



# Kittiwake Economic Development Corporation

## **Wharf and Harbour Funding Development Toolkit May 2011**

### **Background Information**

With 29,000 km of coastline around the island of Newfoundland and the Coast of Labrador, the province has hundreds of harbours, coves, and inlets.

In 1995, three years following the government announced cod moratorium, the Federal Government approved a Divestiture program which targeted low level fishing harbours for divestiture from the Small Craft Harbour umbrella of responsibility. Harbours with no government or local interest had their facilities demolished, but in most cases municipalities realized the value of their harbour asset in their town.

The divestiture agreements passed the wharves and facilities in the hands of municipalities, harbour management organizations, or private individuals. These organizations and individuals quickly realized that the resources to maintain these wharves would be seriously challenged. New avenues, including the recent Provincial Marina Strategy, focused on how best to use their harbour facilities to benefit from recreational boating and the tourism potential associated with it.

### **About Small Craft Harbours**

Small Craft Harbours (SCH) is a nationwide program of the Department of Fisheries and Oceans. With the help of more than 5000 volunteers nationally, SCH operates and maintains a national system of harbours to provide commercial fish harvesters and other harbour users with safe and accessible facilities. **The mandate of SCH is to keep the harbours that are critical to the fishing industry open and in good repair.**

### **Divestiture**

The Divestiture Program strives to transfer ownership of designated harbours to a third party. Divestiture of recreational harbours and low-activity or derelict harbours allows SCH to focus its efforts and investments on core harbours that are critical to the fishing industry.

SCH will first provide the necessary harbour repairs and environmental clean-up. It does this by either undertaking this work prior to transfer or by providing a comparable grant to the recipient.

Municipalities have generally shown most interest in assuming responsibility for harbour facilities. They are often in the best position to make decisions about which services are most appropriate. When ownership of a harbour is transferred, the recipient must pay a nominal fee and maintain public access to the harbour and to its services for a minimum of 5 years.

Transfer or demolition only occurs after the communities concerned have been consulted and only when an agreement has been reached. Harbour structures are demolished only if there is no local interest in them. For more details on this aspect of the SCH Program, please visit [www.dfo-mpo.gc.ca](http://www.dfo-mpo.gc.ca).

### **Environmental Assessment**

The purpose of environmental assessment is to "protect the environment and quality of life of the people of the province; and facilitate the wise management of the natural resources of the province". It requires anyone who plans a project that could have a significant effect on the natural, social or economic environment to present the project for examination. The environmental assessment process ensures that projects proceed in an environmentally acceptable manner. When the potential environmental effects of projects are of concern, the process generates real benefits by: (i) providing for comprehensive project planning and design, (ii) maximizing environmental protection, (iii) enhancing government coordination, accountability and information exchange, and (iv) facilitating permitting and regulatory approval of projects.

The Environmental Assessment Division of the Department of Environment and Conservation administers the process including: (i) consulting at every stage with interested government departments and the public, (ii) evaluating submissions by proponents and reviewers, (iii) advising the Minister on potential environmental effects prior to decisions and (iv) monitoring released projects to ensure compliance and effectiveness of mitigation.

**Funding for wharf and harbour projects may be subject to assessment under the Environmental Protection Act.** For more information or to obtain an application guide, please visit the Department of Environment and Conservation website at [www.env.gov.nl.ca](http://www.env.gov.nl.ca).

A booklet which summarizes information on the environmental assessment process in Newfoundland and Labrador is available. It is not to be considered a final authority or legal document. For further information or explanation, readers are advised to refer to the *Environmental Protection Act* and Regulations or contact the Department.

## **Environmental Assessment**

Department of Environment and Conservation  
P.O. Box 8700  
St. John's, NL, A1B 4J6

Toll Free 1-800-563-6181  
Phone: (709) 729-4211  
Fax: 729-5518

## **Funding Programs for Harbour/ Wharf Projects**

The Provincial Marina Strategy, published in 2007, attempted to identify the potential for economic diversification through tourism and recreational boating industries. The strategy highlighted the need for a network of harbours and marinas to be put in place in order to develop a sound recreational boating industry in the province. This strategy identified that primary usage for these facilities will come from resident markets, and was faced with a lack of statistical support for attracting non-resident tourists to the province. For this reason, the federal and provincial departments have lowered their priority on the development of harbours, marinas, and wharfs specifically for recreational boating.

