

Council

January 12, 2017 – 9:00 AM

Council Chambers, Grey County Administration Building

1. **O Canada**
2. **Call to Order**
3. **Roll Call**
4. **Declaration of Pecuniary Interest**
5. **Adoption of Minutes**
 - a. Joint Bruce County and Grey County meeting minutes dated November 24, 2016 (*Pages 3-8*)
 - b. Grey County Council minutes dated November 22, 2016 (*Pages 9-16*)
 - c. Grey County Council minutes dated December 6, 2016 (*Pages to 17-19*)
6. **Retirement Presentation**
7. **Reports**
 - a. Board of Health Report – November 2016 and the Board of Health minutes dated October 28, 2016, November 25, 2016 and November 29, 2016 (*Receive for Information*) (*Pages 20-33*)
8. **By-laws**
 - 4958-17 **A By-law to establish a Weighted Voting System for Committee of the Whole** (*Page 34*)
 - 4959-17 **A By-law to authorize the Warden and Clerk to Execute Investment in Affordable Housing and Social Housing Infrastructure Fund Agreements with the Owen Sound Housing Company Limited for Affordable Housing Projects** (*Pages 35-169*)
 - 4960-17 **A By-law to Establish Certain Lands in the Town of the Blue Mountains (geographic Township of Collingwood) Described in Schedule “a” as Part of the County Highway Upon Which the Lands Abut** (*Pages 170-172*)
 - 4961-17 **A By-law to Establish Certain Lands in the Township of Southgate (geographic Township of Egremont) Described in Schedule “A” as Part of the County Highway Upon Which the Lands Abut** (*Page 173*)

9. Good News and Celebrations

10. Adjournment

Training session to immediately follow the meeting



Council Minutes

November 24, 2016

Bruce County Council and Grey County Council met at the call of the Warden on the above date at 10:00 AM at the Elmwood Community Centre. The meeting was called to order by Warden Alan Barfoot who Chaired the meeting in the absence of Bruce County Warden Mitch Twolan.

All Bruce County Councillors present with regrets received from Warden Mitch Twolan.

All Grey County Councillors present except Councillors John McKean and Paul McQueen.

Various staff from both Counties were in attendance for the meeting.

Introductions around the table were then made.

Adoption of Agenda

Moved by: Councillor Paterson Seconded by: Councillor Smith

THAT the Joint County Council agenda dated November 24, 2016 be adopted as presented.

Carried

Declaration of Pecuniary Interest

There were no disclosures of pecuniary interest.

Discussion Items

Grey Bruce Public Health Unit

Healthy Communities Initiative Update

Lynda Bumstead, Jason Wepler and Amber Schieck from the Grey Bruce Public Health Unit provided an update on the Healthy Community Initiatives. Ms. Schieck spoke to the three components of healthy communities which include the built environment, natural environment and social environment. She identified an initiative of including health in the development of all policies.

Mr. Wepler then provided some local examples of healthy initiatives including the Above Standard Housing Policies, Breastfeeding Friendly Communities, Alcohol Outlet Density Mapping, transportation projects throughout both counties and the Community Conversations Project.

Ms. Bumstead provided an overview of the next steps which include the collaboration to identify and develop local rural solutions, integrate a health lens into policy development and to develop indicators to measure the collective impact.

Questions and comments then followed. Topics included screen time for children, alcohol advertising, impact of the provincial government's potential implementation of a living wage policy and its effect on healthy communities, healthy lunches in the school system, legalization of marijuana and official plan reviews.

Rural Schools

Bluewater District School Board-Joint Communications regarding Accommodation Review Committee

Bruce County CAO Kelley Coulter provided an update on Bruce County's process to have a third party undertake a peer review of the Watson Report within the context of the current Accommodation Review Committee (ARC) process and the effects on potential rural school closures in the area.

Questions and comments then followed related to:

- the potential for new information that is not included in the Watson report
- the advantages of a peer review
- forecasted growth within communities
- looking at rural schools as an individual rather than as part of the entire region
- the results of the recent ARC review of Owen Sound schools

- upcoming delegation at Rural Ontario Municipal Association (ROMA) on behalf of the Community School Alliance to discuss the ARC process related to the rural school formula
- cost sharing the peer review of the Watson report with Grey County
- broader use of schools for community use
- timeframe for completion of the peer review.

Moved by: Councillor Boddy

Seconded by: Councillor Eadie

Whereas rural schools are integral to the future of rural communities;

And Whereas the councils of the Counties of Bruce and Grey are deeply concerned that the current process to consider rural school closures is not inclusive and the timelines do not provide for adequate community input;

And Whereas it's critical that continued student achievement and well-being form part of reviews of schools;

Be It Resolved that the Councils of Bruce and Grey County urge the Minister of Education to rewrite the Pupil Accommodation Review Guideline (PARG) to take into consideration community and economic value considerations of rural communities and provide for a more democratic process;

And that until such time as PARG is rewritten that the Province place a moratorium on any more rural school closures;

And that this resolution be forwarded to the Premier, Minister of Education, MPPs Bill Walker, Jim Wilson and Lisa Thompson, Association of Municipalities of Ontario, Western Ontario Warden's Caucus and the counties and regions of Ontario.

Carried

Equitable Education Funding

Discussion occurred on the inequitable funding for programming to individual schools. The Municipality of Meaford has circulated a resolution to other municipalities for consideration of support. There is a lack of opportunities for students in the rural schools due to the inequity of funding throughout the province. Currently, many rural students need to go on-line to complete a basic course in order to graduate high school.

Economic Development

Opportunities for Shared Initiatives

Economic Development and Innovation-Bruce Power Regional Project

Kara Van Myall, Manager of Corporate Policy and Economic Development, Bruce County and Stellina Williams, Business Investment Specialist, Energy Sector provided an update on the Economic Development Innovation-Bruce Power regional project. Ms. Van Myall spoke to the recently adopted Bruce County Economic Development Strategy. She noted that it is based on a collaborative approach between local leaders and local business owners. Long-term goals were also outlined including growth and business retention.

Ms. Williams spoke specifically to the nuclear investment strategy with Bruce Power. The initiative was launched in September 2016 with an Advisory Committee being established. There was a review of current initiatives and supplier interest when investing in the communities. Ms. Williams noted there is continuing work with the Advisory Committee. The next steps and timelines were then identified.

