Ministry of Housing

Housing Programs Branch

777 Bay St., 14th Floor
Toronto, Ontario M5G 2E5
Tel: 416 585-7172
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Ministère du Logement

Direction des programmes de logement

777, rue Bay, 14e étage
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Ontario

January 12, 2018

Ms. Anne Marie Shaw
Director of Housing
Grey County
595 9th Avenue East
Owen Sound, ON N4K 3E3

Dear Ms. Shaw:

Re: Social Housing Apartment Improvement Program – Transfer Payment Agreement

This is to inform you that your business case to undertake greenhouse gas reduction activities under the Social Housing Apartment Improvement Program (SHAIP) in Grey County with funding allocation in 2017-18 has been reviewed by the Ministry

Attached are three (3) copies of the customized Social Housing Apartment Improvement Program (SHAIP) Transfer Payment Agreement (TPA) for the County of Grey based on information provided by your office.

Please ensure that all the information is correct and all the required schedules have been completed. All three (3) copies must be signed by the authorized signatory of Grey County, and returned to Brent Whitty, Manager Regional Services Delivery Unit for the Minister's signature. The deadline to have the signed TPAs returned to the Ministry is March 16, 2018.

Once the TPA is fully executed at the Ministry, we will send you a copy for your records.

Funding will be advanced to the Service Manager as per the Payment Plan (Schedule "E" attached to the TPA) once the following conditions have been satisfied:

1. The TPA has been signed by the Service Manager and executed by the Ministry; and
2. The Program Delivery and Fiscal Plan (PDFP) has been submitted by the Service Manager and approved by the Ministry.

.../2

Any inquiries about SHAIP can be directed to Pearl Dougall Senior Housing Advisor, Regional Housing Services Western Municipal Services Office at (519) 873-4521.

Yours sincerely,

Brent Whitty
Manager, Regional Servicers Delivery Unit

c: Pealr Dougall, Senior Housing Advisor, Regional Housing Services, MSO – West

Attachment: Three (3) copies of the customized Transfer Payment Agreement for Grey County

ONTARIO TRANSFER PAYMENT AGREEMENT

for the Social Housing Apartment Improvement Program

THE AGREEMENT, effective as of _____, 2017 (the **"Effective Date"**),

B E T W E E N:

Her Majesty the Queen in right of Ontario as represented by The Minister of Housing

(the "**Province**")

- and –

Corporation of County of Grey

(the "**Service Manager**")

BACKGROUND

The Service Manager intends to participate in the Province's Social Housing Apartment Improvement Program.

The Province wishes to provide Funds to the Service Manager for the Program.

CONSIDERATION

In consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is expressly acknowledged, the Province and the Service Manager (the **"Parties"**) agree as follows:

ENTIRE AGREEMENT

This agreement (the **"Agreement"**), including:

Schedule "A" - General Terms and Conditions
Schedule "B" - Program Specific Information and Additional Provisions
Schedule "C" - Program Description and Timelines
Schedule "D" - Budget
Schedule "E" - Payment Plan
Schedule "F" - Reporting,
Schedule "G" - Program Delivery and Fiscal Plan (PDFP)

any amending agreement entered into as provided for below, constitutes the entire agreement between the Parties with respect to the subject matter contained in this Agreement and supersedes all prior oral or written representations and agreements.

COUNTERPARTS

The Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

AMENDING THE AGREEMENT

The Agreement may only be amended by a written agreement duly executed by the Parties.

ACKNOWLEDGEMENT

The Service Manager:

(a) acknowledges that it has read and understands the provisions contained in the entire Agreement; and

(b) agrees to be bound by the terms and conditions contained in the entire Agreement.

IN WITNESS WHEREOF, the Parties have executed the Agreement on the dates set out below.

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO as represented by the Minister of Housing	
Name:	Janet Hope
Title:	Assistant Deputy Minister, Housing
Date:	
Signature:	

Corporation of County of Grey	
Name:	Stewart Halliday,
Title:	Warden
Date:	
Signature:	
Authorizing Signing Officer	

Corporation of County of Grey	
Name:	Heather Morrison
Title:	Duty Clerk
Date:	
Signature:	
Authorizing Signing Officer	

SCHEDULE "A"

GENERAL TERMS AND CONDITIONS

1.0 INTERPRETATION AND DEFINITIONS

1.1 **Interpretation.** For the purposes of interpretation:

(a) words in the singular include the plural and vice-versa;

(b) words in one gender include all genders;

(c) the headings do not form part of the Agreement; they are for reference only and will not affect the interpretation of the Agreement;

(d) any reference to dollars or currency will be in Canadian dollars and currency; and

(e) "include", "includes" and "including" denote that the subsequent list is not exhaustive.

1.2 **Definitions.** In the Agreement, the following terms will have the following meanings:

"Additional Provisions" means the terms and conditions referred to in section 9.1 and as specified in Schedule "B".

"**Administration Costs**" means the Service Manager's costs of performing tasks under this Agreement but only up to 5% of the total Confirmed Allocation for each Funding Year.

"**Affordable**" means rented at the low end of market rent as determined by the Service Manager.

"Budget" means the budget attached to the Agreement as Schedule "D".

"Business Day" means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Province has elected to be closed for business.

"Conditional Allocation" means the total funding allocation for each of the four Funding Years starting from 2017-18 as communicated to the Service Manager by Minister's letter that could be available pending carbon market proceeds and Provincial approvals.

"Confirmed Allocation" means the confirmed funding allocation for each of the four Funding Years starting from 2017-18 as communicated to the Service Manager by Minister's letter available from the carbon market proceeds and Provincial approvals.

"**Eligible Housing Project**" means a social housing project that,

(a) is subject to a transferred housing program under the Housing Services Act, 2011;

(b) For Funding Year 1 (2017-18) - is an apartment building with 150 units or more or an approved building with a specific business case identifying activities that fulfill

the objectives of the program and demonstrating comparable Green House Gas reductions.
For Funding Year 2 (2018-19) to Funding Year 4 (2020-21) - is an apartment building with 100 units or more or an approved building with a specific business case identifying activities that fulfill the objectives of the program and demonstrating comparable Greenhouse Gas reductions.

(c) must remain Affordable for the Ten Year Affordability Period, including a minimum of (5) years as social housing under the Housing Services Act, 2011, regardless of the end dates of any operating agreements and/or mortgage maturation;

(d) is selected by the Service Manager through a competitive process to participate in the Program; and

(e) meets such other criteria as the Service Manager may require

"**Eligible Housing Provider**" means,

a housing provider that,

(a) owns and operates an Eligible Housing Project;

(b) is a local housing corporation, a non-profit corporation or a non-profit housing co-operative corporation;

(c) is selected by the Service Manager through a competitive process to participate in the Program; and

(d) meets such other criteria as the Service Manager may require.

"**Eligible Work**" means renovations or retrofits that will provide reductions in greenhouse gas emissions, and includes only the following:

(a) replacing building heating and/or cooling systems and associated sub-components of these systems including mechanical insulation;

(b) upgrading exterior or interior insulation;

(c) upgrading windows and/or exterior doors;

(d) converting to LED lighting and/or adding lighting controls or sensors;

(e) re-cladding or upgrading building envelopes with solar walls

(f) Retrofits that utilize latest low-carbon and carbon-free energy technologies/systems; and

(g) performing required building energy audits

"Event of Default" has the meaning ascribed to it in section 15.1.

"Expiration Date" means the date on which this Agreement will expire and is the date set out in Schedule "B".

"Funding Year" means:

(a) in case of the first Funding Year, the period commencing on the Effective Date and ending on the following March 31; and
(b) in the case of Funding Years subsequent to the first Funding Year, the period commencing on April 1 following the end of the previous Funding Year and ending on the following March 31.

"Funds" means the money the Province provides to the Service Manager pursuant to the Agreement.

"Indemnified Parties" means Her Majesty the Queen in right of Ontario, Her ministers, agents, appointees and employees.

"Maximum Funds" means the maximum amount the Province will provide the Service Manager under the Agreement as set out in Schedule "B".

"Notice" means any communication given or required to be given pursuant to the Agreement.

"Notice Period" means the period of time within which the Service Manager is required to remedy an Event of Default, and includes any such period or periods of time by which the Province considers it reasonable to extend that time.

"Party" means either the Province or the Service Manager.

"PIF" means a Project Information Form in the form and format required by the Minister;

"**Program**" means the Social Housing Apartment Improvement Program described in Schedule "C".

