

FILE: 5600-01/CVRWS

Supported by Russell Dyson

Chief Administrative Officer

R. Dyson



DATE: September 12, 2019

TO: Chair and Directors

Comox Valley Water Committee

FROM: Russell Dyson

Chief Administrative Officer

RE: Cumberland Community Forest Society Request for Land Acquisition Funds

Purpose

To provide further information and perspective on the request from the Cumberland Community Forest Society (CCFS) for financial support to assist with acquisition of 91.7 hectares of land alongside and including Perseverance Creek from Allen Lake to Comox Lake Road (Appendix A).

Recommendation from the Chief Administrative Officer:

This report is for information purposes only.

Executive Summary

At the June 11, 2019 meeting of the Comox Valley Water Committee (CVWC), a delegation from the CCFS presented a request for funds to support the acquisition of 91.7 hectares (226 acres) of land surrounding Perseverance Creek as part of watershed protection efforts underway in the Comox Lake watershed. The total funding amount requested from the Comox Valley Regional District (CVRD) is \$750,000, which is just over 25 per cent of the estimated maximum total project costs of \$2,800,000. The delegation was generally well received, with questions from CVWC members resulting in a request for a staff report assessing the partnership opportunity.

Implementation of the Comox Lake Watershed Protection Plan

Protection of riparian buffers to protect and stabilize stream banks was identified in the Comox Lake Watershed Protection Plan as an important means to minimize erosion and sedimentation. The Comox Lake Watershed Protection Plan recommends that "Should land be available for sale within the Comox Lake Watershed, the CVRD should purchase the land to gain additional control over its water supply." As outright acquisition of all land in the watershed would not be realistic, the purchase of priority lands in partnership with other entities/organizations is beneficial in terms of leveraging funds to increase the size and associated benefits of the acquisition.

Without partnership from the CVRD, the CCFS land acquisition will still go ahead but the area purchased may be smaller. CVRD's contribution would ensure that the entire riparian corridor of Perseverance Creek from Allen Lake to Comox Lake would be protected (Appendix B).

An additional benefit of partnership in this instance is that the CVRD would not hold responsibility for the protection and management of the lands. These responsibilities can require ongoing dedication of significant resources. As with the other lands in the Cumberland Community Forest, the lands will be owned and managed by the Village of Cumberland as park land, and will be protected by a Section 219 conservation covenant registered in favour of the Comox Valley Land Trust.

While the plans and intention of CCFS and the Village of Cumberland may currently align with the CVRD's objectives for watershed protection there is no certainty in the future. Non-profits are susceptible to risk and municipal political interests can change over time. If the CVRD were to consider this contribution an instrument should be put in place to protect CVRD interests in perpetuity. One way to accomplish this would be to make the commitment of funds subject to the CVRD being a signatory to the Section 219 conservation covenant that will be placed on the lands to ensure their protection in perpetuity.

Prioritizing Land for Protection

As recommended in the Comox Lake Watershed Protection Plan, the CVRD has retained a consultant to conduct proper functioning assessments of tributaries in the Comox Lake watershed. One outcome from this work will be a prioritization of streams based on vulnerability and risk levels to water quality, which will assist in identifying key areas for protection. Due to the size of the watershed, however, this work will take several years to complete.

The CVRD has also partnered with the K'ómoks First Nation, the City of Courtenay, the Town of Comox and the Village of Cumberland under the Municipal Natural Assets Initiative to gain a better understanding of the value provided to our community by natural watershed services. This work is also in the initial stages of investigation. During the kickoff meeting, the project partners and workshop participants identified that Perseverance Creek would be the sub-watershed of focus in terms of water quality for the Municipal Natural Assets Initiative project due to its history of elevated turbidity episodes and relative proximity to the drinking water intake location. This work is critical to advise how best to apply limited resources to the appropriate strategy.

Financial Implications

The 2019-2023 Comox Valley Water System financial plan includes significant capital spending including the water treatment plant project. The design-build contract was awarded in July 2019 and construction is anticipated to start in fall 2019. Currently the financial plan shows that funding exists to complete this land purchase with the CCFS however the final price tag on the water treatment plant project will not be known until project completion in 2021.

Should the CVWC decide to move forward with support for the CCFS request for land acquisition funds at this time, a budget amendment would be required.

