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Image credit (front page): Destination BC/Kari Medig. Slocan Valley Rail Trail next to the Slocan River, near Winlaw, BC.

Introduction: The BC Trail Landscape

BC trails are diverse and multifunctional. According to the BC Trails Strategy Review there are an estimated 40,000 kilometres of formally recognized and managed trails and an estimated hundreds of thousands of kilometres of unregulated trails. They span across different geographical and topographical areas. They serve activities which include transportation, tourism, and recreation. They also hold significant cultural and historical value especially with respect to recognition of Indigenous culture. There is a general acknowledgement that trails benefit health and fitness, economic revenue, environmental stewardship, outdoor education, and rural development.

There are hundreds of organizations involved in maintaining and developing trails. In this report, trails refer to trails and trail infrastructure (such as trail heads, signage, parking, bridges, outhouses, etc.). Community groups and not-for-profit organizations play a significant role developing and maintaining BC's trail system. Other notable organizations are formal land management entities; namely, Recreation Sites and Trails BC (RSTBC), BC Parks, municipal governments, regional districts, and Parks Canada. First Nations and private landowners are land management entities whose role in the development and maintenance of BC trails is unmeasured at the provincial scale.

Throughout the province, trail maintenance and development relies on partnerships between land management entities, trail user group organizations, and volunteers. The BC Trails Strategy identified inconsistent and insufficient funding as a key issue in the sustainable development and maintenance of BC trails. Furthermore, BC's reliance on volunteers may be leading to volunteer burnout.

The primary objective of this report is to analyse and recommend options for sustainable funding to support the BC trail system; and especially to support community organizations in managing, maintaining, and developing trails. The report is divided into three parts: (1) recommendations for building a BC trail fund, (2) a review of current BC trail funding, and (3) reviews of trail funding in other jurisdictions. Parts 2 and 3 informed the recommendations made in part 1.

Part 1: Recommendations for a BC Trail Fund

A BC-wide trail fund can be a step towards building sustainable trail funding. The following recommendations are actionable steps that should be taken to establish a BC trail fund.

1) Establish priorities to help lead the direction of the trail fund

The jurisdictions reviewed had clear goals for their trails that led to the sources of their funds. In Iceland, recreational trails promote tourism. The clear link between trail development and tourism encourages tourism stakeholders to invest in trails. This is illustrated by the Icelandic Tourist Site Protection Fund which is managed by a tourism board. It is also illustrated by the Environmental Fund which is managed by a private tour company.

Western Australia has a collaborative approach to trails. They have an extensive planning process that engages with different stakeholders and encourages collaboration. Their trail projects are typically co-funded by different government departments and municipalities. Inter-departmental projects are successful because Western Australia has acknowledged the benefits of trails across multiple sectors (ex. Conservation, health and fitness, tourism, and rural development). By

establishing joint goals and widespread benefits, Western Australia can receive funding from different sectors for their trail projects.

It is recommended that the BC trail fund establish how it wants to contribute to the BC trail system. A clear direction will help guide what fund sources should be explored and pursued, how the fund is structured and governed, and who may be key collaborators. This should be the first step in the process of building a trail fund.

2) Determine Best Fund Source Options

It is recommended that the fund source options be chosen based on the established trail fund direction. First, picture the fund source options described in this document (ex. Provincial government funding, user fees, etc.) as categories. Then ask, "Which of these categories are best aligned with the goals of the BC trail fund?" and, "Which sources do we want to prioritize?" Keep in mind how the trail fund is likely to interact with stakeholders, and the likelihood of successfully building relationships with them. The next step, *identifying key collaborators*, *sponsors*, *and donors*, can be taken once the fund source options have been prioritized.

3) Identify Key Collaborators, Sponsors, and Donors

This step requires exploring funding options in further detail by identifying key collaborators, sponsors, and donors; and establishing relationships. The funding sources described in this document serve as categories to help guide the identification of partners such as key collaborators, sponsors, and donors. Partners are specific organizations that can contribute to the project. For instance, Mountain Equipment Co-op, Recreation Sites and Trails, and the Fraser Valley Regional District are all examples of potential partners. The fund sources are not an exhaustive list of potential partners; rather they are a starting point to identify more potential partners. Once potential partners have been identified, an outreach plan may be developed to help build the relationships.

4) Develop a fund structure and governance system

It is recommended that the development of the fund structure and governance system be completed after the first 3 steps because the key collaborators or the sources of funds may play an important role in determining how the fund should be set up. Afterall, a fund that meets the needs of the collaborators may facilitate contributions.

The fund structure refers to the technical aspects of how funds are collected, held, and distributed. For instance, consider whether funds will be held in a general account or whether there will be opportunity to earmark funds for specific types of projects. The governance system refers to who will be managing the fund. The "recommended characteristics of a BC trail fund" that are outlined in the next section of this document can serve to guide these decisions. Furthermore, the BC Trail Survey can provide insights and help guide decisions regarding fund structure and governance.

List of Factors That Should Be Considered

Factors	Guiding Questions
Application process	How hard/easy is it to apply?
Recipient criteria	What projects can receive funds? Is there a fund match criterion?