Western Ontario Warden's Caucus Regional Economic Development Strategic Plan

Grey County CAO Kim Wingrove provided an update on the initiative of the Western Ontario Warden's Caucus regarding the development of an economic development action plan for southwestern Ontario. An Advisory Committee has been formed and a Request For Proposal was released with MDB Insight as the successful consultant for the project. She provided an outline of the opportunities available for input into the plan.

Council recessed and reconvened with Warden Barfoot in the Chair.

Economic Development Continued

Tourism development-maps, cycling

Grey County Director of Transportation Services, Pat Hoy spoke about the Province-Wide Cycling Network. He noted that Grey County is also developing a cycling network. He provided a map to the members that outlined the proposed options for cycling routes which includes a large number of trails. The Ministry of Transportation is now looking for feedback on the proposed options including barriers and tourist spots for the cycling routes. At this time, there has been no indication of funding coming from the Province to assist in the implementation of the proposed cycling routes.

Questions and comments then followed.

Bruce County Director of Planning and Development Chris LaForest spoke to the sharing of data between the counties. He noted that the Grey Bruce Map has not been produced in the past few years as Bruce County has been working on leveraging the partnership with RTO7 to bring tourism to the region. He noted that it would be beneficial to have a Bruce Grey Simcoe Map funded by RTO7 and will take this issue forward to RTO7. He spoke to the numerous projects that have been a partnership between the counties including two successful Ride Grey Bruce maps.

Emergency Services Review Final Report

Presentation of Key Findings

Grey County Director of Paramedic Services Mike Muir, and Acting Director of Paramedic Services, Bruce County Ray Lux, provided an overview of the recently completed Emergency Medical Services (EMS) Review to look at the option of shared services. Mr. Muir noted some key points within the review including the comparable provision of services, response times, and lean administration. There was substantial peer review completed which noted that both counties are very representative with other EMS service providers in the province.

Mr. Lux outlined the financial component identified within the review. He noted that areas such as fleet maintenance and shared training are currently being explored.

Good News and Celebrations

Warden Barfoot provided an update on the Alvanley intersection.

Thanks were provided to all members in appreciation of the opportunity for the joint council session.

It was requested that the Scone intersection be discussed by both councils in the future.

Adjournment

On motion of Councillor Burley, Council adjourned at 1:15 PM to the call of the Warden.

Council closed with the singing of O Canada.

Alan Barfoot, Warden, Grey County

Sharon Vokes, County Clerk, Grey County

Bettyanne Cobean, Director of
Corporate Services, Bruce County

November 22, 2016

Grey County Council met at the call of the Warden on the above date at 9:00 AM at the County Administration Building. The County Clerk called Council to order and Warden Alan Barfoot assumed the Chair.

The Warden invited members of Council to join him in a moment of reflection.

The Roll was called by the Clerk with all members present except Councillor Jack.

Kim Wingrove, Chief Administrative Officer; Sharon Vokes, County Clerk/Director of Council Services and Heather Morrison Deputy Clerk/Records Manager were also in attendance.

The following staff members were in attendance for the presentation of their respective reports:

Kevin Weppler, Director of Finance; Anne Marie Shaw, Director of Housing; Lynne Johnson, Director of Long Term Care; Barbara Fedy, Director of Social Services; Grant McLevy, Director of Human Resources; Pat Hoy, Director of Transportation Services; Randy Scherzer, Director of Planning and Development and Mike Muir, Director of Paramedic Services.

Adoption of Agenda

CC141-16 Moved by: Councillor McKean Seconded by: Councillor Paterson

THAT the County Council agenda dated November 22, 2016 be adopted as presented.

Carried

Declaration of Pecuniary Interest

There were no disclosures of pecuniary interest.

Councillor Boddy entered the meeting.

Adoption of Minutes

CC142-16 Moved by: Councillor Mackey Seconded by: Councillor Halliday

THAT the minutes of the November 1, 2016 Session of Grey County Council be adopted as circulated.

Carried

Communications and Correspondence

The Clerk presented correspondence and recommendations for its disposition as follows:

- Letter for request for funding from Crime Stoppers of Grey Bruce Inc.
- Resolution from Oshawa-Whitby MPP Lorne Coe in support of Bill 9 End Age Discrimination Against Stroke Recovery Patients Act
- Resolution from Canton Bonfield stating debt incurred from the 2015 Pan Am and Para Pan Am Games be funded by the City of Toronto.
- Bluewater District School Board letter regarding sale of Meaford Community School
- Bluewater District School Board regarding sale of Derby Community School
- Note of thanks for expression of sympathy from Cathy Brown (Social Services) in the passing of her father-in-law.

Received for information

CC143-16 Moved by: Councillor Eccles Seconded by: Councillor Burley

THAT the disposition of Council correspondence as recommended by the Clerk be approved.

Carried

Special Presentation

Grey Roots Museum Manager, Petal Furness introduced Mr. Gilbert Rice. Mr. Rice was recently presented with the Ontario Museum's Association's 2016 Award of Excellence in recognition of over 50 years of volunteer work with Grey Roots. On behalf of County Council, Warden Barfoot presented Mr. Rice with a certificate and thanked him for his commitment of volunteer time at Grey Roots.

Notice of Motion

Notice of Motion was given by Councillor Fosbrooke regarding resolution PCD-137-16 related to the Flato East Subdivision.

Business Arising from the Minutes

The resolution from Madawaska Valley regarding support of Bill 21 to Amend Correctional Services Act for Parole was considered.

CC144-16 Moved by: Councillor Fosbrooke Seconded by: Councillor Halliday

THAT the resolution from Madawaska Valley supporting Bill 21 to Amend Correctional Services Act for Parole be supported.

Councillor Eccles requested a recorded vote.

In favour: B. Pringle 4, S. Mackey 3, A. Barfoot 5, D. Burley 5, S. Halliday 5, H. Greenfield 5, A. Fosbrooke 4, J. McKean 6, G. Ardiel 5

Opposed: P. McQueen 5, S. Paterson 3, S. Hicks 3, B. Clumpus 5, I. Boddy 9, A. Wright 9, K. Eccles 6, J. Bell 6

The motion was Lost 42 to 46.