Water advisory feedback

The CCFS request and staff report were discussed at the August 29, 2019 Comox Valley Water Advisory Committee meeting and the following feedback was received:

- The CVRD would only be paying 25 per cent of the cost to achieve the majority of its watershed protection objectives, however some members feel that park use of the land is not fully aligned with the Comox Lake Watershed Protection Plan objectives.
- There is benefit and cost savings in having an established other party manage the land.
- A covenant can protect the CVRDs interests in perpetuity, however some members pointed out that a covenant may be difficult to enforce.
- There is some residual concern about available funds before knowing the final water treatment plant costs.

Prepared by:	Concurrence:	Concurrence:
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Attachments: Appendix A – "Rec	quest for Funding from CCFS"	



Cumberland Community Forest Society Box 1239 Cumberland BC V0R 1S0 www.cumberlandforest.com

May 20th, 2019

Mr. David Frisch Chair, Comox Valley Water Committee Comox Valley Regional District

On behalf of the Cumberland Community Forest Society, I am writing for formally request the support of the Comox Valley Regional District for the acquisition of 91.7 hectares (226 acres) of land alongside and including Perseverance Creek from Allen Lake to Comox Lake Road as part Watershed Protection efforts underway in the Comox Lake Watershed.

1. **Project Location**

Village of Cumberland, Comox Valley, K'omoks First Nation Territory, Eastern Vancouver Island Ecoregion, British Columbia. The 91.4 hectares included in Project Perseverance will be subdivided from three master parcels (PID 003-634-167; 006-515-584 and 006-642-497) to create a new parcel connecting Allen Lake to Comox Lake. The legal survey in support of this subdivision has been completed.

The land acquisition for which we are seeking support is described informally as 4 zones:

Zone 1	Lands directly below Allen Lake (the southernmost land in the proposed upcoming acquisition) that have been identified by Eco Fish as suitable for culvert replacement and wetland creation to help mitigate high flows.
Zone 2	Lands along both sides of the Perseverance Creek Canyon.
Zone 3	Lands that form the forested slope above Perseverance Creek along China
	Creek Trail and the extensive floodplain forest below.
Zone 4	Forest lands and significant riparian areas directly adjacent to and including
	Perseverance Creek behind Japanese # 1 Townsite/Coal Creek Park to Comox
	Lake Road.

2. Watershed Protection and Climate Adaption

The project supports regional climate change adaptation through the protection and restoration of watershed systems to:

- Mitigate impacts to drinking water from increasing winter weather events,
- retain water and slow water release during drought conditions and
- provide ecosystem services for the region through supporting the quality and sustainability of drinking water resources.

Project Perseverance will ultimately protect the entire riparian corridor of Perseverance Creek from Allen Lake to Comox Lake, the drinking water supply for over 45,000 Comox Valley residents. In recent years, frequent boil water advisories due to sedimentation during high precipitation events have called the quality of this drinking water supply area into question. Industrial logging has also been implicated as a causal factor in sedimentation.

Protecting generous riparian buffers alongside major tributaries has been recommended by scientists in the CVRD's Watershed Protection Plan as a means to prevent sedimentation problems. The Comox Valley Regional District is spending \$110M on a deep-water intake, UV disinfection and filtration system. Protecting the forests within the watershed can reduce maintenance costs and extend the lifespan of this infrastructure.

3. Watershed Protection Plan

The **Comox Lake Watershed Protection Plan** (WPP 2016) provides clear rationale for CVRD participation in this acquisition including:

- a. Executive Summary Hazards to Watershed- High Risk Rating (WPP p. 6)
 - Timber harvesting cutblock locations and extent

The lands in question for harvesting are directly adjacent to and above Perseverance Creek. Comox Timber has walked these lands with us and confirmed their plans to extract timber adjacent to and upslope from Perseverance Creek leaving the minimum 10 meter buffer as required by the Private Managed Forests Land Act. The riparian areas (that provide an ecological service in preventing erosion and supporting filtration) identified in the **Perseverance Creek Fish Habitat and PFC Assessment** far exceed this 10 meter buffer.(map attached)

- b. Executive Summary Key Recommendations (WPP p.7)
 - "Should land be available for sale within the Comox Lake Watershed, the CVRD should purchase that land to gain additional control over the water supply. Priority should be given to those portion of lands within the Village of Cumberland that are not within the CVRD's zoning jurisdiction and any properties that directly border Comox Lake."
- c. Appendix 1 (WPP p. 57)
 - Hazard 13 Timber Harvesting. Comments and Recommendations.
 - "Ensure that adequate riparian buffers are maintained to protect and stabilize stream banks during expected extreme weather events, including more frequent intense rainstorms, regardless of fish status and including headwater streams"
 - No harvesting should occur in riparian buffers in order to permit regeneration of trees, especially in legacy harvesting areas.

