKLAND
Port McNeill



MAYOR ANDY ADAMS
Campbell River



MAYOR ROSS FORREST
Lake Cowichan



DAVE MANNIX
Provincial Appointee



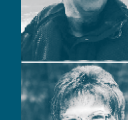
MAYOR AARON STONE
Ladysmith



KEVIN TEVINGTON
Provincial Appointee



BILL VEENHOF
Chair, Nanaimo Regional District



STARR WINCHESTER
Provincial Appointee



MAYOR TEUNIS WESTBROEK
Qualicum Beach –
NISCRAC Chair, Ex-officio



MAYOR JON LEFEBURE
North Cowichan –
CSIRAC Chair, Ex-officio

The Island Coastal Economic Trust is a partner and catalyst to build a diverse, innovative and sustainable Island and Coastal economy. This is achieved through strategic investments in key economic sectors, leveraging new funding and investment to the region, improving community economic development readiness and fostering regional collaboration and planning. Guided by its governing legislation and funding agreements, funds are invested in initiatives that enhance the region's competitive position in key sectors: technology and innovation, small business, tourism, agriculture and aquaculture, transportation, forestry, mining, and economic development.

ICET PROGRAMS

Funds are invested primarily through two core grant programs: Economic Infrastructure and Innovation Program (EIIP) and Economic Development Readiness Program (EDRP). These programs, as well as select sponsorships, internships, bursaries and partnerships serve to enable community and regionally led initiatives that advance ICET's vision, mission and goals.

ECONOMIC INFRASTRUCTURE AND INNOVATION PROGRAM

The Economic Infrastructure and Innovation Program supports the development of a wide range of projects in targeted sectors, delivering vital infrastructure and programs to foster regional growth and prosperity.

Eligible applicants may access non-repayable matching funding contributions up to a maximum of \$400,000. One of the unique attributes of the funding program is a sliding scale matching funding formula, which is designed to adjust for variations in economic vitality between communities applying for funding.

There are three streams of funding available under the program:

- » Economic Infrastructure Funding
- » Tourism Funding
- » Innovation Funding

ECONOMIC DEVELOPMENT READINESS PROGRAM

The Economic Development Readiness Program provides non-repayable matching funding up to a maximum of \$30,000, with a "find your fit" formula adapted to community needs.

The program serves to improve community and regional economic readiness through the development of targeted strategies and tools required to attract economic investment. The program also serves to improve the region's competitive position through the development of sectoral strategies, regional marketing programs, investment and tech attraction initiatives and the building of regional alliances.

INTERN PROGRAM

The Economic Development Intern program provides recent university graduates with a high level of professional on the job training, mentorship, and work experience in regional economic development. This program supports the transition of recent graduates into permanent professional career opportunities and provides the region with skilled, motivated, employment-ready economic and community development professionals.

SPONSORSHIP

Annual sponsorships are provided to a select number of regional or provincial events occurring in the ICET region, promoting economic development, key regional economic sectors or new and emerging economic drivers.

BURSARIES

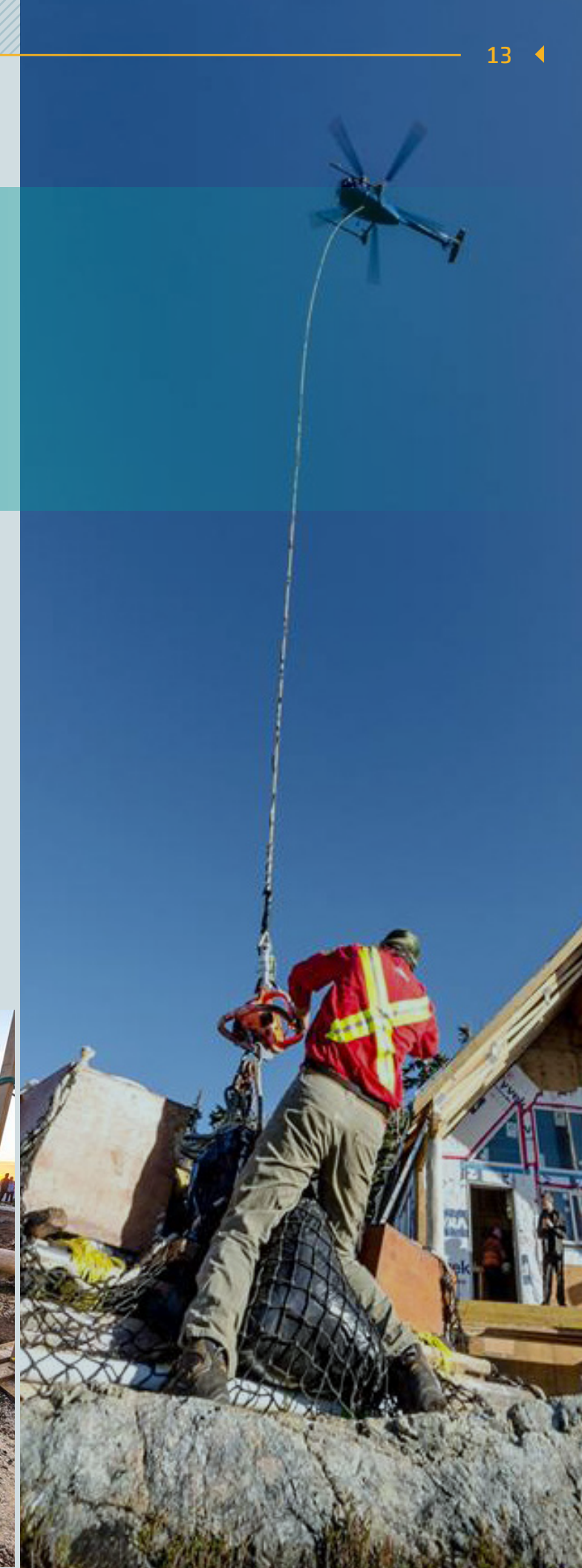
Bursaries are provided to support increased participation in economic development training and capacity building initiatives. These bursaries are offered to applicants who might not otherwise be able to attend these events and to support the participation of younger people in economic development.

PARTNERSHIPS

Funding is provided, on an as-needed basis to select partnership initiatives such as emergency community response initiatives, time-sensitive sectoral opportunities and studies as well as broad scope regional economic development initiatives.

STAKEHOLDER AND FUNDING PARTNER RELATIONS

Building and maintaining partnerships with stakeholders is a key priority. Proactive engagement practices help develop strong relationships with communities and other regional stakeholders. Through participation in key events, personalized applicant support, communications tools and activities, program and economic development information is shared with stakeholders. Networking events, meetings and presentations are scheduled on a continuous basis to strengthen relations, share best practices, link partners to resources as well as develop new regional and provincial partnership opportunities.



KEY PERFORMANCE HIGHLIGHTS

ICET continues to focus on its core business – investing in economic development and diversification –through its Economic Infrastructure Program as well as investing in community economic development planning and readiness with its Economic Development Readiness Program.

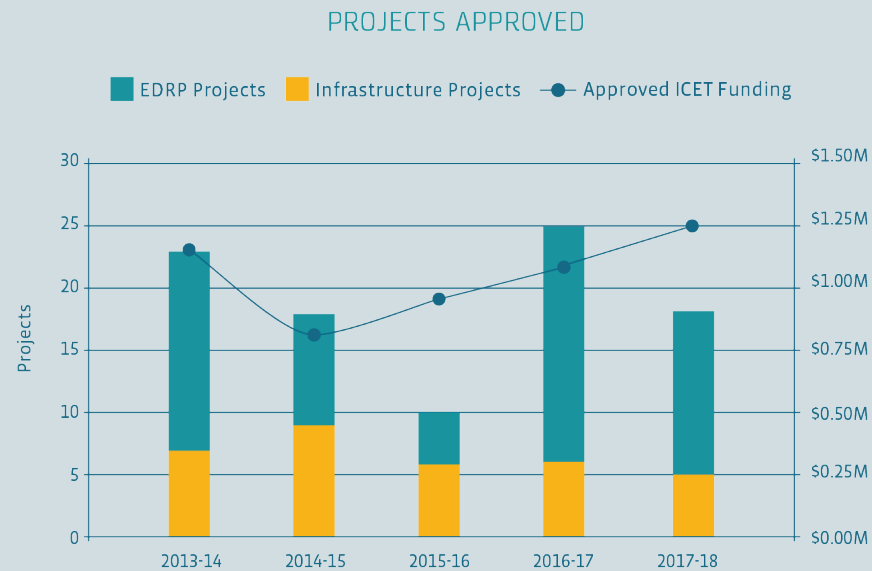
Total commitments since inception stand at \$50.9 million. These investments have leveraged 4.6 dollars from other sources and represent an estimated 2600 new long-term jobs (3-5 years post completion) and an estimated 2500 construction jobs, BC wide.

In the past year, \$2.2 million was approved for new regional project investments. Final approval was provided for 18 projects valued at \$1.25 million, with \$0.9 million in Stage One funding commitments.

The new Infrastructure project approvals are expected to leverage \$2 per dollar invested. Approximately 30% of matching funding was leveraged from non-government sources, exceeding ICET’s target of 25%.

More than 60% of all infrastructure funding went to communities in the 1:1 matching areas, representing those communities with the most serious economic challenges. This indicates that resources are being targeted to those areas with the greatest need.

Regional programs continue to support sectoral development, relationship building and economic development literacy through targeted sponsorships, bursaries and internships.



STRATEGIC FRAMEWORK

Through the delivery of funding and support services, ICET acts as a catalyst or enabler for community and regionally led economic development programs and activities which advance its objective to build a diverse, innovative and sustainable Island and Coast economy.

PERFORMANCE MEASUREMENT

A variety of robust performance measures are used to assess organization and project performance. This includes a wide range of assessment criteria which consider both the short and long term impacts of projects within the specific community or regional context. These may include outcomes such as regional economic advantage, increased or safeguarded employment, increased or maintained incomes and economic diversification. These outcomes are measured individually and at the community or regional aggregate

level. Performance measurement also takes into account the gestation period, which may be longer for certain types of economic development initiatives.

The qualitative and quantitative performance measures presented in this report have been chosen for their probative value to the reader. They have been presented in relation to ICET’s objectives and strategic priorities. All efforts have been made to provide measures which are transparent and to offer comparative data, enabling the reader to assess ICET’s performance from a historic and holistic perspective.

Historic data may not match previous ICET annual reports due to reclassifications of projects after initial approval. For example, approved projects may not meet all subsequent conditions and will not be funded or sources of matching funding may increase, resulting in increased leverage and smaller ICET contribution.





STRONGER TOGETHER

REGIONAL FOCUS ON INNOVATION

Since the inception of its funding programs in 2007, the Island Coastal Economic Trust has supported innovation with investments in leading-edge projects across the region.

The Deep Bay Shellfish Research Station provided a new source of R&D, supporting direct transfer of technology to the shellfish aquaculture industry; ThisFish pioneered traceability and consumer information for commercially-caught fish. In Gibsons, our support helped launch one of the early community-based geothermal energy systems. And that's just a sampling of the innovative projects we've funded.

Over the past four years, support for innovation has become more focused and deliberate. Technology is an emerging – and significant – economic driver for our region, and increased focus on the sector has led to investments in a tech incubator, an open-access broadband network, several internet connectivity infrastructure projects, and sponsorship of tech events, to name just a few.

In 2016, a new program funding stream was launched to support the development of community and regional technology and broadband strategies. In the Cowichan Valley Regional District, the development of a tech strategy has resulted in new partnerships being forged between local government, the academic community and emerging tech companies in the region.

“We learned from building our strategy that we can be intentional in the way we support existing companies and attract new and innovative companies to our region,” said Amy Melmock, Manager of Economic Development Cowichan. “Whether we’re talking about innovation in a traditional sector like agriculture, or creating a community dialogue within local government, tech is the framework. The strategy opened our eyes to these possibilities.”

With a new capital injection from the Province of BC, the focus on supporting a robust tech and innovation sector in

the region has evolved into a formalized strategic priority. The result is the restructuring of our infrastructure program and launch of two new funding streams: INNOVATION INFRASTRUCTURE and INNOVATION PROGRAM SUPPORT.

Designed to foster innovation leadership in the region, these new funding resources will help drive and support growth of the technology sector and tech related projects across industry sectors and help pioneer “new ways of doing things”.

The Island and Coastal region is home to Innovation Island, a technology startup accelerator. This small, but mighty, organization is leading the Province in per-capita performance with impressive stats in tech-sector job creation (155 new positions), investment (over \$13M placed) and revenue generation (over \$12M earned). The success of Innovation Island supported startups, such as Cloudhead Games in Qualicum Beach, Biopreme Medical Technologies in Duncan, and Hyperspectral Intelligence

in Gibsons, is creating the foundation for strong tech sector growth in the region.

“Support from programs like ICET are the building blocks to establishing a tech and innovation ecosystem and we’re very excited about the future of this sector in our region,” said Graham Truax, Innovation Island’s lead Executive in Residence. “Over the past 5 years we’ve seen a 26X growth rate in our key performance indicators and some of our client companies are now reaching international markets with their products and services.”

In response to these emerging opportunities, a group of Vancouver Island communities and regional organizations have come together to develop a strategy to support the attraction of foreign technology investments from the United States and elsewhere, to new markets in a corridor ranging from the Cowichan region, through the mid-island, to Campbell River and north.

The successes of the region’s startups, as well as innovative projects like Campbell River’s open access broadband network, are increasing the region’s visibility and recognition.

Rose Klukas, Campbell River Economic Development Officer, was recently invited to participate in an intelligent communities’ roundtable event in London, England and used the event to promote the region’s opportunities to a global audience.

“The Island is already known as a great location for the tech sector, and of the 1,500 or so companies, nearly 600 are already located outside the Capital region,” Klukas said. “By marketing our region as a corridor or hub, we can build on that success in a way that is very difficult for smaller, individual communities to do on their own.”

“We learned from building our strategy that we can be intentional in the way we support existing companies and attract new and innovative companies to our region.”

— AMY MELMOCK
Manager, Economic Development Cowichan

OBJECTIVE 1

LEVERAGE ECONOMIC INVESTMENT IN THE ICET REGION

ICET uses its capital as a lever to attract incremental investment from other levels of government, non-government sources and private sector sources, into individual project investments as well as larger community and regional investments.

RECAPITALIZATION

In February of 2017, the Province of BC announced a new funding injection of \$10 million dollars into the Island Coastal Economic Trust as part of Budget 2017/2018. A new funding agreement was signed in December 2017 and funding was received in March of 2018.

The new funding agreement stipulates that the funds should be used for no less than 4 years according to the terms of the North Island-Coast Development Initiative Act and should also support the development of a robust tech and innovation ecosystem.

In preparation for the new funding allocation, a regional consultation was undertaken in spring of 2017 to assess regional needs and opportunities.

