

**OAIA/AQÉI
Workshop**

**A Broader Dimension of Environmental Health:
The Psychological, Social and Cultural
Aspects of Health Impacts**

**Maintaining Community Well Being during the Implementation of
Programs, Policies, Projects and Plans through
Community Impact Studies, Agreements and Monitoring Programs**

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Dave Hardy, R.P.P.
Principal

Hardy Stevenson and Associates Limited
364 Davenport Road
Toronto, Ontario
M5R 1K6

(416) 944-8444 t.

(416) 944-0900 f.

HSA@echo-on.net

HTTP://www.echo-on.net/~hsa

INTRODUCTION

Throughout the world, the introduction of plans, policies, projects and programs has both desirable/intended and the potential for undesirable/unintended effects upon environmental health. Where programs, policies, projects and plans can enhance community health, solve a social problem or strengthen the economic situation of the community -- the focus for social science research has been program effectiveness and the enhancement of positive benefits.

Of specific concern in this paper, however, are changes that have undesirable effects upon the social environment, which in turn manifest themselves in negative effects upon the psychological, social and cultural aspects of the quality of life of communities. Where these changes occur, the focus of social science research is the identification and implementation of measures that can assist proponents (such as land developers, utilities, smelters, forestry companies, etc) and communities to avoid, minimize, mitigate or manage negative impacts to ensure community well-being.

Through our twenty years of research, we have observed that community impact agreements and their associated community impact studies and community impact monitoring programs can be effective tools for maintaining community well-being **during** program, policy, project or plan implementation.

For example:

- *community/social impact assessment studies* allow the identification of potentially negative effects to community well-being before projects are fully defined or irreversible decisions are made;
- *community impact agreements* can confirm and solidify the terms of how a project, plan, policy or program will be introduced into a community;
- *community impact monitoring and management* programs provide a review and oversight function where predictions about community impacts are less certain.

Each of these tools are mechanisms and processes that can help communities to avoid or cope with potential psycho-social impacts and assist in maintaining community well-being.

The issue I wish to focus on in this paper is, in our attempt to address psychological, social and cultural effects of programs, policies, projects or plans, we tend to:

- overly rely on conflict resolution techniques or mediation as effective mechanisms for addressing psychological, social and cultural reactions to undertakings,
- while these techniques are important tools for project planning, we tend to underestimate or overlook the potential additional support offered by community impact studies, agreements, and/or monitoring and management programs. .

Without desiring to understate the usefulness of conflict resolution and mediation techniques, some project effects related to community well-being, cannot always be addressed by conflict resolution or mediated away. In many instances, there are significant and real changes happening in the life of a community that must be appropriately addressed by local residents and project proponents.

The need for **serious** studies of ways to avoid impacts to community well-being and for **firm mechanisms** for **firming up** commitments tends to be overlooked in project planning and program implementation. To fill this gap, community impact agreements have an ability to mitigate psycho-social impacts with a **sense** of durability and robustness that may exceed other techniques.

METHODOLOGY

The observations in this paper are based on anecdotal evidence only. **This** is because outside of several case studies and articles (Kairow, I, 1983; D. Peerla and J. Stafford, 1984), there **has** not been a great deal of empirically sound social scientific research on the role and effectiveness of community impact agreements. **Much** of the research that **has** been done **has** occurred **through** the 'grey' research conducted by consultants in the course of advising clients or presenting evidence.

As a consulting social scientist **and** planner, my observations are based on:

- 1) 20 years of completing socio-economic impact assessment studies and working with community impact agreements with proponents and community organizations,
- 2) observations of how numerous community impact agreements have functioned for the successful siting and operation of facilities that have the potential to affect community well-being,

- 3) conclusions about the effectiveness of agreements that have been tested before the Ontario Environmental Assessment Board, Ontario Municipal Board and Federal Environmental Assessment Review Panel -- observations that have withstood lawyer and panel member scrutiny.

It is my opinion then, that community impact agreements and associated social/ socio-economic impact studies and monitoring programs can be effective tools for mitigating psychological, social and cultural impacts potentially experienced by individuals and communities.

I wish to examine this thesis by addressing three issues:

- 1) What are Community Impact Agreements?
- 2) What is an example of where a Community Impact Agreement **has** worked to mitigate psychological, social, cultural effects in relation to community well-being?
- 3) In theory, why do Community Impact Agreements assist in the mitigation of psycho-social and community health effects?

What are Community Impact Agreements?

While there are a range of commitments typically made by proponents to safeguard and mitigate effects to community well-being, the commitments known as 'community agreements' generally vary in terms of: the strength of the proponent commitment; aerial extent of involved community; intensity of potential health and safety effect; and, formality required. Agreements not formally entered into can be considered to be informal **trusts**.

INFORMAL TRUSTS

In theory, Community Impact Agreements are rooted in informal **trusts** that are in place between individuals, proponents and communities. For every undertaking (change in land-use, starting up a commercial operation, operating businesses or institutions, etc) there is an implicit understanding that the owner or proponent will maintain certain behaviours to maintain community well-being. We might consider that an informal trust is in place between a proponent (business owner) and community, so long as the proponent:

- does not jeopardize community well-being,
- respects the law,
- and, does not cause harm.

Because the informal trust is in place, the proponent/owner is generally able to conduct business in the desired manner without comment from the community. In turn, proponents/owners and facility operators are under no obligation to implement enhanced measures oriented to the improvement of community well-being. However, wise proponents or owners generally maintain and safeguard this trust on an informal basis. They communicate, maintain public relations staff, have good health and safety operating records, have codes of conduct and otherwise maintain good relations with the community.

For example, I live close to a chemical company that **has** recently had a serious fire. There was no community evacuation, no panic, no protests and no **ongoing sanctions** placed upon the company.

One reason for the blase result stems from the fire being a rare occurrence. However, a contributing factor was the company's **thirty** year record of building good community relations and trust - sponsorship of children's baseball teams, donations for a seniors van, advertisement support for the local community association newspaper **and** a visible presence of company officials in the community.

Our firm **has** coined the term 'banking credibility' and the '**bank** of community credibility'. In the instance of the fire, it is my opinion that the company had banked credibility and had the informal trust of the community that it would safeguard community health and safety. In spite of the potential for the opposite, community psycho-social impacts were minimal.

In other instances, community trusts must occur on a more formal basis.

¹ What is the '**bank** of community credibility'? It is when members of the public accept that an agency or company **has** a positive corporate reputation and begin, in **normal** times, to trust that the company or agency will be acting in the public interest - the company's or agency's community **credibility** deposits **rise**. When the community is kept informed about **both good** and bad news, community **credibility** deposits **rise**. **When** decisions demonstrate that the company or agency is acting in the public interest at the Same time **as** in corporate interest, its community **credibility** deposits **rise**. With a spill or off-site release, or when the company or agency wants to receive planning or environmental approval, there are draw downs on **community** credibility deposits.

FORMAL AGREEMENTS

When certain 'trusts given by the commons' have in the past been violated to the point where they have affected community well-being, or, when programs, policies, projects, or plans have the potential to cause economic, environmental, political, social or psychological harms, then individuals, communities or other official representatives expect greater assurances that certain behaviours and outcomes will occur.

We have observed that, beyond the informal trusts that are established between individuals and communities and proponents and owners, there are many types of agreements that are in place. Three are addressed here as: municipal agreements, specific class agreements and specific project agreements².

1) Municipal Agreements

Under most Provincial Planning and Municipal Acts, we already have the provision for formal agreements and approvals processes to be put into place to maintain healthy communities. These are:

- property standards bylaws,
 - zoning bylaws,
- development agreements and
- site plan agreements.

Purpose of Municipal Agreements

Municipal bylaws and agreements are an individual's, a company's and a community's way of ensuring that community health is maintained through regulation of the land-use, economic, social, environmental, infrastructure features and conditions. Projects and plans typically fall into the categories of housing, school and retail developments and residential, industrial and commercial land-use plans. Policies and programs may involve changes to social welfare policies, assisted housing, community culture and recreational programs and institutional and economic support programs. Land-use change in communities, such as a new housing development, can have social effects on community finance, environmental conditions, school enrolment, traffic, use of

² Land **Claims** Agreements are an example of another type of agreement that has should be examined.

community and social services.

