

Understanding Site Contamination

Webinar for Managing Brokers

September 21, 2023

BCFSA BC Financial
Services Authority

Classification: Public



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Speakers

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Agenda

1. Site Contamination Explained
2. Site Registry
3. Site Disclosures
4. Practical Applications
5. Managing Broker Obligations
6. FAQs
7. Q&A

Site Contamination Explained

Why Is This Information Important?

- Ministry of Environment requested BCFSA to support delivery of information on contaminated sites and the required disclosures.
- BCFSA wants to ensure managing brokers have the necessary information prior to the board presentations scheduled for later in the year.



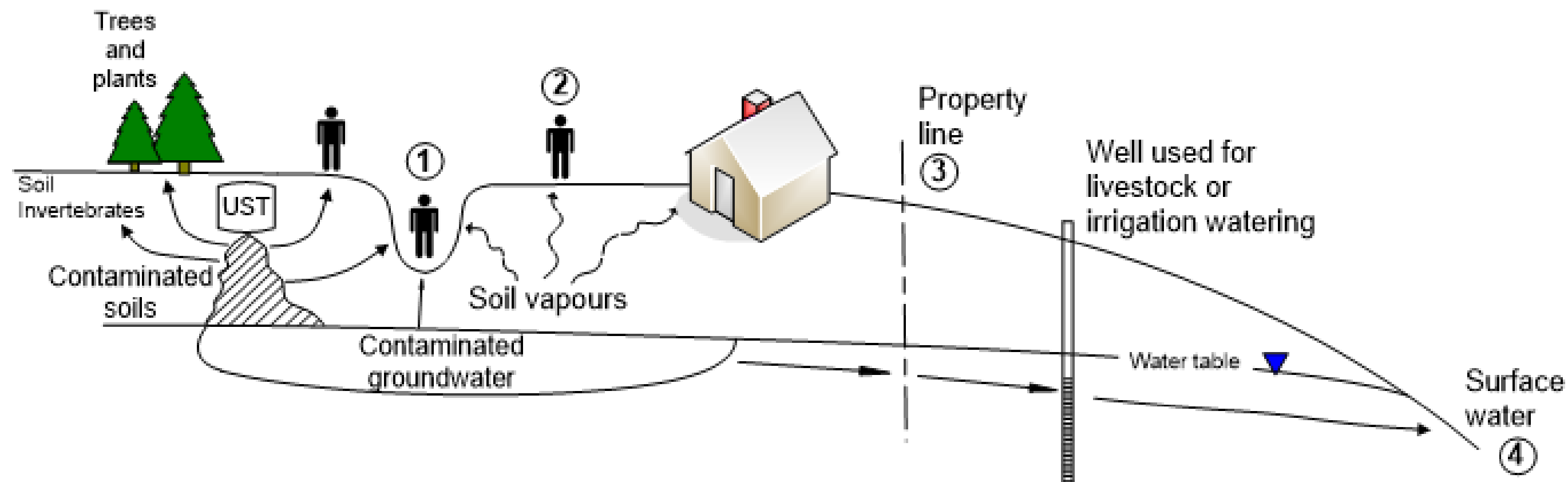
What Is Site Contamination?

- Area of land where soil, groundwater, surface water, or sediment contains concentrations of substances that are above provincial standards to protect human health and environment.



What is Site Contamination?

Example of a contaminated site resulting from a fuel spill from an underground storage tank (“UST”) and how that spill can affect soil, groundwater, soil vapour, and surface water.



How Do Sites Become Contaminated?

- Residential – heating oil tanks, spills, illegal dumping
- Agricultural – fuel storage, machinery maintenance, pesticide/fertilizer use
- Commercial/industrial uses



Why Does Site Contamination Matter?

- Liability for the seller and buyer
- Importance of due diligence for licensees and sellers
- Environmental/human health risks – can limit use of site



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Where to Find Information About Contaminated Sites

- Visual indicators on property and neighbouring properties
- Speaking with current owners, or neighbours who know the property
- Municipal records
- Site Registry



Site Registry

What Is the Site Registry?