The results of this consultation, as well as the terms of the Provincial funding, formed the basis for the 2018-2020 Strategic Plan.

In addition, ICET continues to pursue long-term sustainability funding, exploring avenues to maximize its capacity through the delivery of programs and services on behalf of other organizations and seeking funding opportunities from senior levels of government.

MAINTAINING LEVERAGING TARGETS

In Fiscal 2018, the Economic Infrastructure program projects leveraged more than \$2 per dollar invested, in funding from other sources. This represents an increase from the previous year, which is consistent with the increase in funding to mid-sized and larger communities which require greater leveraging. Since inception, the total project leveraging remains at \$4.6, well above the strategic fund target of 1:3.

DIVERSIFICATION OF MATCHING FUNDING SOURCES

Over the past four years, one of the key performance indicators has been to ensure that at least 25% of matching project funding is secured from non-government sources. This has resulted in much greater diversity of matching funding for most ICET funded projects.

In Fiscal 2018, non-government sources of funding represented 30% of total matching funding sources. While this percentage is a bit lower than the past 2 years, the number and diversity of non-government funding sources exceeds all previous years. More than 30 non-government funding sources contributed to projects including 17 private sector companies. More than two thirds of these were “new” matching funding sources for ICET projects.

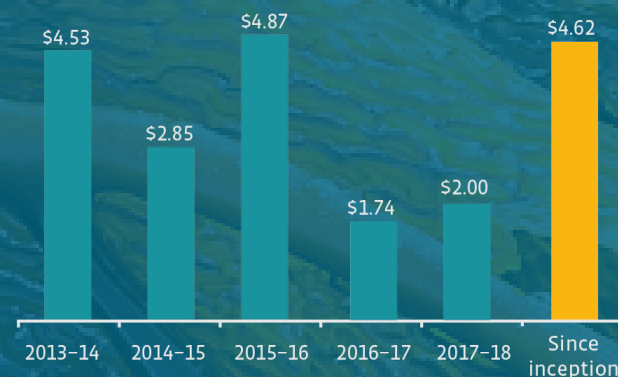
The strong presence of non-government funding in projects continues to yield beneficial impacts such as increased project development and management capacity, increased visibility and increased sustainability and long term success.

Another significant funding trend this past year is the increase in local government and Indigenous community government contributions to economic infrastructure projects. This demonstrates that in the absence of senior government funding sources communities are contributing “own funds” and leveraging ICET funding to ensure key projects can move forward.

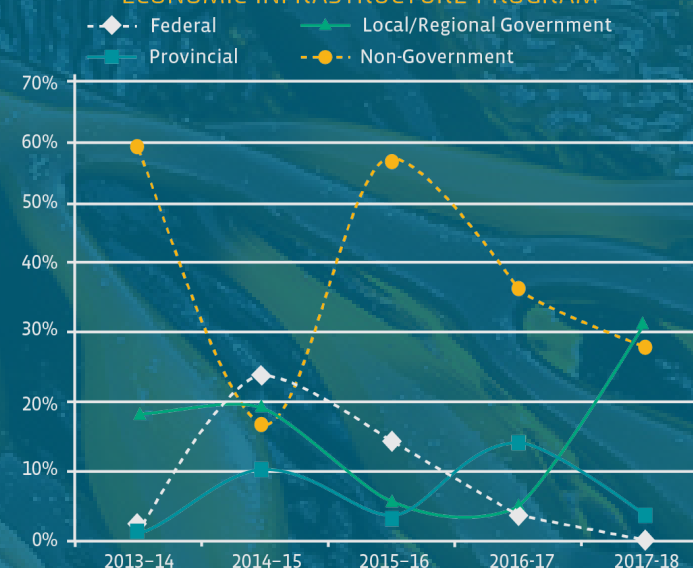
Communities in the 1:1 matching level areas received the largest share of funding, with 61% allocated to those communities with the most challenging economic conditions.

Distribution of funding to communities with stronger growth (1:2), increased in relation to Fiscal 2017, primarily representing funding for larger scope initiatives.

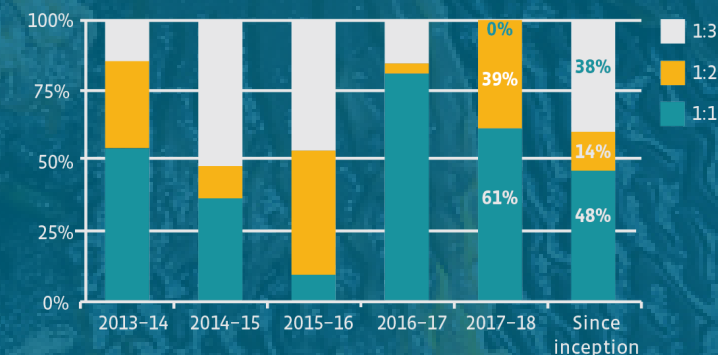
AVERAGE FUNDING LEVERAGE, ECONOMIC INFRASTRUCTURE PROGRAM



SHARE OF TOTAL PROJECT BUDGETS, ECONOMIC INFRASTRUCTURE PROGRAM



FUNDING BY MATCHING LEVEL, ECONOMIC INFRASTRUCTURE PROGRAM





Croteau Lake Group Shelter Site

The Economic Infrastructure Program has been ICET's flagship program since inception. It enables community investment in targeted, incremental, economic development infrastructure projects. In early 2018, the program was restructured and new funding streams were added to support regional innovation leadership.

This past year over \$2M in grant funding was approved for infrastructure projects. Recent regional trends related to the development of remote Indigenous tourism hubs were at the forefront of Stage 1 and Stage 2 funding approvals along with an evolving trend in resource sector focused tourism product development.

NEW ECONOMIC INFRASTRUCTURE APPROVALS	APPLICANT	ICET COMMITMENT	TOTAL BUDGET
FINAL STAGE TWO APPROVALS			
Innovations in Modern Forestry Exhibit	BC Forest Discovery Centre	\$400,000	\$1,531,500
Sayward Working Waterfront Destination Gateway Trail	Village of Sayward	\$183,750	\$367,500
Secret Beach Marina	Toquaht Nation	\$400,000	\$1,350,000
		\$983,750	\$3,249,000
FINAL ONE STEP APPROVALS			
Croteau Lake Group Site Shelter	Strathcona Wilderness Institute	\$30,000	\$61,542
Extending Mt Cain's Operating Season	Mount Cain Alpine Society	\$12,000	\$24,000
		\$42,000	\$85,542
STAGE ONE PENDING (subject to Stage 2 approval)			
4 Pending Projects		\$985,594	\$2,577,302
TOTAL		\$2,011,344	\$5,911,844

STRATEGIC TOURISM INFRASTRUCTURE



INDUSTRY & BUSINESS SUPPORT INFRASTRUCTURE



DOWNTOWN REVITALIZATION



DESTINATION TRAILS



INNOVATION INFRASTRUCTURE



INNOVATION SUPPORT



NEW PROJECTS

SECRET BEACH MARINA

APPLICANT: TOQUAHT NATION

ICET CONTRIBUTION: \$400,000

ESTIMATED COMPLETION: OCTOBER 2018

Located at a key access point to the Broken Group Islands, the Secret Beach Marina will serve as a catalyst to attract visiting boaters, enabling the Toquaht Nation to share their history and culture with visitors. The project includes a new 40-slip marina, boat launching ramp, access road, parking, and breakwater. The marina is the first phase of a new West Coast Indigenous tourism hub, which will include a common building with café and giftshop, rental cabins, a kayak comfort station and other tourism infrastructure. The project will serve to meet the growing demand from recreational boaters and create new business opportunities for the Toquaht Nation in eco-tourism, cultural tourism and hospitality services.



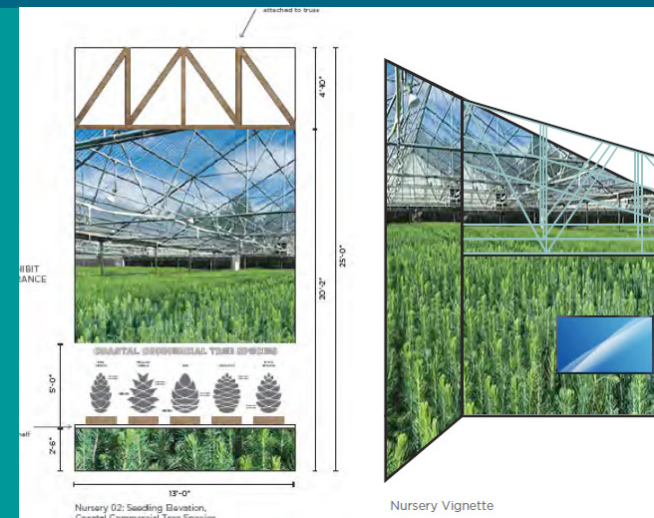
INNOVATIONS IN MODERN FORESTRY EXHIBIT

APPLICANT: BC FOREST DISCOVERY CENTRE

ICET CONTRIBUTION: \$400,000

ESTIMATED COMPLETION: FALL 2018

The BC Forest Discovery Centre has been educating visitors about British Columbia's rich history in the forest sector for over half a century. The new interactive Innovations in Modern Forestry Exhibit will showcase innovative and sustainable forestry practices to the public, modernize the museum entry and façade, and develop an interactive phone-app to engage visitors across outdoor exhibits. An introduction to the concept of forestry tourism, the project is anticipated to double the length of the operating season, increase the number of visitors while growing awareness of BC's forestry sector, education and employment opportunities.



SAYWARD WORKING WATERFRONT DESTINATION GATEWAY TRAIL

APPLICANT: VILLAGE OF SAYWARD

ICET CONTRIBUTION: \$183,750

ESTIMATED COMPLETION: OCTOBER 2018

With a long history as a working harbour and home to a booming resource industry, the Village of Sayward is positioning itself as a new experiential tourism hub for resource sector and cultural tourism. The Working Waterfront Destination Gateway Trail will connect points-of-interest such as the 'Boom Ballet' forestry operation and historical assets along the harbour with wayfinding information and interpretive lookouts. The project will allow visitors to experience Sayward in a modern-day context, highlighting its resource-based history. The trail will be the first step toward a vision of a Working Waterfront experiential tourism destination drawing visitors into the region.



OBJECTIVE 2

INVEST IN ECONOMIC DEVELOPMENT INFRASTRUCTURE

ICET supports strategic investment in key local and regional economic development infrastructure, with a strong focus on incremental economic benefits, economic growth and diversification, regional cooperation and long term economic and environmental sustainability.

Through the Economic Infrastructure grant program, investments have been made in the sectors specified in ICET's legislation: forestry, transportation, tourism, mining, small business, energy, agriculture and aquaculture, and economic development. With the restructuring of the program into the Economic Infrastructure and Innovation program, support for innovation and technology has been added to the targeted sectors.

SUPPORT FOR EMERGING SECTORS

In recent years, ICET has taken a more proactive and deliberate approach to supporting emerging sectors, by working with sectoral stakeholders and senior government, to identify opportunities and new roles.

During the past year ICET has engaged with a wide range of sectoral organizations, representing technology, manufacturing, finfish aquaculture, shellfish aquaculture, aerospace, clean technology, agriculture and value-added processing, social innovation, tourism and Indigenous tourism.

Support has materialized in the form of project funding, sponsorship of key events and use of social media to promote these emerging sectors to a wider audience or to help spark collaboration and joint initiatives in the region.

Working to support the development of a thriving technology and innovation sector has been a key priority in the past fiscal year. This has included the development of stronger relationships with organizations such as Innovation Island, Ministry of Jobs, Trade and Technology staff, as well as providing operational in-kind support for the development of regional technology strategies and initiatives.

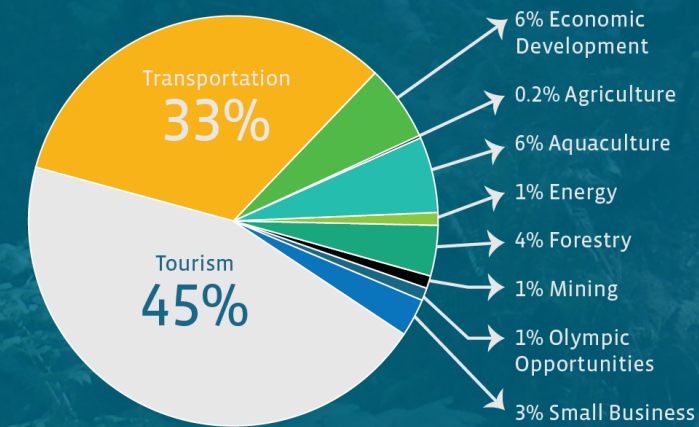
APPLICANT SUPPORT

One of the unique features of ICET is its open, interactive relationship with project proponents. Applicants are encouraged, early in the project development stages, to contact ICET staff for information and clarification regarding the application process, program guidelines as well as referrals to funding sources and other support. This support continues through the project approval and implementation processes as well as post completion.

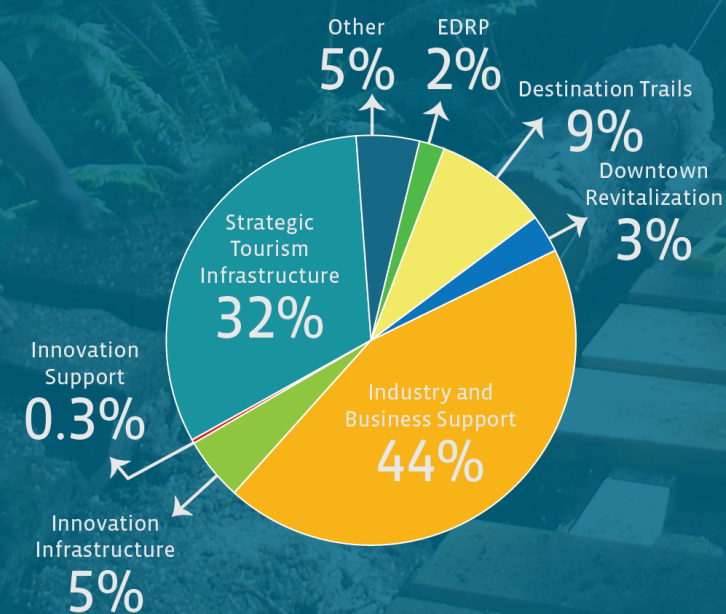
In Fiscal 2018, ICET staff scheduled in-person or conference call support sessions with several dozen potential project applicants. While some of these initiatives may take years before they reach the funding stage, ICET is providing support services including site visits, project planning advice, links to funding resources, links to planning resources, review of business cases and feasibility studies as well as support with the development of project applications. This type of detailed project support service is meant to help eligible projects "get to yes" and find the funding required to implement those projects.

Approximately one third of support services provided to applicants in the past year resulted in approved projects, and approximately one-third are still receiving project development support.