Method of fund distribution	Are certain applicants prioritized?
Method of fund collection	How will the funds be collected? Where will they be held?
Period of distribution	Is it continual or periodic?
Size of Funds	How large will the fund be overall? How much can an organization receive?
Representation of interests	Does the chosen structure and governance reflect the goals of the fund? Are the interests of fund contributors also represented? Does the fund favour certain groups of recipients?

5) Actions to build support for a BC trail fund

The following are actions that can be taken to build support for a BC trail fund. These actions can be taken at any point in the process.

a. Gather information on the social, economic, and environmental benefits of trails

A better understanding of the benefits of trails can help reveal collaborative opportunities and potential new funding sources. For instance, in Western Australia they acknowledge the benefits of trails across different sectors and trail projects receive funding from a variety of sectors. Knowing the benefits of trails can also serve to persuade the public or governments of the investment opportunities in trails.

b. Understand trail user groups and their behaviours

Knowing who is using BC trails and for what purposes could also be helpful in revealing collaborative opportunities and potential new funding sources. For one, key collaborators, sponsors, and donors, may be more interested in contributing to a trail fund if trails are predominantly used by a specific user group that is closely tied to their organizations. For example, trails used primarily for tourism may receive more funding from the tourism sector and trails used by residents may receive more funding from their local governments.

Understanding user groups and their behaviours can also provide insights on how to potentially pursue a user fee funding system. User group research may illuminate which areas may succeed with user fees or how they may be collected.

c. Raising Awareness for Trails

It may be worth investigating what the average British Columbians' view on trails are. Questions that remain are:

- Are British Columbians aware of trail benefits?
- Do they know that the majority of BC's trails are maintained by volunteers?
- Would they be interested in volunteering their time or donating to a trail fund?
- Do they support government funding of trails?

Answers to these questions may indicate whether a BC trail fund or trail projects may gather more public support for trails.

Additionally, it may be worth considering a joint campaign among recreation stakeholders to advocate for more support for BC trails. During the review of BC trail funding, several

sources pointed at the lack of funding for BC Parks (and sometimes Recreation Sites and Trails). While there are various organizations supporting the increased funding of BC Parks, there seems to be little or no collaboration between these organizations. A large joint effort may help bring these issues to the public eye and gather public support for them. During conversations with people that work in the BC outdoor recreation sector, it was mentioned that a big public push may be what convinces the provincial government to commit to more trail funding. A campaign may also encourage the public to further support trails. Further discussions on what this campaign may look like and whether it is likely to be effective are needed.

Recommended Characteristics of a BC Trail Fund

The trail fund can help ensure that a number of eligible organizations receive financial support that will help them move forward with their projects. The following are six recommendations for the characteristics that will enable sustainable funding that meets the needs of the community.

> Build a sustainable fund with diversified sources

Much of BC trail work relies on funding that is inconsistent or insufficient. To have sufficient and consistent trail funding, the trail fund should be able to accept funding from a variety of sources. There is a risk if the fund is over-reliant on a single source; diverse sources can mitigate this risk. It is recommended that the fund use a variety of fund source options (described later in this report).

> Represent a unified voice on macro-level issues and goals

There is currently no unified support for trails across the province. The hundreds of organizations that work on trails in BC typically focus their efforts within their jurisdiction or interest area¹. These localized efforts are effective because trails can have clear and direct local impacts. This is a good strategy for local groups, but it would be inefficient for a BC+wide trail fund to focus on all the localized benefits.

Instead the fund should focus on province-wide issues and goals. Focusing on the province-wide issues and goals may enable the fund to reach provincial funding options that would not be open to a singular group.

Note: Localized benefits may not be the focus, but they can be leveraged to illustrate the benefits of trail investment. For instance, a success story in one town may help illustrate how trail investment elsewhere can be beneficial.

> Manage the fund through a neutral third party or a representative group

The BC trail should either be managed by a neutral third party that can fairly distribute funds, or by a group that can represent different interests. BC trails are used for an incredible amount of purposes and there can be conflict between groups with different interests. The following list begins to illustrate how diverse BC trails can be. Trails may:

welcome local recreation groups or international tourists

¹Localized efforts oftentimes leave little room for governments and organizations to consider the impacts and benefits that exist beyond their focus area. As such, governments and organizations may be missing opportunities for collaboration.

- have low-impact accessible routes or technical routes
- o be specialized for a single user group or they may support multiple user groups
- be close to urban centres and receive thousands of visitors or be in a rural area and receive comparatively fewer visitors.

To avoid perceived unfairness, it is recommended that special care be taken when deciding who will chair the fund, what their level of involvement will be, and how funds will be distributed.

> Ensure the fund has accountability measures and long-term viability

Trail investment favours new trail construction because it is perceived to be a more attractive investment option. Once trails are built, they incur continual costs that are not always financed by the original construction effort. This leads to the wearing of trails to poor conditions.

The BC trail fund should first focus on funding those forgotten maintenance costs. For new trails, the fund should focus on ensuring accountability so that they may continue to receive funds beyond the initial investment. The options to ensure the fund has long-term viability are to:

- 1) Secure long-term funding commitments such as yearly grants or sponsorships
- 2) Secure large contributions that can be distributed over a long period

Prioritize trail volunteers and not-for-profit organizations

It is recommended the fund focus on trail volunteers and not-for-profit organizations. These groups contribute many volunteer hours and there is concern of volunteer burnout. Helping these organizations may also directly help land management entities if they hold partnership agreements.