"Program Delivery and Fiscal Plan ("PDFP")" means the PDFP attached as Schedule "G".

"Reports" means the reports described in Schedule "F".

"**Ten Year Affordability Period**" means, for each participating Eligible Housing Project, the ten (10) year period following completion of its approved Eligible Work.

"Timelines" means the timelines set out in Schedule "C".

2.0 REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1 **General.** The Service Manager represents, warrants and covenants that:

(a) it has full power to fulfill its obligations under the Agreement;

(b) it has, and will continue to have for the term of the Agreement, the experience and expertise necessary to administer and deliver the Program;

(c) it is in compliance with all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules and by-laws related to any aspect of the Program, the Funds or

both; and

(d) unless otherwise provided for in the Agreement, any information the Service Manager provided to the Province in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Service Manager provided it and will continue to be true and complete for the term of the Agreement.

2.2 **Execution of Agreement.** The Service Manager represents and warrants that it has:

(a) the full power and authority to enter into the Agreement; and

(b) taken all necessary actions (including the adoption of an authorizing by-law) to authorize the execution of the Agreement.

2.3 **Governance.** The Service Manager represents, warrants and covenants that it has, and will maintain, in writing for the period during which the Agreement is in effect:

(a) a code of conduct and ethical responsibilities for all persons at all levels of the Service Manager's organization;

(b) procedures to ensure the ongoing effective functioning of the Service Manager;

(c) decision-making mechanisms for the Service Manager;

(d) procedures to enable the Service Manager to manage Funds prudently and effectively;

(e) procedures to enable the Service Manager to complete the Program successfully;

(f) procedures to enable the Service Manager, in a timely manner, to identify risks to the completion of the Program, and strategies to address the identified risks;

(g) procedures to enable the preparation and delivery of all Reports required pursuant to Article 7.0; and

(h) procedures to enable the Service Manager to deal with such other matters as the Service Manager considers necessary to ensure that the Service Manager carries out its obligations under the Agreement.

2.4 **Supporting Documentation.** Upon request, the Service Manager will provide the Province with proof of the matters referred to in this Article 2.0.

3.0 TERM OF THE AGREEMENT

3.1 **Term.** The term of the Agreement will commence on the Effective Date and will expire on the Expiration Date unless terminated earlier pursuant to Article 13.0, Article 14.0 or Article 15.0.

4.0 FUNDS AND CARRYING OUT THE PROGRAM

4.1 The Province will:

(a) provide the Service Manager up to the Maximum Funds for the purpose of carrying out the Program;

(b) provide the Funds to the Service Manager in accordance with the Payment Plan attached to the Agreement as Schedule "E"; and

(c) deposit the Funds into a separate account designated by the Service Manager provided that the account:

(i) resides at a Canadian financial institution; and

(ii) is in the name of the Service Manager.

4.2 **Limitation on Payment of Funds.** Despite section 4.1:

(a) the Province is not obligated to provide any Funds to the Service Manager until the Service Manager provides the insurance certificate or other proof as the Province may request pursuant to section 12.2;

(b) the Province is not obligated to provide instalments of Funds until it is satisfied with the progress of the Program;

(c) the Province may adjust the amount of Funds it provides to the Service Manager in any Funding Year based upon the Province's assessment of the information provided by the Service Manager pursuant to section 7.1;

(d) if, pursuant to the *Financial Administration Act* (Ontario), the Province does not receive the necessary appropriation from the Ontario Legislature for payment under the Agreement, the Province is not obligated to make any such payment, and, as a consequence, the Province may:

(i) reduce the amount of Funds and, in consultation with the Service Manager, change the Program; or

(ii) terminate the Agreement pursuant to section 14.1.

(e) the Province is not obligated to provide any Funds to the Service Manager in excess of the cost of completed Eligible Work that was approved by the Service Manager plus Administration Costs; and

(f) if the Province does not receive the necessary proceeds from the carbon market auction the Province is not obligated to provide any Funding, and, as a consequence, the Province may:

(i) reduce the amount of Funds and, in consultation with the Service Manager, change the program, or

(ii) terminate the Agreement pursuant to section 13.

4.2.1. **Refund.** Despite any provision to the contrary in this Agreement, the Service Manager shall promptly return to the Ministry,

(a) any Funds not paid within 2 years from the start of Eligible Work for each project, to an Eligible Housing Provider for the purposes of the Program or used by such date to off-set Administration Costs;

(b) any Funds provided to an Eligible Housing Provider but not paid to a vendor within 2 years from the start of Eligible Work for each project;

(c) any interest earned on the Funds referred to in clauses (a) and (b); and

(d) any Funds provided to an Eligible Housing Provider for an Eligible Housing Project that does not remain Affordable for the Ten Year Affordability Period, including a minimum of (5) years as social housing under the Housing Services Act, 2011, prorated to reflect the portion of the ten year period for which it is not Affordable.

4.2.2 **Adjustments.** Despite any provision of this Agreement but subject to section 4.8, the Province may, in order to more accurately reflect the aggregate amount spent on completed Eligible Work and Administration Costs under the Program and/or avoid a need for a refund under sections 4.2.1(a), (b) or (c), adjust the amount of the Funds to be provided to the Service Manager and any instalment reflected in the Payment Plan, based upon the Reports submitted by the Service Manager pursuant to section 7.1.

4.3 **Use of Funds and Program.** The Service Manager will:

(a) carry out the Program in accordance with the terms and conditions of the Agreement;

(b) use the Funds only for the purpose of carrying out the Program;

(c) spend the Funds only in accordance with the Budget;

(d) ensure that any Funds distributed to third parties by the Service Manager are covered by an agreement that includes:

i. reporting back to the Service Manager on how the distributed Funds and interest earned are used;

ii. the ability to demand the return of those Funds and an amount equal to the interest earned if not spent in accordance with the agreement between the Service Manager and the third party;

(e) ensure the Funds are deposited by the third party into a separate account at a Canadian financial institution that is in the name of the third party; and

(f) not use the Funds to cover any specific cost that has or will be funded or reimbursed by any third party, including other ministries, agencies and organizations of the Government of Ontario.

4.4 **Province's Role.** For greater clarity, the Province is not responsible for carrying out the Program.

4.5 **No Changes.** The Service Manager will not make any changes to the Program, the Timelines, or the Budget without the prior written consent of the Province.

4.6 **Interest Bearing Account.** If the Province provides Funds to the Service Manager before the

Service Manager's immediate need for the Funds, the Service Manager will place the Funds in an interest bearing account in the name of the Service Manager at a Canadian financial institution.

4.7 **Interest.** If the Service Manager earns any interest on the Funds, the Service Manager shall use the interest earned for the purposes of the Program only. The interest earned shall be accounted for in all Financial Progress Reports and the Final Report that the Service Manager provides to the Province. If the Province is not satisfied that the interest earned is being used for the Program, the Province may:

(a) deduct an amount equal to the interest from any further instalments of Funds; or

(b) demand from the Service Manager the repayment of an amount equal to the interest.

4.8 **Maximum Funds.** The Service Manager acknowledges that the Funds available to it pursuant to the Agreement will not exceed the Maximum Funds and any interest earned on the Funds.

4.9 **Rebates, Credits and Refunds.** The Service Manager acknowledges that the amount of Funds available to it pursuant to the Agreement is based on the actual costs to the Service Manager, less any costs (including taxes) for which the Service Manager has received, will receive, or is eligible to receive, a rebate, credit or refund.

4.10 **Funding, Not Procurement.** For greater clarity, the Service Manager acknowledges that it is receiving funding from the Province for the Program and is not providing goods or services to the Province.

4.11 **Program Over Budget.** The Service Manager acknowledges that should the Program expenses exceed the amount of the Funds, the Province is not responsible for any additional funding and the Service Manager undertakes to incur all further costs necessary to carry out the Program. "

5.0 SERVICE MANAGER'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS

5.1 **Acquisition.** If the Service Manager acquires goods, services, or both with the Funds or the interest earned, it will do so through a process that promotes the best value for money.

5.2 **Disposal.** The Service Manager will not, without the Province's prior written consent, sell, lease or otherwise dispose of any asset purchased or created with the Funds or for which Funds were provided, the cost of which exceeded the amount as set out in Schedule "B" at the time of purchase.

6.0 CONFLICT OF INTEREST

6.1 **No Conflict of Interest.** The Service Manager will carry out the Program and use the Funds and interest earned without an actual, potential or perceived conflict of interest.