The actions associated with maintaining community health are routine. There are a core of implicit and explicit indicators that can tell us whether community well-being is being maintained. For example, once a subdivision development agreement is in place, we can be reasonably **assured** that the streets will be safe, sewage ~~will~~ be properly disposed, clean water will be available and the fire department will have access, etc.

Ability of Municipal Agreements to Address Psycho-Social Effects

For the most part, municipal agreements, whatever form they take, are useful tools for facilitating desirable and anticipated quality of life. **On** the other hand, they have inherent weaknesses:

- 1) they don't provide a good mechanism for regulating a project, plan or policy that can have ongoing external community health and psycho-social effects, for example, a rendering plant or quarry. For example, other than **changing** by-laws and enforcing health standards, they do not provide strong enforcement mechanisms. Where enforcement is successful, it sometimes requires a long time horizon, multi-levels of government and political involvement.
- 2) they are inflexible and unforgiving in terms of the social/ demographic character of a community. Many subdivision agreements assume a nuclear family, with everyone healthy and where no one grows old. They do not address potential **community changes** where people become more sensitive to stressors or less able to cope with the change required to address the stress.
- 3) they assume that local residents are the key stakeholders for site plan amendments or changes in **zoning**. However, for controversial facilities the same **circulation occurs**. These facilities typically involve multiple stakeholders at a range of distances from a source of stress. This means that most stakeholders of controversial facilities are either not notified or notified too late.
- 4) socio-economic or psychological impact studies are rarely completed before the agreement is completed.

Overall, municipal agreements have mixed success for dealing with undesirable community changes resulting in psychological, social or cultural stressors to community health. And, they are less effective in addressing psychological, social and cultural stress

due to new housing developments, group homes, assisted housing, airport expansions, roadway expansions etc. Municipal agreements provide:

- 1) a mixed opportunity for community input,
- 2) a patchy ability to focus on the concerns of the community and in practical terms,
- 3) fewer avenues for legal redress or enforceability, in relation to psycho-social health concerns.

As municipal agreements do not have the desired effect for maintaining social psychological health, citizens move outside of these mechanisms to make their views known to politicians/staff in an effort to influence outcomes.

2) Specific Class Agreements (eg. landfills, pits and quarries, etc)

In some instances, community well-being related to psychological, social and cultural stress is better maintained by **shifting** to a greater degree of specificity. While these are rarely used by municipalities, their use allows a more sophisticated agreement to be put into place. The conditions where they are used is where all sides acknowledge that for a Class of undertaking, there is potential for both physical and psychological, social and cultural related health impacts (also environmental effects). Typically the agreements are between a Region or County, or the Provincial Government and a private operator. Because they can also occur outside Provincial Statutes, agreements have also been signed between citizen groups and private proponents.

The Example of Landfills

For example, while modern landfills have a high amount of engineering leading to an equivalent degree of safety, many landfills in the past have leaked. Others have had off-site disruptive effects **such** as roadside dumping, sea gulls, dust, litter, etc. Landfills, may directly or indirectly have a range of other psychological, social or cultural effects (Hardy, D. R., 1994; Furuseth, Owen J. and Mark S. Johnson, 1988; Bailey, C. et al, 1992; Clarke, M. J., 1990; Coughlin, R. et al, 1973; Edelstein, M., 1988; Furuseth, Owen, J. and Mark S. Johnson, 1988; Lee, G.F. and A. Jones-Lee, 1993; Ontario Hydro, 1992; Taylor, S. M. ,et al, 1991; VHB Research and Consulting Inc. 1990; Zeiss, C. and J. Atwater, 1987). As observed by Danielle Hurst and Heather Blanck (Hurst, D. and H. Blanck, 1990) *municipal and industrial waste management facilities pose both tangible and intangible*

risks to public health and the environment. Typically *these risks involve the potential for increased incidence of:*

- e ...contamination of contiguous natural resources;
- reduced value of neighbouring and improved property; and,
- e noise, congestion or other nuisances.

Relative to the degree, of psychological, social and cultural *stress* created by landfills across Ontario there are about **2** dozen or more landfill agreements currently in place (see Appendix 1). These agreements are legally binding between a community (typically local residents) and landfill operator. Most have followed the completion of a social impact study completed **as** part of the Environmental Assessment. These studies typically consider: noise, vermin, dust, community disruption, odour, **truck** impacts, visual impact, policy or plan alternatives, etc.

Content of Community Impact Agreements

Most of these agreements also involve terms and conditions of operation for the landfill **as** specified under the Ontario Environmental Protection Act and the Environmental Assessment Act. Terms and Conditions may involve the establishment of Community Liaison Committees, property value protection, monitoring programs, truck routes, quantities to be landfilled, configuration and landfill height etc. The community's ability to influence the operation of the landfill and their responsibility to be part of a Community Liaison Committee is defined.

The landfills in many instances are also required to comply with community Compensation Policies of a Regional or **County** Government or of a private operator. Community compensation typical involves buy-outs of on-site and immediate vicinity residents, property value protection or direct community betterment provided to local residents such **as** landscaping or berming.

Many landfills have been successfully operated with input from Community Liaison Committees. Here the term "successful" refers to the ongoing operation of a facility that **has** both **known** and unknown potential physical, psychological, social and cultural impacts for community health – and where, community health is generally satisfactory and a healthy relationship has been fostered between the community and the owner/proponent. Indeed, we have observed that once communities have reached the point of sitting down with an operator, and if both parties are empowered, psycho-social stress declines. This is because community empowerment provides a mechanism for

dealing with the causes of stress and the stress itself.

Our firm's best example of the psycho-social mitigation created through a Community Impact Agreement occurred with the Glenridge Landfill in St. Catharines, **Ontario**. For many years the local community had been fighting with a landfill operator over, leachate backing up into basements, vermin, wind blown debris and odour. We worked with the community to develop a list of unresolved issues. The issues list allowed the crystallization of an agreement between the community and landfill operator. Through the process of developing the agreement both sides came to an understanding for mutual satisfaction.

3) Specific Agreements (mega-projects, energy projects **and hazardous** waste projects)

Where there is a certainty that there will be community health and psycho-social health effects from projects or undertakings, **community** impact agreements are generally much more formalized. See Appendix 2 for a **list** of Formal Agreements. **In** these instances, agreements may establish a dynamic between the proponent and community such that both will have much more to gain and lose -- both from a health and safety perspective, and from the overall economic outcomes of the project.

As a basis for these agreements, there is typically little disagreement by all sides that community well-being will either be put at risk, or be both positively and negatively affected by the project. For both sides the issue becomes: *How do we determine in advance what the effects to community well-being will be? What long term conditions should be put into place to provide some measure of security as to the proponents commitment to avoid or mitigate impacts? And, finally, what is required to identify and resolve unintended effects to community well-being?*

For example, the Atikokan Community Impact Agreement (Township of Atikokan - **Ontario Hydro Community** Impact Agreement) **is** one of the best **known** of the mega project agreements addressing the needs of a coal-fired thermal 600 MW generating **station**. The project involved a workforce of 1200 people moving into a community of 5,000 people. The agreement was based **on** a comprehensive socio-economic impact assessment study as **part** of the environmental assessment in advance of project approval.

The agreement called for a comprehensive 8 year community impact monitoring program covering a range of factors -- including a alcohol consumption, community

mental health, crime, drug use, and other factors (See Appendix 3 - Community Impact Agreements between the Township of Atikokan and **Ontario** Hydro, 2 January 1978). Special health studies (**such as** ongoing studies by the Addiction Research Foundation) were possible under the agreement **as** were community impact grants to provide for municipal compensation and enhancements and to address anticipated problems. Over the life of the project - funds were advanced to the library, home for battered women and children - in addition to many other studies and infrastructure improvements.