> Make the fund flexible and accessible

Ease of accessibility should be considered when designing the fund application process. Not all organizations have the same capacity to secure funds. Fund flexibility should be considered when designing how funds will be received. Some fund contributors may only support a trail fund if it supports projects that are directly aligned with their goals.

Options for Fund Sources

The chart below serves as a framework to help guide the search for key collaborators, sponsors, and donors. Each section represents multiple funding options that can be explored beyond this document.

Fund Source	Information
Provincial	There is opportunity to seek funding from different parts of government because
Government	trails benefit multiple sectors. (Trail funding from different sectors is an approach
	Western Australia follows.) Collaborations may be sought with the following
	ministries:
	- Environment and Climate Change Strategy
	- FLNRORD
	- Health
	- Tourism, Arts & Culture
	- Transportation & Infrastructure

Approaches to government funding:

- Large one-time contribution It may be budgeted over the course of many years and may be the easiest option for the provincial government to commit to.
- 2) **Long term periodic funding** This would require a long-term partnership with a commitment to periodic funding (every few months or years).
- 3) **Special appropriations account** this is a fund that is set up through legislature and whose expenditures are determined in an act. The ORV Fund and the Park Enhancement Fund are examples of special appropriation account funds. This is likely the most consistent provincial funding option.

Note: COVID-19 economic recovery plans may offer opportunities for funding of projects that stimulate the economy and support communities. **Infrastructure grants may be a promising option.**

Regional District

Regional districts may be an opportunity for funding local projects that benefit residents. The Fraser Valley Regional District (FVRD) is a district that has recently begun to explore the benefits of outdoor recreation. Regional Districts like the FVRD that are looking to further develop outdoor recreation may be willing to support a fund that funds projects in their region.

If Regional District funding is pursued, a BC trail fund may require the capacity to earmark Regional District funds so that they support organizations in their respective area.

Tourism

Tourism funding appears to be a promising area to explore. (In both Iceland and Australia, the government invests in trails to grow tourism.)

Approaches for tourism funding:

1) Partnerships

They are voluntary exchanges between tourism stakeholders and the trail fund. They may be a commitment to charging fees that will go to the trail fund, commitment of profits to the fund, sponsorships, or donations.

Example: The Icelandic Mountain Guides give 1% of profits and fixed fees from certain tours to their environmental fund. The Seato-sky gondola charges a fee on their tickets that go to the BC Parks Foundation for projects in the sea-to-sky corridor.

2) Donations or Sponsorships

Direct voluntary contributions to the fund. No future commitments required.

3) Government Enforced Fees or Taxes

Fees or taxes that are enforced and collected by governments and are redistributed to trails.

Example: The <u>Municipal Regional District Tax</u> is an optional municipal tax on short term accommodation in BC. The revenue collected is then redistributed to the municipalities, regional districts, or eligible entities who use the funds to promote tourism. *It*

may be proposed that these funds also be used to fund trails in popular tourist destinations. (Further research required.)

Potential Collaborators include:

- Municipalities or regional districts in areas with high tourism
- Tourism organizations (such as boards or associations)
- Provincial marketing agency (Destinations BC)
- Commercial tour operators
- YVR (partnered with BC Parks Foundation)

Commercial Outdoor Recreation Stakeholders

Commercial outdoor recreation stakeholders may be willing to contribute if their products or services are likely used on trails. Collaborators may be outdoor equipment retailers, athletic apparel retailers, and Canadian or BC brands (ex. Mountain Equipment Co-op, Arc'teryx, Canadian Tire... etc.). In New Zealand, a trail fund works on obtaining a commitment of 1% of profit from retailers. The idea is that small contributions can add up to make a big difference.

Corporations

Corporations may receive little or no benefits from trail investments, but they may be interested in contributing to a good cause. Banks have been mentioned as a potential contributor. In Western Australia, Subaru partners with West Cycles, a not-for-profit cycling organization.

Concerns for this fund source are that these contributions may be perceived as corporate influence on BC trails and greenwashing.

Community Gaming Grants

Community <u>Gaming Grants</u> are not a fund option that can be considered from the start because of the application requirements. Nevertheless, gaming grants may be a promising source if the fund meets the requirements. A gaming grant can only be received by a not-for-profit organization for a program that has successfully run for at-least 12-months. If set up in such a manner, the BC trail fund may be eligible to receive funding as a service organization under the environment or public safety categories.

It is not recommended that the BC trail fund be set up to rely on Community Gaming Grants. Rather, they are a fund source that should be re-evaluated in the future.

Federal Government

Federal government funding of trails may be an opportunity for growth because it is currently a small proportion of funding. There may be opportunities for funding from multiple sectors such as tourism, economic development, and infrastructure. Federal government funding may be limited if trails are considered to fall under the provincial government's jurisdiction; that being said, trails may have benefits for Canada that fall under the federal government's jurisdiction. Further research is required.