6.2 **Conflict of Interest Includes.** For the purposes of this Article, a conflict of interest includes any circumstances where:

(a) the Service Manager; or

(b) any person who has the capacity to influence the Service Manager's decisions,

has outside commitments, relationships or financial interests that could, or could be seen to, interfere with the Service Manager's objective, unbiased and impartial judgment relating to the Program, the use of the Funds, or both.

6.3 **Disclosure to Province.** The Service Manager will:

(a) disclose to the Province, without delay, any situation that a reasonable person would interpret as an actual, potential or perceived conflict of interest; and

(b) comply with any terms and conditions that the Province may prescribe as a result of the disclosure.

7.0 REPORTING, ACCOUNTING AND REVIEW

7.1 **Preparation and Submission.** The Service Manager will:

(a) submit to the Province at the address referred to in section 19.1, all Reports in accordance with the timelines and content requirements set out in Schedule "F", or in a form as specified by the Province from time to time;

(b) submit to the Province at the address referred to in section 19.1, any other reports as may be requested by the Province in accordance with the timelines and content requirements specified by the Province;

(c) ensure that all Reports and other reports are completed to the satisfaction of the Province; and

(d) ensure that all Reports and other reports are signed on behalf of the Service Manager by an authorized signing officer.

7.2 **Record Maintenance.** The Service Manager will keep and maintain during the term of the Agreement:

(a) all financial records (including invoices) relating to the Funds and interest earned or otherwise to the Program in a manner consistent with generally accepted accounting principles; and

(b) all non-financial documents and records relating to the Funds and interest earned or otherwise to the Program.

7.3 **Inspection.** The Province, its authorized representatives or an independent auditor identified by the Province may, at its own expense, upon twenty-four hours' Notice to the Service Manager and during normal business hours, enter upon the Service Manager's premises to review the progress of the Program and the Service Manager's allocation and expenditure of the Funds and interest earned and, for these purposes, the Province, its authorized representatives or an independent auditor identified by the Province may take one or more of the following actions:

(a) inspect and copy the records and documents referred to in section 7.2;

(b) remove any copies made pursuant to section 7.3(a) from the Service Manager's premises; and

(c) conduct an audit or investigation of the Service Manager in respect of the expenditure of the Funds, the interest earned, the Program, or all three.

(d) The Province may conduct an annual audit in respect of the information addressed in this section 7.3.

7.4 **Disclosure.** To assist in respect of the rights set out in section 7.3, the Service Manager will disclose any information requested by the Province, its authorized representatives or an independent auditor identified by the Province, and will do so in the form requested by the Province, its authorized representatives or an independent auditor identified by the Province, as the case may be.

7.5 **No Control of Records.** No provision of the Agreement will be construed so as to give the Province any control whatsoever over the Service Manager's records.

7.6 **Auditor General.** For greater certainty, the Province's rights under this Article are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

8.0 COMMUNICATIONS REQUIREMENTS

8.1 **Acknowledge Support.** Unless otherwise directed by the Province, the Service Manager will acknowledge the support of the Province in a form and manner as directed by the Province.

8.2 **Publication.** The Service Manager will indicate, in any of its Program-related publications, whether written, oral, or visual, that the views expressed in the publication are the views of the Service Manager and do not necessarily reflect those of the Province.

8.3 **Open Data.** The Service Manager agrees that the Province may publicly release the following information, whether in hard copy or in electronic form, on the internet or otherwise: Service Manager name, Service Manager contact information, Service Manager address or general location, amount of Maximum Funds and/or Funds, Program description, Program objectives/goals, Program location, Program results reported by the Service Manager and Budget. However, the Province and the Service Manager agree that such permission does not apply to the following: personal information of tenants of the end-recipients of Funds, unless the Service Manager and the Province otherwise agree.

8.4 **Announcements.** The Service Manager shall not publicly announce receiving the Funds or anything to do with the Agreement, including requesting the presence of the Minister of Municipal Affairs and Housing at one or more Program events, until permitted by the Province."

9.0 FURTHER CONDITIONS

9.1 **Additional Provisions**. The Service Manager will comply with any Additional Provisions. In the event of a conflict or inconsistency between any of the requirements of the Additional Provisions

and any requirements of this Schedule "A", the Additional Provisions will prevail.

10.0 FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY

10.1 **FIPPA.** The Service Manager acknowledges that the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Province in connection with the Program or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

11.0 INDEMNITY

11.1 **Indemnification.** The Service Manager hereby agrees to indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings, by whomever made, sustained, incurred, brought or prosecuted, in any way arising out of or in connection with the Program or otherwise in connection with the Agreement, unless solely caused by the negligence or wilful misconduct of the Province.

11.2 **Service Manager's Participation.** The Service Manager will, at its expense, to the extent requested by the Province, participate in or conduct the defence of any proceeding against any Indemnified Parties and any negotiations for their settlement.

11.3 **Province's Election.** The Province may elect to participate in or conduct the defence of any proceeding by providing Notice to the Service Manager of such election without prejudice to any other rights or remedies of Province under the Agreement, at law or in equity. Each Party participating in the defence will do so by actively participating with the other's counsel.

11.4 **Settlement Authority.** The Service Manager will not enter into a settlement of any proceeding against any Indemnified Parties unless the Service Manager has obtained the prior written approval of Province. If the Service Manager is requested by the Province to participate in or conduct the defence of any proceeding, the Province will co-operate with and assist the Service Manager to the fullest extent possible in the proceeding and any related settlement negotiations.

11.5 **Service Manager's Co-operation.** If the Province conducts the defence of any proceedings, the Service Manager will co-operate with and assist the Province to the fullest extent possible in the proceedings and any related settlement negotiations

12.0 INSURANCE

12.1 **Service Manager's Insurance.** The Service Manager represents and warrants that it has, and will maintain for the term of the Agreement, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out a project similar to the Program would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than the amount set out in Schedule "B" per occurrence. The policy will include the following:

(a) the Indemnified Parties as additional insureds with respect to liability arising in the course of

performance of the Service Manager's obligations under, or otherwise in connection with, the Agreement;

(b) a cross-liability clause;

(c) contractual liability coverage; and

(d) a 30 day written notice of cancellation.

12.2 **Proof of Insurance.** The Service Manager will provide the Province with certificates of insurance, or other proof as may be requested by the Province, that confirms the insurance coverage as provided for in section 12.1. Upon the request of the Province, the Service Manager will make available to the Province a copy of each insurance policy.

13.0 TERMINATION ON NOTICE

13.1 **Termination on Notice.** The Province may terminate the Agreement at any time without liability, penalty or costs upon giving at least 30 days' Notice to the Service Manager.

13.2 **Consequences of Termination on Notice by the Province.** If the Province terminates the Agreement pursuant to section 13.1, the Province may take one or more of the following actions:

(a) cancel all further instalments of Funds;

(b) demand the repayment of any Funds remaining in the possession or under the control of the Service Manager, including an amount equal to the interest earned, up to the amount of the Maximum Funds; and

(c) determine the reasonable costs for the Service Manager to wind down the Program, and do either or both of the following:

(i) permit the Service Manager to offset such costs against the amount owing pursuant to section 13.2(b); and

(ii) subject to section 4.8, provide Funds to the Service Manager to cover such costs.

14.0 TERMINATION WHERE NO APPROPRIATION

14.1 **Termination Where No Appropriation.** If, as provided for in section 4.2(d), the Province does not receive the necessary appropriation from the Ontario Legislature for any payment the Province is to make pursuant to the Agreement, the Province may terminate the Agreement immediately without liability, penalty or costs by giving Notice to the Service Manager.

14.2 **Consequences of Termination Where No Appropriation.** If the Province terminates the Agreement pursuant to section 14.1, the Province may take one or more of the following actions:

(a) cancel all further instalments of Funds;

(b) demand the repayment of any Funds remaining in the possession or under the control of the Service Manager; and

(c) determine the reasonable costs for the Service Manager to wind down the Program and permit the Service Manager to offset such costs against the amount owing pursuant to section 14.2(b).

14.3 **No Additional Funds.** For greater clarity, if the costs determined pursuant to section 14.2(c) exceed the Funds remaining in the possession or under the control of the Service Manager, the Province will not provide additional Funds to the Service Manager.

15.0 EVENT OF DEFAULT, CORRECTIVE ACTION AND TERMINATION FOR DEFAULT

15.1 **Events of Default.** Each of the following events will constitute an Event of Default:

(a) in the opinion of the Province, the Service Manager breaches any representation, warranty, covenant or other material term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:

(i) carry out the Program;

(ii) comply with any of the terms of Schedule "C";

(iii) use or spend Funds or interest earned; or

(iv) provide, in accordance with section 7.1, Reports or such other reports as may have been requested pursuant to section 7.1(b).