FUNDING BY LEGISLATED SECTOR (SINCE INCEPTION)



FUNDING BY NEW PROGRAM CATEGORY (SINCE INCEPTION)





PROJECT PROFILE

FORD COVE HARBOUR EXPANSION

REELING THEM IN: Harbour expansion helps Hornby businesses benefit from passing boaters

Situated in the calm waters of the Georgia Strait, the Ford Cove Harbour Authority was unable to keep up with Hornby Island's growing reputation as a marine destination. Operating at full capacity in the summer months, and increasingly into the shoulder season, passing boaters were forced to bypass the Island as a destination.

Through the addition of 300' of docks, the number of berths was doubled. In the first full season with the expanded space, occupancy reached 70%. This represented 34% more vessels for the first year, increasing revenue to the Ford Cove Harbour Authority by one-third.

In addition to peak season, the expanded Harbour accommodates more shoulder season tourism and can host events beyond the lucrative summer months. As

one of the largest herring spawns on the coast, the Harbour was host to a sold-out Herring Festival in March of 2018.

More than 30 vessels attended a visiting yacht club event this year, an event the harbour was unable to accommodate previously. The group rented a bus and toured markets, artisans and restaurants across the Island.

Middle Mountain Mead was able to open its doors early this year to accommodate tastings and tours booked by the yacht club visitors.

"Visiting boaters are a large source of our clientele, and they're often the biggest-spending group among tourists, explained Helen Grond, owner of Middle Mountain Mead. "The expanded harbour allows us to accommodate more clientele

during peak season and book more tastings in the shoulder months."

The harbour expansion has been a catalyst and enabled economies of scale to come into play, directly supporting the creation of a new community bus to shuttle boaters to points across the rest of the island.

The bus - free to ride - was a trial for the summer supported by a partnership between the Harbour Authority, Hornby Island Community Economic Enhancement Corp. (HICEEC), and nine island businesses. The bus is expected to run for two full months this summer.

"Overnight boats means more than \$100 per day in economic contribution, per boat, per day," said Daniel Arbour, Administrator of the HICEEC. "Doubling the

berths means the opportunity to double the economic impact, and the multiplier effect of those additional dollars is already being felt in the community."

Arbour noted that since the expansion, two new charter boat businesses have started, and a marine retailer is planning an investment and expansion that could reach \$1M.

The marina expansion is a major milestone achievement in a broader 10-year plan that the Harbour Authority is putting into action. Following the expansion, the Departments of Fisheries and Oceans committed an additional \$500,000 for further improvements.

Future phases of the project - partially funded by increased revenues from the

marina expansion - will see improved access structures, better wharf offloading, new office facilities, improved water and sanitary systems and more.

"This project will be an important economic driver for Hornby Island," Arbour said. "We're hoping to expand the community bus into shoulder seasons, and as the only marina on Hornby Island, Ford Cove will continue to be a critical piece of our island access infrastructure."

"We're hoping to expand the community bus into shoulder seasons, and as the only marina on Hornby Island, Ford Cove will continue to be a critical piece of our island access infrastructure."

- DANIEL ARBOUR
Administrator, HICEEC

\$1.06 MILLION
TOTAL BUDGET

\$300,000
ICET CONTRIBUTION

2017
COMPLETION DATE

INDUSTRY & BUSINESS
SUPPORT
INFRASTRUCTURE



STRATEGIC
TOURISM
INFRASTRUCTURE





PROJECT PROFILE

GWAYASDUMS BIGHOUSE RESTORATION

BIG HOUSE, BIG IMPACT: Restored Bighouse is a cultural icon and the cornerstone for a new Indigenous eco-tourism hub

The oldest standing Bighouse in B.C. is at Gwayasdums, on Gilford Island. An extensive restoration project has brought the building back to its former glory, creating new economic opportunities for residents and helping young people reconnect with their culture and history.

The Bighouse restoration is part of a broader "Come Back Home" initiative, designed to attract younger generations to the island, reunite families and bring members back to their traditional territory.

This initiative evolved from an award winning economic development strategy for the Kwikwaka'wakw Haxwa'mis First Nation (KHFN) that restructures the community with improved infrastructure, housing and jobs for members.

Evidence of success can be found in locally owned and operated businesses, like Sea Wolf Adventures, an Indigenous-owned tourism company that blends wildlife viewing with Indigenous cultural history.

The Bighouse is playing a cornerstone role in the strategy, creating a new, sustainable economy based on Aboriginal cultural and eco-tourism opportunities - in other words, companies just like Sea Wolf Adventures. Traditional paint designs on the front of the building and the floors along with the overall impressiveness of the restored 120 year-old building are making the Bighouse a flagship draw for visitors to the region.

K'odi Nelson is a guide for Sea Wolf Adventures as well as a singer, dancer,

teacher and community leader from the Musgamakw Dzawada'enuxw Nation. He sees the Bighouse restoration as much more than an attractor for visitors and tourism business, but as a way for the community to embrace and share its heritage and history.

"I truly believe that we have to instill pride back into our children, and once we do that, they'll only blossom," he said. "The tides are slowly starting to change in the community."

The Bighouse is also central to a new cultural event, Yayuma, intended to bring children from urban centers to learn about their history, culture, ancestry and connect with their traditional territory.

"Our hope is that in the near future, these young people will be working as guides for our business, or starting up new and exciting ventures in our traditional territories," said Nelson.

Restoration efforts coincided with the larger community redevelopment and the purchase of a community-owned water-taxi which is creating tourism and employment opportunities, while providing much needed transportation for health and social services to the remote community.

The opportunity for Indigenous-led businesses is growing on Gilford Island and other neighbouring communities. Sea Wolf is now developing tour options that will include a visit to the Gwayasdums Bighouse and the KHFN is working on an exciting new ecotourism business

in partnership with other Indigenous communities in the region.

"There is a lot happening in the little village," said Nelson. "From an indigenous point of view, the Bighouse adds a lot to the experience and what we are able to offer as an eco-tourism provider."

"There is a lot happening in the little village...from an indigenous point of view, the Bighouse adds a lot to the experience and what we are able to offer as an eco-tourism provider."

- K'ODI NELSON
Guide, Sea Wolf Adventures





PROJECT PROFILE

CRAdvantage BROADBAND NETWORK

BROADENING THE REACH: *Innovative community-owned open-access broadband network supports new digital economy*

The first industrial revolution in the late 1700s moved hand-made production into a factory setting. The second industrial revolution was born in the 1900s when Henry Ford invented the assembly-line factory. Both of those milestones were dependent on physical infrastructure like highways and railways to move products.

The third industrial revolution - underway today - is about the digitization of the economy, and the infrastructure needed is high-speed, high-capacity internet access.

In the City of Campbell River the last mile costs to access fibre optic infrastructure for commercial ventures in the downtown area were beyond the reach of most small, medium and start-up businesses.

In order to address this challenge, the City of Campbell River took an innovative

approach to the provision of affordable, high speed broadband, enabling multiple Internet service providers to compete and sell services through a community owned open-access network. This project - CRAdvantage - builds a new service model onto existing municipal fibre-optic infrastructure to provide affordable last-mile access to businesses and organizations in the downtown core.

“The city is making a valuable investment by expanding fibre-optic internet access; I think CRAdvantage will be a game-changer,” said Matt Gionet of Earworm Sound. “Businesses like mine, need that kind of internet. I couldn’t operate without it.”

That type of affordable access dramatically changes the landscape for digital business. Embracing the ‘live here, work anywhere in the world’ mantra means Campbell River

is able to attract innovative start-ups with employees who appreciate the quality of life without sacrificing the realities of their business needs.

“I’ve definitely noticed an increase in the diversity of our membership these past two years, as more entrepreneurs emerge in the community,” said Laurel Sliskovic of the Young Professionals of Campbell River. “And technology has certainly played a role in attracting entrepreneurship here.”

The project is not just creating conditions favourable for businesses. As the first community-owned broadband network on Vancouver Island, it’s become an award-winning model for other communities to follow.

The project has served as a platform enabling Campbell River to position itself as an innovative community in BC and abroad. The project helped Campbell River win the “BC Open for Business” award, as well as the international “Smart 50” award, which honours innovative and influential projects. With those awards in-hand, the City of Campbell River was also able to leverage the innovative network as part of its application to the \$10M smart cities challenge.

“As a result of these awards we are getting a lot of interest internationally and we continue to receive cold calls from all over the world,” said Rose Klukas, Campbell River’s Economic Development Officer. “We were recently invited to participate in an economic developers’ roundtable in London, England which was a tremendous opportunity to exchange ideas and reflect on how we can develop Intelligent

Communities in a world being restructured by digital technologies.”

But while CRAdvantage is winning awards, it’s also tangibly making business easier for companies in the community.

“Because of the City’s dedication to businesses in Campbell River - and because of their understanding of the importance of affordable fibre with high upload and download speeds for attracting business to the community - they made what seemed almost impossible - happen,” said Leah Tremain of Tremain Media. “This says in a resounding way that Campbell River is open for business.”

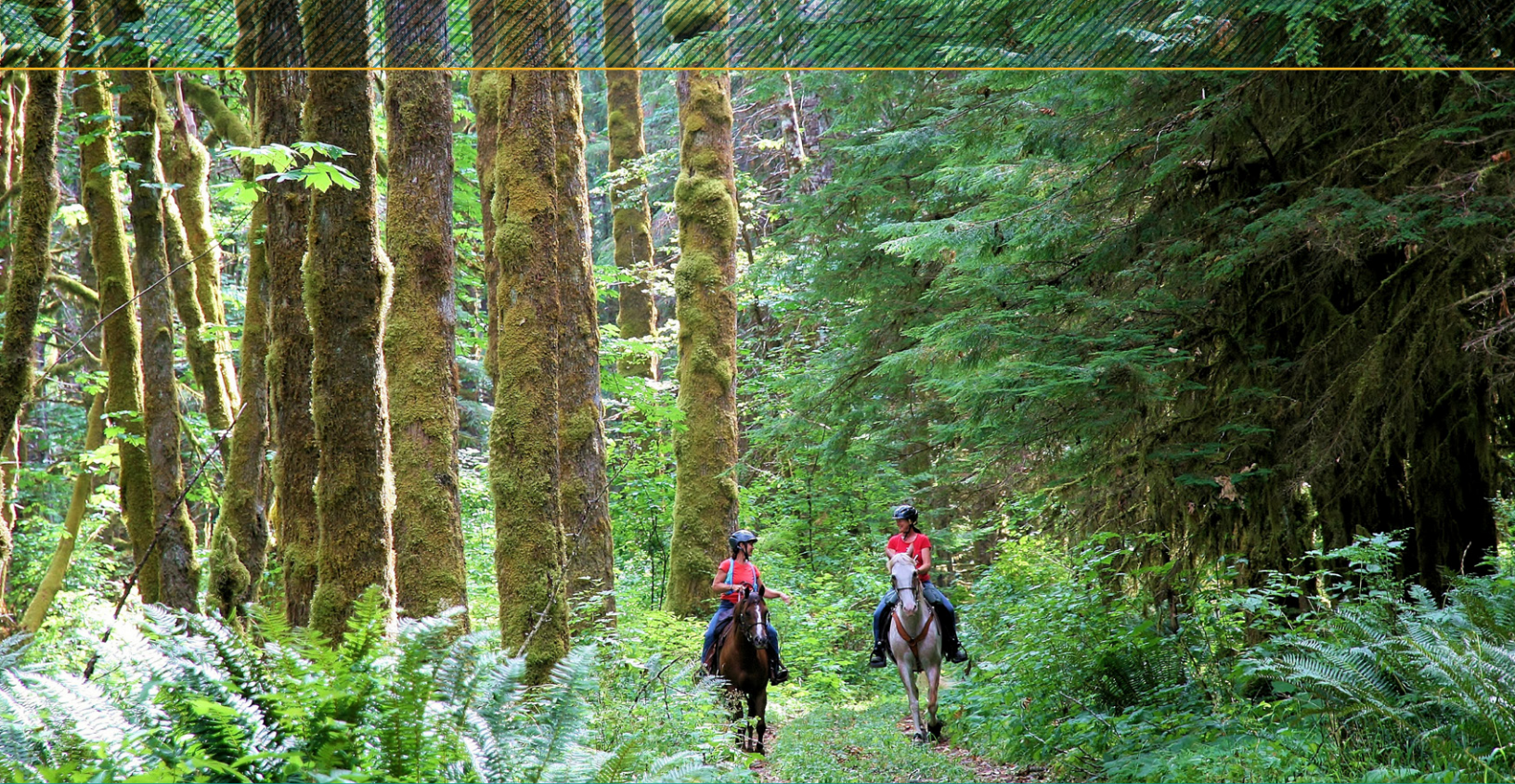
“The city is making a valuable investment by expanding fibre-optic internet access; I think CRAdvantage will be a game-changer.”

— MATT GIONET



INNOVATION INFRASTRUCTURE

INDUSTRY & BUSINESS SUPPORT INFRASTRUCTURE



PROJECT PROFILE

SALMON-BREWSTER EQUINE TRAIL

HORSING AROUND: Vancouver Island's first backcountry equine trail and campground creating year-round benefits in rural area

Across the ICET region, trail development has been a key component of economic infrastructure investments. Hiking trails, marine trails for paddlers, hut-to-hut trails for ski-touring – are all part of a series of investments that support tourist demands for well-built, sanctioned activities on the land base.

Adding to the trail inventory is the Salmon-Brewster Equine Trail and Campgrounds, a trail corridor extending from north of Campbell River to the outskirts of Sayward.

Since its formal completion in 2013, the trail and amenities have received rave reviews from visitors who acknowledge that everything from paddocks to water tanks, to the campsites themselves, have made their experience on the Island top-notch.

On-site guestbooks demonstrate how equine trails draw riders from out of region – Vancouver, Chilliwack, Princeton to as far as Winnipeg. Many visitors are repeat guests making this their annual horse camping destination.

The trail is open year-round for backcountry activities, but is most popular among riders as the first of its kind on Vancouver Island, joining other reputed BC equine trails in Manning Park or Merritt.

Situated within a historic logging corridor, the 40km logging grade had been used unofficially by riders for years, but use was limited to locals with knowledge of the route.

ICET funding for the trail was provided to the Backcountry Horsemen Society

of BC, who also worked in partnership with the BC Horse Council, the Strathcona Regional District and the Coast Sustainability Trust, to obtain formal trail recognition, construct proper amenities and preserve the trail for future generations.

The project also involved creation of the Brewster and Memkay Horse Recreation Campsites, designed to support multi-day voyages and provide the amenities required by backcountry horseback riders.