The **federal gas tax fund** may be a promising option. It is distributed to communities across the country for local infrastructure projects. In the past it has funded trails projects. With an endorsement from an eligible local government, a not-for-profit organization may be eligible to receive funds. Alternatively, local

governments receiving this fund may be interested in reinvesting the funds into a BC trail fund. Note: COVID-19 economic recovery plans may offer opportunities for funding of projects that stimulate the economy and support communities. The natural resource sector may provide funding opportunities. Further research is Natural Resource required on evaluating the feasibility of the proposed ideas and identifying Industry organizations willing to collaborate. Ideas on how this sector may help fund trails: 1) A shift of values in forestry from resource extraction to conservation/recreation may benefit trails. This would require an alignment of conservation and recreation values that may shift investment incentives from natural resource use to its preservation. The Forest Enhancement Society of BC has been mentioned as a potential partner. This strategy is like Iceland in which their natural sites are valued for their tourism and environmental benefits. 2) Asking resource extractors to support trails is another option. All across BC, resource roads are used to access trails. Once resource extractors leave, resource roads are decommissioned and access to trails is reduced. This option is to ask resource extractors to fund trail access or trail maintenance after they have completed their project. 3) Receiving fee or tax revenue from the resource sector is the third option. This would entail asking the government for part of those revenues or asking for increases in fees and taxes. Special consideration: People may be moving away from rural areas with declining resource sectors. However, good outdoor recreation opportunities may incentivise people to move towards rural areas. If this is the case, there may be government incentive to fund trails for rural development. While widely operationalized by nordic ski and snowmobile clubs, user fees are not Users generally used in BC and are an opportunity for increasing funding. However, there are several barriers to successful user-based funding in BC.

1) How will user fees be collected? BC is extremely large therefore collecting user fees at sites or trailheads across the province would be extremely difficult to achieve. It may be possible to successfully collect user fees in areas or sites with high visitation rates; that being said, these would likely be collected and used by a local entity. If there is another place beyond physical sites where trail users can be identified and reached. then trail user fees may also be feasible.

2) What will be the cost of the system? If a feasible system is developed, then a cost-benefit analysis of the cost of implementation and the revenue received must be conducted. 3) Will BC residents support user fees? Research has shown that BC seems more resistant to user fees. User fees may also create barriers and discourage trail use. 4) Will trail volunteers need to pay? People that most use trails are also most likely volunteers or other contributors. Charging fees to this user group may be unfair. Further research is recommended to effectively implement user-based funding. If trail user groups can be clearly defined, there may be opportunities to charge specific groups in a fair manner. For instance, it may be "fair" to charge user groups that cause more damage (given they are not working on repairing it) or it may be "fair" to charge a tourism fee to users that benefit from the work and funding of locals. **Events** Partnerships with trail events, such as races, may be a good source of funding. Film and BC nature is used as film locations and to promote BC. BC Parks collects fees from film permits for filming on BC parks and protected areas. It may be beneficial Marketing to explore other film or marketing fees that apply to filming in BC natural sites. If they exist, some of the revenues may be redirected to trail work as it enhances natural sites. Alternatively, the possibility for the creation of such a fee may be explored. There may be opportunities for partnerships with environmental groups. Well **Environment** maintained trails may help preserve sensitive natural areas by keeping visitors on the trail and out of the surrounding environment. Furthermore, trail programs that distribute knowledge about environmental etiquette may help preserve the environment and encourage environmental stewardship. As such, the environmental sector or conservation-oriented foundations may be willing to fund trail maintenance and programs. Alternatively, a partnership with environmental groups may amplify support for projects with similar goals. For example, recreation groups and environmental groups may jointly advocate for increased funding of BC Parks. Safety BC search and rescue groups may be interested in a partnership. Properly maintained trails and good signage may help prevent search and rescue incidents. Search and rescue groups are unlikely to provide funds as they have also struggled to obtain them. However, they may be interested in partnering to provide a stronger voice on trail and safety related issues (including increasing funding). Note: The Community Gaming Grant program has a public safety funding category.

Part 2: Review of Current BC Trail Funding

The BC Trail Funding Review addresses the role and funds of land management entities, not-for-profit trail work and funding, and an overview of available funds.

The Role and Funds of Land Management Entities

Land management entities are typically governments and government organizations. They lawfully manage land in their jurisdiction and oftentimes manage, fund, maintain, and develop trails. Capacity for trail projects and involvement with trails vary. RSTBC and BC Parks lack sufficient funding for their own operations and their capacity is stretched. They are subject to provincial policy decisions and funds that go to trails are subject to multiple budgetary decisions. Trail funding in municipalities is subject to budgetary decisions made by their respective municipal council. Trail funding in regional districts relies on a demand and support for regionally funded trails. The levels of trail funding in municipalities and regional districts can vary drastically by region. Overall, trails managed by land management entities primarily rely on political and budgetary decisions. Any reprioritization in the decision making process may lead to changes in levels of funding.