15.2 **Consequences of Events of Default and Corrective Action.** If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

(a) initiate any action the Province considers necessary in order to facilitate the successful continuation or completion of the Program;

(b) provide the Service Manager with an opportunity to remedy the Event of Default;

(c) suspend the payment of Funds for such period as the Province determines appropriate;

(d) reduce the amount of the Funds;

(e) cancel all further instalments of Funds;

(f) demand the repayment of any Funds, or an amount equal to the interest earned, up to the amount of the Maximum Funds, remaining in the possession or under the control of the Service Manager;

(g) demand the repayment of an amount equal to any Funds or interest earned, up to the amount of the Maximum Funds, the Service Manager used, but did not use in accordance with the Agreement;

(h) demand the repayment of an amount equal to any Funds , or interest earned, up to the amount of the Maximum Funds, the Province provided to the Service Manager; and

(i) terminate the Agreement at any time, including immediately, without liability, penalty or costs

to the Province upon giving Notice to the Service Manager.

15.3 **Opportunity to Remedy.** If, in accordance with section 15.2(b), the Province provides the Service Manager with an opportunity to remedy the Event of Default, the Province will provide Notice to the Service Manager of:

(a) the particulars of the Event of Default; and

(b) the Notice Period.

15.4 **Service Manager not Remedying.** If the Province has provided the Service Manager with an opportunity to remedy the Event of Default pursuant to section 15.2(b), and:

(a) the Service Manager does not remedy the Event of Default within the Notice Period;

(b) it becomes apparent to the Province that the Service Manager cannot completely remedy the Event of Default within the Notice Period; or

(c) the Service Manager is not proceeding to remedy the Event of Default in a way that is satisfactory to the Province,

the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections 15.2(a), (c), (d), (e), (f), (g), (h) and (i).

15.5 **When Termination Effective.** Termination under this Article will take effect as set out in the Notice.

16.0 FUNDS AT THE END OF EACH FUNDING YEAR

16.1 **Funds at the End of each Funding Year.** Without limiting any rights of the Province under Article 15.0, if the Service Manager has not spent all the funds within two years from the Funding Year as provided for in the Budget, the Province may take one or both of the following actions:

(a) demand the return of the unspent Funds and an amount equal to the interest earned, up to the amount of the Maximum Funds; and

(b) adjust the amount of any further instalments of Funds accordingly.

17.0 FUNDS UPON EXPIRY

17.1 **Funds Upon Expiry.** The Service Manager will, upon expiry of the Agreement, return to the Province any Funds, and an amount equal to the interest earned, up to the amount of the Maximum Funds remaining in its possession or under its control.

18.0 REPAYMENT

18.1 **Repayment of Overpayment.** If at any time during the term of the Agreement the Province provides Funds in excess of the amount to which the Service Manager is entitled under the Agreement, the Province may:

(a) deduct an amount equal to the excess Funds from any further instalments of Funds; or

(b) demand that the Service Manager pay an amount equal to the excess Funds or interest earned, up to the amount of the Maximum Funds, to the Province.

18.2 **Debt Due.** If, pursuant to the Agreement:

(a) the Province demands the payment of any Funds or an amount equal to any Funds and interest earned, up to the amount of the Maximum Funds, from the Service Manager; or

(b) the Service Manager owes any Funds or an amount equal to any Funds and interest earned, up to the amount of the Maximum Funds, to the Province, whether or not their return or repayment has been demanded by the Province, such Funds and an amount equal to the interest earned, up to the amount of the Maximum Funds, or other amount will be deemed to be a debt due and owing to the Province by the Service Manager, and the Service Manager will pay or return the amount to the Province immediately, unless the Province directs otherwise.

18.3 **Interest Rate.** The Province may charge the Service Manager interest on any money owing by the Service Manager at the then current interest rate charged by the Province of Ontario on accounts receivable.

18.4 **Payment of Money to Province.** The Service Manager will pay any money owing to the Province by cheque payable to the "Ontario Minister of Finance" and delivered to the Province at the address referred to in section 19.1.

18.5 **Failure to Repay.** Without limiting the application of section 43 of the *Financial Administration Act* (Ontario), if the Service Manager fails to repay any amount owing under the Agreement, Her Majesty the Queen in right of Ontario may deduct any unpaid amount from any money payable to the Service Manager by Her Majesty the Queen in right of Ontario.

19.0 NOTICE

19.1 **Notice in Writing and Addressed.** Notice will be in writing and will be delivered by email, postage-prepaid mail, personal delivery or fax, and will be addressed to the Province and the Service Manager respectively as set out in Schedule "B", or as either Party later designates to the other by Notice.

19.2 **Notice Given.** Notice will be deemed to have been given:

(a) in the case of postage-prepaid mail, five Business Days after the Notice is mailed; or

(b) in the case of email, personal delivery or fax, one Business Day after the Notice is delivered.

19.3 **Postal Disruption.** Despite section 19.2(a), in the event of a postal disruption:

(a) Notice by postage-prepaid mail will not be deemed to be received; and

(b) the Party giving Notice will provide Notice by email, personal delivery or by fax.

19.4 **Notice by Telephone.** For clarity, Notice may not be given or received by telephone, despite the inclusion of a telephone number (if any) in the table in Schedule "B"."

20.0 CONSENT BY PROVINCE AND COMPLIANCE BY SERVICE MANAGER

20.1 **Consent.** When the Province provides its consent pursuant to the Agreement, it may impose any terms and conditions on such consent and the Service Manager will comply with such terms and conditions.

21.0 SEVERABILITY OF PROVISIONS

21.1 **Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of the Agreement will not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision will be deemed to be severed.

22.0 WAIVER

22.1 **Waivers in Writing.** If a Party fails to comply with any term of the Agreement, that Party may only rely on a waiver of the other Party if the other Party has provided a written waiver in accordance with the Notice provisions in Article 19.0. Any waiver must refer to a specific failure to comply and will not have the effect of waiving any subsequent failures to comply.

23.0 INDEPENDENT PARTIES

23.1 **Parties Independent.** The Service Manager acknowledges that it is not an agent, joint venturer, partner or employee of the Province, and the Service Manager will not represent itself in any way that might be taken by a reasonable person to suggest that it is, or take any actions that could establish or imply such a relationship.

24.0 ASSIGNMENT OF AGREEMENT OR FUNDS

24.1 **No Assignment.** The Service Manager will not, without the prior written consent of the Province, assign any of its rights, or obligations under the Agreement.

24.2 **Agreement Binding.** All rights and obligations contained in the Agreement will extend to and be binding on the Parties' respective heirs, executors, administrators, successors and permitted assigns.

25.0 GOVERNING LAW

25.1 **Governing Law.** The Agreement and the rights, obligations and relations of the Parties will be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement will be conducted in the courts of Ontario, which will have exclusive jurisdiction over

such proceedings.

26.0 FURTHER ASSURANCES

26.1 **Agreement into Effect.** The Service Manager will provide such further assurances as the Province may request from time to time with respect to any matter to which the Agreement pertains, and will otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

27.0 RIGHTS AND REMEDIES CUMULATIVE

27.1 **Rights and Remedies Cumulative.** The rights and remedies of the Province under the Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

28.0 FAILURE TO COMPLY WITH OTHER AGREEMENTS

28.1 **Other Agreements.** If the Service Manager:

(a) has failed to comply (a "**Failure**") with any term, condition or obligation under any other agreement with Her Majesty the Queen in right of Ontario or one of Her agencies;

(b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;

(c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and

(d) such Failure is continuing,

the Province may suspend the payment of Funds for such period as the Province determines appropriate.

29.0 SURVIVAL

29.1 **Survival.** The following Articles and sections, and all applicable cross-referenced sections and schedules, will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Article 1.0 and any other applicable definitions, section 4.2(d), 4.7, section 7.1 (to the extent that the Service Manager has not provided the Reports to the satisfaction of the Province), sections 7.2, 7.3, 7.4, 7.5, 7.6, Article 8.0, Article 11.0, section 13.2, sections 14.2 and 14.3, sections 15.1, 15.2(d), (e), (f), (g) and (h), Article 17.0, Article 18.0, Article 19.0, Article 21.0, section 24.2, Article 25.0, Article 27.0, Article 28.0 and Article 29.0.

