



To: **Committee of the Whole**

Agenda Section: Corporate Services
Division: Engineering, Planning and Environment
Department: Solid Waste Management

Item Number: **CCW - 2021-218**

Meeting Date: June 22, 2021

Subject: Material Management Facility Grant Loss

Recommendation

That Item CCW 2021-218 dated June 22, 2021, regarding the loss of the Material Management Facility grant, be received.

Executive Summary

This report outlines the history of the Continuous Improvement Fund (CIF) grant funding for the Material Management Facility (MMF) a portion of the Environmental Resource Recovery Centre (ERRC) project, and the series of events which led to the County losing a total grant of \$1,965,162 towards the project.

Background/Analysis/Options

In 2011, the County submitted a grant application to CIF to assist with the costs for a centralized transfer station, known as the MMF, which is part of the ERRC. CIF conducted a Provincial Infrastructure Study for an optimized provincial recycling transfer and processing capacity required to meet the provinces needs up to 2025. The study concluded that there was minimal transfer capacity in the area and Simcoe County was identified as an optimal place to build infrastructure. In 2014, the County was successful in obtaining the funding which covered 47% of blue box related expenses up to a maximum of \$2,187,840 for the project. As a condition of the grant, the County was to meet specific timelines for major project milestones.

In November 2016, the County initiated a County Official Plan Amendment 2 (COPA2) and submitted applications to the Township of Springwater for Official Plan and Zoning By-law Amendments for 2976 Horseshoe Valley Road West, Springwater. The required

information was also provided to the appropriate Provincial ministries, agencies, and Aboriginal communities for their respective review and comment. The Province approved COPA2 for the proposed ERRC on November 30, 2018. On January 2, 2019, notification was received from the Ministry of Municipal Affairs and Housing (MMAH) regarding their approval of COPA 2. Three (3) appeals were submitted by neighbouring landowners, including one represented by the Canadian Environmental Law Association, in January 2019 and are now being addressed through the Local Planning Appeal Tribunal (LPAT).

These delays with the development of the MMF caused the County to submit revised completion dates in December 2017 for CIF to consider. In March 2018, CIF granted the County's request and amended the completion dates. See Table 1 below for the original and amended completion date requirements that were a condition of the funding.

Table 1

Milestone	Original Completion Date	Amended Completion Date
1. Monitoring and Measurement	January 2016	January 2016
2. Site Specific Studies	September 2017	January 2020
3. Engineering and Site Preparation	December 2018	December 2020
4. Building Construction Completed	September 2019	January 2022
5. Final Report and Facility Operational	September 2020	December 2023

On November 24, 2020 County staff provided a progress report to the CIF Committee meeting acknowledging that the County would not be able to meet its obligations under Milestone 3 by meeting the deadline of December 2020 due to the delays in the planning and approvals process. In recognition that the County was facing planning approval delays and the additional challenge of operating in a pandemic, the CIF Committee authorized a final grant extension contingent on Milestone 3 being completed by April 30, 2021 and the MMF being completed and fully operational by December 31, 2023. The December 31, 2023 deadline could not be further extended as this date coincides with the CIF Wind Up Plan which requires closure of all active grants by December 31, 2023

On January 21, 2021 the first Case Management Conference (CMC) was held for the consolidated matters of COPA2 and Local Official Plan Amendment and Zoning By-Law Amendment. At this CMC, hearing dates for both matters are scheduled for September 2021 and November 2021. This lengthy delay was caused by a judicial challenge that had been made by one of the appellants to an interim decision of the LPAT. The court decision has now been provided, and the hearing can go ahead on those dates. As a result, the County was not able to meet its obligations under Milestone 3 and would not be able to have the project completed and operational by the end of 2023. On May 18, 2021, the County was notified by CIF that funding was terminated, which resulted in a grant loss

of \$1,965,162. The County was able to keep \$222,678 of grant funding from completing various activities under Milestone 1 and 2.

In April 2021, the County suggested to CIF to transfer the grant to the Oro transfer facility currently under development. However, CIF informed the County that we would have to submit a new grant application and qualify under the new grant criteria. The new CIF grant criteria currently focuses on funding projects which support multiple municipalities with blue box transition or develops new lessons learned. As a result, the development of the Oro transfer facility did not qualify, and the County was not successful in obtaining funding for the Oro facility at this time.

Financial and Resource Implications

The lengthy delays caused by successive adjournments in dealing with the Township and County OPAs and Township Zoning bylaw, and the Judicial Review filed by one of the appellants with respect to the interim decision of the LPAT has resulted in the County losing \$1,965,162 in grants for this necessary infrastructure. It is noted that this funding loss will increase the payback period for the facility.

Relationship to Corporate Strategic Plan

The Solid Waste Management Strategy recommended development of a transfer capacity infrastructure to manage garbage and recyclables generated within the County.

Reference Documents

- [CCW 2019-058](#) – Notice of Appeal Regarding County of Simcoe Official Plan Amendment No. 2
- [CCW 2019-052](#) – Environmental Resource Recovery Centre – Project Update
- [CCW 2019-330](#) – Update on County of Simcoe Official Plan Amendment No. 2
- [CCW 2019-399](#) – Update on County of Simcoe Official Plan Amendment No. 2
- CCW 2021-075 – Environmental Resource Recovery Centre – Project Update

Attachments

There are no reference documents associated with this Item.

Prepared By Jen Slykhuis, Special Projects Supervisor

Approvals	Date
Rob McCullough, Director, Solid Waste Management	June 1, 2021
Rob Elliott, General Manager, Engineering, Planning and Environment	June 8, 2021
Trevor Wilcox, General Manager, Corporate Performance	June 15, 2021
Mark Aitken, Chief Administrative Officer	June 15, 2021