Land Management Entities Jurisdictions and Source of Funds

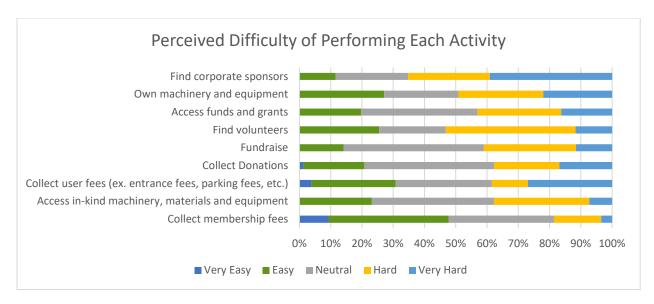
Entity	Jurisdiction	Source of Funds	Notes
Recreation Sites and Trails BC (RSTBC) (20,000 km of trails)	BC crown lands	RSTBC's budget is granted by the Provincial Government – Ministry of Forests, Lands, Natural Resources Operations and Rural Development (FLNRORD) – Integrated Resource Operations Division	 Funding is subject to budgetary decisions Budget is also used for other projects such as site development Rely on hundreds of partnerships with trail user groups to maintain trails and sites Capacity is stretched and they lack adequate funding Manage the Off-Road Vehicle (ORV) Fund which separately received funds from ORV registrations
BC Parks (7,400 km of trails)	Provincial Parks and Protected Areas	BC Parks budget from the Provincial Government – Ministry of Environment and Climate Change	 Funding is subject to budgetary decisions Budget is used for other projects such as park development and conservation Partnerships with trail user groups to help maintain parks and trails Capacity is stretched and they lack adequate funding Manage BC Parks Enhancement Fund which separately receives funds from donations and the license plate program (partnership with ICBC)
Municipal Government s (9,000 km	Municipality	Municipal budget from sources such as municipal taxes and fees	- Funding is subject to budgetary decisions made by municipal councils

of trails and pathways)	- Local parks and trails		 Urban municipalities are more likely to have higher levels of funding for parks and trails than rural municipalities
Regional Districts (1,000 km of trails)	Regional District	Regional taxes – can only be spent on the service that is taxed	 Regional District funding of trails varies by districts as it is considered an optional service requested by taxpayers
Parks Canada (1,000 km of trails)	National Parks	Parks Canada budget from the federal government	- Parks Canada manages national parks in BC
First Nations (unknown)	Reserve Lands, Consultation Areas, and Traditional Land		 First Nations manage lands in BC, and they may also co-manage lands with other land management entities Projects on First Nation lands require consultation The province-wide involvement of First Nations in trail development is unmeasured
Private Landowners (unknown)	Private Land		The province-wide trails involvement of private landowners is unknown

Not-for-Profit Organizations' Trail Work and Funding

Not-for-profit organizations are key contributors to the BC trail system. In September 2020, a survey was conducted to better understand organizations working on trails. The survey was distributed to 1110 contacts and received 113 responses of which 95 responses came from not-for-profit organizations.

The survey revealed that 50% of not-for-profit organizations were unable to take on trail projects due to a lack of funding. Not for profit organizations indicated that they would be extremely likely to apply for trail funds if they were made available to them. Respondents were also asked to rate how difficult it was to collect funds and resources. All of the ratings except for "collecting membership fees" were perceived to be difficult. The most difficult is to find corporate sponsors.



The table below represents two years of funds received and used on trail projects from 73 organizations. These figures are estimations and should not be used as exact numbers.

Funding Sources Weighted by Total Yearly Cost of All Trail Projects for Not-for-Profit Organizations:

<u>Sum of 2018 and 2019</u>

	Tota	al Sum	Total Percentage	Number of Organizations
Our organization's membership fees	\$	608,659.78	14%	55
Federal government funding	\$	187,956.50	4%	5
Provincial government funding	\$	1,052,628.77	24%	35
Regional district or municipal government funding	\$	825,920.85	19%	20
Corporate sponsors or partners	\$	370,641.56	9%	27
User fees (such as park entrance fees, parking fees, etc.)	\$	122,200.00	3%	8
Donations	\$	348,072.39	8%	40
Trust or Foundation grants	\$	618,927.50	14%	17
Other	\$	180,274.65	4%	12
Total	\$	4,315,282.00		73

The survey asked about volunteer hours. In 2018 there were an estimated 62,310 hours (50 respondents) and in 2019 there were an estimated 62,970 hours (56 respondents). At a pay rate between \$15/hour to \$25/hour, the total value of volunteer hours from the respondents may be estimated between \$934,650 to \$1,557,750 in 2018 and between \$944,550 to \$1,574,250 in 2019. This is a significant amount of value especially because this represents a sample of all the trail organizations in BC.

Available Funds for BC Trail Work

There are few funds in BC that are strictly dedicated to outdoor recreation and trails but trail projects are able to obtain funding from funds with other goals. The following sections discuss funds that may be applied to trails. They are not an exhaustive list of funding options.

Federal Government Funding

The federal government does not have many options for trails. The <u>Gas Tax Fund</u> periodically funds trail projects such as the Fraser Valley Regional District recreation <u>research</u>. In 2009 they announced \$25 million (FMCBC, 2015) for trails as part of an economic action plan and in 2014 they announced \$10 million for the national recreational trails program (Infrastructure Canada, 2014).

Provincial Government Funding

The provincial government provides periodic funding that is often tied to current goals and may be used for trails. Funds from the provincial government and from provincial government agencies include:

- BC Parks Partnership Agreements
- BC Parks Enhancement Fund
 - o The BC Parks License Plate Program contributes to the fund.
- RSTBC Partnership Agreements
- Off-Road Vehicle (ORV) Fund
 - o The fund receives a portion of fees from ORV registrations.
- Rural Dividends
 - Funds trail destination development in rural areas. This program is currently on hold.
- Infrastructure Grants
 - o Community Economic Recovery Infrastructure Program
 - o Community, Culture and Recreation Program (2021 or 2022)
 - Rural and Northern Communities Infrastructure
 - o Infrastructure Planning Grant Program

Trusts or Foundations

Trusts and foundations typically fund trail work by giving grants. Trusts and foundations were not reviewed in depth. Examples of trusts that fund trail projects are the Columbia Basin Trust, the Island Coastal Economic Trust, the Northern Development Initiative Trust, the Gabriola Lands and Trails Trust, or the Greenway Lands Trust. The BC Parks Foundation is an example of a foundation that funds trails. They have a partnership with the Sea-to-Sky Gondola to fund recreation projects in part by fees charged on the Sea-to-Sky Gondola.