30.0 ACCESSIBILITY

30.1 **Meetings and Events.** In using the Funds for meetings, or similar events, the Service Manager will consider the accessibility needs of attendees with disabilities, both in terms of physical access to

the event/meeting space, as well as access to the event/meeting contents and proceedings. The Service Manager will use best efforts to accommodate these needs.

30.2 **Meetings and Events Examples.** For assistance with the Service Manager's obligations under section 32.1, examples of areas where accessibility should be considered include: refreshment and dietary arrangements; communications (e.g. alternate formats – large print, screen readers, Braille, audio format; assistive technologies); and venue selection. Materials to assist in these considerations may be found on the website of the Ministry of Economic Development, Employment & Infrastructure

30.3 **Venues.** In using the Funds for venues, the Service Manager will consider the accessibility needs of attendees with disabilities when selecting a venue, both in terms of exterior and interior access. The Service Manager will use best efforts to accommodate these needs.

30.4 **Venue Examples**. For assistance with the Service Manager's obligations under section 30.3, examples of areas where accessibility should be considered include: parking, sidewalks/paths of travel, accessible transit, entrances and lobbies, elevators, accessible washrooms, hallways and corridors, and meeting and conference rooms. Materials to assist in these considerations may be found on the website of the Ministry of Economic Development, Employment & Infrastructure.

33.0 PERSONAL INFORMATION and PARTICIPATION BY MINORS

33.1 **Permissions.** The Service Manager represents, warrants and covenants that it has or will receive permission to disclose the personal information of all individuals whose personal information is disclosed during the Program and/or in Reports or other reports, and, in the case of minors, the legal guardian or parent has provided such permission on behalf of the minor.

33.2 **Consent of Legal Guardian.** The Service Manager acknowledges that it is the responsibility of the Service Manager to obtain express written consent from the legal guardian of any minors who are involved in any way with the Program.

- END OF GENERAL TERMS AND CONDITIONS -

SCHEDULE "B"

PROGRAM SPECIFIC INFORMATION AND ADDITIONAL PROVISIONS

Maximum *Conditional* Allocation Committed	
Maximum Confirmed Allocation Committed	
Expiration Date	The earlier **of March 31, 2034** and the date that is 60 days after the date on which the Province receives the last Annual Program Compliance Attestation Report
Amount for the purposes of section 5.2 of Schedule "A"	
Insurance	
Contact information for the purposes of Notice to the Province	**Name:** Jim Adams, Director, Housing Programs Branch **Address:** 777 Bay Street, 14th Floor, Toronto, Ontario, M5E 2E5 **Attention:** Jim Adams, Director, Housing Programs Branch **Fax:** 416-585-6588 **Email:** jim.e.adams@ontario.ca
Contact information for the purposes of Notice to the Service Manager	Name: Corporation of the County of Grey Address: Attention: Anne Marie Shaw, Director of Housing Fax: Email: Annemarie.shaw@grey.ca Telephone: (519) 376-5744
Contact information for the senior financial person in the Service Manager organization (e.g., CFO, CAO) to respond as required to requests from the Province related to the Agreement	Name: Anne Marie Shaw Position: Director of Housing Fax: Email: annemarie.shaw@grey.ca Telephone: (519) 376-5744

SCHEDULE "C"

PROGRAM DESCRIPTION AND TIMELINES

C.1 BACKGROUND

On June 8, 2016, Ontario released its Climate Change Action Plan (CCAP), which identifies policies and programs to ensure reduced near-and long-term emissions. Ontario is targeting a reduction in Green House Gas (GHG) of 15 per cent by 2020, 37 per cent by 2030 and 80 per cent by 2050 (based on 1990 emissions)

Ontario's carbon market is a fundamental component of the province's Climate Change Strategy. The carbon market proceeds will help Ontario meet its greenhouse gas emission reduction targets, reward innovative companies and ensure that households and businesses thrive as the province transitions to a low-carbon economy.

Studies have shown that targeted investments to upgrade building mechanical systems and insulation in these older post-war high-rise apartment buildings can lead to significant GHG reductions.

Barriers to energy efficiency and greenhouse gas emission reductions are particularly significant for owners of older high-rise apartment buildings. The majority of Ontario's high-rise apartment buildings were developed in the 1960s and 1970s – a period when greenhouse gas emissions were not a concern and little attention was paid to energy-efficient design. High-rise apartment buildings constructed in this era account for about 23% of residential greenhouse gas emissions in Toronto and use up to 25% more energy per square metre than houses.

Many of these buildings are now at a period of their life-cycles where major building systems must be replaced. Investing in energy efficiency upgrades in high-rise apartment buildings will help reduce greenhouse gas emissions, improve the quality and sustainability of housing stock in Ontario and the quality-of-life of tenant households.

For the purposes of this Program, greenhouse gas is defined as the following types of greenhouse gas and such other contaminants as may be prescribed as greenhouse gas by any regulations:

1. Carbon dioxide.
2. Methane.
3. Nitrous oxide.
4. Hydrofluorocarbons.
5. Perfluorocarbons.
6. Sulphur hexafluoride.
7. Nitrogen trifluoride.

Social Housing Apartment Improvement Program (SHAIP) will continue the success of Ontario's recent SHARP under the Green Investment Fund initiative.

Key outcomes expected from the program include:

- Reduced GHG emissions through targeted retrofit activities in social housing apartment buildings across the Province;
- Living accommodations for Ontario's low-income and vulnerable tenants are more comfortable;
- Reduced operating costs for social housing providers through savings derived from the retrofit activities, thereby strengthening the viability of the current social housing stock;
- Supporting the GHG retrofit activity sector and creating local jobs in communities across Ontario –

including small, northern and rural communities - where retrofits are being installed.

The Ministry of Housing (MHO) is authorized to receive up to $200M in the fiscal year of 2017-18 from the Greenhouse Gas Reduction Account (GGRA) for SHAIP. Pending carbon market proceeds, MHO will receive the $200M in four installments. Of this, an amount of $85M has been approved for MHO to support retrofits in social housing high-rise apartment buildings targeted specifically at reducing GHG emissions through low-carbon and carbon-free energy technologies/systems. As and when the each of the remaining instalment of funds get approved, the Transfer Payment Agreement will be amended through a letter from the Minister or a delegated authority to reflect the total confirmed allocation of the respective Service Manager.

C.2 PROGRAM OBJECTVE

The Program objective will be to fund certain eligible retrofits including those that that utilize latest low-carbon and carbon-free energy technologies/systems in social housing apartment buildings to reduce greenhouse gas emissions.

C.3 FUNDING ALLOCATION

The province will provide the Service Manager with Conditional Allocations pending future carbon market auctions prior to the signing of the TPA. This will allow SMs to follow their procedures and obtain Council/Board approval based on the Conditional Allocation and enter into contracts with housing providers to complete the necessary retrofits.

In addition, the Ministry will communicate to the Service Managers the Confirmed Allocations available following each carbon market auction (each "wave"). This may be equal to, greater or less than the Conditional Allocation. The SM will submit 3 signed copies of their Transfer Payment Agreement by March 15, 2018 and a Program Delivery and Fiscal Plan (PDFP) by March 15, 2018. The Program Delivery and Fiscal Plan will briefly describe the repair activities the SM plans to undertake, the number of buildings and units that will receive the funding, a quarterly projected investments and percentage of administration funding (up to 5%). The SM is required to submit quarterly updates to the PDFP for reporting the actual expenditures made.

C.4 SCOPE OF PROGRAM

The Program will cover the costs of Eligible Work in Eligible Housing Projects with the goal of reducing each Eligible Housing Project's greenhouse gas emissions. The reductions of greenhouse gas emissions are part of Ontario's climate change efforts, and are part of the overall effort at meeting the provincial emission targets, as set out in its Climate Change Action Plan (CCAP).