In terms of each side having something to gain or loose, Ontario Hydro could have been bumped-up to a full Environmental Assessment if they didn't comply with the terms of the agreement - the Town of **Atikokan** could have lost a much needed economic development project **if** **Ontario** Hydro decided to walk away from the project. One important observation was, the Agreement functioned **as** an important tool for the empowerment of the local community and levelling the playing field. This empowerment was, in part, a contributor to psycho-social well being.

Each one of these types of agreements (Municipal, Class and Specific Agreements) involves trusts and agreements put into place. Each of the agreements has different abilities **as** mitigation tools for addressing psychological, social and cultural stress and community health.

Community Imuact Agreements working to mitigate psychological, social, cultural effects in relation to community well-being

As a company, we are retained to assess **socio-economic** and cultural effects before a project receives approval. Sometimes we are retained to mediate when sides have formed and are into a conflict situation. Typically, we are called in to assist too late; at the point that both sides are experiencing some sort of pain. In many instances there is psycho-social stress and community health concerns occur. We have observed that, community impact agreements, have been a useful tool for mitigating psychological, **social** and **cultural** stress.

¶ elaborate using the examples of 2 landfills (we were involved with both). However, the psycho-social health effects that ¶ refer to can apply to any undertaking in any sector. For both of **these** projects, the emphasis placed on the agreement was a sigruificantcontributing factor to the resolution of concerns that otherwise caused psycho-social community health effects:

For the first landfill (Steeley/Redlands), socio-economic impact assessment studies had been completed and terms and conditions of approval and compensation measures were on the table. While the public consultation program attempted to initially focus the dialogue on terms, conditions and compensation for people in the immediate vicinity of the proposed site, no effort was made to reach agreement with a community further away from the site and currently impacted by company operations. The proponent's understanding of the aerial extent of the impacts was overly narrow. There were many outstanding issues, no basis for either side to attempt to reach agreement, and no effort to orient the discussions toward salient issues and minimal effort to empower the larger community through participant funding (community hires their own consultants paid by the proponent).

The second landfill (Taro, Stoney Creek), is an interesting contrast to the Steeley landfill experience as a participant funding was provided and a Community Trust Fund, terms and conditions and social impact studies were all discussed between the operator and community. The resulting efforts provided a sufficient minimization of psychological, social and cultural impacts. A concerted effort was made to identify and focus on outstanding concerns **and** reach an agreement regarding their resolution. The decision to focus on the substantive issues and to reach agreement on the resolution of those issues was instrumental for community agreement occurring. More, importantly, on the mitigation of psychological, social aspects of community well-being.

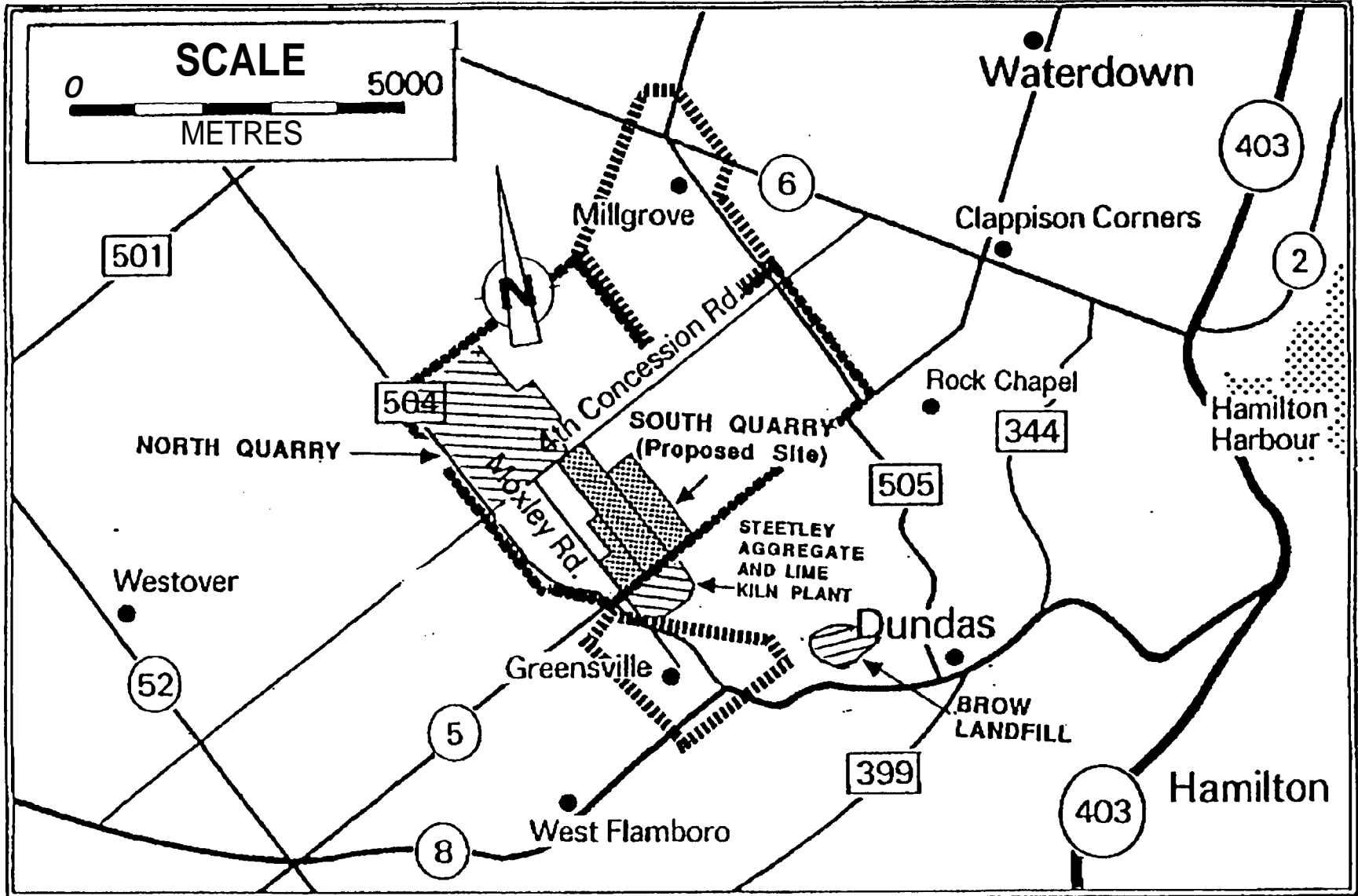
CASE OF STEETLEY/REDLANDS PROPOSED NEW SOUTH QUARRY LANDFILL (Flamborough, Ontario)³



Steeley/ Redlands **PLC** is a British based company that has been active in quarrying limestone in Canada since the turn of the century. They were also involved in the operation of landfills at their quarries that had been mined. On other lands near the community of Greensville they introduced a range of alternative uses of their quarry and other lands throughout the **1980s**. Concepts unsuccessfully promoted included a landfill expansion, housing development; new landfill (see Map 1).

For the proposed South Quarry Landfill, compensation was offered to landowners in the immediate vicinity of the landfill and tippage fee royalties approaching **\$27** million dollars over the life of the landfill were offered to the Town of Flamborough (see Attachment 1) regarding compensation and the Community Trust.

³ **Hardy Stevenson and Associates Limited was retained by G.A.S.P.**

Steetley Quarry Products Inc. South Quarry Development Community Map



Draft Community Boundary 
 Draft Sub-Community Boundaries 

MAP 1
 DRAFT COMMUNITY BOUNDARY

Both the existing Brow landfill and new proposed South Quarry landfill were **within 2 km** of a community of about 3,000 people. The closed Brow landfill had infrequent instances of litter and fires - however, one fire was significant enough to cause a community evacuation. By the time Steetley proposed environmental approvals for the new landfill, psychological, social and **cultural** effects to community well-being were apparent. And, a group named G.A.S.P. (Greenville Against Serious Pollution) had formed.

Effects to Community Well-Being

Over the **6-7** year period of addressing company initiatives and fighting the proposed landfill, one community leader experienced 'psychological burn-out' as did members of an earlier community executive group. The replacement community leader had marital and family stress attributed to the fight with the landfill proponent. At the height of the environmental assessment a sense of community paranoia was apparent. A few members of the community openly claimed they were being spied upon by the company. On the other hand, the company openly claimed they were the subject of unfair and vicious attacks by community members.