“Looking just at the 2017 guestbooks, there are nearly 800 site visits between the two campsites, with at least 250 camping days,” said Debra Oakman of the Backcountry Horsemen Society of BC. “That all adds up to significant local economic impact as people purchase supplies, hire guides, and enjoy time

in the region on either side of their backcountry trips.”

Lake Roberts Resort, located halfway between Sayward and Campbell River, is one of the small businesses which has experienced this impact first-hand as the favored stop for baked goods and other provisions. Family owned business, H2o2Go, which provides regular service of potable water to each site, is another small business supplier benefitting from the project.

“The Memkay shelter is a highlight for many visitors in the early and late season,” adds Oakman. “Access to crown land on the grazing lease and the Salmon Brewster trail corridor is some of the best riding on the island.”

While horse riders generally arrive during the summer months, trail improvements are increasingly popular among other

backcountry users through the rest of the year. Hunters increasingly take advantage of the campsites in the fall, and sports fishers are a common sight at the Brewster Lake campsite early in the year.

Development efforts are continuing, with the addition of a third campsite halfway along the trail in 2016. In May 2018 the group secured funding to develop more trail options for riders, as well as improvements to encourage greater use by hikers.

“In partnership with the Backcountry Horsemen of BC, we look forward to the continued development of the Salmon-Brewster Trail and envision it as part of a world class network of equestrian trails in BC,” said Graham Cameron, District Recreation Officer, Discovery Coast District.

“Looking just at the 2017 guestbooks, there are nearly 800 site visits between the two campsites, with at least 250 camping days. That all adds up to significant local economic impact as people purchase supplies, hire guides, and enjoy time in the region on either side of their backcountry trips.”

- DEBRA OAKMAN
Backcountry Horsemen Society of BC





PROJECT PROFILE

THIS FISH

FROM PACIFIC TO PLATE: Groundbreaking digital platform connects consumers to their seafood - and the people who bring it to them.

New food traceability standards imposed by the European Union in 2009 initially looked like an expensive - and possibly fatal - blow to small, independent fishing fleets and processors on Vancouver Island.

It was some of those very fishermen - including the West Coast Area G Trollers Association-who took the lead on creating ThisFish with EcoTrust Canada. Early funding from ICET helped the innovative technological solution become a key marketing tool, and the technology and systems behind it are being recognized around the world as an award-winning technology platform and start-up.

ThisFish is a web-based tool that tags every fish caught with a unique, traceable code. Consumers can enter the code in the ThisFish.info website

and learn all about the fish, the fisher, how and where it was harvested, where it was processed, and more.

Increased consumer demand for sustainably-sourced food posed a challenge for the industry, as proving provenance for fish isn't easy - or cheap.

Small BC fishing fleets and fisheries were most at risk, as changes to meet the new regulations were prohibitively expensive. However, the creation of ThisFish provided them with a shared resource designed to meet the needs of consumers and advocates.

"Once lingcod began to be traced through ThisFish, Ocean Wise lifted its ban and lingcod soon began showing up in Ocean Wise restaurants," explained Eric Enno Tamm, General Manager of ThisFish. "The immediate impact was to raise the value

of lingcod by one dollar per pound for fish harvesters."

ThisFish branding and tagged fish are available in retailers across the country, ranging from small specialty fish shops to national chains like Sobeys. The products are also sold across the U.S., and into Europe. Top seafood restaurants were early adopters, and the growth in that market continues.

The system is easy to use. A code, which appears on tagged fish packaging, is entered into the ThisFish website which then displays photos, biography, and personal messages from the fisherman-connecting consumers to the story of their harvester and providing them with compelling information about their food.

Albion Farms and Fisheries partnered with This Fish in 2010, starting with tail and gill-tagging.

"Trust and safety is a vital part of our operation as a meat and seafood provider, so it is important for us to bring customers closer to the source of their food," said Guy Dean, Vice-President and Chief Sustainability Officer of Albion Farms & Fisheries. "A traceability platform allows us to support sustainable harvesting practices while playing a leading role in the transparency of supply-chain participants."

It's that use of technology to connect consumer to product that sets this story apart. More than 750 fishing vessels are part of the ThisFish network, with more than 20 processors across Canada.

"ThisFish continues to grow as an internationally recognized tech start-up," Tamm explained. "But unlike many other

tech companies that go through a 'pivot-or-persevere' phase, our original vision and mission remain true."

ThisFish has a vision to see traceability around the globe, and over the years have expanded their operations into Atlantic Canada, to Southeast Asian tuna fisheries, into South America and more.

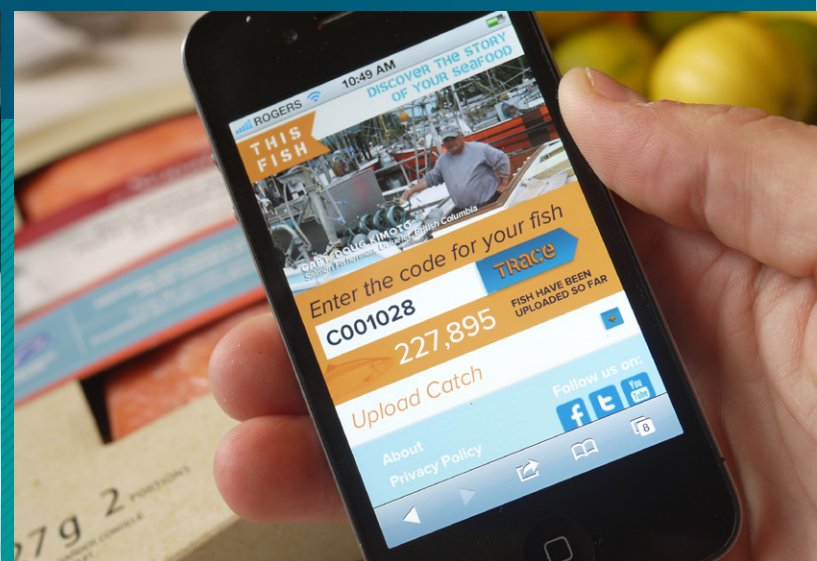
As the program expanded, the prevalence of paper-tracking among food producers presented a challenge to scaling the initiative globally. In response, ThisFish created a new software platform called 'Tally' enabling seafood producers to digitize their operations.

Since its launch in 2016, Tally has been installed in processing plants in Belize, Thailand, Indonesia and on hundreds of fishing vessels around the world, allowing for wider integration of seafood traceability.

Not showing signs of slowing anytime soon, Ecotrust Canada incorporated ThisFish into a for-profit company, to facilitate the investments required to pursue its vision as the world's most trusted seafood traceability platform.

Evidence of the success of that decision can be found in ThisFish being named a top start-up of 2018 by Rocket Builders, and winning the Global Startup Competition in 2017.

As ThisFish continues to grow and evolve, that initial \$49,668 investment from ICET is paying dividends to every part of the supply chain, as the fishing industry around Vancouver Island taps into a technology-driven marketing tool that introduces their product to the world.



"TRUST AND SAFETY IS A VITAL PART OF OUR OPERATION AS A MEAT AND SEAFOOD PROVIDER, SO IT IS IMPORTANT FOR US TO BRING CUSTOMERS CLOSER TO THE SOURCE OF THEIR FOOD."

- GUY DEAN

Vice President and Chief Sustainability Officer, Albion Farms & Fisheries



OBJECTIVE 3

SUPPORT INVESTMENT ATTRACTION AND JOB CREATION

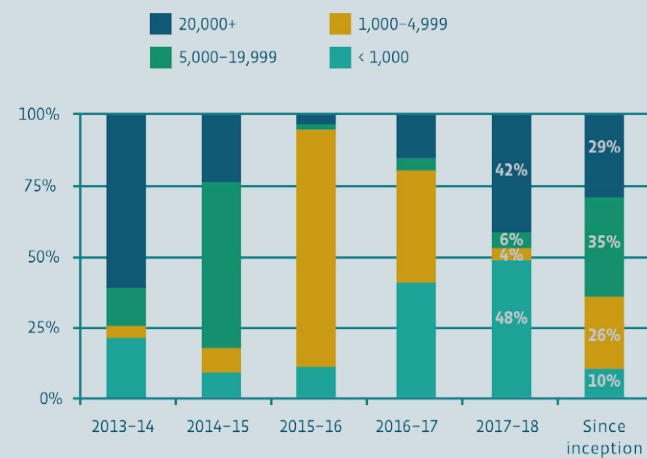
ICET will invest in projects, planning and training to support the development of attractive, liveable, competitive, and investment ready communities capable of attracting high value investment and job creation for the region. This is primarily achieved through the Economic Development Readiness Program (EDRP) and regional programs.

SUPPORT ECONOMIC DEVELOPMENT READINESS IN COMMUNITIES OF ALL SIZES

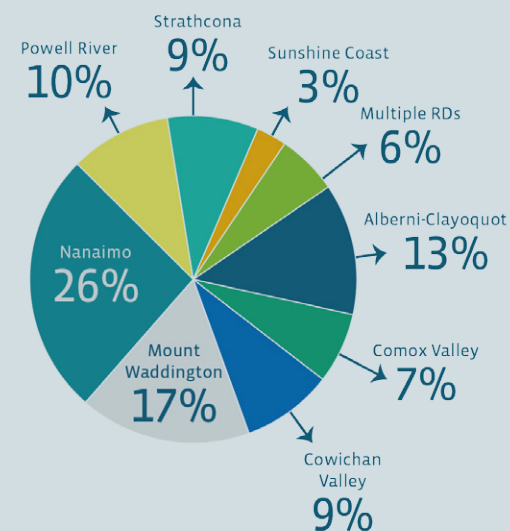
In Fiscal 2018, more than 50% of projects approved were situated in communities with less than 5000 residents, compared to the historic average of 36%. This is of particular significance given that smaller communities often struggle to access funding from senior levels of government. Funding programs are often designed for communities with significant administrative and rapid response capacity.

The development of the Economic Development Readiness Program, and the increased support available to develop new projects, has contributed to the growth in small community capacity to plan and implement economic initiatives. In Fiscal 2017 and 2018, the Province of BC Rural Dividend program also played a symbiotic role for EDRP projects, by providing matching funding to smaller rural communities who might otherwise not have been able to move EDRP initiatives forward.

FUNDING BY COMMUNITY SIZE
(INCLUDING EDRP)



FUNDING BY RD
(SINCE INCEPTION)



COMMUNITY ENGAGEMENT

Community engagement is a large part of program success for both the EDRP program and the Economic Infrastructure program. Strong partnerships with community-based and regional organizations, and strong communications networks, ensure that the region is aware of opportunities and that programs can evolve with the region's needs.

In March of 2017, a region-wide consultation process was undertaken with community-based and regional organizations to assess how current programs are meeting needs and to identify gaps and opportunities. The process was completed in early fall of 2017.

Input was solicited from the ICET Regional Advisory Committees as well as more than 30 in-person interviews with a broad range of business, industry and other stakeholders. This included Community Futures and Chambers of Commerce from all parts of the region, sectoral organizations in technology, aquaculture, agriculture, manufacturing and tourism, airports and Port Authorities, universities and colleges, tribal councils and Indigenous economic development corporations, as well as community-based and regional economic development organizations.

While the key outcome of the process is the redevelopment of the Economic Infrastructure program, key learnings from the process are being applied to other programs and priorities, as well as to improve stakeholder and partner relations.

COLLABORATION WITH PROVINCIAL GOVERNMENT

The ICET Board and staff continue to prioritize ongoing communication and collaboration with the Province of BC. The primary relationship is with the Ministry of Jobs, Trade and Technology (JTT). This includes meetings with senior staff and officials, primarily from the technology, small business and investment and trade divisions, to ensure that ICET programs and initiatives align with provincial priorities and initiatives. This also includes the promotion of Ministry initiatives to the region's stakeholders, sharing information about ICET communities, economic conditions and key regional priorities in formal and informal consultation processes, or providing support related to specific government programs or priorities.

Since the restructuring of ministries last July, ICET is increasingly working with the Ministry of Forests, Lands and Natural Resource Operations, now also home to Rural Development (FLNRORD). Communication and collaboration also occurs with other Ministries, based on the region's immediate needs, emerging sectors and project submissions. This past year this included meetings or discussions with Ministry of Agriculture, Indigenous Affairs, Citizens' Services, Environment and crown corporations such as Destination BC and Indigenous Tourism BC.

In early 2018, ICET was contracted to organize two rural stakeholder focus groups for the Ministry of FLNRORD, to inform the development of a provincial strategy to support community-based economic development. These focus groups were held in Port Alberni and Port McNeill and included a wide range of organizations and leaders involved in community-based economic development.



ECONOMIC DEVELOPMENT READINESS PROGRAM

13
EDRP
PROJECTS

Since its inception in 2013, the Economic Development Readiness program has supported a total of 60 projects. Designed to address the readiness of communities as they move through the economic development continuum, the program is structured with a “Find Your Fit” approach. This approach provides support options adapted to each community’s evolving needs.

This past year, 13 new readiness projects applications were approved. This represents more than \$230,000 in investment and approximately 25% of projects approved since the program’s inception.

Approvals were spread across most of the EDRP funding streams. Three new Economic Development Strategies were approved for two small communities and one Indigenous community, bringing the total number of new economic development strategies in the past five years to 16. Also approved were 3 Quick Start initiatives, designed to kick start strategies in smaller communities. In total 9 Quick Start projects have been approved in the past three years, demonstrating that small communities are moving forward with recently developed strategies.

In mid-sized and larger communities, funding was used primarily for the development of advanced investment attraction tools, sectoral development and innovative regional collaboration and marketing initiatives.

REGIONAL COLLABORATION & MARKETING

- Made on Vancouver Island Marketing – \$30,000
- Vancouver Island Coast Tourism Research – \$9,750
- Discovery Island Marine Trail Planning – \$10,000

3

SECTORAL DEVELOPMENT

- CVRD Industrial Land Use Strategy – \$15,000
- Powell River Sectoral Development Strategy – \$25,000

2

INVESTMENT ATTRACTION

- Tourism Investment & Development Tools – \$30,000
- Foreign Direct Investment Attraction Tools – \$30,000

2

QUICK STARTS

- UBERE – \$12,333
- Cowichan Lake Tourism Action Plan – \$10,000
- Gabriola ED – \$5,000

3

ECONOMIC DEVELOPMENT STRATEGIES (EDS)

- Lantzville ED Strategy – \$30,000
- Ladysmith ED Strategy – \$15,000
- Maaqutusiis Hahoulthee Stewardship Society Strategic Plan – \$15,203

3

NEW PROJECTS

MADE ON VANCOUVER ISLAND

APPLICANT: VANCOUVER ISLAND ECONOMIC ALLIANCE

ICET CONTRIBUTION: \$30,000

ESTIMATED COMPLETION: FALL 2018

Locally sourced food products often fail to gain recognition on grocery store shelves. A new branding and marketing initiative led by the Vancouver Island Economic Alliance will raise awareness and obtain baseline data on demand for ‘Made on Vancouver Island’ products. Working with Quality Foods, Country Grocer, Thrifty’s and Parallel 49 Grocers, the project features a point of sale promotional and multimedia campaign that will research the market viability of locally sourced food products across Vancouver Island. Island products will be identified with the Island Good logo to make it easier for consumers to choose local products, and support research for value added, local supply chain growth.