1. **General Service Manager Program Obligations.** The Service Manager shall,

   (a) administer and deliver the Program;

   (b) approve Eligible Work for Eligible Housing Projects (taking into account the below priorities) in accordance with policies it has adopted respecting the procurement of goods and services;

(c) in approving Eligible Work for Eligible Housing Projects, prioritize the following in order to maximize greenhouse gas reductions, where possible:

(i) retrofits/replacements of building heating and cooling equipment (e.g. boilers and chillers, including mechanical system insulation);
(ii) upgrading exterior or interior insulation; upgrading windows and/or exterior doors;
(iii) converting to LED lighting and/or adding lighting controls or sensors; re-cladding or upgrading building envelopes with solar walls;
(iv) retrofits that utilize latest low-carbon and carbon-free energy technologies/systems;
(v) applications that combine several retrofits to achieve cumulative greenhouse gas emission reduction outcomes (e.g. proposed upgraded windows or insulation to increase the efficiency of a recently installed high-efficiency boiler);

(d) allocate Funds to each Eligible Housing Provider based on the full cost of the Eligible Work it approves for each Eligible Housing Project operated by that Eligible Housing Provider;

(e) be solely responsible for ensuring that the Funds are sufficient to cover the cost of all Eligible Work that it approves. The Service Manager releases the Province from any claims it may have now or in the future relating to the Eligible Work that it approves and/or funds;

(f) use the Funds only to offset the full costs of Eligible Work on Eligible Housing Projects that has been approved by the Service Manager, and to offset Administration Costs;

(g) ensure that all Funds provided to Eligible Housing Providers supplement, and do not replace, funding for current or existing capital repair and maintenance obligations or planned investments by the Service Manager and/or the Eligible Housing Providers;

(h) prior to providing any Funds to an Eligible Housing Provider, enter into an agreement with the Eligible Housing Provider that will at a minimum,

(i) require that the Funds and interest on the Funds be spent only on the Eligible Work approved by the Service Manager;

(ii) require the return of any Funds and interest on the Funds not paid by March 31, 2020 for such Eligible Work;

(iii) require the return of Funds if the Eligible Housing Projects do not remain Affordable for the Ten Year Affordability Period, including a minimum of (5) years as social housing under the Housing Services Act, 2011;

(iv) flow Funds to the Eligible Housing Provider at appropriate stages of work completion; and

(v) impose reporting and other obligations on the Eligible Housing Provider sufficient to allow the Service Manager to comply with its obligations under this Agreement;

(i) monitor the construction activities associated with all approved Eligible Work;

(j) immediately inform the Province of:

(i) any failure by an Eligible Housing Provider to use the Funds or interest in accordance with the Program;

(ii) any misuse of Funds; and

(iii) any failure to carry out approved Eligible Work;

(k) ensure that all approved Eligible Work is completed by March 31, 2020**;**

(l) Arrange for required building energy audits;

(m) ensure that participating Eligible Housing Providers:

(i) minimize disruption to tenants while approved Eligible Work is undertaken;

(ii) ensure the vendors who carry out the approved Eligible Work are selected in accordance with procurement policies that promote the best value for money; and

(iii) ensure that participating Eligible Housing Projects remains Affordable for at least the Ten Year Affordability Period, including a minimum of five (5) years as social housing under the Housing Services Act, 2011, regardless of the end dates of any operating agreements or mortgage maturation; and

(n) carry out the Program in accordance with all applicable laws.

2. Subsidies and Incentives.

(1) The Service Manager shall encourage Eligible Housing Providers to take advantage of other subsidies or incentives for retrofit work available through other sources.

(2) Funds may be used to supplement external subsidy or incentive funds offered through utility companies, local distribution companies, or other groups.

(3) Funds may not be used to pay for portions of the Eligible Work that are covered by any subsidies, incentives of other funding received for the Eligible Work.

(4) If any subsidies, incentives or other funding are used for funded Eligible Work, the equivalent amount of the subsidy, incentive or other funding must either be promptly returned to the Service Manager by the Eligible Housing Provider and subsequently refunded to the Province, or be used to carry out other Eligible Work with the goal of reducing greenhouse gas emissions in accordance with the Program objectives.

(5) If the Service Manager has not complied with subsection (4), the Province may:

(a) deduct an amount equal to the subsidy, incentive or other funding from any further

instalments of Funds; or

(b) demand from the Service Manager the repayment of an amount equal to the subsidy, incentive or other funding.

3. Project Completion

The Eligible Work is to be completed no later than March 31, 2020 for Funding Year 1 (2017-18), March 31, 2021 for Funding Year 2 (2018-19), March 31, 2022 for Funding Year 3 (2019-20) and March 31, 2023 for Funding Year 4 (2020-21).

4. Building Energy Audit.

(1) The Service Manager shall require that each participating Eligible Housing Provider conduct a building energy audit on each participating Eligible Housing Project prior to any Eligible Work being done.

(2) An Eligible Housing Provider may use an existing energy audit for an Eligible Housing Project if the existing energy audit is not older than one (1) year as of the date of the Eligible Housing Provider receiving a funding allocation.

(3) In the event an Eligible Housing Project does not have an existing energy audit, or the existing energy audit is older than one (1) year following the funding allocation date, a new energy audit must be commissioned for the Eligible Housing Project.

(4) Each building energy audit must show energy use in cubic metres of gas and kilowatt hours of electricity for the relevant Eligible Housing Project for the three (3) previous years of operation, where possible.

(5) The Service Manager must receive a copy of the energy audit prior to the start of any Eligible Work on each Eligible Housing Project.

(6) The Service Manager must provide a copy of each report to the Province in accordance with the reporting requirements in "Schedule F".

5. Post-Retrofit Energy Use Monitoring and Data Collection.

(1) The Service Manager shall require that, following completion of the Eligible Work for an Eligible Housing Project, the Eligible Housing Provider undertake energy use monitoring.

(2) The Service Manager must collect and submit post-retrofit energy and emissions audit reports based on estimated energy savings, following completion of Eligible Work for an Eligible Housing Project.

(3) The Service Manager must subsequently collect and maintain detailed actual energy related data for each participating Eligible Housing Project including:

(a) data reflecting the energy use and rated efficiency of the each item of previously installed equipment, or building element that is replaced or retrofitted under the Program, in cubic metres of gas and kilowatt hours of electricity; and

(b) data reflecting the energy use and rated efficiency of each item of newly installed equipment, or building element that is installed or retrofitted under the Program, in cubic meters of gas and kilowatt hours of electricity.

(3) The Service Manager must also collect and maintain ongoing actual energy use data in cubic metres of gas and kilowatt hours of electricity for each Eligible Housing Project, for the three (3) years following the date of completion of the Eligible Work. The data must be broken down according to monthly use and be provided electronically to the Province in accordance with Schedule "F" and upon request.

(4) The Service Manager must work with accredited local resources, such as utility corporations, local distribution corporations, or appropriate energy experts, agencies or consultants to ensure the data provided meets any applicable standards.

(5) The Province reserves the right to unilaterally amend the Service Manager's energy data obligations as necessary, in order to conform to any future requirements of the Ontario Climate Change Strategy for the purposes of reporting greenhouse gas emission reductions as part of provincial targets.

6. Calculation of Greenhouse Gas Emissions.

(1) As set out in Schedule "F", the Service Manager must provide the Province with the calculated amount of greenhouse gas emissions projected to be saved annually for each Eligible Housing Project, as well as information detailing the methodology for the calculation of these projected savings.

(2) The Service Manager must ensure that Eligible Housing Providers work with an energy auditor or consultant to provide an engineering calculation of the total greenhouse gas emissions projected to be saved through the installed retrofits for each Eligible Housing Project.

(3) The calculation will reflect the projected savings resulting from the Eligible Work completed for each Eligible Housing Project.

(4) The calculation will be done once the Eligible Work has been completed for each Eligible Housing Project.

7. French Language Services.

(1) The Service Manager agrees that where the Service Manager is providing a public service in connection with the Program and has an office located in or servicing an area designated in the Schedule to the French Language Services Act, the Service Manager shall:

(a) ensure services are provided in French; and

(b) make it known to the public, by way of signs, notices, other information on services, and initiation of communications in French, that services provided to and communications with the public in connection with the Program are available in French.

(2) The Service Manager acknowledges that none of the French language services provisions of the Agreement authorize the Service Manager or provide it with the delegated authority to enter into any agreements on behalf of or otherwise bind the Province of Ontario.

SCHEDULE "D"

BUDGET

Funds shall be used only to:

(a) off-set the full cost of approved and completed Eligible Work on Eligible Housing Projects for Eligible Housing Providers;

(b) off-set the cost of required building energy audits; and

(c) off-set the Administration Costs up to 5%.

For the purposes of the Budget, all references to Funds include the interest earned on the Funds.

