



PLANNING AND ECONOMIC DEVELOPMENT

POLICY AND PROCEDURE MANUAL			
POLICY NO.	PED-12	PAGE NO.	Page 1 of 4
AUTHORITY	Council, Resolution No. 11	APPROVAL DATE	April 26, 2011
		EFFECTIVE DATE	April 26, 2011
		LAST REVISION DATE	April 26, 2011
SUBJECT	<i>Environmental Assessment Grant Program</i>		

PURPOSE

The purpose of this Environmental Assessment Grant (EAG) program is to promote the undertaking of Environmental Site Assessments (ESA) so that more and better information is available with respect to the type of contamination and potential remediation costs on brownfield properties. As Phase I ESA's have become standard requirements for most financial institutions. Phase I ESA's do not provide detailed information with respect to the type of contamination which is necessary for determining the cost of remediation. Phase I ESA's are not eligible for funding under this program. This program is designed for Phase II and III ESA's.

There is very little information on the existence, type, and extent of contamination, as well as the estimated cost of site remediation for brownfield properties in Norfolk County. This lack of information is one of the key stumbling blocks in the redevelopment of brownfield properties because it inhibits interest in the redevelopment of these properties, as both property owners and purchasers are often reluctant to undertake and fund exploratory environmental studies.

POLICY STATEMENT

The Council approved Community Improvement Plan establishes a framework for Norfolk County's support and implementation of programs that may be utilized to encourage the maintenance, rehabilitation and redevelopment of the County. The specific policy framework to support the establishment of an Environmental Assessment Grant Program is as follows:

Environmental Assessment Grant:

- Purpose – is to provide a financial incentive in the form of a grant to help offset the cost of conducting Phase II Environmental Site Assessments (ESA's), Remedial Work Plans (Phase III ESA's), and/or Risk Assessments/Risk Management Plans to promote the undertaking of environmental studies so that more and better information is available with respect to the type of contamination and potential remediation costs on eligible properties.
- Applicant – owners of properties or assignees may apply. The Applicant should arrange a pre-application meeting or consultation with staff in order to determine program eligibility, proposed scope of work, and project timing.
- Eligible Studies – Phase II ESA's, Remedial Work Plans and Risk Assessments/Risk Management Plans are eligible for Environmental Assessment Grants. Phase I ESA's are not eligible for an Environmental Assessment Grant.

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- Assessment Criteria and Approval Process – this program is a 50/50 matching grant program where Norfolk County will provide a grant to an applicant for up to 50% of the cost of an eligible environmental study (excluding GST). The maximum grant amount for eligible properties will be up to \$15,000 per property.
- The value of all grants and loans offered in this Community Improvement Plan shall not exceed the cost of rehabilitating the lands and/or buildings.
- The financial incentives offered in the Community Improvement Plan will not be offered retroactively for costs incurred prior to the approval of the Application. Only those applications that are submitted for work undertaken subsequent to the adoption date of the Community Improvement Plan will be eligible for financial incentives.
- Advancement - the actual grant amount will be calculated based on 50% of the original cost estimate for the study or 50% of the actual cost of the study, whichever is less. Upon review and approval of all submitted documentation, the Municipality will issue a grant cheque to the applicant for the full amount of the approved funding.

General Program Description

The EAG will provide a financial incentive in the form of a matching grant equal to 50% of the cost of a Phase II or III ESA, risk assessment or remedial work plan (excluding H.S.T), to a maximum of \$15,000 per property.

The grant will be paid on the lesser of a cost estimate provided by the qualified person conducting the study or the actual cost of the study. Property owners may assign the grant to non-owners, otherwise known as assignees. For example, some property owners may wish to enable prospective purchasers to be eligible for a study grant. Assignees are eligible to apply for this grant, subject to providing the municipality with written consent from the owner to conduct the study and provided that the property owner has assigned the grant to their assignee.

Grants approved under this program would be provided to property owners or their assignees following submission of the final completed study with the original invoice, indicating that the study consultants have been paid in full. One hard copy and one electronic copy of the environmental study will be provided to the County for its inspection, review and retention. The applicant will agree to provide the County with permission to notify any other subsequent project proponents of the existence of an environmental study or studies, but said study or studies will not be released by the County.