POWELL RIVER SECTORAL DEVELOPMENT FOR THE CREATIVE ECONOMY

APPLICANT: POWELL RIVER EDUCATIONAL SERVICES SOCIETY

ICET CONTRIBUTION: \$25,000

ESTIMATED COMPLETION: FALL 2018

While the economic drivers of Powell River shift away from traditional resource sectors, creative assets remain a strong platform for an emerging creative economy. This project will bring together community stakeholders to identify existing creative assets and develop a 5-year roadmap of actionable steps to leverage existing cultural assets and lead Powell River toward a future Creative Economy. The roadmap is expected to benefit existing businesses, as well as support the development of new business concepts and entrepreneurial innovation.



COWICHAN LAKE TOURISM ACTION PLAN

APPLICANT: COMMUNITY FUTURES COWICHAN

ICET CONTRIBUTION: \$10,000

ESTIMATED COMPLETION: FALL 2018

Seasonal tourism continues to grow as an economic driver for the Cowichan Lake region. The Cowichan Lake Tourism Action Plan will leverage tourism into a sustainable economic driver for the region. The Action Plan will build out cycling, hiking, and water sport activities into a year-round tourism season, with the development of new tourism products that will promote extended stays and investment in the region. Major project deliverables include a report on tourism development opportunities, proposals for pathways identified as major gaps for cyclist and walkers, and a plan to identify partnership opportunities between government, business, First Nations, and other stakeholders to support the development of a sustainable, year-round tourism-based economy.





PROJECT PROFILE

WEST COAST N.E.S.T.

NESTING TOGETHER: *West Coast communities, First Nations, businesses and non-profits join forces to attract visitors to remote areas with unique learning experiences*

Joint action and collaboration, that's what happened on the west coast of the island, when the Tla-o-qui-aht First Nation, Yuułu?if̓?ath Government, Toquaht Nation and the Districts of Tofino and Ucluelet partnered with the Clayoquot Biosphere Trust to create West Coast N.E.S.T. (Nature, Education, Sustainability and Transformation).

The project - now in its second phase - launched a highly-visual brand and website that showcases the educational tourism products developed through the partnership.

West Coast N.E.S.T. helps people find courses and transformative learning experiences with nearly 100 community organizations on the west coast of Vancouver Island, from Hesquiaht in

the north to Ucluelet in the south. The region is one of the last great natural environments on the planet, a place that's often called the ultimate learning centre.

Universities and other educational institutions use West Coast N.E.S.T. to organize and coordinate field schools, courses, and more - and the influx of students has helped to support the tourism industry in the shoulder seasons.

Courses ranging from "Mushrooms of the West Coast" to the Cedar Coast Field Science Camp are part of the offerings coordinated through N.E.S.T. Courses and programs run throughout the year, and it's those 'off-season' opportunities that have helped to smooth the traditional up-and-down seasonal nature of tourism in the region.

Bringing together multiple communities can be a challenge, as every place has its own unique attributes, ideas and goals for the future. Where West Coast N.E.S.T. has found success is in leveraging those differences, rather than trying to create a one-size-fits-all experience.

Instead of competing for students, N.E.S.T. can customize itineraries and programs from communities and educators across the region, creating a regional approach to the educational-tourism economy.

A customized itinerary was organized for a group of agriculture students from Tamagawa University in Japan, which included a forest management workshop with Central Westcoast Forest Society and teachings from an Ahousaht First Nations knowledge holder.

To create shared prosperity, N.E.S.T. draws learners to low-tourism and remote Indigenous communities they might not otherwise visit. This allows fee-for-service opportunities for local and Indigenous knowledge holders, whose teachings, historically might not have been paid.

"Research has told us that students want to learn in multiple communities during their visits, and at the same time, each community has different strengths, needs and opportunities," said Rebecca Hurwitz, Executive Director of the Clayoquot Biosphere Trust. "High season and shoulder season capacity is one example of how these needs can vary within our region. Our goal is to match the curriculum with the community to diversify our economy and meet our regional vision."

Another challenge faced by those small communities and organizations in the region is being able to effectively market their offerings.

"With a region that attracts visitors from around the world, those with an interest in learning didn't know where to look," explained West Coast N.E.S.T. Education Coordinator Nicole Gerbrandt. "West Coast N.E.S.T. can now provide those visitors with one-stop shopping, while providing the region's small businesses and knowledge holders with a global marketplace they would not have been able to access on their own."

"Research has told us that students want to learn in multiple communities during their visits, and at the same time, each community has different strengths, needs and opportunities."

- REBECCA HURWITZ
*Executive Director,
Clayoquot Biosphere Trust*



PROJECT PROFILE

GABRIOLA ECONOMIC STRATEGY

MADE-ON-GABE: *Unexpected changes create an opportunity for Gabriola Island to take charge of its economic future*

It's not uncommon for smaller communities to purchase services from other, larger municipalities. That was the case for Gabriola Island, using the Nanaimo Economic Development Corporation to provide economic development services.

Unfortunately, the NEDC was unable to fulfill its commitment to Gabriola.

In the spirit of 'every challenge is also an opportunity,' the Chamber of Commerce - and the whole business community - embraced the challenge, and pushed forward with the development of a new strategy in just six weeks.

Recognizing the potential in Gabriola's untapped community assets, the Chamber embraced the strengths and realities of Gabriola, and with support from ICET, built an economic development strategy to leverage them.

Upon completion, Gabriola was able to fast-track its strategy with access to further funding from ICET's Quick-Start funding steam, which helped to develop a governance and staffing model needed to implement the strategy.

The community has hit the ground running, gaining early momentum with a newly hired Economic Development Officer to spearhead implementation of the strategy.

"The independent commercial culture on Gabriola attracts a diverse community of businesses," said Julie Sperber, Gabriola's new Economic Development Officer. "The Chamber of Commerce is proud to finally deliver a "made-on-Gabe" economic strategy that will help this independent business community thrive."

With a population of 4,000 residents, the Island is home to more than 600 businesses, ranging from brick-and-mortar stores to home-based businesses, and everything in between.

Those 600 businesses provided input that formed a core part of the new strategy, helping to identify their top priorities.

Educational supports for entrepreneurs to manage business growth; a Buy Local Campaign, launching in fall of 2018, and an upcoming offseason tourism attraction plan were the top three priorities identified.

Building from the results of a 2016 Asset Mapping project to identify and inventory business, cultural, and natural assets on the Island, a new 'portal' website is in development that will realize the full brand and marketing picture for Gabriola, reflecting the community's values of work, live, learn, and play on the Island.

The Asset Map will be the foundation of a "virtual concierge" service on the website, directing users to local businesses and services. A "Rent-an-Entrepreneur" program will connect aspiring entrepreneurs on Gabriola with coaching from other local business owners.

"People live on Gabriola Island by choice for the lifestyle," Sperber explained. "This attracts a talented population base with a "bring your own job" mentality, creating a unique entrepreneurial economy for Gabriola to achieve its self-sustainability goals."

Now firmly in control of its economic destiny, Gabriola is ready to build its foundational economic supports from the ground-up: business retention and expansion; entrepreneurial support; youth retention; education, and more.

"The independent commercial culture on Gabriola attracts a diverse community of businesses."

- JULIE SPERBER
*Economic Development Officer,
Gabriola Island*





PROJECT PROFILE

REMOTE REGIONS MARINE ATTRACTION

SMALL COMMUNITIES, BIG OPPORTUNITIES: *Marketing small harbours in remote communities is creating significant impacts for the broader region*

With thousands upon thousands of kilometers of coastline, deep fjords and inlets, islands of all sizes, and quaint communities dotting all of it, the waterways around Vancouver Island and the Sunshine Coast should be an easy, natural destination for marine tourists.

Marketing BC's coast as a boating destination with trip planning resources was an untapped opportunity to attract recreational boaters and create benefits in all parts of the region.

With early funding support from ICET, the BC Ocean Boating Tourism Association (BCOBTA) was formed as a regional Economic Destination Marketing Organization to address the gap in marine visitor attraction with AHOY BC – a tourism website that markets BC's coast to recreational boaters.

With early success in marketing the “easy to reach” marine destinations, focus has now shifted to showcase remote regions such as the Broughton Archipelago, the west coast of Vancouver Island and highlight the many remote and small harbour communities to draw visiting boaters.

Harbours, accommodators and other marine-service providers in those communities often struggle with the expense of marketing themselves out of area, so the push from the BCOBTA via the AhoyBC.com website is a key advantage.

“Remote regions are the best-positioned marine sectors for growth,” said Michael McLaughlin, Manager of the BCOBTA. “When boaters visit remote regions their trips are longer,

they replenish their supplies, they explore communities and are exposed to some of the best marine parks and Indigenous tourism attractions.”

Overcoming negative preconceptions about travelling to remote areas has been a key focus of the project. Enhanced profiles for remote communities like Zeballos, Sointula and Bamfield provide colour to the community while directly addressing common concerns.

“One of the biggest struggles in attracting boaters to remote regions is overcoming those false preconceptions about weather, safety and lack of harbours with available supplies,” said McLaughlin. “The website profiles help to address those concerns by providing clear information, maps, charts, recommendations and more.”

By addressing those perceptions and concerns head-on, McLaughlin is anticipating increased numbers of marine tourists in the remote sub-regions, with a corresponding lift in length of trips and daily spending.

Large yachts are also one of the key sectors being targeted, as they are best-suited for the longer journeys to the distant regions. Those larger boats also come with larger needs, and consequently, the economic impact is also larger.

Those service purchases - ranging from refits to accommodations to fuel, supplies and more - have a significant impact in those small, remote communities.

“Single large vessels can spend thousands of dollars per day,” said McLaughlin. With

a goal of an additional 100 large yachts per year by 2020, the impact could reach an additional \$5M.

But large yachts aren't the only target the BCOBTA looking at. Within a three-day drive of the south coast, there are more than 1 million trailered boats. Attracting just 0.1% of that market would yield a 7% increase in spending. And the total revenue anticipated by the BCOBTA is north of \$16M by 2021.

The AHOYBC.com website is a treasure trove of information, from maps to charter information, to detailed descriptions of the anchorages and sites that should be on the wish-list of any boater visiting the region.

“The website profiles help to address those concerns by providing clear information, maps, charts, recommendations and more.”

– MICHAEL MCLAUGHLIN
Manager, BCOBTA

ADVANCE REGIONAL COLLABORATION AND PLANNING

ICET facilitates and provides financial or operational assistance to support regional collaboration, key networking or learning events as well as long term regional or sectoral planning initiatives. This is achieved primarily through the regional support programs, targeted partnerships and operational assistance.

FACILITATE ECONOMIC DEVELOPMENT COLLABORATION

The unique Trust governance structure has contributed significantly to the advancement of regional collaboration. The collaborative best practices developed in our region would not have been possible without the strong attendance and participation of the 48 Board and Regional Advisory members at the Trust in-person meetings.

In Fiscal 2018, the Board of Directors met seven times. The North Island Sunshine Coast Regional Advisory Committee held two in person meetings and one online meeting while the Central South Island Regional Advisory Committee held one in person meeting and one online meeting. These in person meetings enable frank discussions, and the development of a regional vision, trust and understanding required for successful collaborative relationships. This past year, three special presentations were delivered by guest speakers highlighting successful regional initiatives and project best practices.

In addition, proactive support is provided for regional economic collaboration through the provision of in-kind organizational support. In Fiscal 2018, this included intern administration services for the Vancouver Island and Coast Economic Developers Association (VICEDA) as well as financial project management services and other support for the development of the regional tech attraction strategy.

EVENTS AND COMMUNITY OUTREACH

Participation in a wide range of economic development and sectoral events is key to ensure continuous organizational improvement and to provide the opportunity to share best practices with stakeholders. In Fiscal 2018, this included economic development conferences such as VIEA Summit and BCEDA, provincial events such as UBCM conference, Globe Sustainability Summit and the BC Tech Summit, as well as regional sectoral events such as the BC Seafood Expo, Tourism Vancouver Island conference, VISTA Sustainable Technology Expo and the Innovate 2017 Manufacturers event.

ICET is also called upon to make specific presentations about its programs and regional best practices. In 2018, this included presentations to Rotary Clubs, Chambers of Commerce, local governments, regional organizations and Indigenous government, as well as related Province of BC or other organization workshops and training events.

COLLABORATION AND OUTREACH IN INDIGENOUS COMMUNITIES

One of the key strategic priorities in the past few years has been to develop strong, long-term relationships with Indigenous communities and organizations. This long term outreach strategy has resulted in a growing number of project inquiries, applications and project approvals from Indigenous communities. During Fiscal 2017 and 2018, more than one third of total infrastructure funding allocations went to significant projects in remote Indigenous communities. In addition, three new economic infrastructure projects situated in Indigenous communities have received Stage 1 approval or are in the development and submission process and could potentially receive final approval in Fiscal 2019.

This past year, in-person meetings, project exploration and development discussions were held with staff or leadership from Indigenous communities and organizations including the Nanwakolas Council, Nuu-Cha-Nuulth Council, Kwakiutl District Council, Toquaht Nation, Ahousaht First Nation, Penelakut First Nation, Tla-o-qui-aht First Nation, Dzawadaenuxw First Nation, Kwikwasut'inuxw Haxwa'mis First Nation, Snuneymuxw First Nation, Tseshah First Nation, 'Namgis First Nation, K'omox First Nation, Stz'uminous First Nation, Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations, and Yuułu?if?atḥ Government.



The sponsorship of select conferences and events helps to foster the growth and emergence of economic sectors by supporting education, sharing of best practices and opportunities for connection and partnership development.

CVEDS – BC SEAFOOD EXPO AND WORKSHOP SERIES

The 3rd Annual BC Seafood Expo and Workshop Series was hosted by the Comox Valley Economic Development Society (CVEDS) in June 2017. Since ICET first sponsored the event in 2015, the Expo has grown its itinerary of workshops, speakers and attendees to include aquaculture businesses, fisheries experts, marine researchers, chefs, exporters and educators to discuss growth and diversification of the BC seafood industry.

The Expo was developed in partnership with the BC Shellfish Growers Association, the BC Salmon Farmers Association and other coastal community seafood sector partners to raise the profile of the BC seafood industry and encourage industry collaboration.



The two-day Expo brought together local and international buyers, award-winning producers, leading industry and educational institutions and world-class chefs to the event, with over 400 industry participants and 40 international buyers in attendance. Tradeshow exhibitors more than doubled to 60 over the previous year, requiring expansion into a second venue. An international buyers reception was held in collaboration with the Ministry of International Trade to promote BC's seafood exports to a world-wide market.