Part 3: Jurisdiction Reviews

The jurisdiction review is used to analyze how different trail systems are funded. Each scan addresses significant funding and management entities; it may also address unique funds. The findings from these scans are used to guide recommendations for future BC trail funding.

Iceland Trail Funding Analysis

Environmental protection and tourism development are two topics that often appear in Icelandic trail management. Environmental protection is important in Iceland because trails go through sensitive natural and cultural sites (Ministry for the Environment..., 2020). Icelanders also acknowledge the importance of tourism within their country. Protecting lands and developing trails is important to continue to attract tourists. In fact, all the trail funding available in Iceland is in one way or another related to tourism. This contrasts with BC where tourism rarely appears to be a source of funds for trails.

Funding from tourism in Iceland is likely successful because of two main factors: Firstly, it appears that trails receive a large portion of their traffic from tourism (H. Óskarsson, personal communication, Sept. 16 2020). It is logical for tourism sources to fund trails if tourists are the ones causing the most wear. Secondly, Icelanders value protecting the environment and they acknowledge the impacts of tourism. A key motivation of the tourism industry seems to be supporting the environment above supporting the recreational aspect of trails. In fact, they will temporarily close a site if it receives an influx of visitors that it cannot support (H. Óskarsson, personal communication, Sept. 16 2020).

Icelandic funding mechanisms can help guide how BC may approach strategies related to tourism. It may be especially helpful in developing funding strategies for trails in resort towns or areas with high tourism pressures. It is unlikely that BC will be able to rely on tourism province-wide since BC trails are used for many other purposes. Even so, BC's tourism industry can benefit from trail investments and should be seen as a potential collaborator and source for trail funding.

In Iceland, there is wide-spread environmental acknowledgement that drives trail maintenance. Surprisingly, some trail maintenance is voluntarily undertaken by actors in the tourism industry. In BC, It would be interesting to explore whether increased environmental awareness may increase public interest in trail investments. Also, aligning trail development goals with environmental goals may result in the emergence of new funding sources or collaborations to improve BC trail funding.

National State Agencies Manage and Fund Trails

The government of Iceland supports trails through public policy and through its state agencies. They develop public policy to coordinate, organize, and harmonize efforts that maintain and develop national infrastructure such as trails (Ministry for the Environment..., 2020). Infrastructure developed through legislation helps protect natural and cultural heritage sites. Policies are in response to increased tourism—much of which takes place in environmentally and culturally sensitive outdoor recreation sites (Ministry for the Environment..., 2020).

Management of National Lands

Skógræktin - the Icelandic Forest Services (IFS) is a national government agency in the Ministry of Environment and Natural Resources, that works to research, develop, consult, and distribute knowledge with regards to forestry (Skógræktin, n.d.). It is a key entity involved with national land management. Interestingly, Iceland has limited forests, but they work on afforestation projects to restore native forests, to grow commercial forests and to sequester carbon emissions (Skógræktin, n.d.).

The IFS formally manages national forests and a significant portion of trails and tourist destinations. Their staff works on the construction and maintenance of trails. In certain areas, trail maintenance is

conducted by trail volunteers. The IFS coordinates the *Thórsmörk Trail Volunteers* program which is filled by volunteers on working holidays that maintain trails (Iceland's Forest Service, n.d.).

Funding of Trails on National Land

A special fund managed within the Ministry of Environment and Natural Resources funds most trail work on national land that can be accessed by national government agencies (H. Óskarsson, personal communication, Sept. 4 2020). State agencies submit plans for urgent projects located on tourist destinations that are related to trail work and other facilities (H. Óskarsson, personal communication, Sept. 4 2020). A committee within the Ministry will then select the priority projects and projects work with 3-year plans (H. Óskarsson, personal communication, Sept. 4 2020).

Municipal and Private Landowner Support for Iceland Trails

Land may also be managed by local municipalities or private landowners. This research has not conclusively verified the scope of jurisdiction and responsibility of local municipalities and private landowners; having said that, it falls to reason that local municipalities and private landowners would fund trail projects on their land.

Tourism Sector Funds Environmental Protection and Trails

In Iceland, the tourism sector tends to acknowledge the importance of environmental protection which can include trail maintenance. For instance, the official Icelandic tourism marketing agency, *Promote Iceland,* encourages tourists to responsibly explore the outdoors (Promote Iceland, n.d.). Five out of six of the tourism operators on Promote Iceland's website specifically mention company specific environmental protection or sustainability policies (Promote Iceland, n.d.). Most notably, the tourism industry voluntarily funds environmental and trail efforts.

Tourist Board Funds Trails on Municipal and Private Land

Local municipalities and private landowners can apply for funding from the *Tourist Site Protection Fund*. The Tourist Site Protection Fund supports projects that are not part of a national development plan and that develop tourist resorts and facilities, or conserve nature and safety at tourist sites (Icelandic Tourist Board, n.d.). Its goal is to increase the number of sites visited by tourists to reduce the pressure on sites that are frequently visited.