- Searchable database of government property information
 - Remediation information
 - Migration of contamination of property information
 - Site investigation reports
- Note: just because a site is on the registry does not mean it's contaminated
 - Information may need to be interpreted by an environmental professional



How to Access the Site Registry

- BC Registries and Online Services
- Site information requests
- [Site information - Province of British Columbia \(gov.bc.ca\)](https://www.gov.bc.ca)



Site Disclosures

Site Disclosure Statements

WHAT IS A SITE DISCLOSURE STATEMENT?

- Legal form that provides information about a site and any affiliated commercial or industrial uses
- Site disclosure statements must be signed by the owner or operator of a property



Site Disclosure Statements

WHEN ARE THEY REQUIRED?

- Certain commercial or industrial uses listed in Schedule 2 in the Contaminated Sites Regulation have occurred on the site.
- A regulated activity is occurring such as sale of a property, subdivision, zoning, development or shut down of a use listed in Schedule 2.



What Happens When a Site Disclosure Must Be Submitted?

Depends on the trigger for completing a site disclosure statement.

Property sale: the form is provided to the potential purchaser for information purposes only. The ministry does not receive a copy of this information.

All other triggers: the site disclosure is submitted to the ministry and initiates requirements to complete environmental site investigation and clean up of site contamination. This information is added to the Site Registry.

Site Disclosure Statements

EXEMPTIONS

- All exemptions listed in Contaminated Sites Regulation
- No disclosure statement required for tenants
- Most residential properties



What to Do if a Site Is Suspected of Being Contaminated

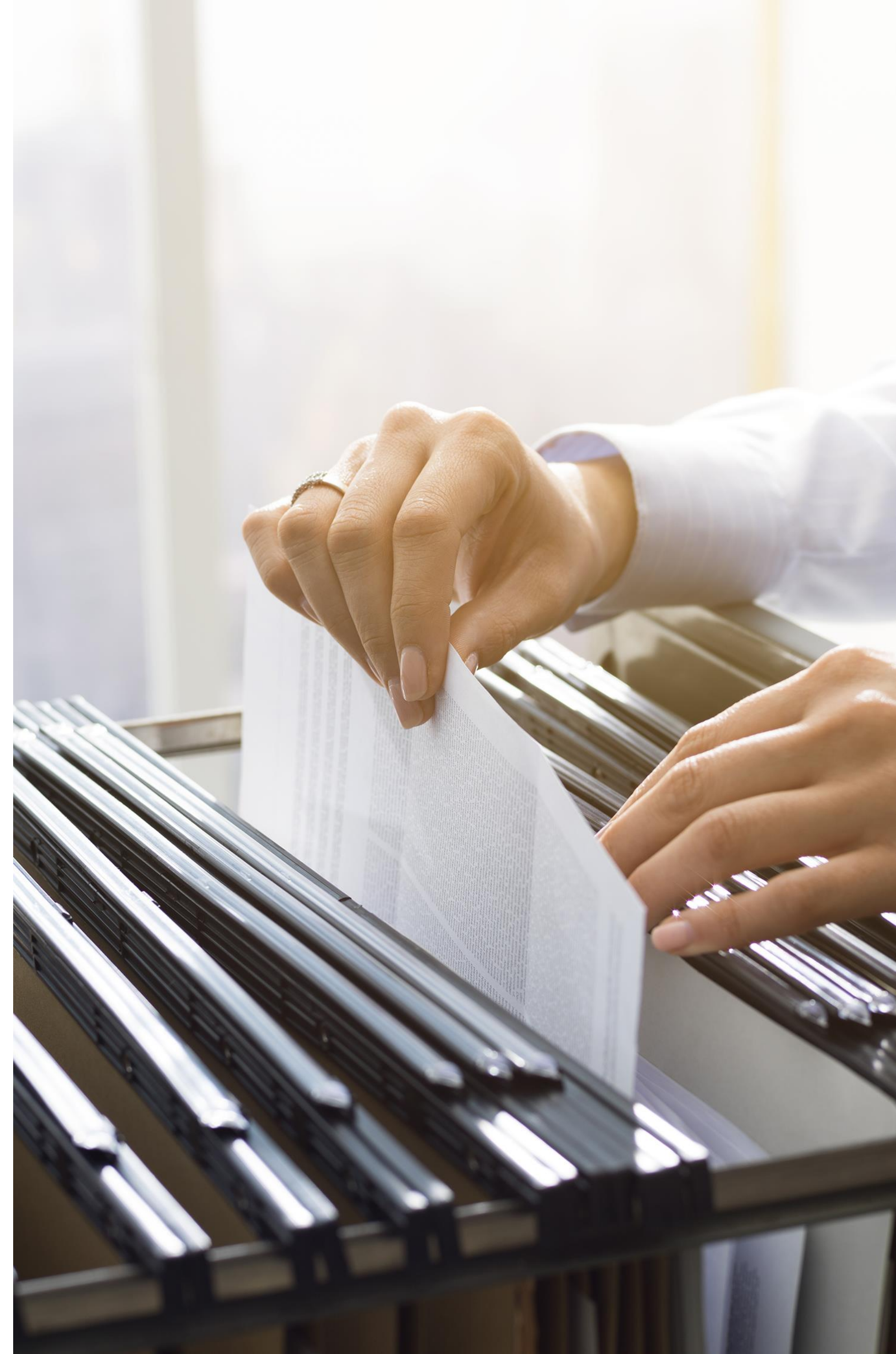
Before purchasing a property that may be contaminated, the purchaser could:

- Ask more questions (Contact Us webpage)
- Review the Site Remediation website
- Hire a qualified environmental professional to review any available reports or other site information
- Request confirmation of site condition prior to completion of the sale. The purchaser could consider sharing site investigation costs with the vendor



Certification Documents

- Certificate of Compliance
- Determination (site not contaminated)
- Approval in principle of a Remediation Plan



Practical Applications

Material Latent Defects (“MLDs”)

- Could be MLDs? – Seek professional advice
- Discuss BCFSA Rule obligations for MLDs
- Do not advise outside your area of expertise



Property Research

- Conversations with client owners (vendors) – sellers agents
- Conversation with neighbours – buyers agents
- Internet search of property



Managing Broker Obligations

Your Obligations as a Managing Broker

- Managing broker obligation to educate and supervise licensees
- Obligation of the brokerage to act in the best interest of the client
- Obligation of the brokerage to retain disclosure documents



More Information

BC Government Website: Site Remediation

Licensing and Continuing Education Courses

BCFSA Website

Contaminated Sites Subscription Services

Frequently Asked Questions

Q: I want to buy a property, is it listed on the Site Registry?

A: Individuals can access the Site Registry through the [BC Registries and Online Services](#) webpage. Using your BC Registries account, you can search the Site Registry for records relating to specific properties.

Q: A property I want to purchase is listed on the Site Registry. Is it contaminated?

A: The Site Registry is NOT a registry of contaminated sites, it is a repository for records the ministry has received under Part 4 of the *Environmental Management Act*.

You may be able to determine if a property is contaminated by reviewing the available records. It is recommended to seek the advice of a qualified environmental professional to interpret the information in the records.

Q: I bought a property and just discovered it is contaminated. What do I do?