Presentation and Adoption of Reports

2017 Corporate Draft Budget Overview and Summaries

Kevin Weppler presented the draft 2017 budget for Council's consideration. He highlighted the overall increase of 1.83% and indicated the impact to the average household would be \$20.95.

Mr. Weppler provided an overview of how the budget was built as well as highlights per Standing Committee. Mr. Weppler thanked Council and staff for their support in bringing forward a responsible 2017 budget.

CC145-16 Moved by: Councillor Boddy Seconded by: Councillor Wright

THAT the 2017 budget be adopted as presented.

Carried

Board of Health

Council considered the minutes of the Board of Health and the Report of the Board.

CC146-16 Moved by: Councillor Burley Seconded by: Councillor Bell

THAT the minutes of the Board of Health dated September 23, 2016 and the Report to the Board dated October 2016 be received.

Carried

Social Services Committee

Council considered the minutes of the Social Services Committee.

CC147-16 Moved by: Councillor Fosbrooke Seconded by: Councillor Hicks

THAT the minutes of the Social Services Committee dated November 9, 2016 and the recommendations contained therein be adopted as presented and engrossed in the minutes.

Carried

Transportation and Public Safety Committee

Council considered the minutes of the Transportation and Public Safety Committee.

CC148-16 Moved by: Councillor Greenfield Seconded by: Councillor Paterson

THAT the minutes of the Transportation and Public Safety Committee dated November 17, 2016 and the recommendations contained therein be adopted as presented and engrossed in the minutes.

Carried

Corporate Services Committee

Council considered the minutes of the Corporate Services Committee.

CC149-16 Moved by: Councillor Halliday Seconded by: Councillor Pringle

THAT the minutes of the Corporate Services Committee dated November 8, 2016 and the recommendations contained therein be adopted as presented and engrossed in the minutes.

Carried

Planning and Community Development Committee

Council considered the minutes of the Planning and Community Development Committee. Further clarification was provided by Director of Planning and Development Randy Scherzer. The notice of motion did not proceed.

A friendly amendment was requested to note that the question was called by Councillor Eccles related to resolution PCD137-16.

CC150-16 Moved by: Councillor Fosbrooke Seconded by: Councillor Ardiel

THAT the minutes of the Planning and Community Development

Committee and the Closed Meeting Minutes dated November 10, 2016 and the recommendations contained therein be adopted as amended and engrossed in the minutes.

Carried

CAOR-CC-04-16 Economic Development Staff Transition

Kim Wingrove presented the above report for Council's consideration.

CC151-16 Moved by: Councillor Burley Seconded by: Councillor Eccles

WHEREAS economic development is a key strategic priority for Grey County;

AND WHEREAS the City of Owen Sound and the County of Grey wish to work collaboratively on economic development initiatives for the benefit of all member municipalities;

BE IT RESOLVED THAT the complement of Grey County economic development staff be increased by one position effective January 1, 2017 and staff be directed to complete the necessary transition agreement between the City of Owen Sound and the County of Grey.

Carried

Warden's Closing Address

Warden Barfoot presented his Closing Address to County Council.

Councillor Eccles presented Warden Barfoot with the Warden's pin and thanked him for his leadership as Warden.

CC152-16 Moved by: Councillor Eccles Seconded by: Councillor Ardiel

THAT the Warden's Closing Address be adopted as presented and engrossed in the minutes.

Carried

Council recessed briefly. Warden Barfoot and CAO Wingrove left the meeting. Deputy Warden Eccles took the Chair.

Appointments

Sharon Vokes presented Report CCR-CC-32-16 regarding Committee, Agency and Board Appointments for 2017.

CC153-16 Moved by: Councillor Boddy Seconded by: Councillor Hicks

1. **THAT Report CCR-CC-32-16 be received and the following appointments be confirmed:**
 - a. **Owen Sound Community Advisory Committee for Georgian College-Al Barfoot (2017)**
 - b. **Non Union Job Evaluation Committee-Kevin Eccles and Selwyn Hicks (2017 and 2018); and**
2. **That all other appointments noted in Report CCR-CC-32-16 be determined using the single vote method; and**
3. **That beginning December 2017 the Warden be Grey County's appointment to the Owen Sound Community Advisory Committee for Georgian College; and**
4. **That beginning December 2018 the Non Union Job Evaluation Committee be comprised of staff.**

Carried

CC154-16 Moved by: Councillor Ardiel Seconded by: Councillor Clumpus

THAT the scrutineers for the voting be the Clerk, Deputy Clerk and Deputy Warden Eccles , with Councillor McKean stepping in for the Health Unit.

Carried

Voting then occurred on the other appointments as noted in Report CCR-CS-32-16.

CC155-16 Moved by: Councillor Burley Seconded by: Councillor Halliday

1. **THAT the following appointments be confirmed for 2017:**
 - a. **Economic Development and Planning Advisory-Councillors Clumpus and Halliday**
 - b. **Tourism Advisory-Councillors Ardiel and Clumpus**
 - c. **Board of Health-Councillors Eccles, Paterson and Wright**
 - d. **Stewardship Grey Bruce-Councillor McKean**
 - e. **Grey County Federation of Agriculture-Councillor McQueen, Councillor Greenfield (alternate)**

- f. Grey Bruce Task Force on Crystal Meth and Other Drugs-
Councillors Hicks and Mackey**
- g. Accessibility Advisory Committee-Councillor Burley**

Carried

CC156-16 Moved by: Councillor Paterson Seconded by: Councillor McQueen

THAT the ballots be destroyed.

Carried

By-Laws

CC157-16 Moved by: Councillor Greenfield Seconded by: Councillor Bell

THAT By-Laws 4954-16 to 4957-16 inclusive be introduced and that they be taken as read a first, second and third time, finally passed, signed by the Warden and the Clerk, sealed with the seal of the Corporation and engrossed in the By-law book.