Among remaining community members, there were large meetings where residents expressed fears about water pollution, dust, health effects. To a greater or lesser extent, local Clergy, service clubs and **schools all** shifted from their normal day to day activities to fight the landfill. Service clubs were raising community defence funds. The local municipality dedicating staff time to fight the landfill. Some people with houses for sale attributed the landfill as their reason for wanting to move.

Effects to community health and well-being were not limited to the community. The Company Manager is reported to have experienced a heart attack attributed to the stress of the hearing. The Environmental Assessment Board (EAB) Chair, was reported to have experienced health problems due to stress of EAB hearing.

Psychological, social and cultural effects to community well-being were apparent and not successfully mitigated. In my opinion, mediation would not have been appropriate as their were **significant** effects that could not be mediated away. It is, however, a situation where efforts to implement a community impact agreement could, in combination with conflict resolution, have been effectively used as a mitigation measure. Ultimately, the company spent **\$12** million dollars for environmental assessment. Their application was turned down by the Environmental Assessment Board.

TARO COMMUNITY TRUST AGREEMENT (Stoney Creek, Ontario)⁴

About 15 kilometres south of the Steetley/Redlands application, a private landfill operator and the community in the vicinity of the proposed landfill had a dramatically different outcome (see attached Maps) by placing more emphasis on participant funding and the integrity of the Community Impact Agreement.

Philip Environmental **chose** to take a deliberately different approach in their relationship **with** the community surrounding their Taro West Quarry and proposed East Quarry. The company started 15 years ago in the Hamilton, Ontario area as a small trucking company that moved from hauling and dumping waste into resource recovery. Through purchases of their competitors, the company grew to become one of the largest industrial waste companies in North America. Taro Aggregates Limited is a subsidiary of Philip. Taro had been operating a quarry at the site since the 1950s and landfill at the West Quarry site since 1980. It is involved in landfilling solid non-hazardous industrial, commercial and institutional waste in its West Quarry. And, in January 1995, it proposed to establish and operate a landfill site in its East Quarry.

How Philip Environmental Approached the Community

Philip approached the landfill differently than Steetley/Redlands. **Through** participant funding they encouraged the serious involvement of local residents. The residents responded by providing guidance to technical experts doing EA studies, **assisting** in the definition of alternatives, calling for additional technical studies in some areas (including a Community Health Study)⁵. Philip also provided funding to the group to obtain independent peer review of technical studies including social impact assessment studies.

The proposed East Quarry was **within** 1,000 meters of the Heritage Green Subdivision (101 residences **within** 500m and the proposed East Quarry landfill site and 466 residences **within** 500-1000 meters). Community facilities **within** 1000 meters include: one school, one fire hall, one nursing home, two churches and one seniors centre⁶.

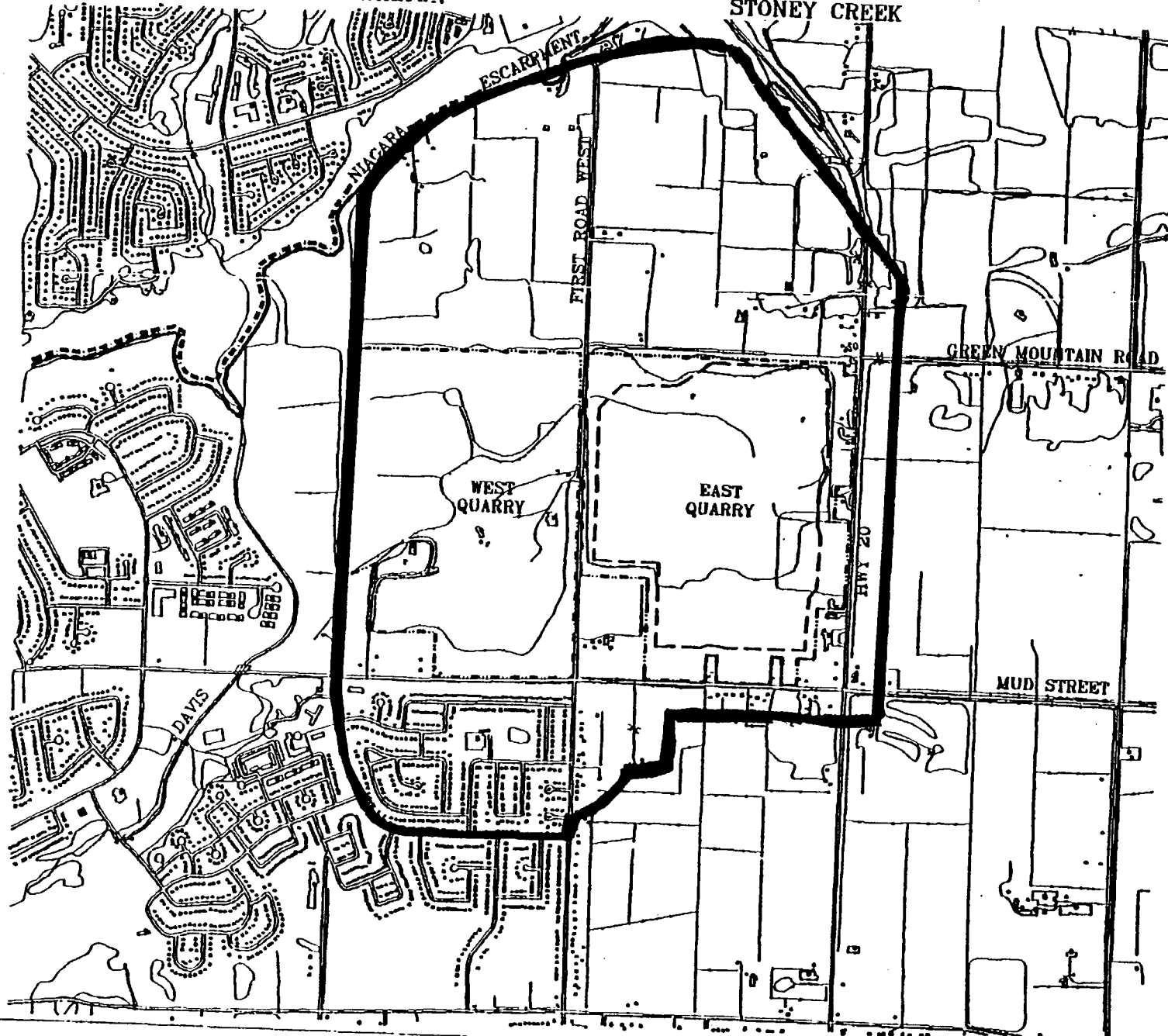
⁴ Hardy Stevenson and Associates Limited ~~was~~ retained by the Taro Study Group to provide peer review advice on the social impact assessment studies. We have recently been retained by Philip to provide research related to the Taro Trust Agreement.

⁵ Taro East Quarry Community Health Study, Cantox Limited

⁶ social Impact Assessment Scoping Report, Draft, h o u r Environmental, May, 1994, p. 21

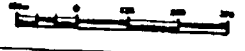
CITY OF
HAMILTON

CITY OF
STONEY CREEK



LEGEND

- PROPERTY BOUNDARY
- - - LIMIT OF LANDFILL
- CITY BOUNDARY
- STUDY AREA BOUNDARY



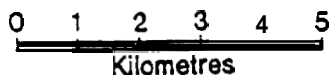
TARO AGGREGATES LTD.
PROPOSED EAST QUARRY LANDFILL

EXISTING RESIDENTIAL DEVELOPMENT IN
RELATION TO PROPOSED LANDFILL


DESIGNED BY	DRAWN BY	GLA
CHECKED BY	APPROVED BY	
DATE 08-08	SCALE 1:500	PROJECT NO. 04-420
DWG. NO. 1410	DATE	FILE NO. MAP10102



MAP 1



Reference: Armour Environmental Consultants


**Gartner
Lee**
 Scale 1 : 125,000

Taro Aggregates Ltd. East Quarry EA
Public Opinion Survey Areas.
 Aug. 1991

Project 94--
Map 4

While not without significant controversy', Philip/Taro managed to complete an intensive public consultation program including: 29 meetings of the study group; telephone hot-line; community surveys and canvas; sponsorship of community activities; public information distribution and paid advertisements; telephone surveys; printing and distribution of a 'Neighbours Guide' booklet; sponsorship of "Landfill Nightschool" for new members of the public; providing an honorarium for community study group members, etc.

