

FCM's Green Municipal Fund™ Offers Low-Interest Loans for Brownfield Remediation

OTTAWA, JULY 10, 2008 – The Federation of Canadian Municipalities (FCM) has launched a new Green Municipal Fund™ (GMF) financing opportunity for the remediation of brownfield sites. Up to \$20 million in low interest loans will be made available to municipal governments and their partners.

“For municipal governments, GMF interest rates are 1.5 per cent lower than the Government of Canada benchmark bond yields for a similar term,” stated Sherbrooke, Quebec Mayor and FCM President Jean Perrault. “For example, on July 10, 2008 FCM was offering municipal governments 2.2 per cent interest on disbursements of 10-year GMF loans: with low-interest GMF loans, communities can do the right thing for the environment and the right thing for their bottom line,” continued Mayor Perrault.

Interest rates on GMF loans are set at the time of each disbursement. GMF loans for private sector municipal partners are based on the applicant's credit strength and a number of other criteria such as innovativeness and environmental benefits. As a result FCM may be prepared to finance projects that might have difficulty obtaining funds from many conventional lenders and at a price that may be much more attractive.

This call for applications introduces greater flexibility and longer timelines than previous GMF funding opportunities for brownfield projects. Applications will be received and processed continuously after July 10, 2008. Each application will be assessed individually on its own merits. GMF financing will be made available to successful applicants during site remediation, when it is often otherwise hardest to secure.

“We listened to experts and agreed with their priorities,” said Edmonton, Alberta Councillor and GMF Council Chair Karen Leibovici. “We've made significant changes to get them funding quicker and with fewer hurdles.”

“Dealing with brownfields is a priority for communities of all sizes, in all regions,” added Leibovici. “Cleaning up these sites can improve quality of life, stimulate economic development and turn an environmental liability into a community asset.”

In addition to low-interest loans for brownfield remediation, FCM offers GMF grants for site assessments and for sustainable neighbourhood development plans. GMF grants and loans are also available in other sectors of municipal activity.

The Government of Canada endowed FCM with \$550 million to establish the Fund to provide a long-term, sustainable source of financing and knowledge for municipal governments and their partners. The Fund supports communities to improve air, water and soil quality, and to address climate change.

For more information visit <www.sustainablecommunities.fcm.ca>, or contact:

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