4. Perseverance Creek Fish Habitat and PFC Assessment

A recent report from **EcoFish Research (2018) had designated Perseverance Creek as 'functional at risk" and** also provided the following recommendation to supports protection and restoration of this system. These recommendations apply to the lands currently slated for acquisition.

Executive Summary

- a) "High flows can be mediated by timber retention (especially of riparian habitat) and wetland creation" (p. iii) Suitable locations for wetland creation may exist at the base of the Allen Lake overflow and upstream of the Davis Lake Main Bridge and the lower floodplain reaches near the Comox Lake Road Bridge."
- b) "Undersize culverts and can be replaced with appropriately styled and sized culverts to facilitate fish passage and reduce erosion."
- c) "Bank erosion can be remediated by armouring with carefully planned and sited vegetation planting, boulders and LWD"

The Eco Fish Report also provides a list of recommended research activities to determine turbidity sources and relevant bank stabilization projects, opportunities for water attenuation in the Cumberland wetlands, wetlands creation, instream flow targets and more.

5. The Unique Opportunity

This acquisition is a unique opportunity for the Comox Valley Regional District. Rather than holding responsibility for the total purchase, protection and management of these lands within the Comox Lake Watershed, the CVRD has the opportunity to engage in a significant partnership with the Cumberland Community Forest Society, Village of Cumberland, CV Land Trust and other key community partners.

Funding: the CCFS is well positioned and will have 50% of the acquisition funds in place to complete this acquisition and is currently seeking support for the remaining 50%. The requested contribution from the CVRD is for less than 30% of project costs.

Community Support: The CCFS has significant support from residents (and taxpayers) from across the community (across the Comox Valley) for their efforts to protect these land. This support come from diverse communities including conservation and habitat protection, sport and recreation, and watershed protection. This project reaches beyond the residents of the Village of Cumberland. It it understood that Perseverance Creek forms part of the Comox Lake Watershed and that we share the responsibility for watershed protection in the Comox Valley as a whole.

Covenant Protection: Lands purchased and protected by the CCFS to to date have been protected through the application of a conservation covenant to ensure their protection of these lands in perpetuity. This Section 219 conservation covenant (*Land Act*) ensures a plan for long term monitoring of the lands and stability regardless of changing political or economic contexts.

Restoration Partners: Land purchased will be ready for next steps! Recent research projects have outlined next steps for a restoration prescription and the CCFS is ready apply for funding to work with our municipal and conservation partners to develop a restoration strategy that will benefit the Perseverance Watershed, the Comox lake Watershed as a whole.

6. Overall Project Budget

Land Acquisition (land plus timber) cost is \$2.6 million. Associated costs for covenant registration, survey, subdivision, restoration plan development, project management and legal fees \$200,000. Total project costs - \$2,800,000.

Request from the CVRD: to support acquisition for Zone 2,3 and 4 \$500,000 Request from the CVRD to support acquisition of Zone 1 \$200,000 Request from CVRD to support restoration plan development \$50,000

7. <u>Detailed Project Description and Background</u>

Project Perseverance is an initiative of the Cumberland Community Forest Society (CCFS) to acquire and protect 226 acres (91.7 hectares) of wetlands and riparian areas alongside and including Perseverance Creek in the Village of Cumberland on Vancouver Island. This purchase will add to the existing 110 hectares (270 acres) protected by the CCFS in 2005 and 2016. These lands are adjacent to, and provide connectivity with, Cumberland's Coal Creek Historic Park (41.6 hectares/102.8 acres) and Village of Cumberland Watershed Lands (229 Ha/566 acres) bringing the total protected land-base to 471.4 hectares (1164.8 acres).

This land protection effort is part of a larger effort that includes subsequent purchases of adjacent lands to the North (lower Perseverance Creek- 55 acres) and the East (Middle Earth – 80 acres) of Project Perseverance. These lands connect to additional protected areas at Comox Lake and will eventually bring the contiguous protected area to 1300 acres.