The Tourist Site Protection Fund is enabled by the *Act on The Tourist Site Protection Fund no.* 78/2011 (TPF). The Fund is managed by the *Icelandic Tourist Board* which is an "independent authority under the *Ministry of Industries and Innovation*" (Icelandic Tourist Board, n.d.). Applications are evaluated by the Board of the Fund which comprises 4 appointments from the *Minister of Industry and Tourism*; a representative of the *Icelandic Travel Industry Association*; a representative of the *Icelandic Association of Local Authorities*; an appointment of the *Minister of Environment and Natural Resources*; and one without nomination to act as chairperson. From 2012 to 2020, this fund has allocated 726 grants and 5.564.559.727 ISK which is equivalent to approximately CAN \$53.8 million. The fund requires applicants to provide a 20% fund match (Icelandic Tourist Board, n.d.).

Private Tourist Operators Fund Trail Work

A private tour operator, the *Icelandic Mountain Guides*, manages their own environmental fund. A fixed amount from each tour and 1% of their profits go to the environmental fund (Icelandic Mountain Guide, n.d.). The Icelandic Mountain Guides inform that since its creation the fund has been running smoothly (E.S. Sigurðardóttir, personal correspondence, August 21, 2020). Their inspiration for the fund was,

"We wanted to give back and also be responsible. Also, we were doing the majority of our trekking trips in certain areas so we wanted to support that area especially, just really pay for us being there. And also wanted to use the fund to support projects that don't have a clear access to funding elsewhere." (E.S. Sigurðardóttir, personal correspondence, August 21, 2020)

The funds are distributed through grants to conservation projects which include trail restorations (Icelandic Mountain Guides). The groups completing these projects may be from the IFS, from local trail groups or from the Icelandic Mountain Guides (Icelandic Mountain Guides).

Western Australia Trail Funding Analysis

There are three topics that are present across Western Australian trail management and funding. These topics contribute to the success of Western Australia. At the same time, they create barriers to better trail development and maintenance. In BC, we can improve trail funding by understanding how to use the positive aspects of the Western Australia trail environment and by learning how to overcome the negative aspects.

First, trail projects are managed collaboratively. In Western Australia there are many organizations involved in developing trails including governments, not-for-profit organizations, and industry. By working collaboratively, they are able to address more issues and align goals. This is especially important when you consider the scope and complexity of Western Australia. For one, Western Australia is over double the size of BC. Trails are used for many purposes such as walking, hiking, mountain biking, cycling, equestrian, paddling, snorkeling, and driving. Furthermore, trails benefit different sectors including regional (rural) development, tourism, environment, health, fitness, cultural, historical, and other economic or social areas. Organizations are typically able to work collaboratively because they have similar goals. The barriers to a collaborative approach may be the difficulty of collaboration. For instance, whether organizations are able to align goals and how much effort is required to do so.

Second, there is a great deal of strategic planning in Western Australia. Typically, it is state-level planning that frames goals and guides future projects. At least 8 state trail strategies² have been developed in Western Australia alongside various local and regional plans (and feasibility studies). State strategies are typically completed by departments in the state government and state-level organizations. Strategic planning is a strong approach because it clearly identifies goals and issues, and provides a framework for future actions. Approaching improvement to BC trail funding on a strategic level may be beneficial for BC as we must also address a large geographic area with multiple interests and benefits. Barriers to strategic planning may be the effort required and uncertainty of outcomes (because outcomes of a strategy depend on the execution of the strategy and not necessarily the planning).

Strategy (under development)

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² Western Australia Strategic Trail Blueprint 2017-2021; Western Australian Trails Hubs Strategy 2012; Western Australian Mountain Bike Strategy 2015–2020; Our Bike Path: A Strategic Framework for Cycling in Western Australian 2014–2020; Western Australian Horse Trails Strategy 2015; Western Australian Trail Bike Strategy 2008; WA Bicycle Network Plan 2014–2031; WA Outdoor Recreation

Third, trails are reliant on contributions from government agencies. This approach is currently successful in Western Australia because the government is interested in developing a variety of trail projects and they provide a variety of funding streams. Funding from different government streams is possible because the government acknowledges trail benefits across different sectors. A BC trail fund may also be able to obtain funding from different government branches if there are clear benefits for that sector.

The problems with relying on government contributions are illustrated in the Western Australian Strategic Trails Blueprint. For one, available government funds "are often tied to specific outcomes that do not always achieve broader trails outcomes" (TRC Tourism, 2017). Secondly, funding for maintenance is not consistently available. Finally, capacity of trail management organizations is limited. All three of these concerns also apply to BC, if we are to mainly rely on government contributions.

How Governments Support and Fund Trails

Government support for trails mainly comes from the state government and local governments. Local governments manage and maintain trails on behalf of taxpayers and communities (TRC Tourism, 2017). The state government plays a large role in trail development. The departments most involved are the Department of Biodiversity and Conservation Attraction, and the Department of Local Government, Sport and Cultural Industries. Other departments that are growing in relevance are the Department for Regions Development (which is linked to major regional projects) and the Department of Water (TRC Tourism 2017).