A series of workshops on topics including seafood traceability, shellfish production and ocean acidification were led by 38 speakers and industry specialists, along with guided tours of a local salmon farm and mid-island winery. Two keynote presentations featured Ned Bell, Executive Chef of Ocean Wise and CBC Radio One host Terry O'Reilly to raise awareness of the regional value of the seafood and aquaculture sector.



VIEA - STATE OF THE ISLAND ECONOMIC SUMMIT

The Vancouver Island Economic Alliance (VIEA) held the 11th Annual State of the Island Economic Summit in October 2017, bringing together approximately 600 delegates from across business, industry, non-profit and government. Speaker sessions focused on a broad range of topics from Vancouver Island clean tech, aboriginal economic development, Island agriculture and more, including a keynote speech by Premier John Horgan.



VISTA - VANCOUVER ISLAND SUSTAINABLE TECHNOLOGY CONFERENCE

The Vancouver Island Sustainable Technology Association brought its 3rd annual Expo to Campbell River in June 2017 to showcase the best in Vancouver Island sustainable technology with the Island's regional experts in attendance. Panels featured business, academia and researchers and were focused on strategies to advance investment and collaboration in the sustainable technology sector, showcasing innovation and sustainability in aquaculture and exploring opportunities in clean energy.



ISLANDS AGRICULTURE SHOW

The 7th Annual Islands Agriculture Show was held at Cowichan Exhibition Park in Duncan and featured a trade show with over 65 exhibitors attended by over 1,600 participants. The conference also featured learning sessions on topics including small farm innovations and agritech opportunities, value-added food production, agritourism and opportunities for regional collaboration through farmers markets, in addition to several technical sessions on wildfire preparedness for agricultural operations.





Karla Duarte, Cormorant Island EDO

BURSARIES: SUPPORT FOR ECONOMIC DEVELOPMENT CAPACITY

The bursary program was established as a way to support community participation in regional economic development training. Since the program's inception in 2013, 77 bursaries have been awarded to individuals working to make a difference in the Island and Coastal region.

This past year, a total of 13 bursaries were awarded to enable local leaders, involved in economic development initiatives, to participate in the VIEA Economic Summit. Nine of the bursaries were awarded to participants under the age of 40, supporting ICET's strategic priority to increase participation of younger people in regional economic development. Recipients included representatives of diverse local economic development groups, First Nations, Chambers of Commerce, Young Professional and tourism organizations as well as local government leaders.

Bursaries were also awarded to two younger participants to attend the BC Economic Development Association Western Economic Development Course. Over the years, several bursary recipients have evolved into regional economic development leaders, spearheading new and innovative approaches to economic development.

Karla Duarte is the newly minted economic development officer for Cormorant Island. In 2017 she received two bursaries from ICET to attend the BCEDA Western Economic Development Course and the VIEA Economic Summit in October 2017.



Bobbi Anne Piercy, Intern

"SOME RURAL COMMUNITIES STRUGGLE WITH ACCESS TO TRAINING OPPORTUNITIES. THE BURSARIES PROVIDED BY ICET ENABLED ME TO ATTEND THE WESTERN ECONOMIC DEVELOPMENT COURSE, AN ESSENTIAL ADDITION TO MY TOOLKIT AS A NEW ECONOMIC DEVELOPMENT PROFESSIONAL. ALONG WITH THE VIEA ECONOMIC SUMMIT, THE TWO EVENTS PROVIDED ME WITH A FOUNDATIONAL BACKGROUND IN BC'S ECONOMIC DEVELOPMENT FIELD AND AN OPPORTUNITY TO NETWORK WITH OTHER ECONOMIC DEVELOPMENT PROFESSIONALS TO UNDERSTAND HOW EACH COMMUNITY APPROACHES THEIR ECONOMIC DEVELOPMENT DIFFERENTLY."

- KARLA DUARTE

INTERNSHIP PROGRAM

The Economic Development Internship program provides recent university graduates with high level on-the-job training, mentorship and work experience in regional economic development. Upon completion, interns are employment-ready economic development professionals, with a vast network of regional contacts and on-the-ground experience in communities of varying sizes.

This past year, Bobbi Ann Piercy, ICET's newest intern had the opportunity to support community-based projects, region-wide initiatives as well as support and learn from established economic development professionals. The range of assignments included grant writing, community economic profile updates, development of administrative systems, workforce labour research, and other research and analysis. The internship also provided internal organizational experience with economic impact analysis, website and data management, board governance, project development support and review, social media, and technical writing.

Piercy shares her experiences, and reflections about the program with 2018 intern, Andrew Hutchison.

WHAT ATTRACTED YOU TO THE INTERNSHIP AT ICET?

Having been raised on the Island, I was excited to view the region from an economic perspective. The internship offered the unique opportunity to learn about economic development on a regional scale, and to learn about the diverse projects that shape our region.

As a recent BBA graduate, I was interested to learn about grant-writing from the funding organization's perspective. I was also attracted to the opportunity to support community projects and hone the skills I acquired in university.

WHAT DID YOU FIND MOST VALUABLE ABOUT THE INTERNSHIP?

The internship was an invaluable opportunity to learn from a broad range of community leaders and economic development professionals. Working with ICET staff, Board Members and the Regional Advisory Committee provided me valuable insight into the internal operations of a regional Trust and provided a

comprehensive background in governance that applies to many municipal and other government positions. The internship was a supportive atmosphere conducive to positive learning experiences, building new relationships, and development of analytical skills that are highly transferable to any job.

WHAT WERE THE HIGHLIGHTS OF YOUR INTERNSHIP?

The BC Seafood Expo was an enlightening experience to learn about one of the industries vital to our regional economy. Working at the ICET booth, I had the opportunity to meet and network with industry leaders and attend the keynote sessions and workshops. It was interesting to observe how collaborative efforts from various industry participants, with different priorities, are helping the industry to move forward in unison. Not to mention an opportunity to taste world-class seafood, prepared by chefs from around the globe- my taste buds water just thinking about it!

WHAT ARE THE BENEFITS OF HAVING AN INTERNSHIP PROGRAM LIKE THIS IN OUR REGION?

Having this internship in the region provides recent graduates with local community experience and relationships, which I believe can make a huge difference in talent retention. Being able to work for, and learn from, a well-respected regional organization has provided me with knowledge, skills and practical experience which will transfer to my future career opportunities.

OBJECTIVE 5

MAXIMIZE THE IMPACT OF TRUST RESOURCES

ICET will ensure that Trust resources are maximized with frugal administrative practices, continuous improvement of operations and programs, strong accountability processes as well as implementation and sharing of best practices to promote state of the art administrative and economic development practices.

INCREASE REGIONAL PROFILE

ICET's communications strategy is based on the importance of sharing key economic development news and progress, in order to inform stakeholders and the general public. This is typically done through a range of media including news releases, media interviews, Facebook posts, project stories, sharing best practices in publications, web content, social media and presentations, and most recently video of regional initiatives.

In Fiscal 2018, project funding news releases and social media continue to be at the forefront of the organization's communications strategy.

Project news releases provide optimal transparency for stakeholders, ensuring that the region is fully informed of key funding decisions on an ongoing basis. These news releases are shared in the weeks following funding approval and also serve to generate positive earned media coverage in both print and radio, highlighting the region's economic development initiatives and progress to its stakeholders and beyond.

One of the key social media focus points for the past year was to highlight the region's technology and innovation success stories and new initiatives. In the past year, 40% of Facebook posts and 25% of Twitter posts were focused on technology and innovation.

The organization's social media presence continues to grow organically with more than 25% growth on Twitter and is successfully reaching younger audiences with more than 50% of Facebook followers under the age of 45.

SHARE PROJECT AND ECONOMIC DEVELOPMENT BEST PRACTICES

In Fiscal 2018 ICET continued to use multiple approaches to communicate economic development best practices to its stakeholders as well as other interested parties outside the region. This included presentations from the CEO at conferences, events, and meetings as well as use of the website.

All approved project summaries are posted to the ICET website and this past year were reorganized to coincide with the new Economic Infrastructure and Innovation program categories. These summaries serve to share best practices between applicants and include relevant project descriptions, funding sources, completion reports and full disclosure of project finances to ensure transparency. They can be viewed at: <http://www.islandcoastaltrust.ca/projects>

Project "stories" and case studies have also been developed. In the past year, eight new stories were posted to the website and an additional eight stories are in development. These stories and case studies provide applicants and stakeholders with a stronger understanding of what makes a project successful and how that success can be measured in both quantitative and qualitative terms. They also go beyond the numbers to provide insight as to a project's impact on "real" people and businesses on the ground. These stories and case studies can be viewed at: <http://www.islandcoastaltrust.ca/media-stories>

Project successes and best practices as well as best practices from other jurisdictions are shared weekly on both Facebook and Twitter and relevant project videos are added to the project summaries pages. Additional best practices information is shared individually to project applicants and community leaders at Regional Advisory Committee and Board meetings.

CONTINUOUS OPERATIONAL IMPROVEMENT

In early 2018, a new multi-year financial strategy was developed to determine optimal efficiency and impact in the administration of the new \$10 million funding allocation. This included annual maximum project allocations as well as annual operational and cashflow requirements for the next 5 years.

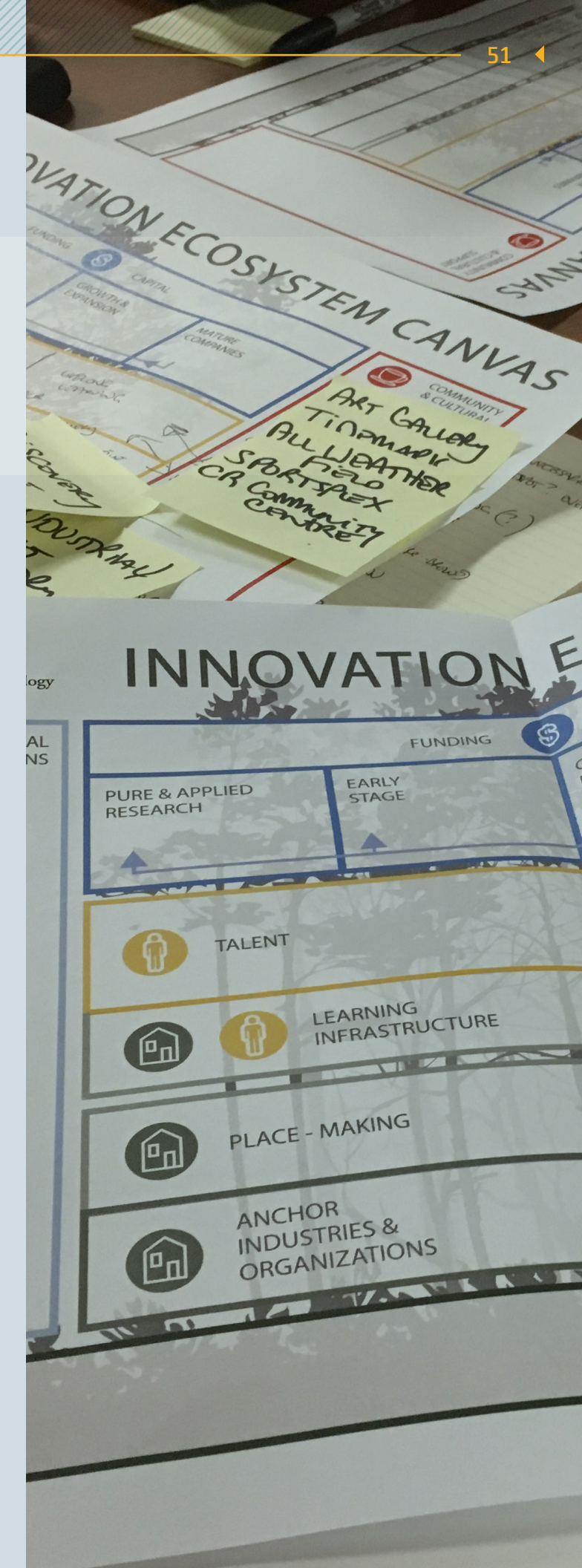
As a result of the regional consultation, the Economic Infrastructure program was restructured to address regional funding needs and opportunities. The new program was "soft-launched" in late Fiscal 2018 and formally announced in early April of 2018. More information about the program can be found at: <http://www.islandcoastaltrust.ca/economic-infrastructure-program>.

Plans to replace the current project management technology are underway, however implementation was delayed to Fiscal 2019, subject to the receipt of the \$10 million funding allocation.

MANAGEMENT AND GOVERNANCE BEST PRACTICES

In Fiscal 2018, one of the key policy review areas was the fund investment strategy and the financial implications of the new funding allocation. A professional review of the investment strategy was undertaken and changes implemented. In addition, financial staff reviewed and modified the accounting method.

In August of 2018, all five provincial Board appointee terms will expire. In preparation for the Board appointment review process, a Board Resourcing and Appointment committee was formed to work with the BC Crown Agencies and Board Resourcing Office (CABRO) to ensure timely appointment or reappointment of Board members.



The following financial management discussion and analysis is the responsibility of management and reflects events known to management up to June 30, 2018. It is intended to help the reader understand ICET operations, financial performance as well as present and future obligations. It should be read in conjunction with the annual audited financial statements and related notes.

2018 FINANCIAL HIGHLIGHTS

The Island Coastal Economic Trust achieves its objectives by investing its capital and interest in economic development initiatives, drawing down the initial \$50 million allocation plus interest income earned. Operational expenses have been financed by interest income and operational reserves allocated from the capital amount.

In February of 2017, the Province of BC committed an additional \$10 million, to be allocated before March 31, 2018. Funds were received in early March 2018. The funding agreement stipulates that the funds must be disbursed over a time period of no less than 4 years.

In 2018, the accounting policy for revenue recognition was changed to the deferral method from the previously used restricted fund method. The deferral method is preferable as it presents more reliable and relevant information in a manner that is more easily understood by most users of the financial statements. The deferral method aligns government funding revenues with the related project expenditures.

INVESTMENTS

A conservative investment approach has been used since inception, in order to preserve capital availability for short term allocation. In previous years all capital has been invested in the Municipal Finance Authority (MFA) Money Market Fund, Short term Bond Fund and Intermediate Fund.

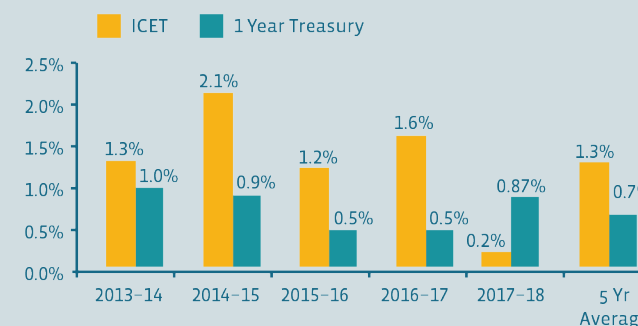
The investment portfolio is reviewed at least annually by an independent professional investment firm. The new capital allocation of \$10 million, received in March of 2018, triggered a new investment strategy analysis.