The CCFS has been purchasing and protecting privately owned industrial forest lands scheduled for logging on the east coast of Vancouver Island since the year 2000. These lands are removed from the timber harvesting land base and protected in perpetuity for the conservation of biological diversity and watershed protection. Lands acquired by the CCFS to date are protected by a comprehensive conservation covenant held by the Comox Valley Land Trust.

Project Perseverance is guided by the principles of collaboration and collective action. Project Perseverance is a cooperative effort between local government (Village of Cumberland, Comox Valley Regional District), private timber companies (Hancock Resource Group), the community (recreation and conservation partners), other ENGO partners (Comox Valley Land Trust, Courtenay Fish and Game Protective Association, Comox Valley Conservation Partnership) and our society (the CCFS).

The lands targeted for conservation have been determined through a planning process between conservation partners identifying sensitive ecosystems, species at risk, threats to ecological integrity (harvesting), watershed protection, climate adaption, opportunities for habitat restoration, connectivity with adjacent protected lands, community interest and alignment with local and regional watershed protection, parks and greenways strategies. The development of future conservation covenants will be done in consultation with ENGO Partners, local government and the K'omoks First Nation Guardian Program.

Acquired lands to date have been protected by a Section 219 conservation covenant (*Land Act*), registered in favour of the Comox Valley Land Trust, and then transferred to, and managed by, the Village of Cumberland as parkland. Future acquisitions will be reviewed to ensure parkland is the appropriate designation.

8. MNAI Alignment

This project strongly aligns with the opportunities presented by the Municipal Natural Assets Initiative (MNAI) Comox Lake Watershed Project. The MNAI team is currently lending scientific, economic and municipal expertise to support and guide the CVRD in identifying, valuing and accounting for natural assets offered by the Comox Lake Watershed and the sustainable and climate resilient infrastructure services they provide.

The inaugural steering committee meeting in March 2019 identified Perseverance Creek as a strong candidate for the focus on this project due to pending land ownership transfer, direct connection to turbidity issues, clear restoration opportunities and availability of up to date data/information (PFC, Land Valuation, Timber Valuation, Sensitive Ecosystems Inventory Data, Baseline Inventory Data)

9. Conservation Priorities

Project Perseverance is part of both the Trent and Puntledge River watersheds and is an important link in a habitat corridor that connects Vancouver Island's mountains and lakes to the Salish Sea. These dry maritime Coastal Western Hemlock forests on eastern Vancouver Island (CWHxm1) are a significant conservation priority for organizations including the Nature Conservancy of Canada, the Coastal Douglas-fir Conservation Partnership, the Canadian Wildlife Service and the Comox Valley Conservation Partnership. With less than 1% of these forests remaining as old growth (>250 years) in our region it is critically important to protect mature second-growth forests to enable old-growth recruitment.

Project Perseverance contains forest, wetlands and riparian areas adjacent to Perseverance Creek, a salmon bearing tributary to Comox Lake. The area also includes important biodiversity corridors identified in 2013 and 2017 by the Comox Valley Land Trust's as the highest priority for protection in the region. The adjacency of Project Perseverance to existing protected areas makes it a valuable conservation investment. Concurrent regional efforts to protect lands around Comox Lake, Maple Lake, in the Morrison Headwaters, and down the Puntledge River to the estuary make this project a significant contribution to a landscape-scale conservation vision.

Project Perseverance protects an interconnected system of forests, creeks, wetlands and riparian areas, home to numerous species at-risk, and identified by the Sensitive Ecosystems Inventory (SEI) as containing rare and intact ecosystems including mixed, coniferous and broadleaf forests, wetlands and watercourses and forests that protect riparian and aquatic habitats. If allowed to age, these habitat corridors can reconnect the Salish Sea to higher elevation areas in the Beaufort and Vancouver Island Mountains and link existing sensitive ecosystems and protected areas to allow wildlife and species at risk (e.g., Little Brown Myotis,

Olive-sided flycatcher, Common Nighthawk, Townsend's Big-eared Bat, Roosevelt Elk, Western Screech-Owl and Red-legged Frog) to migrate and adapt to climate and landscape-scale changes.

10. In Conclusion

Please let me know if there is any other information I can provide to support this request.

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