Ineligible costs – For clarity, in addition to any other costs identified or described as ineligible in the Agreement, the following is a non-exhaustive list of costs for which the Province will not provide any Funds:

(i) any travel, food or hospitality costs;

(ii) any costs related to developing a business case, funding proposal or other activity with a similar aim;

(iii) any costs related to activities undertaken with the actual or perceived intention of lobbying;

(iv) any costs not directly related to the Program;

(v) any costs incurred prior to the Effective Date, unless explicitly stated otherwise in this Agreement;

(vi) costs deemed ineligible in accordance with section 4.9 of Schedule "A";

(vii) any portion of the costs of Eligible Work that are covered by incentives, subsidies or other funding received for Eligible Work from external parties; and

(viii) any costs which are an inappropriate use of public funds in the sole opinion of the Province.

SCHEDULE "E"

PAYMENT PLAN

First Payment	Funding Year 1 (2017-18): 20% of current confirmed allocation **based on carbon market proceeds** upon signing of the Transfer Payment Agreement and submission of Program Delivery and Fiscal Plan for Funding Year 1 (2017-18). Funding Year 2 (2018-19) to Funding Year 4 (2020-21): 20% of current confirmed allocation **based on carbon market proceeds** upon submission of Program Delivery and Fiscal Plan for each of the respective Funding Years.
Subsequent Quarterly Payments	Quarterly payments equal to actual expenditures reported on Quarterly Disbursement Report **but up to 70% (less any Administration Fees paid to SM**) of the **total** confirmed allocation for each funding year.
Final Payment	A minimum of 10% holdback of the total confirmed allocation to be released after receiving repair completion reports and Post-Retrofit Energy and Emissions Savings Report for all projects corresponding to the respective funding year.

SCHEDULE "F"

REPORTING

Name of Report	Due Date
1. Business Cases	**Funding Year 1 (2017-18):** December 15, 2017 **Funding Year 2 (2018-19):** April 30, 2018
2. Project Delivery and Fiscal Plan (PDFP)	**Funding Year 1 (2017-18):** One time report due with signed TPA no later than March 16, 2018. **Funding Year 2 (2018-19) to Funding Year 4 (2020-21):** No later than June 30 of each funding year.
3. Project Information Form	Submitted in GOS.
4. Pre-Retrofit Energy Audit	To be submitted along with the PIF.
5. Quarterly Disbursement Report	Quarterly by June 30, September 30, December 31, and March 31 in each year.
6. Repair Completion Form	For each Eligible Housing Project, upon completion of all approved Eligible Work The Eligible Work is to be completed no later than the following: **Funding Year 1 (2017-18):** March 31, 2020 **Funding Year 2 (2018-19):** March 31, 2021 **Funding Year 3 (2019-20):** March 31, 2022 **Funding Year 4 (2020-21):** March 31, 2023

7. Post-Retrofit Energy and Emissions Savings Report	For each Eligible Housing Project, upon completion of all approved Eligible Work in the Eligible Project, based on estimated energy savings. This is to be submitted along with the Repair Completion Form.
8. Annual Program Compliance Attestation Report	By March 31 in each year until the expiry of the Ten Year Affordability Period for each participating Eligible Housing Project.
9. French Language Services Report	By March 31 of each year funding is received, up to March 31, 2023.
10. Critical Three Year Energy Usage Data Report	Energy usage data for each funded project must be collected for three calendar years following the completion of the Eligible Work. Service Managers will provide data related to the ongoing energy usage of the building where the work was carried out, and submit it annually on the repair completion anniversary to the province using GOS.
11. Reports as specified from time to time	On a date or dates specified by the Province.

Report Due Date

Except as noted below, if the due date of any Report falls on a non-Business Day, the due date is deemed to be the next Business Day.

Submission of Reports

Unless the Province directs otherwise, all Reports are to be submitted through the Grants Ontario System.

Reporting Templates

The reporting templates attached to this Schedule "F" are samples only. Unless the Province directs otherwise, the Service Manager must comply with the reporting formats and reporting requirements included in the Grants Ontario System. Those formats and requirements may vary from the attached reporting templates.

Report Details

1. **Business Cases** will describe how the Conditional Allocation will be spent on 150 or more units and in case little opportunity exists, on social housing apartment buildings with less than 150 units, under Funding Year 1 (2017-18), and how the Conditional Allocation will be spent on 100 or more units and in case little opportunity exists, on social housing apartment buildings with less than 100 units, under Funding Year 2 (2017-18) funding.

2. **The Program Development and Fiscal Plan will set out:**

   (i) Planned repairs, number of buildings and units that will be repaired;

   (ii) Projected cash flow based on the Conditional Allocation for the 2 year program duration; and

   (iii) Administration fees, if any that the SM wishes to use up to 5% of the Confirmed Allocation for each Funding Year.

3. **The Project Information Form (made available by the Province), for each participating Eligible Housing Project will set out**, among other things, a description of the Eligible Work approved by the Service Manager and cost estimates for the Eligible Work, and estimated repair start and completion dates.

4. **The Pre-Retrofit Energy Audit Report must:**

   (i) indicate energy use in cubic metres of gas and kilowatt hours of electricity for the three (3) previous years of operation where possible from the date of the Eligible Housing Provider receiving a funding allocation;

   (ii) confirm that a building energy audit has been completed, received and deemed satisfactory by the Service Manager;

   (iii) confirm that the building energy audit received by the Service Manager conforms to the requirements set out in the Agreement;

   (iv) confirm that no Eligible Work commenced on the Eligible Housing Project prior to the Service Manager receiving the building energy audit for the Eligible Housing Project;

5. **Quarterly Disbursement Report:**

   (i) This report will include a summary and project level details of quarterly disbursement made by the SM to proponents for each project. This will be due every quarter as listed in the above table.

6. **The Repair Completion Form for each participating Eligible Housing Project shall be:**

   (i) completed in the Form made available by the Province and set out details of all the Eligible Work completed and a breakdown of the actual cost to complete it, including the cost of the required building energy audit;

   (ii) set out an accounting of any other funding received by the Service Manager; the identification of the funding source, including energy-related incentives and subsidies from utility

companies (e.g. saveONenergy's Home Assistance and Union Gas' Furnace End-of Life programs) and other partners (e.g. Toronto Atmospheric Fund); and, the amount and the specific aspect of the Program that the additional funding is supporting as well as a statement confirming whether there is any overlap of funding from the Province and other funding sources as identified above.

(iii) set out an accounting of any subsidies or incentives received directly by the participating Eligible Housing Provider as well as a statement confirming whether there is any overlap of funding from the Province with funding from such subsidies or incentives;

(iv) confirm that all Eligible Work for the Eligible Housing Project has been completed in accordance with the Agreement and that the Service Manager is in compliance with the terms and conditions of the Agreement except as disclosed in the report, signed by an authorized signing officer of the Service Manager.

7. **The Post-Retrofit Energy and Emissions Savings Report for each Eligible Housing Project shall be in a form provided by the province and will:**

(i) provide the calculated total energy in cubic meters of gas and kilowatt hours of electricity projected to be saved annually based on the Eligible Work carried out in the Eligible Housing Project;

(ii) provide the calculated total of greenhouse gas emission reductions projected to be saved annually based on the Eligible Work installed in the Eligible Housing Project;

(iii) confirm that the above calculations were done in accordance with this Agreement, as detailed in section 6 of "Schedule C"; and

(iv) provide a description of the approach and methodology that was used by the qualified auditor or consultant to calculate projected energy and greenhouse gas emissions savings.

8. **The Annual Program Compliance Attestation Report shall** be in a form similar to Appendix A and will set out whether each Eligible Housing Project that received Funds under the Program is still, in accordance with this Agreement, Affordable and/or operating as social housing under the Housing Services Act, 2011. The Service Manager must also indicate, where applicable, if an Eligible Housing Project is no longer Affordable and/or operating as social housing under with the Housing Service Act, 2011.

9. **The French Language Services Report shall** be in a form similar to Appendix B and will set out whether the Service Manager has complied with the French Language Services (FLS) requirements of the Agreement.

10. **The Critical Three Year Energy Usage Data Report shall** include all actual energy use data in cubic metres of gas and kilowatt hours of electricity for each Eligible Housing Project that received Funds under the Program, collected in accordance with the Agreement to the date of the Report.

11. **Other Reports:**

Without limiting its right to receive other reports in accordance with the Agreement, the Province reserves the right to request, among other things, energy usage data from Eligible Housing Projects outside of the regular reporting requirement dates in this "Schedule F". The Province will specify the timing and content of any other reports as may be necessary.