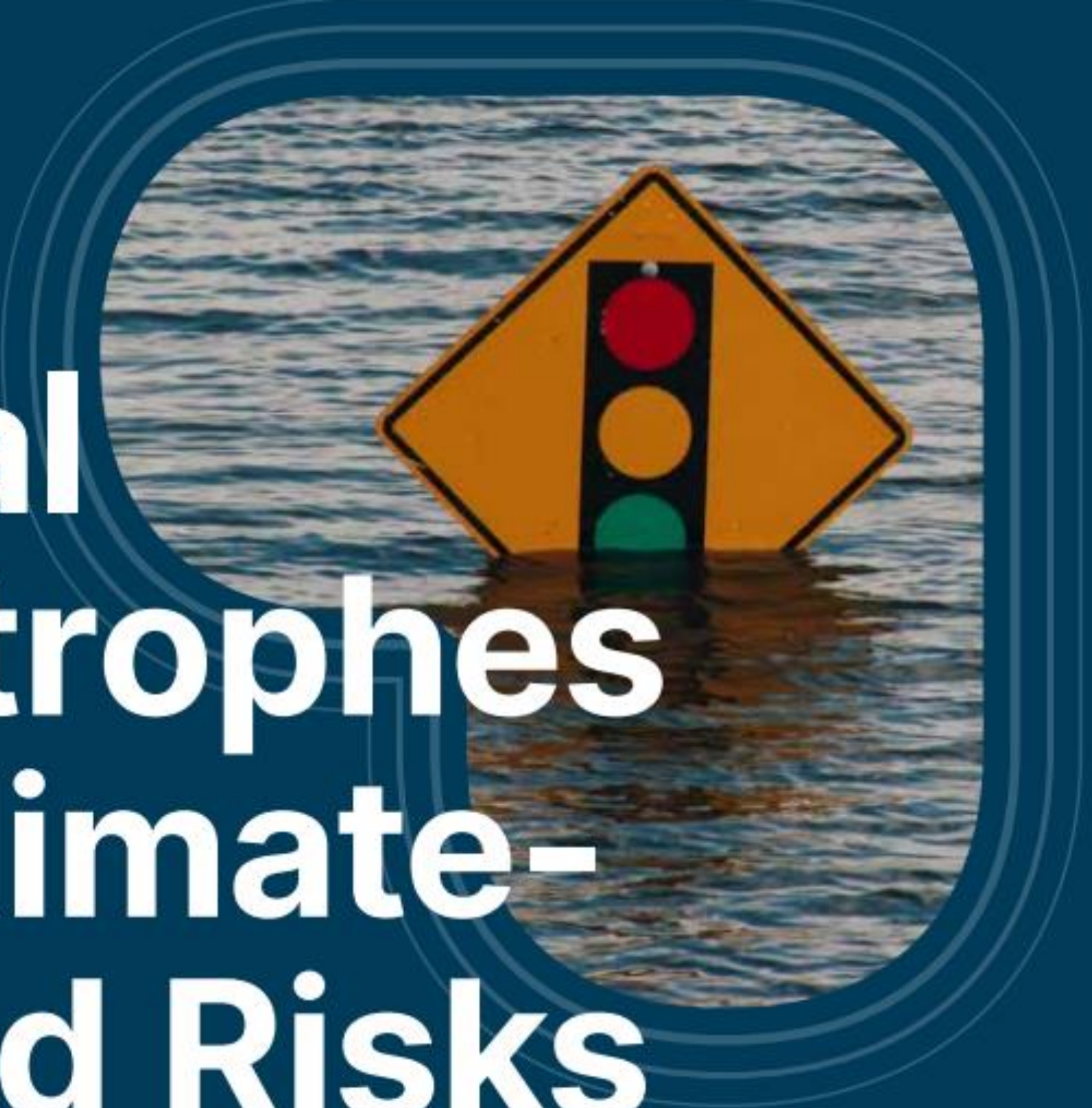
A: Contact an environmental lawyer for advice in this situation.

Additional Questions?

Reminder: Have Your Say

NCCR CONSULTATION OPEN

- Discussion Paper released on July 19 for consultation, open until **November 30, 2023**
- All BCFSA's regulated segments invited to provide feedback using our online [Consultation Feedback Form](#)
- More information available on [BCFSA's Consultation page](#)



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Managing Uncertainty and Building Resilience in the B.C. Financial Services Sector

2023 Discussion Paper

JULY 2023

Ongoing Communication and Support

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Website**

**Brokers'
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**Real Estate
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**Practice
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**Managing
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**Thank
you.**