Future fund performance was assessed for resiliency under different interest rate scenarios. In order to ensure stability and predictability with the portfolio's assets for the estimated 5 year cash flow needs, it was recommended that all investments be transferred to the MFA Short Term Bond Fund.

The result of the redemption of funds is the realization of a loss of \$131,157. This reduces the anticipated return on investment for the 2018 fiscal year, but will optimize future return on investment.

ICET Staff and Board, supported by third party expertise, will continue to monitor the performance of its investment funds

RATE OF RETURN ON MFA INVESTMENTS

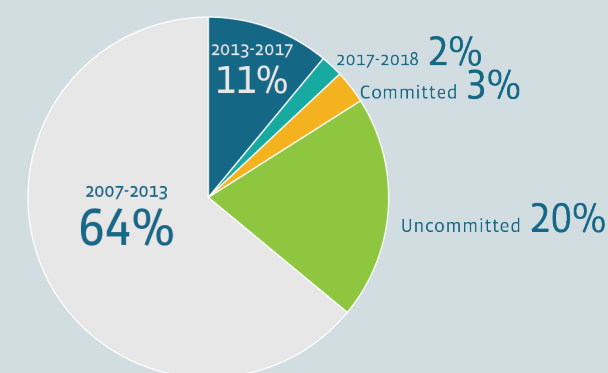


to ensure a balance between maximum earnings and the preservation of capital and availability of funds for short term financial needs.

PROJECT DISBURSEMENTS

During the 2018 Fiscal year, \$1.2 million was disbursed to approved projects, partnerships and sponsorships. This represents a decrease of \$0.3 million from the previous year's disbursements. Disbursements are subject to applicant reimbursement requests for work which has been completed, and may not occur in the same year as project funding commitments. Disbursements may be inconsistent from year to year, subject to reasons unique to each applicant, and may not accurately reflect the actual value and volume of project work completed by applicants in that fiscal year.

ICET FUNDS DISBURSED TO APPROVED PROJECTS



OPERATIONS

In Fiscal 2018, operating expenses totaled \$470,018, more than \$38,000 under budget. This represents a decrease of 2% from Fiscal 2017. Most of the organization's operating costs are fixed in nature and fluctuate very little from year to year, based on the current model of operations.

Since inception, average operation costs have been approximately 11% of total funds disbursed. This percentage includes Board of Directors and Regional Advisory Committee costs (approximately 50 members expense and travel costs) as well as all program administrative costs, services and all other internal operations.

OPERATIONS AND EXPENDITURES FORECAST

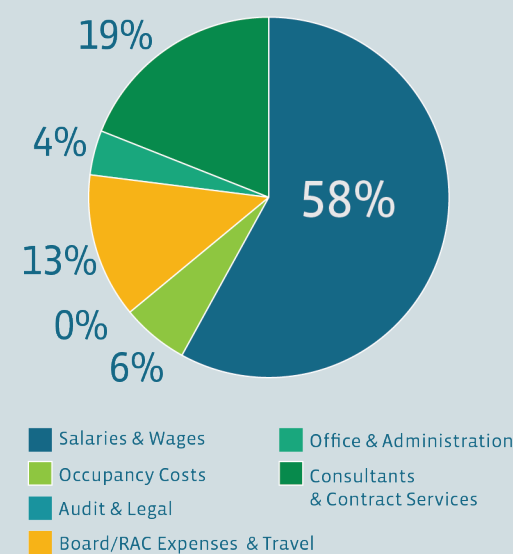
For the 2018 fiscal year, management anticipates the approval of \$1.7 million in new project funding as well as disbursements of approximately \$1.4 million to approved projects.

The Economic Infrastructure Program, now restructured into the Economic Infrastructure and Innovation Program, is expected to reach full allocation for Fiscal 2019. The strength of the Island and Coastal economy, and the recent trend in larger projects of regional scope, is expected to result in larger funding requests. Pressure on the available annual program funding envelope is expected to increase based on the interest in the new Innovation funding streams.

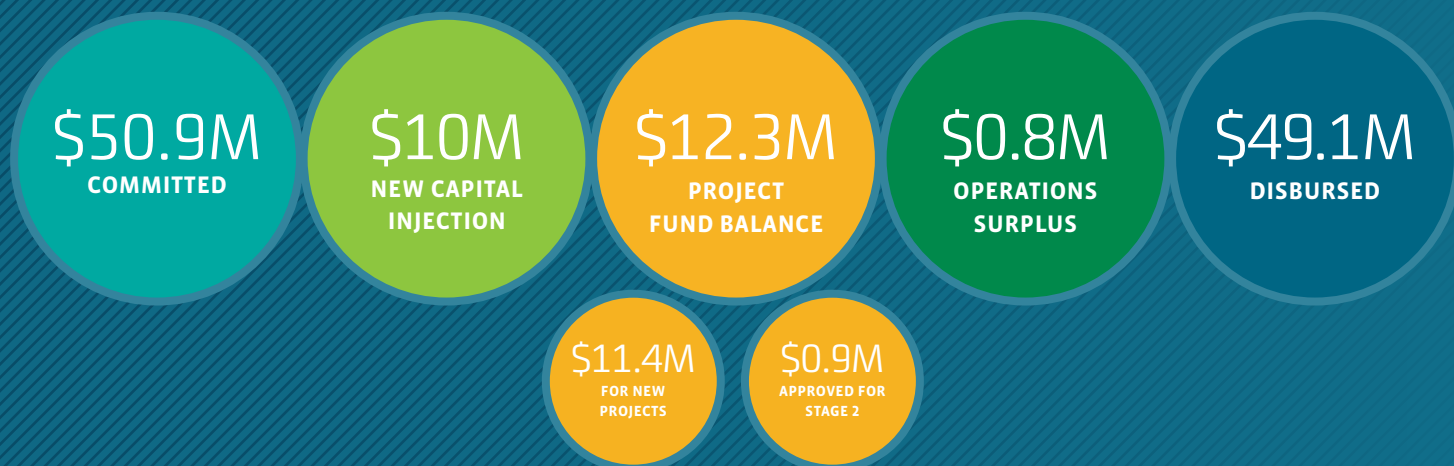
Management is anticipating a consistent volume of projects for the Economic Development Readiness program, as communities continue to move their level of readiness forward and new communities pursue newly minted economic development strategies.

Operating and staffing costs are expected to fluctuate very little from 2018.

2018 OPERATING EXPENSES



FUND SUMMARY AS OF MARCH 31, 2018



Operational risk is managed through development of internal controls, continuous improvement of organizational policies and procedures, and development of risk management tools. These management practices have a positive influence on decision making, accountability and transparency.

DUE DILIGENCE AND PERFORMANCE MONITORING

A thorough due diligence process, with documented protocols and systems, is in place to minimize the risks inherent to grant funding. There are established, detailed selection criteria for each grant program to help guide the decision-making process. Once a project is approved, strict conditions ensure all of the requirements for successful completion are in place.

A monitoring framework ensures that funds are being used as intended and are attaining expected results. Grant recipients are required to provide financial and operational reports addressing project progress as well as a full performance report and financial statement upon completion. Clear policies have been developed to support required action where concerns may be identified.

Performance monitoring and measurement is also achieved through ongoing quantitative and qualitative economic impact assessments and detailed project evaluations are prepared after five years post-completion.

Project data is tracked and maintained in custom-designed databases. Information is managed centrally from initial receipt of an application through the approval process. The central database model also enables regular performance measurement analysis of funding allocations, prepared by a consulting economist in accordance with accepted methodologies.

FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY

Responsible information management practices, compliant with the [Freedom of Information and Protection of Privacy Act](#) are in place to protect the privacy of people whose personal information is held by the organization. Security measures, specific to the organization's IT systems and technology, have been developed to further protect confidential information and maintain appropriate access to information, as required by law.

TECHNOLOGY USE

Policies are in place to ensure that information technology, provided to staff and Board is used in a professional, ethical and appropriate manner to facilitate and support operations. These include policies detailing appropriate technology use, access to employee communications, and protocols to maintain security controls and functionality.

TRANSPARENCY

Transparency is a core organizational value. The website is the key information portal to keep stakeholders as well as the general public well-informed. Designed to provide efficient public access to information about programs, funding criteria, governance, strategic planning, performance reporting and financial reporting, it also includes detailed information about all approved project investments. It also features economic development resources, best practices information and detailed regional economic analysis. Social media accounts, news releases and third party reporting ensures stakeholders are informed on a day-to-day basis of key initiatives, investment decisions and performance reporting.

To ensure that funding decisions are made in a fair and consistent manner, detailed program guidelines set out clear eligibility requirements and program criteria and larger project investments are subject to a professional economic impact assessment, prior to approval.

GOVERNANCE AND RISK MANAGEMENT REVIEW

Governance and risk management policies are reviewed annually to ensure compliance with legislation, operational requirements and alignment with strategic initiatives. This includes short and long term financial risk assessment, personnel retention and succession planning, Board resourcing and succession, and any other factors which may impact the organization's efficient operations. Based on risk assessment criteria, detailed plans may be developed to address identified short term and medium term risks.

INTERNAL FINANCIAL CONTROLS

The management team is responsible for establishing and maintaining adequate internal control over financial reporting. This process is designed by the Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Accounting Standards for Not for Profit Organizations (ASNPO).

Internal controls of investments are designed to manage financial risk. Investments are currently limited to MFA funds and monthly return statements are reviewed at every board meeting. The portfolio is assessed by investment experts at least annually.

All project reimbursement requests are subject to a review by staff for eligibility and legitimacy before payment. Staff approvals, including the full details of the request, are subsequently forwarded to Board Executive members for approval and signature prior to payment.

All other organization expenses are authorized by two duly authorized ICET signatories.

Based on this evaluation, management concluded that internal controls over financial reporting were effective at March 31, 2018, in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes.

In Fiscal 2018, there was no change in ICET's internal control over financial reporting that materially affected or is reasonably likely to materially affect ICET's internal control over financial reporting in the future.



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Island Coastal Economic Trust

We have audited the accompanying financial statements of the Island Coastal Economic Trust, which comprise the statement of financial position as at March 31, 2018, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Island Coastal Economic Trust as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chan Nowosad Boates Inc.

Chartered Professional Accountants
Courtenay, BC

June 22, 2018

ISLAND COASTAL ECONOMIC TRUST

Statement of Financial Position

March 31, 2018

	2018	2017 (Note 3)
ASSETS		
Current Assets		
Cash	\$ 73,145	\$ 13,505
Accounts receivable	13,825	-
Prepaid expenses	10,509	9,499
	<u>97,479</u>	<u>23,004</u>
Tangible Capital Assets (Note 4)	4,805	6,280
Long Term Investments (Note 5)	<u>14,989,255</u>	<u>6,627,951</u>
	<u>\$ 15,091,539</u>	<u>\$ 6,657,235</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 72,567	\$ 59,242
Government remittances payable	8,486	7,467
	<u>81,053</u>	<u>66,709</u>
Deferred Contributions (Note 6)	<u>14,201,595</u>	<u>5,333,273</u>
NET ASSETS		
Operating Fund	804,086	1,250,973
Capital Asset Fund	4,805	6,280
	<u>808,891</u>	<u>1,257,253</u>
	<u>\$ 15,091,539</u>	<u>\$ 6,657,235</u>

Approved by the Directors:


 Director


 Director

ISLAND COASTAL ECONOMIC TRUST

Statement of Changes in Net Assets

Year ended March 31, 2018

	Operating Fund	Project Fund (Note 3)	Capital Asset Fund	2018	2017 (Note 3)
Net assets beginning of year as previously stated	\$ 1,250,973	\$ 5,333,273	\$ 6,280	\$ 6,590,526	\$ 8,419,549
Prior period adjustment (Note 3)	-	(5,333,273)	-	(5,333,273)	(6,803,029)
Net assets beginning of year as restated	1,250,973	-	6,280	6,280	1,257,253
1,616,520					
Deficiency of revenues over expenditures	(446,887)	-	(1,475)	(448,362)	(359,267)
Net assets end of year	<u>\$ 804,086</u>	<u>\$ -</u>	<u>\$ 4,805</u>	<u>\$ 808,891</u>	<u>\$ 1,257,253</u>

ISLAND COASTAL ECONOMIC TRUST

Statement of Operations

Year ended March 31, 2018

	Budget 2018	2018	2017 (Note 3)
Revenue			
Investment income	\$ 67,778	\$ 142,813	\$ 121,507
Miscellaneous	-	10,000	-
	<u>\$ 67,778</u>	<u>\$ 152,813</u>	<u>\$ 121,507</u>
Expenditures			
Advertising, travel and communications	37,500	26,016	32,893
Amortization	-	1,475	1,961
Consultants and due diligence	50,000	46,463	49,718
Contract services	30,000	32,288	29,530
Directors' expenses	37,000	26,133	31,903
Insurance	8,000	7,308	9,973
Interest and bank charges	800	692	680
Internet and website	4,000	3,200	2,974
Memberships	1,500	1,270	1,186
Office and sundry	9,600	9,819	7,754
Professional fees	8,500	167	7,447
Regional advisory meeting costs	32,000	18,899	27,716
Rent	21,000	20,831	20,874
Telephone	2,500	1,954	2,058
Wages, benefits and training	263,890	273,503	254,107
Capital expenditures	<u>2,500</u>	<u>-</u>	<u>-</u>
	<u>508,790</u>	<u>470,018</u>	<u>480,774</u>
	(441,012)	(317,205)	(359,267)
Loss on Disposition of Investments	<u>-</u>	<u>(131,157)</u>	<u>-</u>
Deficiency of Revenues over Expenditures from Operations	<u>\$ (441,012)</u>	<u>\$ (448,362)</u>	<u>\$ (359,267)</u>
Project Revenues			
Province of BC Contributions	<u>-</u>	<u>1,131,678</u>	<u>1,469,756</u>
Project Expenditures			
EDRP funding	-	109,277	136,827
Economic infrastructure program funding	-	979,890	1,247,027
Regional support programs	<u>-</u>	<u>42,511</u>	<u>85,902</u>
	<u>-</u>	<u>1,131,678</u>	<u>1,469,756</u>
Deficiency of Revenue over Expenditures	<u>\$ (441,012)</u>	<u>\$ (448,362)</u>	<u>\$ (359,267)</u>

ISLAND COASTAL ECONOMIC TRUST

Statement of Cash Flows

Year Ended March 31, 2018

	2018	2017 (Note 3)
Cash Flows From Operating Activities:		
Deficiency of revenues over expenditures	\$ (448,362)	\$ (359,267)
Items not involving cash:		
Amortization of tangible capital assets	<u>1,475</u>	<u>1,961</u>
	<u>(446,887)</u>	<u>(357,306)</u>
Changes in non-cash working capital		
Prepaid expenses	(1,010)	5,417
Accounts receivable	(13,825)	-
Accounts payable and accrued liabilities	5,925	(6,087)
Government remittances payable	1,019	(565)
Funds held for distribution	<u>-</u>	<u>(5,000)</u>
	<u>(7,891)</u>	<u>(6,235)</u>
	<u>(454,778)</u>	<u>(363,541)</u>
Cash Flows From Investing Activities:		
Province of BC Contribution	10,000,000	-
Purchase of Long Term Investments	(10,000,000)	-
Project Expenditures	(1,124,278)	(1,432,156)
Proceeds from redemption of investments	<u>1,638,696</u>	<u>1,778,535</u>
	<u>514,418</u>	<u>346,379</u>
Net Increase (Decrease) in Cash	59,640	(17,162)
Cash - Beginning of Year	<u>13,505</u>	<u>30,667</u>
Cash - End of Year	<u>\$ 73,145</u>	<u>\$ 13,505</u>

ISLAND COASTAL ECONOMIC TRUST

Notes to Financial Statements

March 31, 2018

1. Organization and Purpose:

The Island Coastal Economic Trust (the "Trust") is a not-for-profit organization incorporated under the North Island Coast Development Initiative Trust Act on February 27, 2006. The Trust is exempt from tax under Paragraph 149(1)(c) of the Income Tax Act.