Approach to Compensation Agreements

Compensation agreements, and proposed terms and conditions of approval were developed jointly with the community including an offer of compensation to the **City** of Stoney Creek of \$13 million dollars, in tippage over a 20 year period so long as the landfill did not have to undergo a public hearing.

Many of the psychological, social and cultural effects to community well-being observed for the Steetley/Redlands South Quarry were simply not present for the East Quarry landfill. While residents living in regions beyond the local **community** were opposed, the landfill was approved by Ontario's **Ministry** of the Environment without the need for an Environmental Assessment hearing.

Analysis/ Similarities and Differences

There are many similarities and differences between the two landfills. In terms of similarities, both involved: community experience with an operating landfills; proponent experiencing troubles with waste management operations; proponent's efforts to alter the nature and location of the landfilling; Niagara escarpment locations; small group of residents speaking for the larger community; psychological health and physical health concerns for both landfills.

The undertakings in both instances had the potential to be stressful, injurious, undesirable. However, the main difference is, where community health, integrity in negotiations, social impact studies, and community impact terms and conditions and Trust Fund was the **focus**, the relationship between the proponent and the community was superior. In addition, community health impacts and psycho-social stress were minimized.

⁷ Escarpment quarry centre of storm, Globe and Mail, June 15, 1996.

In theory, why is it that community impact agreements assist in the mitigation of psycho-social and community health effects?

Undertakings can negatively influence community health and cause community impacts for a variety of reasons. First, there is a real or perceived health **risk**. Second, the undertaking causes community disruption **such as** dust, noise, traffic, inconvenience. Third, communities are concerned about issues of fairness and equity. In these instances, issues are raised about who pays, who benefits, who wins and who loses.

Community Impact Agreements are Mitigation Mechanisms that allow Communities to Address Real or Perceived Health Risks

In terms of **risk**, we know from the work of Sandman, Slovic and others that **risks** to public health are consistently **seen** to be the number one **issue** for local residents. These concerns outweigh any community gains that can come from compensation mechanisms. As observed by Richards (**Richards**,1992):

*Although financial rewards are important, the public believes that the need to protect human health and the environment far **outweighs** any financial gains. Compensation **is** generally not enough to create cooperation. Researchers have found that promise of local [resident involvement **in** playing an oversight role] in the daily operations of the facility **can** play an important role in its acceptance....Communities may also insist that the negotiations be grounded not only in tort or regulatory law, but also **in** contract law, which imposes stipulated penalties for specified infractions with oversight guarantees.*

Thus, community impact agreements are tools through which a community can monitor and manage their health. Their sense of **risk** can be focused, measured and appropriate mitigation measures developed.

Community Impact Agreements Allow Communities to Control potentially Disruptive Effects

Community impact agreements are typically based on a mutually agreed adequate level of study before project approval occurs. They typically stipulate dispute resolution mechanisms related to causes of noise, dust, disruption. They provide a community with access to additional studies from third parties during project operation, guarantees

to health and safety with appeal mechanisms and penalties for both sides should there be a violation of the agreement. For most community impact agreements:

- studies are completed before a project is approved in order to anticipate effects and avoid them. Within these studies, psychological, sociological and cultural issues are raised and examined, as are issues where disruptive effects are anticipated,
- the proponent and community reach agreement on the expected effects between the community and the proponent and mitigation measures to be put into place
- measures for avoiding impacts to community well-being or enhancing community well-being are identified,
- the agreement provides an enforceable base for disruptive effects

These enforceable mechanisms typically have the additional beneficial effect of empowering communities and reducing psycho-social effects.

Community Impact Agreements Addresses the Fairness/ Justice Relationship and Process

The process through which the proponent and the community are engaged in the review and approval of an undertaking is an important contributor to the psychological, social and cultural effects being created in a community. For example, a prime element in the early success of the **Town** of Deep River/ Low Level Waste Siting Task Force was the integrity of commitment brought into the siting process. **As** observed by Oates, MacCafferty and Thompson* *the manner in which the process itself is conducted has the greatest potential to influence the opinion of the public.*

As a process, the deliberations over community impact agreements can be effective tools for creating fairness and justice. It allows a community and proponent to:

- alter the power relationship the way that conflict resolution or mediation doesn't,
- establish a trust relationship.

⁸ Public Involvement in Siting Issues: Lessons from the Low Level Radioactive Waste Siting Process, ibid, page 8.

With a community impact agreement in place, both sides are at the table and have **something** to win and lose. This is usually not a relationship proponents involved in conflict resolution find themselves. For example, through the impact agreement, commitments to **community** well-being become enforceable; there are mechanisms for the resolution of disagreements; and **as** required, the agreement stipulates how changes in the proponent - community relationship are to be made.

Negative Aspects of Community Impact Agreements

There are drawbacks:

- in some instances, community impact agreements **will** be seen as a proponent attempting to buy out a community,
- in other instances, the discussion of terms, conditions and compensation symbolizes 'terms of surrender' for a community opposed to a proponent or undertaking,
- without adequate resources **on** both sides there may be **an** unequal power relationship resulting in agreements **being** entered **into with** no studies completed, etc.

CONCLUSION

Conflict resolution **and** mediation are popular tools for mitigating psycho-social and community health impacts. However:

- the use of community impact agreements and associated community impact monitoring **has** offers a robust method of maintaining community health,
- community impact agreements are excellent tools/ **basis** for mitigating psycho-social impacts leading to community well-being.

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APPENDIX 1

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APPENDIX 2

Township of Atikokan - Ontario Hydro **Community** Impact Agreement, **see attachment**

Darlington Nuclear Generating Station, **Community** Impact Agreement

Wesleyville Thermal Generating Station, **Community** Impact Agreement

Bruce Nuclear Power Development **Community** Impact Agreement

Good Neighbour Program, Laidlaw Environmental Services Limited, 1995.

ATIKOKAN AGREEMENT

THIS AGREEMENT made in duplicate this 2nd day of January A.D., 1978.

B E T W E E N :

ONTARIO HYDRO

herein referred to as the Corporation

OF THE FIRST PART

- and -

THE CORPORATION OF THE

TOWNSHIP OF ATIKOKAN

herein referred to as the Township

OF THE SECOND PART

WHEREAS the Corporation plans to construct and operate an 800 megawatt generating station, to be known as the ATIKOKAN GENERATING STATION, (hereinafter referred to as the Station), in the Township of Atikokan, in the District of Rainy River:

AND WHEREAS the Corporation has authorized the construction and operation of the first two 200 megawatt units for in-service in October, 1983 and April, 1984, respectively:

AND WHEREAS the construction of the first two 200 megawatt units of the Station is planned to take place over a period of approximately 5 years, and is forecast to require, at its peak, a construction work force of approximately 1,000 people, and a permanent work force of approximately 200 people;

AND WHEREAS it is anticipated that the population growth due to the engagement of this construction and permanent work force will cause significant social and economic pressures within the Township;

AND WHEREAS the Corporation is planning to establish a camp for employees whose families, if any, are elsewhere than near the construction site of the Station;

AND WHEREAS the Corporation considers that it is desirable that employees and/or their families should be able to provide themselves with suitable residential accommodation within the Township if they desire to do so;

AND WHEREAS both parties hereto understand and acknowledge the population growth associated with the construction and operation of the Station may place a strain on the residential accommodation facilities available in the Township;

AND WHEREAS both parties hereto acknowledge that building lots and residential housing accommodation facilities are currently scarce in the Township;

AND WHEREAS the Corporation recognizes that there are no alternative facilities to meet the social and community requirements of workers associated with the construction of the Station;

AND WHEREAS the Corporation has indicated that it will, where possible, employ local residents in the construction and operating phases of the Station subject to existing Corporation policies, procedures, and labour agreements;