Both governments have made a clear distinction between harbours which are used for commercial fishing vs. harbours and wharfs used for recreational boating and tourism. Federal departments such as the Department of Fisheries and Oceans have indicated that they will only fund wharf and harbour projects which act as a commercial fishing premises.

Given this distinction, much of the funding for wharf and harbour projects is focused on improving facilities which have substantial fishing activity occurring within them on a regular basis. The following funding streams are available to communities, individuals, and harbour authorities if they can show substantial evidence that their facilities are being used, at least in part, by commercial fishing vessels.

## **Department of Fisheries and Oceans Special Assistance Grant**

The Department of Fisheries and Oceans (DFO) has special assistance funding available to harbour projects under the umbrella of the Small Craft Harbours (SCH) authority. Minor repairs identified by harbour authorities, communities, and individuals are funded by SCH through contracts and contribution agreements. These harbours are almost exclusively focused on commercial and industrial uses and must be supported by the local fishing community. Information about the viability of funding can be made directly with the department of Fisheries and Oceans. Additional information can be obtained by visiting the Department of Fisheries and Oceans website at [www.dfo-mpo.gc.ca](http://www.dfo-mpo.gc.ca).

## **Innovation, Trade and Rural Development Small and Medium Enterprise Fund**





The Small and Medium Enterprise Fund provides term loans and investments to small and medium-sized businesses in strategic growth sectors, including value-added manufacturing, information technology, aquaculture, bio-technology, marine services, agrifoods and tourism. The fund is also available to businesses which have export potential and require assistance to enter or expand in external markets. Funds are provided to complement funding from conventional sources, where a need has been demonstrated, and is also intended to increase the capital base of businesses allowing them to leverage new private-sector investments.

Funding is available for start-up, modernization, or expansion of a business venture. Applications, along with a business plan, will be considered from proprietorships, partnerships, corporations, co-operatives, or not-for-profit commercial organizations operating within the province. Applicants must demonstrate leveraged funding; including client commitment; market potential; strong, experienced management; net economic benefit/job creation; and potential for viability, sustainability, and growth.

The applicant must demonstrate that it is unable to obtain sufficient funding under reasonable terms and conditions from conventional sources and that the funding is essential to the success of the business.

**A term loan up to \$250,000 per project is available at the department's base rate plus 3% interest with an applicant investment of up to 20% of project costs. An equity investment of up to \$250,000 per project with an applicant investment of up to 20% of project costs is also available.** Application forms are available at the link provided below, or at any office of the Department of Innovation, Trade, and Rural Development. For information and assistance, call 1-800-563-2299 or the departmental office nearest you.

To find out more please download:

- [Program Fact Sheet](#) 
- [Application Form](#) 
- [Confidential Statement of Personal Net Worth](#)  (2.85 MB)
- [Contamination Warranty](#) 

### **Zone Fourteen: Gander**

2nd Floor, Fraser Mall  
230 Airport Blvd, Gander, NL  
Mailing Address  
P.O. Box 2222, Gander NL, A1V 2N9

### **Economic Development Officers**

[Sheila Boutcher](#) (709) 256-1486

[Richard Phillips](#) (709) 256-1482

**Municipal Affairs  
Community Enhancement Employment Program**

The Community Enhancement Employment Program (CEEP) is a provincially-funded program that provides short-term employment. Workers in rural areas are employed by local governments or community organizations for up to 420 hours to assist them with eligibility for Employment Insurance benefits.

The Department provides funding towards projects that contribute to tourism development, economic development, community/municipal infrastructure, and community services. The Department also encourages project sponsors to develop projects that, through their work, provide skills development opportunities for workers and ongoing benefits to the region.

Project sponsors must be established not-for-profit organizations or local governments. This includes towns, regional municipalities, Inuit community governments, local service districts, community or economic development organizations, and other not-for-profit organizations.

**The application, forms and guidelines for the 2011-2012 Community Enhancement Employment Program will be posted by mid-June 2011.**

To find out more, please visit [www.ma.gov.nl.ca/ma/emp\\_support/ceep.html](http://www.ma.gov.nl.ca/ma/emp_support/ceep.html)

**Department of Municipal Affairs**  
Main Floor, West Block  
Confederation Building  
P.O. Box 8700, St. John's, NL, A1B 4J6

[MAPAinfo@gov.nl.ca](mailto:MAPAinfo@gov.nl.ca)