Department of Biodiversity, Conservation, and Attraction

The role of the Department of Biodiversity, Conservation, and Attraction is to protect and conserve natural spaces. The department collects fees from commercial operating licenses (for tourism, recreational, and educational services), commercial photography licenses, filming licenses, events, mooring, native fauna licenses, and flora licenses (D. of Biodiversity, Conservation and Attraction, n.d.). Furthermore, certain parks have vehicle entry fees (daily, holiday, or yearly pass options are available), camping fees, and attraction fees (Parks and Wildlife Services, n.d.).

One of the department's main services is the Parks and Wildlife Services which manages the largest portfolio of public trails, state national parks, marine parks, state forest, and other reserves (TRC Tourism, 2017). They plan, develop, fund, and resource trails (TRC Tourism, 2017).

The Parks and Wildlife service also partners with government, industry, and volunteers (TRC Tourism, 2017). For example in 2016/17, they partnered with and supported *Bibbulmun Track and Munda Biddi Trail foundations*, *Friends of the Cape to Cape Track, Westcycle, WA Mountain Bike Association, WA 4WD Association, Track Care WA, the Recreational Trailbike Riders' Association of WA and the Australian Trail Horse Riders Association* (Department of Parks and Wildlife, 2017).

The Parks and Wildlife Services contributes to the development of the <u>Collie</u> and <u>Dwellingup</u>
Adventure Trail Projects (Parks and Wildlife Services, n.d.). Both projects acknowledge the benefits of local trail networks such as increasing the local tourism economy, improving lifestyle and amenity for locals, and developing employment opportunities. The Collie Adventure Trails are funded by a \$10 million Royalties for Regions budget over four years. The Royalties for Regions program provides funding from the State's mining and onshore petroleum royalties for regional development projects and programs (D. of Primary Industries and Regional Development, n.d.). Since December

2008, Royalties for regions has invested \$6.1 billion. The Dwellingup Adventure Trails receive \$4.95 million in funding from the Department of Biodiversity, Conservation and Attractions, and \$3.456 million from a jointly funded initiative between Shire of Murray and the Commonwealth government's Building Better Regions Program.

Department of Sports and Recreation

The Department of Sport and Recreation work to promote participation and achievement in sport and recreation. They are the lead agency responsible for coordination and oversight of the WA Strategic Trails Blueprint and they coordinate the Trails Reference Group. The Trail Reference Group is an inter-organization collaboration that is composed of government agencies, industry entities and community members (TRC Tourism, 2017). The group's role is to advise, monitor progress, and report to government and industry on matters related to state trail strategies (TRC Tourism, 2017). Notably, the Trails Reference Group oversees the implementation of the Western Australian Strategic Trails Blueprint 2017-2021 which addresses key issues such as governance, collaborative planning, community engagement, and financing (TRC Tourism, 2017).

The Department of Sport and Recreation provide many funding opportunities for sport and recreation activities (D. of Local Government, Sport and Cultural Industries, n.d.). Notably, for at least 18-years, the Department partnered with Lotterywest to provide grants for planning, constructing, upgrading, or promoting trails. Grants were limited to \$100,000 (Grants Hub, 2016). In 2011, they awarded a total of \$1 million (Australasian Leisure Management, 2011) and in 2012, they awarded a total of \$569,742 (Waldron, 2012). This trail grant program appears to no longer be running. Today trails may find funding through the Department's other funding programs or through Lotterywest's Community Spaces and Places grants.

Other Stakeholders Develop, Maintain and Promote Trails

Other stakeholders also play a role in developing, maintaining, and promoting trails. The Western Australia Strategic Trails Blueprint identified Trails WA, Outdoor WA, Tourism WA, and community organizations as key stakeholders in the trails sector³. These are a few organizations, among many, that work on promoting, advocating, and developing trails. They often work on trail projects collaboratively with other organizations, governments, or industry.

WestCycle is a cycling organization that illustrates how funding may come from various sources. WestCycle is a not-for-profit organization and the peak body for cycling across Western Australia that is a representative voice for all bike riders (WestCycle, n.d.). Their funding comes from grants provided by different entities. Their annual report shows that in 2018 and 2019, they received grants from: Lottery West, Department of Sports and Recreation, Department of Transport, Department of Parks and Wildlife, Department of Local Governments, Sport, and Cultural Industries, Department of Racing, Gaming, and Liquor, Healthway, Shire of Dardanup, City of Wanneroo and Tourism Western Australia.

The Western Australia Strategic Trails Blueprint identified funding sources for trail organizations. They include:

³ Trails WA works on promotions and communications of trails. Outdoors WA is responsible for facilitating and encouraging outdoor recreation. Tourism WA is an interstate and international marketing organization that markets Western Australia as a travel destination and features trail experiences. Community organizations may volunteer, promote, or maintain trails.

- **Membership fees, fundraising, philanthropic donations and bequests** (typically all at low levels)
- **Commercial sources** such as sponsorship and fees from commercial operators and events. (May be significant but are underutilised)
- **User-pays contributions** from sources such as trail use fees, park entry fees, parking fees and camping fees. (May be underutilised)
- Discounted trail fees, multi-entry or multi-trail passes (used for trail maintenance)
- **Volunteers** support organisations and trail maintenance. (Not always consistent support)
- **Partnerships** such as with commercial operators and private landowners (to improve experiences and access)

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