AND WHEREAS it is not desirable for either the Township or the Corporation to become involved in providing residential housing accommodations;

AND WHEREAS the Corporation understands that the present sanitary sewage system in the Township is unable to accommodate additional sewage services with the result that additional serviced building lots cannot be developed;

AND WHEREAS certain plans have been formulated for a new sanitary interceptor sewer system and sewage treatment plant for the Township and the Ministry of the Environment has agreed to proceed with same pending approval by the Township and approval by the Ontario Municipal Board of the financing;

AND WHEREAS the Township may be unable to provide the debt financing required to upgrade its roads and bridges or to construct new roads and bridges, to construct a new sanitary interceptor sewer system and sewage treatment plant and also provide the debt financing for expansion of current services in the areas such as fire protection, hospital and ambulance service, garbage disposal, police protection, and others;

AND WHEREAS the Provincial Government has approved the construction of the Station, all parties hereto recognize that the Provincial Government has a responsibility to have each Provincial Ministry co-ordinate their programs and special projects, including financial commitment, which assist the Township in providing required capital work projects and additional community services;

AND WHEREAS Northwestern Ontario is eligible to participate in the Federal Department of Regional and Economic Expansion and the Regional Priority Budget program;

AND WHEREAS it is not the intention of Ontario Hydro to fund programs and projects which are the responsibility of Federal and Provincial Ministries;

AND WHEREAS the Corporation has prepared an environmental analysis of the Station and its construction, and is committed to mitigating the effects of the construction and operation of its facilities on the physical and natural environment;

AND WHEREAS, prior to the construction and operation of the Station, the Council of the Township must ensure that such construction and operation will be carried out in the public interest and in the interest of the general health, safety and welfare of the inhabitants of the Township;

AND WHEREAS the Corporation does not intend that the Township shall suffer as a result of the construction and operation of the Station;

THEREFORE, the Corporation and the Township hereby agree, in consideration of the covenants hereinafter contained, and other good and valuable consideration as follows:

1. The Township agrees to provide the Corporation with all approvals within its jurisdiction to grant, to permit the construction of the Station, and to pass any resolution, bylaw or amendment to a bylaw as may be necessary to permit and to expedite the construction and operation of the Station; provided that the plans and specifications for the construction and installation of the equipment of the said Station comply with all applicable Federal and Provincial legislation including the regulations pertaining to the said legislation and amendments thereto.

2. The Corporation agrees to provide at its expense a monitoring program or programs to measure the impact on the surrounding natural environment as a result of emissions from the Station; and in the event that an agency of the Government of Ontario determines that provincial environmental regulations have been exceeded beyond prescribed limits, the corporation will take the necessary corrective action that is practicable at the expense of the Corporation. The corporation agrees to save harmless the Township from all claims resulting from emissions from the Station. It is agreed by both parties that all monies payable under this paragraph are in addition to any other monies payable under the terms of this Agreement or any supplementary agreement. The Corporation and the Township hereby specifically agree that this paragraph, and the obligations thereunder, will not terminate upon termination of this Agreement as provided in Paragraph 19 hereof but will continue in full force and effect so long as the Station is in operation.
3. The Corporation agrees to provide the Township with copies of all relevant information and documents pertaining to the environmental impact of the Station on the Township. The Corporation further agrees to keep the Township apprised of discussions with Governmental Ministries, Agencies and Departments, related to the progress of the Station, its construction and installation of equipment, research and design program, and the application for approval under the Environmental Protection Act, 1971, as amended.
4. The Corporation agrees that it will, at its own expense, acquire the necessary lands for the development and construction of the Station, provided that, if the Township owns or has title to any of the lands required, the Corporation agrees to purchase the said lands from the Township at a cost to the Corporation to be negotiated as a supplementary agreement. These purchase monies shall be paid to the Township in addition to any other compensation due to the Township under this Agreement or any supplementary agreement. The Corporation hereby agrees to provide the Township with the proper legal description of the lands to be utilized for the Station together with any and all relevant architectural and surveyors documents. The parties hereto agree to negotiate and settle, by way of supplementary agreement, all matters pertaining to the dedication of roads, the establishment of parks and reserves and other related matters.

5. The Township agrees not to oppose the corporation in the obtaining, enjoying or using of any exemption under Section 30 of the Environmental Assessment Act for the undertaking of constructing, operating and maintaining the Station.
6. The Corporation agrees to compensate the Township for those financial impacts which result from the construction and operation of the Station, including financial impacts resulting from any reduction in population in the Township due to the completion of the construction of the Station and subsequent emigration of workers from the Township.

It is agreed that a preliminary, but not exclusive, list of such financial impacts is as follows:

- (a) The cost of advancing community facilities and providing community services, required to successfully integrate workers into the existing community of the Township;
- (b) The financing costs associated with advancing the construction of facilities, necessary to accommodate the increase in population due to the construction and operation of the Station;
- (c) The costs associated with the retention of a Planning Co-ordinator to assist the Township in completing all necessary applications and to liaise with the Corporation on all matters related to the impact of the Station on the Township during the life of this Agreement:

The Township agrees that these costs shall not exceed Fifteen Thousand Dollars (\$15,000) in the first twelve-month period of this Agreement, without prior consultation with, and approval of, the Corporation;

This Co-ordinator shall be retained on a per-diem basis plus expenses. The need, the terms of reference, and the allowable cost for this function shall be reviewed annually by the Township and the Corporation on each anniversary date of this Agreement:

- (d) Such other items which may be identified during the monitoring process referred to in paragraph 11.

7. The Corporation agrees to provide the Township with the best available projection of employment levels, on a monthly basis, for the life of this Agreement, in order to assist the Township to estimate the total number of persons employed at the Station seeking housing accommodation other than at the camp.
8. The Corporation and the Township agree that it may be difficult to provide additional housing in the Township to accommodate workers associated with the construction of the Station. Therefore, the Corporation and the Township agree that, upon request of either party, they will negotiate, develop and implement, by way of a supplementary agreement, a housing and development plan for temporary housing, including all associated or related costs, based on the expected number of temporary housing accommodation units required in the Township during the construction period. The cost of the negotiation and development of this plan shall be borne by the Corporation. The parties hereto agree that the development and implementation of this temporary housing and development plan may of necessity result in the costs of advancing the planned sanitary interceptor sewer system and sewage treatment plant. The Corporation's liability for costs of advancing these services is covered under paragraphs 14 and 23.
9. The Township agrees to establish, by October 1, 1978, a list of specific items of financial impact for which supplementary agreements are required. The Township and the Corporation agree to enter into such supplementary agreements within which measures of compensation are determined. Any failure to identify an item of impact shall not relieve the Corporation of its obligation assumed under paragraph 6 to compensate the Township for such impact and the provisions of paragraph 17 are applicable to any claim.
10. The Township and the Corporation agree that the failure to identify any item of impact by October 1, 1978, shall not preclude the negotiation and settlement of further supplementary agreements.
11. The Corporation agrees to propose methods, review proposals and to participate with the Township in a process of monitoring the ongoing social, economic and financial impact of the construction of the Station in the Township and to fund expenses incurred by the Township for such monitoring programs, including additional studies, if required, to a maximum of one hundred thousand dollars (\$100,000.00), commencing January 1, 1978, and concluding as provided in paragraph 19. The Township agrees that the maximum expenditure in any one twelve-month period shall not exceed twenty-five thousand dollars (\$25,000.00).