APPENDIX A

ANNUAL PROGRAM COMPLIANCE ATTESTATION REPORT

Service Manager: _____

Service Manager Address: _____

Service Manager Contact: Name: _____

Telephone: _____

Email: _____

This report confirms that the **[Insert Service Manager Name]** (the "Service Manager") is administering and delivering the Social Housing Apartment Improvement Program (the "Program") in accordance with an Agreement dated **[date]** with the Province of Ontario (the "Agreement").

The Service Manager confirms that:

(a) all Eligible Housing Projects that received Program funding are listed in column one of the second page of this form;

(b) the dates at which the Eligible Work was competed for each project are set out in column 4; and

(c) subject to the exceptions listed below, each Eligible Housing Project continues to be Affordable and/or operate as social housing under the Housing Services Act, 2011 (HSA).

Exceptions:

I declare that the above information is true and complete.

By: _____

Name:
Title:
Date:

I have the authority to bind the Service Manager

ANNUAL PROGRAM COMPLIANCE ATTESTATION REPORT CONTINUED

Service Manager Name:
Date:

Name of Eligible Housing Project	Project Address	Total Funding Received ($)	Date on which Eligible Work Completed	Project Operating as Social Housing under HSA (Y/N)	Project is Affordable (Y/N)

APPENDIX B

FRENCH LANGUAGE SERVICES REPORT

Service Manager: _____

Service Manager Address: _____

Service Manager Contact: Name: _____

Telephone: _____

Email: _____

This report confirms that the **[Insert Service Manager Name]** (the "Service Manager") is providing services under the Social Housing Apartment Improvement Program (the "Program") and has an office(s) located in or serving an area designated in the Schedule to the *French Language Services Act* ("FLSA").

The Service Manager **c**onfirms that it is:

a) providing Program services to the public in French in all of its offices (including the offices of sub-contractors) located in or serving an area designated in the Schedule to the FLSA; and,

b) making it known to the public, including by way of signs, notices, other information on services, and initiation of communications in French, that services provided to and communications with the public in connection with the Programs are available in French.

I declare that the above information is true and complete.

By: _____

Name:
Title:
Date:

I have the authority to bind the Service Manager

SCHEDULE A

(to the French Language Services Report)

As a Service Manager providing services under the Social Housing Apartment Improvement Program (SHAIP) and having offices (including the offices of sub-contractors) located in or serving an area designated in the Schedule to the *French Language Services Act*, please complete the section below. A list of designated areas can be found in Schedule B.

Service Manager Name:

Name of Designated Area(s):

Description of Services:

Please select all items that apply to the services you are providing under SHARP in an office (or the office of a sub-contractor) that is located in or services a designated area.

- ○ Signage and visibility of available services in French
- ○ Over-the-counter services are available in French
- ○ Written correspondence and telephone service are available in French
- ○ Translation of written material produced for public use is available in French
- ○ Other _____ (please specify)

Please list any services or locations in designated areas where these French language services are not being provided. Please explain.

SCHEDULE B

(to the French Language Services Report)

List of Designated Areas under the French Language Services Act

Please ensure to review the Schedule to the French Language Services Act for any updates to designated areas.

Service Manager	Designated Area(s)
City of Toronto	All
Central Region	
Regional Municipality of Peel	City of Mississauga; City of Brampton
County of Simcoe	Town of Penetanguishene, Townships of Tiny and Essa
Regional Municipality of York	Town of Markham
Eastern Region	
City of Cornwall	County of Glengarry, Township of Winchester, County of Stormont
City of Kingston	City of Kingston
City of Ottawa	All
United Counties of Prescott and Russell	County of Prescott; County of Russell
County of Renfrew	City of Pembroke, Townships of Stafford and Westmeath
Western Region	
Municipality of Chatham-Kent	Town of Tilbury; Townships of Dover and Tilbury East
City of Hamilton	All of the City of Hamilton as it exists on December 31, 2000
City of London	City of London
Regional Municipality of Niagara	City of Port Colborne; City of Welland
City of Windsor	City of Windsor; Towns of Belle River and Tecumseh; Townships of Anderdon, Colchester North, Maidstone, Sandwich South, Sandwich West, Tilbury North, Tilbury West and Rochester
Northeast Region	
Algoma District Services Administration Board	District of Algoma
Cochrane District Social Services Administration Board	All
City of Greater Sudbury	All
Manitoulin-Sudbury District Services Board	District of Sudbury
District of Nipissing Social Services Administration Board	District of Nipissing
District of Parry Sound Social Services Administration Board	Municipality of Callander
District of Sault Ste. Marie Social Services Administration Board	The part of the District of Algoma that is part of the district for the District of Sault Ste. Marie Social Services Administration Board
District of Timiskaming Social Services Administration Board	All
Northwest Region	
Kenora District Services Board	Township of Ignace
District of Thunder Bay Social Services Administration Board	Towns of Geraldton, Longlac and Marathon, Townships of Manitouwadge, Beardmore, Nakina and Terrace Bay

SCHEDULE "G"

PROGRAM DELIVERY AND FISCAL PLAN

Program Delivery and Fiscal Plan (PDFP)

Instructions for completing the Program Delivery and Fiscal Plan (PDFP):

The PDFP is comprised of three sections:
1) Proposed Plan
2) Planned Financial Commitments
3) Projected Take-Up

. Please fill out the **highlighted cells** in each section completely, where applicable

. The PDFP outlines each Service Manager's (SM) and projected take-up for their SHAIP annual notional allocations for Y
1 to 4 **(only year 1 needs to be filled in at this point)**
. PDFPs must be ministry approved.
. **Year 1 PDFP is due no later than March 16, 2018.**

. PDFPs are required to be submitted for each fiscal year. SMs will be required to fill in the subsequent year tabs.

Service Manager /DSSAB		
SM / DSSAB Contact Name		
Date of Council Approval		
Date Submitted to MMAH		

1. Proposed Plan

Briefly describe how you intend to use your SHAIP allocation to save energy and reduce green house gas emissions in the buildings located in your community. The proposed plan should cover the following issues:

1) What repair and retrofit activities would you be taking up under the program to save energy and reduce green house gas emissions, i.e. replacing windows, upgrading/adding insulation.

2) In total, how many eligible buildings and units do you intend to retrofit in your community?

3) Have any of these buildings received funding from the province for repair and retrofit activities before? If so, under which program(s)?

4) Do you intend to leverage SHAIP funding to access additional funding from other sources (i.e. Enbridge programs)?

The proposed plan is intended to be a summary of the details outlined in the charts below. The proposed plan may be submitted as a separate Word document.

2. Planned Financial Commitments

Complete the following tables to indicate the portion of your annual allocation you plan to spend in each quarter for the SHAIP program. "Spend" is defined as the SM making payments to Housing Providers/Local Housing Corporation:

Enter the amount to be used as administration fees for each year. Administration fees cannot exceed 5% of your total four-year funding allocation.

If you received approval to bring forward funds in Year 1, please include the approved funding in the column for Year 1 for each applicable program component.

Please provide your best estimates when completing the highlighted sections.

PLANNED FINANCIAL COMMITMENTS BY YEAR

Program Component	Notional Allocation				TOTAL
	Funding Year 1 2017-18	Funding Year 2 2018-19	Funding Year 3 2019-20	Funding Year 4 2020-21	
Enter your total SM Conditional Allocation for each fiscal year (a)					0
SHAIP eligible work for eligible/approved buildings					0
SM Administration Fees (up to max 5% of yearly total)					0
Total Confirmed Allocation (based on carbon market proceeds) To be filled by MHO (b)					0
Variance (a-b)	0	0	0	0	0

Funding Year 1 (2017-18): PLANNED FINANCIAL COMMITMENTS BY QUARTER

Enter the full amount of SHAIP funding in the quarter in which you plan to spend the funds. A quarterly plan is required for each fiscal year.

Please provide your best estimate when completing the highlighted sections.

Funding Year 1 - 2017-18 Quarterly Plan

Program Component	Quarter 1 Apr - Jun	Quarter 2 Jul - Sep	Quarter 3 Oct - Dec	Quarter 4 Jan - Mar	TOTAL
Conditional /Confirmed Allocation (a)					
SHAIP Eligible Works					0
SM Administration Fees					
TOTAL (b)					0
Variance (a-b)					0

Funding Year 1 - 2017 - 18 Quarterly Plan cont.

Program Component	Quarter 1 Apr - Jun	Quarter 2 Jul - Sep	Quarter 3 Oct - Dec	Quarter 4 Jan - Mar	TOTAL
Conditional /Confirmed Allocation (a)					
SHAIP Eligible Works					0
SM Administration Fees					
TOTAL **(b)**					0
Variance (a-b)					0