4954-16 A By-law to Authorize the Warden and Clerk to Execute an Agreement Between the Corporation of the County of Grey and the Corporation of the Town of the Blue Mountains for Use of the Sand/Salt Structure in the Geographic Township of Collingwood

4955-16 A By-law to adopt Estimates of Revenues and Expenditures for the Year 2017

4956-16 A By-law to Authorize the Warden and Clerk to Execute a Cost Sharing Agreement Between the Corporation of the County of Grey and the Corporation of the County of Bruce for the Grey Bruce Health Unit

4957-16 A By-law the confirm the proceedings of the Council of the Corporation of the County of Grey

Carried

Good News and Celebrations

Council was apprised of good news and celebrations occurring within the County.

Adjournment

On motion of Councillor Bell, Council adjourned at 12:29 PM to the call of the Clerk.

Council closed with the singing of O Canada.

Alan Barfoot, Warden

Sharon Vokes, County Clerk

December 6, 2016

Grey County Council met at the call of the Clerk on the above date at 7:30 PM at the County Administration Building. The meeting was held in the County of Grey Council Chambers at the County Administration Building, Owen Sound.

Former Grey County Wardens and Directors of the County met in the Seminar Room and entered the Council Chambers.

Invited guests and County staff here also in attendance.

The processional of County Councillors then entered the Chambers.

Sharon Vokes, County Clerk/Director of Council Services welcomed those in attendance and provided opening comments. The Clerk presided over the inaugural session and called the meeting to order.

Guests were invited to join council members in a moment of reflection.

Roll Call

The Roll was called by the Clerk with all members present except McKean.

Election of the Warden

CC01-17 Moved by: Councillor Clumpus Seconded by: Councillor Burley

THAT the Warden of the County of Grey be elected for a one year term in accordance with By-law 4876-14, as amended, being the County's Procedural By-law and Section 233 (1) of the *Municipal Act, 2001*.

Carried

The Clerk outlined the procedures for the election of the Warden as set out in the *Municipal Act, 2001* and the County's Procedural By-law.

The Clerk stated that nominations for Warden of the County of Grey for the next term were in order and nominations were received as follows:

CC02-17 Moved by: Councillor Ardiel Seconded by: Councillor Greenfield

THAT Alan Barfoot be nominated for the Warden of the County of Grey.

CC03-17 Moved by: Councillor Pringle Seconded by: Councillor Boddy

THAT John Bell be nominated for the Warden of the County of Grey.

On motion of Councillor Eccles, nominations closed.

At the conclusion of nominations, the Clerk asked the intentions of the candidate(s) to run for the office of Warden for which he has been nominated.

Councillor Barfoot indicated his desire to stand for the position of Warden for 2017.

Councillor Bell thanked his nominators but declined to stand.

Councillors Ardiel and Greenfield, the nominators for Councillor Barfoot spoke on his behalf.

Swearing in of Warden

Mrs. Vokes administered the Declaration of Office to Warden Barfoot pursuant to the requirements of Section 233 of the *Municipal Act, 2001* and offered her congratulations to the new Warden.

Presentation of the Chain of Office

Past Warden Kevin Eccles was invited to the front of the Chambers where he congratulated Warden Barfoot and presented him with the Chain of Office.

Presentation of the Gavel

The Clerk presented Warden Barfoot with the gavel and invited him to assume the Chair for the balance of the proceedings.

Warden`s Remarks and Introductions

Warden Barfoot expressed his appreciation to the members of County Council for their support and thanked his nominators. Warden Barfoot then introduced his family members, friends, Council and staff from the Township of Georgian Bluffs.

Warden`s Address

Warden Barfoot presented his opening address to Council.

CC04-17 Moved by: Councillor Ardiel Seconded by: Councillor Greenfield

THAT the Warden`s Address be adopted as presented and engrossed in the minutes.

Carried

Remarks by Guests

On behalf of the Past Wardens, Howard Greig (1993 and 2000) provided comments to Council. Past Wardens in attendance were introduced as follows: Elwood Moore (1964), Lois Urdstadt (1982), Bill Murdoch (1987), Frank Beirnes (1988), Gerald Shortt (1990), Al Bye (1995 and 1999) and Duncan McKinlay (2012-2013).

Adjournment

Warden Barfoot thanked everyone for attending and announced that a reception would be held in the Seminar Room immediately following the session and invited all present to attend.

On motion of Councillor Burley, Council adjourned at 8:05 PM until Thursday January 12, 2017.

Council closed with O Canada performed by the Bayview School Choir.

Alan Barfoot, Warden

Sharon Vokes, County Clerk



Board Report

November 25, 2016



Medical Officer of Health **Report to the Board**

Friday, November 25, 2016

Implications for Board of Health Governance based on the *Assessor's Report on Algoma Public Health*

On February 25, 2015, Mr. Graham Scott was directed by the Minister of Health, under authority of the *Health Protection and Promotion Act* (HPPA), to conduct an assessment of the Board of Health for the District of Algoma for the purposes of assessing governance including the quality of management or administration and ascertaining whether the Board of Health was complying with the HPPA and regulations. In his final report, the Assessor describes a breakdown in responsibility and accountability noting shortfalls with respect to governance and the oversight including failure of the Board to follow principles of the Ontario Public Health Organizational Standards (OPHS), the Public Health Funding and Accountability Agreements (PHFAA), and common board practices.

Referencing the Ontario Public Health Organizational Standards, the Assessor identified key areas public health boards are expected to address to meet their basic obligations of oversight including:

- Board of health members must be aware of current and emerging best practices regarding board operations.
- Board of health members must also have an understanding of their duties and responsibilities as individuals and as a group, and must have an understanding of evaluation to improve their effectiveness as a board.
- While the board of health as the governing body typically delegates the day-to-day management of the public health unit to the MOH, CEO and other senior management, Board members retain responsibility for oversight and monitoring of the organization's operations and performance.

The Assessor noted that in the Algoma situation the governance of affairs was historically overseen by the Chair, the MOH and the Business Administrator with the Board providing little more than a 'rubber stamp'. The Board played a passive role, comfortable in their belief the MOH had everything in hand. That complacency continued even after fiduciary issues of misappropriation of funds was identified and the resulting appointment of a new MOH and interim CFO and further subsequent potential conflict of interest.