The County reserves the right to audit the cost of the study. The grant may be reduced or cancelled if the study is not completed, not completed as approved, or if the environmental consultant(s) that conducted the study are not paid. Notwithstanding any representation by or on behalf of the County, or any statement contained in the program, no right to any grant arises until it has been duly authorized by the County. The County is not responsible for any costs incurred by the Owner/Applicant in any way relating to the program, including without limitation, costs incurred in anticipation of a grant. The County may discontinue this program at any time,

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but applicants with approved grants will still receive a grant subject to meeting the program eligibility requirements.

Administration

The Planning & Economic Development Services Department (PED) will be responsible for administering the EAG, in consultation with other departments as necessary. Applications shall be submitted to the General Manager and shall include a detailed work plan and cost estimate for the required study. Applications must be accompanied by a Phase I ESA that demonstrates site contamination is likely.

Program eligibility will be determined by the PED, in consultation with other departments as necessary. Applications will be approved by the PED only if they meet the criteria specified in this Plan and any other requirements of the County.

If an application is approved, the applicant will be sent a letter that outlines the terms and the amount of the grant. The grant amount will be based on 50% of the estimated cost of the study (excluding H.S.T) or 50% of the actual cost of the study (excluding HST), whichever is less. If an application is not approved, the applicant will be advised by letter.

Upon receipt of one (1) hard copy and preferably (1) electronic copy of the final study report with the original invoice indicating that the study consultants have been paid in full, PED shall review the report for conformity with the submitted work plan and eligibility criteria. If the submitted report does not conform to the submitted work plan or is not to the satisfaction of the County, the applicant will be given an opportunity to modify the report. Once the report conforms to the submitted work plan and is to the satisfaction of the County, PED will authorize the Financial Services Division to issue a cheque to the applicant equivalent to the grant amount.

General Program Eligibility Requirements

The following eligibility requirements shall apply to all of the Environmental Assessment Grant Program:

- An Applicant who is in arrears of property tax or any other Municipal financial obligation is not eligible to participate in a program approved by Council, an exception to this requirement may be approved for the purposes of Environmental Assessment Grants;
- An Applicant may be required to provide a business plan for the proposed work as part of a program application;
- The total value of grant received for a subject property shall not exceed the cost of rehabilitating the lands and buildings;
- The County may undertake an audit of work done and associated costs if it is deemed necessary;
- An Applicant will enter into an agreement with the County, which will specify the terms of the grant;

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- Proposed work will conform with all Municipal policies, standards and procedures including zoning, design guidelines (if any) and have regard to heritage matters and will be subject to review and the issuance of necessary planning and development approvals and building permits pursuant to the Ontario Building Code;
- Any outstanding work orders registered against the subject property must be satisfied prior to the grant being made or be satisfied as part of the proposed work; and
- The County may at any time discontinue this program; however, any participants in the program prior to its closing will continue to receive their approved grant as approved for their property until the conclusion of their project.
- County Council will approve, annually, the budgets associated with implementation of the financial incentives proposed in this plan. Budget allocation will be dependent on the resources available and will be determined at the sole discretion of Council.
- A credit check authorization will be required as part of the application process.
- The Applicant must submit an application including a detailed proposal prior to commencement of the work. The General Manager of Planning & Economic Development or designate shall review each application to ensure the eligibility of the Applicant and shall approve successful applicants in accordance with the provisions of the Policy.
- Written confirmation of the commitment will be given and will be valid for two (2) years. If the work is not completed within two years, the commitment will expire unless extended at the approval of the General Manager or designate.
- Norfolk County will hold a lien on the property and require that the work be completed as approved.
- The property owner who receives a commitment will be required to execute a letter of understanding which includes terms and conditions of the grant.
- In order to receive a grant, all taxes, utilities and any other municipal financial obligations must be up to date.

ATTACHMENT Form FO-144 - Environmental Assessment Grant Application Form