12. The Corporation acknowledges that at the present time the Official Plan and Zoning Bylaws of the Township have not been completed. The Township agrees to ensure that the property required for access to and construction of the Station are designated in such a way as to permit construction and operation of the Station. Upon completion of the Official Plan and the Zoning Bylaws, the Township agrees to make any changes which become necessary in order that the temporary housing and development plan referred to in paragraph 8 of this Agreement might be implemented as set out therein.
13. The Corporation agrees to pay the increases in costs, not assumed by the Ministry of Transportation and Communication, for improving and maintaining those roads and bridges reasonably required for the increase in traffic resulting from the travel of construction workers and transportation of materials in connection with the construction of the Station and to enter into supplementary agreements dealing with the specific roads and bridges involved and the details of improvements and maintenance to be done.
14. The Corporation recognizes that the provision of a sewage treatment plant and a sanitary sewer interceptor system is a special situation in the Township; and that the Township is engaged in negotiations with various governmental ministries and agencies for a sewage treatment plant with design capacity for a population of 6,000 people. The Corporation and the Township agree that, should financial assistance from the Corporation for these sewage facilities be required, the Corporation's liability shall be limited to that related to advancing these facilities. That is, the financial cost of the original portion of Township's share of the total cost of these facilities, (estimated at the time of entering into this Agreement to be approximately six hundred thousand dollars (\$600,000.00) for a period of time not to exceed three years and a corresponding total grant not to exceed two hundred and fifteen thousand dollars (\$215,000.00). The terms and conditions of this grant shall be the subject of a supplementary Agreement with the first year's interest payment to be paid by the Corporation on the date the sewage treatment system is completed and in service.
15. The Township and the Corporation agree that any differences arising in connection with the interpretation or application of this Agreement, or with the achievement of supplementary agreements as referred to in paragraphs 4, 8, 9, 10, 13 and 14, shall be submitted to a Board of Arbitration. The award of such Board of Arbitration shall be final and binding on the Township and the Corporation, and not subject to any appeal.

16. The Township and the Corporation (for the purposes of this paragraph, referred to as the parties) agree that any arbitration as provided for in paragraph 15 shall be constituted and established as follows:
 - (a) Each party may at any time serve on the other party a notice requiring an arbitration and specifying the relief claimed and the grounds for claiming such relief;
 - (b) Within seven clear days of the service of such notice, both parties shall appoint a member to a Board of Arbitration to be constituted in respect of such arbitration;
 - (c) The members shall, within seven clear days from the aforementioned seven-day period, appoint a chairman of the Board of Arbitration;
 - (d) The provisions of the Arbitrations Act, R.S.O. 1970, Chapter 25 and amendments thereto, Schedule "A" and regulations thereto shall, mutatis mutandis, be part of this procedure;
 - (e) The Board of Arbitration shall hear the matters in dispute, and make their award in writing, within three months after the appointment of the chairman, and may not enlarge this time period without the consent in writing of both parties.
17. Should the Corporation deny, in whole or in part, any claim for payment, or fail to respond to such claim within a period of 90 days, the Township or the Corporation may submit any claim to a Board of Arbitration as provided in paragraphs 15 and 16.
18. The Corporation agrees to pay to a maximum amount of twenty thousand dollars (\$20,000.00), the costs incurred by the Township for legal fees, consulting fees and Township administrative staff incurred from July 1, 1977 onward, in reviewing and settling this Agreement. The Corporation agrees to pay costs associated with the negotiating and settling of supplementary agreements to a maximum of twenty-five thousand dollars (\$25,000.00).

19. Except as otherwise provided herein, this Agreement shall remain in force until the latter of October 31, 1985 or the first anniversary of the acceptance date of commercial service of the second generating unit at the Station. If an additional unit or units is authorized by the Corporation during the life of this Agreement, the termination date of this Agreement and the terms and conditions for the financial impact of the second phase construction shall be reviewed by both parties and shall be part of a supplementary agreement. The monitoring program referred to in paragraph 11 shall continue in force for an additional period of one year from the effective date of termination in order that compensation due to the Township to the date of termination can be determined.
20. Nothing contained in this Agreement shall be construed to relieve the Corporation of its liability to pay grants in lieu of taxes pursuant to Section 47 of the Power Corporation Act or any similar taxes, grants or other payments as may at any time be established in any future amendments to the Power Corporation Act or Assessment Act or in any other legislation.
21. If any amendments to legislation, or new legislation, as referred to in paragraph 20 establish payments to compensate the Township for the impacts which are included in this Agreement during construction of the Station, the amounts of money not yet paid out hereunder shall be renegotiated forthwith. The sum of such altered payments and the renegotiated amounts shall not be reduced below the amounts which would otherwise have been paid under paragraphs 23 and 24.
22. The Corporation and the Township agree that the Corporation shall pay a single total amount of sixty thousand dollars (\$60,000.00) to cover all required building permit fees for both permanent buildings and temporary construction facilities which relate to the construction and operation of the first two 200-megawatt units. The parties hereto agree that if approval is obtained to expand the Station beyond the first two 200-megawatt units, the compensation payable to the Township by the Corporation for building permit fees for the additional construction requirements and buildings will be negotiated by the parties and form a supplementary agreement. An initial payment of five thousand dollars (\$5,000.00) shall be paid to the Township forthwith on execution of this Agreement with the balance to be paid on or before November 1, 1978. The Corporation further agrees that the Corporation or its contractors will apply for all building permits through the Township offices, notwithstanding the fact that the fee is prepaid through the terms of this paragraph.

23. The Corporation agrees to pay a special grant of four hundred and thirty-five thousand dollars (\$435,000.00) in respect of its financial obligations arising out of paragraph 13 which relate to improving and maintaining roads and bridges; and those financial obligations arising out of paragraph 6(b) which relate to the advancement of the construction of facilities. This special grant will be payable as follows:

- (a) The corporation shall establish an account in its financial accounts to be known as Station Account 'A'. The Corporation shall, from time to time, within 60 days of the receipt of written requisition therefore by the Township, pay from Station Account 'A' all costs and compensation arising out of the provisions of this paragraph.
 - (b) On January 1st of each year during the duration of this Agreement, excluding the monitoring period following the Agreement, commencing January 1, 1979, the Corporation shall pay one year's interest on the residual amount in Station Account 'A' and credit the account accordingly. The interest rate shall be weighted average of the interest rates on the public Canadian bonds issued by the Corporation in the preceding year.
 - (c) Any residual amount in Station Account 'A' at the termination of this Agreement shall not be paid to the Township.
 - (d) If on termination of this Agreement a review of financial impacts specified in this paragraph indicates that the amounts in Station Account 'A' were insufficient to compensate the Township for those impacts, the Corporation shall pay the deficiency, including any interest paid by the Township as a result of the deficiency.
24. The Corporation agrees to pay in addition to the financial obligations under paragraphs 14, 22 and 23 a special grant of four hundred thousand dollars (\$400,000.00) in respect of its financial obligations under paragraphs 6(a), 6(c), 6(d), 8, 11 and 18 of this Agreement. This special grant shall be payable as follows:

- (a) The Corporation shall establish an account in its financial accounts to be known as Station Account 'B'. The Corporation shall, from time to time, within 60 days of the receipt of written requisition therefore by the Township, pay from Station Account 'B' all costs and compensation arising out of the provision of this paragraph.

- (b) On January 1st of each year during the duration of this Agreement, commencing January 1, 1979, the Corporation shall pay one year's interest on the residual amount in Station Account 'B' and credit the account accordingly. The interest rate shall be the weighted average of the interest rates on the public Canadian bonds issued by the Corporation in the preceding year.
- (c) An residual amount in Station Account 'B' at the termination of this Agreement shall be paid to the Township, provided that the Township agrees that if it actively obstructs or fails to encourage the process of planning and approving the provision of housing for workers related to the construction of the Station, the Corporation may apply to a Board of Arbitration for a reassessment of the residual amount payable from Station Account 'B' at the termination of this Agreement and that the Board may reduce the amount payable. The Board of Arbitration shall be constituted within 30 days of the date of termination of this Agreement by written notice given by the Corporation to the Township. The provisions of paragraphs 15 and 16 shall apply to the arbitration.
- (d) If on termination of this Agreement a review of financial impacts specified in this paragraph indicates that the amounts in Station Account 'B' were insufficient to compensate the Township for those impacts, the Corporation shall pay the deficiency.

25. In the event that, during construction of the Station, the International Joint Commission is empowered and does undertake a review and assessment of the international environmental implications, resulting in undue delays and increased costs in construction of the Station, the Corporation reserves the right to terminate this Agreement with one year's prior written notice subject to payment to the Township of all outstanding costs incurred to the termination date.