The Assessor identified that in light of Ontario Internal Audit Division of the Ministry of Finance (OIAD) review and KPMG Organizational and Operational Review of the health unit, the board, among other things, failed to:

- Establish a finance and audit committee to monitor progress and implementation of review recommendations;
- Have any concept of oversight of operational performance, other than MOH reporting;
- Scrutinize appointment process;
- Maintain open/public meetings and provide adequate briefing materials on major issues related to decisions;
- Understand the broader aspects of conflict of interest; and
- Recognize the need for training in board governance.

The Assessor explored each of these areas in detail.

The Assessor made four recommendations specific to the Algoma situation.

In a more general sense, the issues identified in Algoma serve as a cautionary tale for members of other boards.

Governance – An accountable process of oversight strengthens the performance of an organization and helps enhance its efficiency and effectiveness. Governance training is available for boards through the Ministry. “The concept of best practice provides enormous guidance to all boards as they seek to excel in meeting responsibilities and accountabilities.” (Scott, G., *Assessor’s Report on Algoma Public Health*, 2015)

Fiduciary duties – Rather than rely on key individuals (MOH, CFO and Board Chair) to address financial issues, boards should set up an audit/finance committee. “Failure of the board to follow the principles of OPHS and the PHFAA and in common board practice governing the affairs of a corporation is simply unacceptable... The failure constitutes a breakdown in both responsibility and accountability.” (Scott, G., *Ibid*)

Operational oversight – Senior/executive positions would benefit from the value-added experience of the board members. This includes decisions related to areas of significant change within the organization. “A prudent board would have probed as to the reasons for the changes and expected to hear of advantages and potential disadvantages flowing from them. This is appropriate oversight. It does not interfere with the responsibility of the medical officer of health to make personnel decisions, but takes an interest in the rationale and potential implications for the future effectiveness of the operations.” (Scott, G., *Ibid*)

Board membership – Boards may consider skill-based appointments. High performing boards should have substantial skills base among its members. Additionally, municipalities should look carefully at the advantage of members other than municipal council members, given the burden of work demands on elected officials. Municipal councils may want to consider appointing local citizens with the required governance skills in lieu of an elected official.

Transparency – Open meetings are important. Closed meetings must be limited to issues defined by statute: confidential personnel matters, purchase of land, labour negotiations, etc. In-camera cannot be used to avoid public disclosure and discussion of controversial matters.

Full disclosure – Briefing materials should be provided well in advance of discussions on major issues. This would ensure members have adequate time to review and fully understand information being presented.

Conflict of Interest – It is the responsibility of the board to acknowledge and adequately discuss conflict of interest, real or potential.

"The combination of board oversight and the operational leadership of the medical officer of health should provide the province, the municipalities and their residents with assurance that they are receiving their public health programs and that they are delivered at reasonable cost." (Scott, G., Ibid)

Christine Kennedy



Board of Health Minutes

Date: Friday, October 28, 2016
Location: Grey Bruce Health Unit Boardroom (Room 207)
Time: 10:05 a.m. – 1:10 p.m.
Members Present: Kevin Eccles (Chair), Alan Barfoot, Stewart Halliday, David Inglis, Gary Levine, Will Rogers, David Shearman, Mike Smith, Mitch Twolan, Arlene Wright
Regrets: Laurie Laporte
Also Present: Dr. Christine Kennedy, Drew Ferguson
Special Guests: Lynda Bumstead, Kathryn Forsyth, Laura Needham, Kim Rutherford
Secretary: Staci Ollerton

1.0 Call to Order

Chair, Kevin Eccles declared quorum present and called the meeting to order at 10:05 a.m.

2.0 Amendments to Agenda

3.0 Approval of Agenda

Moved by: Gary Levine Seconded by: Mitch Twolan
"THAT, the agenda be approved as presented."

Carried

4.0 Disclosure of Pecuniary Interest

Will Rogers, Cross-Board Representative (Non-Voting), declared a pecuniary interest with item 7.5 due to his son's employment.

5.0 Adoption of Minutes – Friday, September 23, 2016

Moved by: Stewart Halliday Seconded by: Arlene Wright
"THAT, the minutes of September 23, 2016 be approved as circulated."

Carried

6.0 Staff Presentation – Nutritious Food Basket & Food Security, Kathryn Forsyth & Laura Needham

Moved by: Gary Levine Seconded by: David Inglis
WHEREAS; It is the position of the Ontario Society of Nutrition Professionals in Public Health (OSNPPH) that food insecurity is an urgent human rights and social justice issue for local, provincial and federal public policy agendas. Food charity is

an ineffective and counterproductive response to food insecurity because it does not address the root cause which is poverty. An income response is required to effectively address food insecurity.

“THAT, the Board endorse the OSNPPH position statement on responses to food insecurity.”

Carried

7.0 Correspondence

7.1 Peterborough Public Health Board of Health Re. Universal Hot Meal Program

7.2 Chatham-Kent Board of Health Re. Universal Hot Meal Program

7.3 Peterborough Public Health Board of Health Re. HPV/Immunization Program Funding

Moved by: Arlene Wright

Seconded by: Mitch Twolan

“THAT, the Board of Health for the Grey Bruce Health Unit endorse the correspondence from the Peterborough Public Health Board of Health regarding the HPV/Immunization Program Funding.”

Carried

7.4 Minister Dr. Eric Hoskins Letter Re. Commitment to Reintroduction of Patients First Bill

7.5 MPP for Dufferin-Caledon Sylvia Jones Letter Re. Bill 5 – the *Greater Access to Hepatitis C Treatment Act, 2016*

Moved by: Mike Smith

Seconded by: Gary Levine

“THAT, the Board of Health will send a letter supporting Bill 5 – the *Greater Access to Hepatitis C Treatment Act, 2016*.”

Carried

7.6 MPP for Huron-Bruce Lisa Thompson Letter Re. Marl Lake and Lake Rosalind Water Advisories

7.7 Rural Hub Health and Social Services Draft Agreement with the South-East Grey Community Health Centre

7.8 Municipality of Grey Highlands Re. Bruce Grey Food Charter

Moved by: Alan Barfoot

Seconded by: Stewart Halliday

“THAT, the Board of Health receives the correspondence as circulated.”

Carried

8.0 Reports – Medical Officer of Health

8.1 October Reports

8.1.1 Emergency Preparedness & Incident Management System (IMS) Board Training

Moved by: David Shearman

Seconded by: Alan Barfoot

“THAT, the Board of Health receives the October Board training as presented.”