The Trust is a partner and catalyst to build a diverse, innovative and sustainable Island and Coastal economy.

2. Significant Accounting Policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFP") and their significant accounting policies include the following:

Tangible Capital Assets

Tangible capital assets are recorded at cost. Tangible capital assets are amortized using the following annual rates:

Furniture, fixtures & equipment	20% declining balance
Computer equipment	30% declining balance

Tangible capital assets acquired during the year are amortized at one-half the above annual rates.

Revenue Recognition

The Trust follows the deferral method of accounting for contributions. Government funding and grants are recognized when the resulting project costs associated with their intended use are recognized.

Investment income is recognized when the income is realized and becomes due to the Trust.

Project Expenses

Amounts which are awarded to third parties by the Trust are recognized when the conditions of the signed funding agreement are met.

Accounting Estimates

The preparation of financial statements in accordance with ASNFP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Those estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

Financial Instruments

Measurement of financial instruments

The Trust measures its financial assets and liabilities at fair value.

The Trust subsequently measures all of its financial assets and liabilities at amortized cost. Financial assets measured at amortized cost include cash and long term investments. Financial liabilities measured at amortized cost include accounts payable and government remittances payable.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of revenue and expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

ISLAND COASTAL ECONOMIC TRUST

Notes to Financial Statements

March 31, 2018

3. Change in Accounting Policy:

During the year-ended March 31, 2018 the Trust elected to change its accounting policy to recognize revenues using the deferred contribution method from the previously applied restricted fund method of accounting for contributions.

The Trust made the above described change during the year ending March 31, 2018 as it received additional lump sum funding of \$10,000,000. The Trust concluded that presenting the entire lump sum funding of \$10,000,000 as revenue in one year, the year of receipt, would not provide as reliable and relevant information to the users of the financial statements as if it were to be deferred and recognized as the projects that it was provided to fund occurred.

The change in accounting policy has been applied retrospectively, effective April 1, 2017 and as a result the comparative financial information for the year-ending March 31, 2017 has been restated as detailed below.

	2017 As previously stated	Adjustment	2017 As restated
Deferred contributions	\$ -	\$ 5,333,273	\$ 5,333,273
Net assets end of year	6,590,526	(5,333,273)	1,257,253
Project income	-	1,469,756	1,469,756
Excess (deficiency) of revenues over expenditures	(1,829,023)	1,469,756	(359,267)

4. Tangible Capital Assets:

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Furniture, fixtures and equipment	\$ 23,252	\$ 19,981	\$ 3,271	\$ 4,088
Computer equipment	28,454	26,920	1,534	2,192
	<u>\$ 51,706</u>	<u>\$ 46,901</u>	<u>\$ 4,805</u>	<u>\$ 6,280</u>

5. Long Term Investments:

Long Term Investments are held with the Municipal Finance Authority of BC.

	2018	2017
Money market fund	\$ 111,860	\$ 259,372
Intermediate fund	-	6,368,579
Short term bond fund	14,877,395	-
	<u>\$ 14,989,255</u>	<u>\$ 6,627,951</u>

ISLAND COASTAL ECONOMIC TRUST

Notes to Financial Statements

March 31, 2018

6. Deferred Contributions:

	2018	2017
Deferred contributions beginning of year	\$ 5,333,273	\$ 6,803,029
Revenue recognized	1,131,678	1,469,756
Contributions during the year:		
Province of British Columbia	<u>10,000,000</u>	<u>-</u>
Deferred contributions end of year	<u>\$ 14,201,595</u>	<u>\$ 5,333,273</u>

At March 31, 2018 the Trust had committed funds totalling \$1,857,409 (2017 - \$1,693,619) to Board approved projects. Because the costs for the above referenced projects have not yet been expended, the funds remain in deferred contributions at year-end.

Total uncommitted funds at March 31, 2018 were \$12,344,186 (2017 - \$3,639,654).

7. Lease Agreement:

The Trust leases its office space. The lease has a term of 3 years and 6 months and expires August 31, 2018. There is a renewal option of an additional 5 years on expiration of the above term. The annual lease rate under the lease term is \$14.15 a square foot or approximately \$14,150 a year exclusive of strata fees and taxes.

8. Financial Risks:

Liquidity risk

Liquidity risk is the risk that the Trust will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Trust manages its liquidity risk by monitoring its operating requirements. The Trust prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures during the year ended March 31, 2018.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. In seeking to minimize the risks from interest rate fluctuations, the Trust manages exposure through its normal operating and financing activities. The Trust is exposed to interest rate risk primarily through its long term investments held with the Municipal Finance Authority of BC.

ISLAND COASTAL ECONOMIC TRUST

Notes to Financial Statements

March 31, 2018

SCHEDULE 1 - UNCOMPLETED PROJECTS:

	Approved and Committed	2006-2016 Spent	2017 Spent	2018 Spent	Future Committed
Anacla Bamfield Walking Trail	\$ 279,763	\$ -	\$ -	\$ 220,286	\$ 59,477
Campbell River Broadband Network	50,000	-	-	45,000	5,000
Comox Marine Centre	320,045	-	24,768	263,273	32,004
Cowichan Lake Mobile Visitor Unit	30,000	-	-	-	30,000
Economuseum 2 - Artisans at Work	75,000	12,315	26,079	5,256	31,350
Extending Mt. Cain Operating Season	12,000	-	-	-	12,000
Forests Forever Exhibit	400,000	-	-	-	400,000
MARS Wildlife Eco Centre	236,000	-	-	12,585	223,415
Ragged Edge Community Network	50,000	-	18,046	19,959	11,995
Sayward Working Waterfront Trail	183,750	-	-	-	183,750
Secret Beach Marina	400,000	-	-	-	400,000
Texada Food Hub	22,100	738	891	7,221	13,250
Tidemark Theatre Revitalization	153,000	137,700	-	15,300	-
Tofino Mainstreet Revitalization	117,993	-	-	89,384	28,609
Vancouver Island Alpine Hut	90,000	-	-	81,000	9,000
Wild Pacific Trail Connector	75,000	-	-	-	75,000
EDRP Funding (Schedule 3)	<u>429,974</u>	<u>-</u>	<u>26,100</u>	<u>61,315</u>	<u>342,559</u>
	<u>\$ 2,924,625</u>	<u>\$ 150,753</u>	<u>\$ 95,884</u>	<u>\$ 820,579</u>	<u>\$ 1,857,409</u>

ISLAND COASTAL ECONOMIC TRUST

Notes to Financial Statements

March 31, 2018

SCHEDULE 2 - COMPLETED PROJECTS:

	Approved and Committed	2006-2016 Spent	2017 Spent	2018 Spent	Future Committed
Alert Bay Performance Amphitheatre	\$ 38,584	\$ -	\$ 38,584	\$ -	\$ -
Chemainus Revitalization Project - Festival Square	200,000	200,000	-	-	-
Community Carbon Marketplace	43,863	43,863	-	-	-
Cortes Island Visitor Kiosk	7,500	570	6,930	-	-
Cowichan Farm Incubator	7,750	-	-	7,750	-
Cowichan Regional Visitor Centre	638,500	571,850	66,650	-	-
Cowichan Valley Trail	1,645,337	1,645,337	-	-	-
Croteau Lake Group-Site Shelter	30,000	-	-	30,000	-
Elk Falls Suspension Bridge	325,000	325,000	-	-	-
Fishermens Harbour Project	3,116,848	2,694,479	422,369	-	-
Ford Cove Harbour Improvement	298,279	-	160,526	137,753	-
Gibsons Public Market	400,000	-	354,877	45,123	-
Homalco Wildlife Tours	195,000	195,000	-	-	-
Kelly's Bridge	37,600	-	37,600	-	-
Lasqueti Broadband Infrastructure	19,776	19,776	-	-	-
Mt. Cain Building and Lodging Project	48,500	48,500	-	-	-
Powell River Academy for Arts	10,000	-	10,000	-	-
Seaplane Base Boat Launch	14,290	14,290	-	-	-
Sid Williams Theatre	19,556	19,556	-	-	-
Squareone Tech Incubator	18,694	18,694	-	-	-
West Coast Aquatic Stewardship Centre	140,000	60,293	79,707	-	-
EDRP Funding (Schedule 3)	399,631	240,942	110,727	47,962	-
Regional Support Programs	178,743	50,330	85,902	42,511	-
Completed prior to 2016 fiscal year	40,188,033	40,188,033	-	-	-
Total Completed Projects	48,021,484	46,336,513	1,373,872	311,099	-
Total Uncompleted Projects (Schedule 1)	2,924,625	150,753	95,884	820,579	1,857,409
Total Project Spending	\$ 50,946,109	\$ 46,487,266	\$ 1,469,756	\$ 1,131,678	\$ 1,857,409

ISLAND COASTAL ECONOMIC TRUST

Notes to Financial Statements

March 31, 2018

SCHEDULE 3 - EDRP PROJECTS:

	Approved and Committed	2006-2016 Spent	2017 Spent	2018 Spent	Future Committed
Community Based Visitor Exp Survey	\$ 8,079	\$ 3,300	\$ 4,779	\$ -	\$ -
Cormorant Island ED Plan	30,000	30,000	-	-	-
Cowichan Regional Community Profile	21,565	21,565	-	-	-
Gabriola ED Strategic Planning	6,000	-	-	6,000	-
Gabriola Island Econ Assets Mapping	12,507	8,920	3,587	-	-
Hornby Island Economic Action Plan	4,113	4,113	-	-	-
INfilm - Invest Attraction Tools	5,000	-	2,500	2,500	-
Kelsey Bay Harbour Needs	5,705	5,705	-	-	-
Marine Tourism Sector Marketing	29,376	29,376	-	-	-
Marine Tourism Sector Marketing Phase 2	30,000	17,285	12,715	-	-
MWRD Sectoral Strategic Plan	12,500	12,500	-	-	-
North Island ED Partnership	15,000	-	-	15,000	-
Pacific Rim Knowledge & Innovation	24,655	24,655	-	-	-
Parksville Oceanside Initiative #2	10,000	10,000	-	-	-
Port Alice Quick Start	12,500	-	12,500	-	-
Prov Partnership - Port Alice ED Strategy	15,000	15,000	-	-	-
Remote Regions Enhanced Mktg Plan	14,400	-	12,960	1,440	-
Salish Sea Marine Trail	19,036	-	6,014	13,022	-
Sayward Quick Start	10,000	-	-	10,000	-
Sunshine Coast ED	7,125	-	7,125	-	-
Sunshine Coast Region ED Charter	7,500	7,500	-	-	-
Tahsis ED Strategy	23,208	23,208	-	-	-
Tahsis Quick Start	14,365	-	14,365	-	-
Tofino Investment Readiness Assessment	5,000	-	5,000	-	-
Van Island Trail Strategy	27,815	27,815	-	-	-
Van Island Trail Strategy Phase 2	29,182	-	29,182	-	-
Total Completed EDRP Projects	399,631	240,942	110,727	47,962	-
Campbell River Tech Strategy	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000
Cormorant Island Quick Start	15,000	-	-	-	15,000
Cortes Island Economic Action Plan	12,500	-	-	4,822	7,678
Cowichan Lake Tourism Action Plan	10,000	-	-	-	10,000
CVRD Industrial Attraction Strategy	15,000	-	-	-	15,000
CVRD Tech Strategy	10,000	-	-	9,000	1,000
Discovery Islands Marine Trail Plan	10,000	-	-	-	10,000
FDI Attraction Tools	30,000	-	-	-	30,000
Gabriola Island ED Quick Start	5,000	-	-	-	5,000
Ladysmith ED Strategy	15,000	-	-	-	15,000
Lantzville ED Strategy	30,000	-	-	-	30,000
Made on VI Marketing	30,000	-	-	-	30,000
MHSS Strategic Plan	15,203	-	-	-	15,203
MWRD Workforce Attraction Strategy	30,000	-	-	-	30,000
NVI - Whale Heritage Site SP	20,000	-	-	-	20,000
Powell River Sectoral Dev Strategy	25,000	-	-	-	25,000
Regional Marketing of Education Tourism	29,000	-	26,100	-	2,900
Rural Business Exchange	21,188	-	-	6,250	14,938
Tourism Invest & Develop Tools	30,000	-	-	-	30,000
UBERE Program	12,333	-	-	2,983	9,350
Van Island Coast Tourism Research	9,750	-	-	8,775	975
VI Wood Value Added Sector	30,000	-	-	29,485	515
Zeballos ED Quick Start	15,000	-	-	-	15,000
Total Uncompleted EDRP Projects	429,974	-	26,100	61,315	342,559
Total EDRP Spending	\$ 829,605	\$ 240,942	\$ 136,827	\$ 109,277	\$ 342,559

ISLAND COASTAL ECONOMIC TRUST

Statement of Financial Position

March 31, 2018

	2018	2017 (Note 3)
ASSETS		
Current Assets		
Cash	\$ 73,145	\$ 13,505
Accounts receivable	13,825	-
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Approved by the Directors:



Director



Director

ISLAND COASTAL ECONOMIC TRUST

Statement of Changes in Net Assets

Year ended March 31, 2018

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ISLAND COASTAL ECONOMIC TRUST

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