26. The Township agrees that the following AUDIT PROVISIONS shall apply to any claim submitted by the Township to the Corporation for compensation, as described in paragraph 17:

The Township shall keep proper books, accounts and records in form and detail satisfactory to the Corporation of all transactions relevant to this Agreement or any supplementary agreement. Notwithstanding the generality of the foregoing such accounts and records shall include invoices, receipts, cancelled cheques, vouchers and employee time records relating thereto. If the Corporation requires any changes in the bookkeeping or accounting methods of the Township, the Township agrees to make the necessary changes and all additional Costs shall be borne by the Corporation.

16. The Township and the Corporation (for the purposes of this paragraph, referred to as the parties) agree that any arbitration as provided for in paragraph 15 shall be constituted and established as follows:
- (a) Each party may at any time serve on the other party a notice requiring an arbitration and specifying the relief claimed and the grounds for claiming such relief;
 - (b) Within seven clear days of the service of such notice, both parties shall appoint a member to a Board of Arbitration to be constituted in respect of such arbitration;
 - (c) The members shall, within seven clear days from the aforementioned seven-day period, appoint a chairman of the Board of Arbitration;
 - (d) The provisions of the Arbitrations Act, R.S.O. 1970, Chapter 25 and amendments thereto, Schedule "A" and regulations thereto shall, mutatis mutandis, be part of this procedure;
 - (e) The Board of Arbitration shall hear the matters in dispute, and make their award in writing, within three months after the appointment of the chairman, and may not enlarge this time period without the consent in writing of both parties.
17. Should the Corporation deny, in whole or in part, any claim for payment, or fail to respond to such claim within a period of 90 days, the Township or the Corporation may submit any claim to a Board of Arbitration as provided in paragraphs 15 and 16.
18. The Corporation agrees to pay to a maximum amount of twenty thousand dollars (\$20,000.00), the costs incurred by the Township for legal fees, consulting fees and Township administrative staff incurred from July 1, 1977 onward, in reviewing and settling this Agreement. The Corporation agrees to pay costs associated with the negotiating and settling of supplementary agreements to a maximum of twenty-five thousand dollars (\$25,000.00).

19. Except as otherwise provided herein, this Agreement shall remain in force until the latter of October 31, 1985 or the first anniversary of the acceptance date of commercial service of the second generating unit at the Station. If an additional unit or units is authorized by the Corporation during the life of this Agreement, the termination date of this Agreement and the terms and conditions for the financial impact of the second phase construction shall be reviewed by both parties and shall be part of a supplementary agreement. The monitoring program referred to in paragraph 11 shall continue in force for an additional period of one year from the effective date of termination in order that compensation due to the Township to the date of termination can be determined.
20. Nothing contained in this Agreement shall be construed to relieve the Corporation of its liability to pay grants in lieu of taxes pursuant to Section 47 of the Power Corporation Act or any similar taxes, grants or other payments as may at any time be established in any future amendments to the Power Corporation Act or Assessment Act or in any other legislation.
21. If any amendments to legislation, or new legislation, as referred to in paragraph 20 establish payments to compensate the Township for the impacts which are included in this Agreement during construction of the Station, the amounts of money not yet paid out hereunder shall be renegotiated forthwith. The sum of such altered payments and the renegotiated amounts shall not be reduced below the amounts which would otherwise have been paid under paragraphs 23 and 24.
22. The Corporation and the Township agree that the Corporation shall pay a single total amount of sixty thousand dollars (\$60,000.00) to cover all required building permit fees for both permanent buildings and temporary construction facilities which relate to the construction and operation of the first two 200-megawatt units. The parties hereto agree that if approval is obtained to expand the Station beyond the first two 200-megawatt units, the compensation payable to the Township by the Corporation for building permit fees for the additional construction requirements and buildings will be negotiated by the parties and form a supplementary agreement. An initial payment of five thousand dollars (\$5,000.00) shall be paid to the Township forthwith on execution of this Agreement with the balance to be paid on or before November 1, 1978. The Corporation further agrees that the Corporation or its contractors will apply for all building permits through the Township offices, notwithstanding the fact that the fee is prepaid through the terms of this paragraph.

All such books, accounts and records shall at all reasonable times be open to audit and inspection by the Corporation at the cost of the Corporation or its authorized representative (who may make copies thereof and take extracts therefrom): and the Township shall provide all proper facilities for such audit and inspection and shall make available to the Corporation or its authorized representatives all such aforesaid books, accounts and records. Such books, accounts and records are to be preserved and kept available for audit and inspection at any time until the expiration of two (2) years from the termination of this Agreement, or for such lesser periods of time as shall be approved in writing by the Corporation. Should any such audit or inspection disclose any discrepancy, the parties mutually agree to appropriately adjust such discrepancy forthwith.

The Township shall include a right-to-audit clause similar to this paragraph in any contracts it may enter into as a result of this Agreement or any supplementary agreement. Such audit right shall be extended to the Corporation or its designated representative.

THIS AGREEMENT shall extend to, be binding upon and ensure to the benefit of the successors and assigns of the parties hereto.

IN WITNESS WHEREOF the Corporation and the Township have caused this Agreement to be executed by the affixing of their corporate seals attested by the signatures of their proper officers duly authorized in that behalf.

ONTARIO HYDRO

President

Secretary

THE CORPORATION OF THE
TOWNSHIP OF ATIKOKAN

Reeve

Clerk-Treasurer

Property Value Protection (PVP)

If present owners of property located within the PVP Zone wish to sell at any time during the operating life of the site. Sleetley will offer to purchase their property at fair market value. This value will be determined by independent appraisers and will take into account an active quarry but will assume no landfill activity.

Sleetley will cover the cost of moving to a new home within 80 kilometres of the Current location, as well as legal, survey and land transfer tax costs.

Property owners are not required to sell to Sleetley but may sell to others through the normal real estate market. In this case, Sleetley will compensate the vendor in the same way it would in a sale of the property to Sleetley. This compensation would include the cost of moving to a home within 80 kilometers of the Current location, as well as legal, survey and land transfer tax costs (supported by receipts). Sleetley will not be responsible for realtors' fees or commissions if the owner elects not to sell his/her property to Sleetley.

If requested by the vendor, Sleetley will consider leasing back the property at fair market value. A property owner who chooses this option will have the first right of refusal to buy back the property from Sleetley at the value appraised at that time.

Resident Compensation

Non-farm residents within the PVP Zone will receive an annual sum of money equal to the value of their municipal taxes, although the payment is not intended to reimburse the specific property taxes. Farmers within the Zone will receive 52,000 in the first year. The amount will be amended annually in proportion to any increase or decrease in municipal taxes. This policy will continue throughout the operating life of the site.

Within one year of approval of the site, Sleetley will provide independent professional advice to residents within the PVP Zone to identify measures that could minimize the impact of the landfill site. The cost of any measures agreed upon will be covered by Sleetley up to a maximum of \$3,000 per household.

Community Trust

A trust fund will be established, payable to the Town of Flamborough, the host community. The fund will be administered by a committee comprised of representatives of the community, the elected council and Sleetley. The purpose of the trust will be to provide funding in support of community projects. Sleetley forecasts that the trust will yield no less than \$27 million over the life of the site, based on projected volumes and revenues.

PUBLIC REVIEW AND COMMENT

Sleetley's full Environmental Assessment submission is available for public review at the libraries listed below.

Dundas Public Library 627-3507
18 Ogilvy Street
Dundas, Ontario L9H 2S2

Greensville Library 627-3951
59 Kirby Avenue, Unit #5
Greensville, Ontario L9H 4H6

McMaster University 525-9140
Lloyd Reeds Map Library/
Urban Documentation Centre
1280 Main Street West
Hamilton, Ontario L8S 4K1

Millgrove Public Library 689-6582
Millgrove Park
Millgrove Side Road
Millgrove, Ontario L0R 1V0

Waterdown Public Library 689-6269
P.O. Box 550
25 Mill Street North
Waterdown, Ontario L0R 2H0

An Executive Summary of the Environmental Assessment of the South Quarry Landfill Development is also available from Sleetley for a nominal fee.

ATTACHMENT 1