Carried

8.2 News Releases

- 8.2.1 Tell Us Your Breastfeeding Story
- 8.2.2 Public Assistance Request Dog Bite – Owen Sound
- 8.2.3 Supporting Breastfeeding in Grey Bruce
- 8.2.4 Public Assistance Request Dog Bite – Wiarton
- 8.2.5 Volunteer Coordinators Needed for Good Food Box
- 8.2.6 Public Assistance Request Dog Bite – Owen Sound
- 8.2.7 Seniors Falls Prevention Workshop
- 8.2.8 Flu Clinic at Grey Bruce Health Unit

Moved by: Mitch Twolan Seconded by: David Inglis
“THAT, the Board of Health receives the October news releases as presented.”

Carried

9.0 Administration and Finance

9.1 Financial Report August – Kim Rutherford

Moved by: Arlene Wright Seconded by: Alan Barfoot
“THAT, the Board of Health receives the Financial Report for the month of August as presented by Kim Rutherford.”

Carried

10.0 Other Business

10.1 Finance, Audit & Human Resources Subcommittee

The Board will strike a Finance, Audit & Human Resources Subcommittee to act in an advisory capacity to review financial, audit and human resource compensation matters. This committee will form with the new Board in December.

Moved by: Gary Levine Seconded by: Stewart Halliday
“THAT, the terms of reference be approved as amended.”

Carried

10.2 MOH Performance Evaluation

The MOH Performance Evaluation survey will be emailed to Board Members next week. The results will be shared with the Chair who will conduct the performance review with the MOH.

10.3 Memorandum of Understanding with Crime Stoppers of Grey Bruce Inc.

11.0 In-Camera Session

Moved by: Alan Barfoot Seconded by: Stewart Halliday
“THAT, the Board of Health does now go into closed session to discuss labour relations negotiations and matters pertaining to terms of employment of individual employees or management and that Drew Ferguson, Staci Ollerton and Dr. Christine Kennedy remain present.”

Carried

Moved by: Alan Barfoot Seconded by: Mike Smith
"THAT, the Board of Health does now return to open session."

Carried

12.0 Meeting Evaluation

The meeting evaluation will be postponed until the next meeting.

13.0 Adjournment

By Motion of Gary Levine, Chair Kevin Eccles adjourned the meeting at 1:10 p.m.

Next Meeting:

Friday, November 25, 2016 at 9:30 a.m.
Grey Bruce Health Unit Boardroom

X

Kevin Eccles
Chairperson

X

Dr. Christine Kennedy
Medical Officer of Health

X

Staci Ollerton
Recording Secretary



Board of Health Minutes

Date: Friday, November 25, 2016
Location: Grey Bruce Health Unit Boardroom (Room 207)
Time: 9:41 a.m. – 12:22 p.m.
Members Present: Kevin Eccles (Chair), Alan Barfoot, Stewart Halliday, David Inglis, Will Rogers, David Shearman, Mike Smith, Mitch Twolan, Arlene Wright
Regrets: Laurie Laporte, Gary Levine
Also Present: Dr. Christine Kennedy, Drew Ferguson
Special Guests: Sarah Ellis, Kim Rutherford
Secretary: Staci Ollerton

1.0 Call to Order

Chair, Kevin Eccles declared quorum present and called the meeting to order at 9:41 a.m.

2.0 Amendments to Agenda

3.0 Approval of Agenda

Moved by: Alan Barfoot Seconded by: Stewart Halliday
"THAT, the agenda be approved as presented."

Carried

4.0 Disclosure of Pecuniary Interest

There were no disclosures of pecuniary interest declared at this time.

5.0 Adoption of Minutes – Friday, October 28, 2016

Moved by: Mitch Twolan Seconded by: Stewart Halliday
"THAT, the minutes of October 28, 2016 be approved as circulated."

Carried

6.0 Staff Presentation – Needle Exchange Program (NEP), Sarah Ellis

Mike Smith joined the meeting at 9:56 a.m.

7.0 Correspondence

7.1 CORA AIT Strategy Re. Tobacco Industry Lobbying

Moved by: Mike Smith Seconded by: David Inglis

WHEREAS, the Ontario Campaign for Action on Tobacco (OCAT) identifies tobacco industry efforts to lobby municipalities with regard to contraband

tobacco as a means of deflecting attention from increased taxes on tobacco products by using small government to call for big government action;

“THAT, the Board of Health for the Grey Bruce Health Unit share this information with all local upper and lower tier municipal councils, local MPs and MPPs.”

Carried

- 7.2 Peterborough Public Health Board of Health Re. Nutritious Food Basket Costing
- 7.3 Peterborough Public Health Board of Health Re. Bill S-228, *An Act to amend the Food and Drugs Act (prohibiting food and beverage marketing directed at children)*
- 7.4 Algoma Public Health Re. Public Health Approach to the Legalization of Cannabis
- 7.5 Durham Region Health Department Re. HPV/Immunization Program Funding
- 7.6 Durham Region Health Department Re. Lyme Disease
- 7.7 Bluewater District School Board Letter Re. Sale of Meaford Community School
- 7.8 Bluewater District School Board Letter Re. Sale of Derby Community School
The Board of Health gave direction for Dr. Christine Kennedy to review and summarize current research, including grey literature, around public health impacts from rural school closures and amalgamations and that this evidence be presented to the Board at its December 2016 meeting.
- 7.9 Alzheimer Society of Grey-Bruce Re. Developing Ontario's Dementia Strategy
Moved by: Mitch Twolan Seconded by: Arlene Wright
“THAT, the Board of Health for the Grey Bruce Health Unit support a strong and fully-funded Dementia Strategy for Ontario as identified by the Alzheimer Society of Grey-Bruce and as such, the Board of Health will add its name to a social media campaign currently underway at www.actionfordementia.ca.”

Carried

Moved by: David Shearman Seconded by: Mike Smith
“THAT, the Board of Health receives the correspondence as circulated.”

Carried

8.0 Reports – Medical Officer of Health

- 8.1 November Reports
 - 8.1.1 MOH Report – Implications for Board of Health Governance based on the *Assessor's Report on Algoma Public Health*
- 8.2 News Releases
 - 8.2.1 Food Insecurity is a BIG Problem
 - 8.2.2 Recreation Spaces Food and Drink Survey Results
 - 8.2.3 The Lucknow Good Food Box Welcomes New Coordinator
 - 8.2.4 Influenza Arrives in Grey Bruce

8.2.5 *Guys Caring for Kids* Photo Contest Winners/International Men's Day

Moved by: Alan Barfoot Seconded by: Arlene Wright
"THAT, the Board of Health receives the November reports as presented."

Carried

9.0 Administration and Finance

9.1 Financial Report September – Kim Rutherford

Moved by: Mitch Twolan Seconded by: Stewart Halliday
"THAT, the Board of Health receives the Financial Report for the month of September as presented by Kim Rutherford."

Carried

10.0 Other Business

10.1 Rural Hub Health and Social Services Agreement with the South-East Grey Community Health Centre

10.2 Plain and Standardized Packaging Board Endorsement

Moved by: Stewart Halliday Seconded by: Mike Smith
"THAT, the Board of Health for the Grey Bruce Health Unit endorse the requirement for plain and standardized packaging on tobacco products as outlined by the Canadian Coalition for Action on Tobacco."

Carried

10.3 Bruce County 9 Metre By-Law Proposal

Moved by: Mitch Twolan Seconded by: David Inglis
"THAT, the Board of Health for the Grey Bruce Health Unit support the Smoke-Free Outdoor Spaces 9 Metre By-Law Proposal be taken to Bruce County Council."

11.0 In-Camera Session

Moved by: Alan Barfoot Seconded by: David Inglis
"THAT, the Board of Health does now go into closed session to discuss labour relations negotiations and matters pertaining to terms of employment of individual employees or management and that Staci Ollerton and Dr. Christine Kennedy remain present."

Carried

Moved by: Arlene Wright Seconded by: David Shearman
"THAT, the Board of Health does now return to open session."

Carried

12.0 Adjournment

By Motion of Alan Barfoot, Chair Kevin Eccles adjourned the meeting at 12:22 p.m.

Next Meeting:

Tuesday, November 29, 2016 at 1:30 p.m.

Grey Bruce Health Unit Boardroom

Please Note: This is a Special In-Camera Meeting

X

Kevin Eccles
Chairperson

X

Dr. Christine Kennedy
Medical Officer of Health

X

Staci Ollerton
Recording Secretary



Board of Health Minutes Special Meeting

Date: Tuesday, November 29, 2016
Location: Grey Bruce Health Unit Boardroom (Room 207)
Time: 1:37 p.m. – 3:47 p.m.
Members Present: Kevin Eccles (Chair), Alan Barfoot, Stewart Halliday, Laurie Laporte, Gary Levine, David Shearman, Mike Smith, Mitch Twolan, Arlene Wright
Regrets: David Inglis, Will Rogers
Also Present: Dr. Christine Kennedy, Drew Ferguson
Special Guests: Dr. Matthew Hodge, Sue Paterson
Secretary: Staci Ollerton

1.0 Call to Order

Chair, Kevin Eccles declared quorum present and called the meeting to order at 1:37 p.m.

2.0 Disclosure of Pecuniary Interest

There were no disclosures of pecuniary interest declared at this time.

8.0 In-Camera Session

Moved by: David Shearman Seconded by: Stewart Halliday
"THAT, the Board of Health does now go into closed session to discuss labour relations negotiations and matters pertaining to terms of employment of individual employees or management and that Drew Ferguson, Dr. Christine Kennedy, Dr. Matthew Hodge, Sue Paterson and Staci Ollerton remain present."

Carried

Moved by: Alan Barfoot Seconded by: David Shearman
"THAT, the Board of Health does now return to open session."

Carried

3.0 Adjournment

By Motion of David Shearman, Chair Kevin Eccles adjourned the meeting at 3:47 p.m.

Next Meeting:

Wednesday, December 21, 2016 at 10:30 a.m.
Grey Bruce Health Unit Boardroom

X

Kevin Eccles
Chairperson

X

Dr. Christine Kennedy
Medical Officer of Health

X

Staci Ollerton
Recording Secretary

Corporation of the County of Grey

By-Law 4958-17

A By-law to Establish a Weighted Voting System for Committee of the Whole

WHEREAS The County of Grey Act, 1993 Section 2 allows for a weighted voting system in council of one vote for every 1,000 municipal electors or part thereof;

AND WHEREAS The County of Grey Act, 1993, Section 3 provides that Grey County Council through by-law extend the same weighted voting system to a committee;

AND WHEREAS resolution CS82-16 endorsed by County Council at its November 22, 2016 session approved the recommendation to enact a by-law to provide for weighted voting in Committee of the Whole;

NOW THEREFORE BE IT RESOLVED THAT THE COUNCIL OF
THE CORPORATION OF THE COUNTY OF GREY HEREBY ENACTS AS FOLLOWS:

1. The weighted voting system outlined in The County of Grey Act 1993 is hereby extended to Grey County's Committee of the Whole when recorded votes are requested.

ENACTED AND PASSED this 12th day of January, 2017.

WARDEN: Alan Barfoot

CLERK: Sharon Vokes

Corporation of the County of Grey

By-Law 4959-17

A By-law to Authorize the Warden and Clerk to Execute Investment in Affordable Housing and Social Housing Infrastructure Fund Agreements with the Owen Sound Housing Company Limited for Affordable Housing Projects

WHEREAS the Council of the County of Grey adopted the recommendation of the Social Services Committee from its October 12, 2016 meeting approving the entering into an Investment in Affordable Housing Agreement and a Social Housing Infrastructure Fund Agreement with the Owen Sound Housing Company Limited for the creation of affordable housing;

AND WHEREAS Section 8 of the *Municipal Act, 2001*, as amended provides that a municipality has the authority to govern its affairs as it considers appropriate and enables the municipality to respond to municipal issues;

NOW THEREFORE BE IT RESOLVED THAT THE COUNCIL OF
THE CORPORATION OF THE COUNTY OF GREY HEREBY ENACTS AS FOLLOWS:

1. The Warden and Clerk are hereby authorized and directed to execute, and the Clerk to affix the Corporate seal thereto, Agreements with the Owen Sound Housing Company Limited.
2. The Agreements referred to in Clause 1 form and become part of this By-law.
3. This By-law shall come into force and effect upon the final passing thereof.

ENACTED AND PASSED this 12th day of January, 2017.

WARDEN: Alan Barfoot

CLERK: Sharon Vokes

CONTRIBUTION AGREEMENT

Investment in Affordable Housing Program Extension 2014

New Rental Housing Component

This Agreement made the day of *[insert year]*.

BETWEEN:

THE CORPORATION OF THE COUNTY OF GREY

(hereinafter called the “County”)

- and -

OWEN SOUND HOUSING COMPANY

(hereinafter called the “Proponent”)

WHEREAS:

- A. Canada Mortgage and Housing Corporation (“CMHC”) and Her Majesty the Queen in right of Ontario as represented by the Minister of Municipal Affairs and Housing (“MMAH”) entered into a bi-lateral agreement to provide for the Investment in Affordable Housing Program from 2011-2014, effective April 1, 2011(the “CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014”).
- B. CMHC and MMAH entered into a Supplementary Agreement N0.1 dated August 11, 2014 (“the Supplementary Agreement”).
- C. The Supplementary Agreement amended the CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014 by extending the funding available for Affordable Housing.
- D. Whereas the Minister is now responsible for the above agreements signed by MMAH.
- E. The County and the Proponent have entered into this Agreement for the purpose of establishing the County’s obligation to provide funding to the Proponent for its Project, and the Proponent’s obligations with respect to use of such funds under the Investment in Affordable Housing Program Extension 2014.

NOW THEREFORE, the County and the Proponent agree with each other as follows:

1. INTERPRETATION

1.1 In the Agreement, including its Schedules, unless the context requires otherwise,

- “Affordability Period” means the period during which the average rent in a Project is required to be maintained at an affordable level, as determined in accordance with the Program Guidelines or as otherwise established by the

County;

- “Affordable Housing” means Housing which is modest in terms of floor area and amenities, based on household needs and community norms, in Projects that achieve rent levels in accordance with the Program Guidelines, but does not include residential premises used as a nursing home, retirement home, shelter, crisis care facility or any other type of similar facility as determined by the County;
- “Average Market Rents” means the average rent figures, based on geographical areas and classified by bedroom count, as determined annually in the CMHC Average Market Rent Survey or as determined by the County, based on available data, in areas where there is no information from the CMHC Average Market Rent Survey;
- “Business Day” means each Monday, Tuesday, Wednesday, Thursday and Friday except when any such day occurs on a statutory holiday observed in Ontario;
- “Contribution by Others Agreement” means an agreement entered into by the County (other than this Agreement) or another party contributing to the Project, and the Proponent ;
- “Contribution by Others” means cash or in-kind eligible contributions from municipalities, in accordance with the Program and may include a contribution from the County pursuant to another funding program documented by a Contribution Agreement other than this Agreement. It does not include contributions from any other Government of Canada sources, including, but not limited to the CMHC - Ontario Social Housing Agreement dated November 15, 1999, nor contributions which receive credit under any agreement with CMHC outside this Agreement nor equity contributions to the Project made by the Proponent to the extent required in the Procurement Process;
- “Development Activities” means those activities which are normally undertaken for the development, construction, repair, renovation, rehabilitation or conversion of buildings for residential purposes and include the acquisition of property and activities for which Project Development Funding may be provided;
- “Federal Funds” means funding from CMHC for a Unit, as set out in the Program Guidelines;
- “Force Majeure” means a delay arising from strike, lockout, riot, insurrection,

terrorism, war, fire, tempest, act of God, lack of material or supply of service at a reasonable cost, inclement weather, binding orders or regulations of governmental bodies, courts or arbitrators or any other event beyond the control of the Parties which causes a delay in the fulfillment of a Party's obligations under this Agreement notwithstanding the reasonable efforts of such Party and provided that any such non-availability or delay does not relate to any act or omission by such Party or any of its authorized agents or employees;

- “Funding Schedule” means the schedule of funding setting out progress payments for the type of Project to be undertaken by a Proponent, in the form determined by the County;
- “Funds” means Federal Funds or Provincial Funds, as set out in the Program Guidelines;
- “Housing” means residential accommodation and facilities, common areas and services used directly with the residential accommodation. Housing does not include commercial or institutional premises, social or recreational services, and services or facilities related to mental or physical health care, education, corrections, food services, social support or public recreation;
- “Interest Adjustment Date” means the date on which the Proponent makes the first payment of principal and interest in respect of the Proponent's permanent financing obligations for the Project, following the completion of construction;
- “Large Project” means a Project with thirteen (13) or more Units;
- “Loan” means the total amount of Federal Funds and Provincial Funds, if applicable, advanced by the County to the Proponent, in accordance with the Funding Schedule;
- “Occupancy Date” means the date on which occupancy of all Units in a Project is permitted;
- “Ontario Mortgage and Housing Initiative” means the government program that provides Proponents with access to lower-cost, longer-term financing for affordable rental housing for both construction financing and long-term mortgages;
- “Parties” means the County and the Proponent and “Party” means either of them, as the context may require;

- “Permitted Encumbrances” means the encumbrances encumbering the Affordable Housing Units listed in Schedule “G”;
- “Phase-out Period” means the last five (5) year period of the Affordability Period;
- “PIPEDA” means the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, including any amendments thereto;
- “PIPEDA Protected Information” means any “Personal Information” or “Personal Health Information”, as defined under PIPEDA;
- “PPSA” means the *Personal Property Security Act*, R.S.O. 1990, c. P. 10, including any amendments thereto;
- “Procurement Process” means the request for proposals or procurement process used by the County;
- “Program” means the Rental Housing Component of the Investment in Affordable Housing Program Expansion 2014, as set out in the Program Guidelines;
- “Program Guidelines” means the Program Guidelines in respect of the New Rental Housing Component of the Investment in Affordable Housing Program Extension 2014 and attached to this Agreement as Schedule “A”;
- “Project” means Affordable Housing proposed or approved for the Program subject of this Agreement, as the context may require;
- “Project Development Funding” means that part of the CMHC funds in an amount of up to One Hundred Fifty Thousand Dollars (\$150,000.00) which is available to private non-profit Proponents to pay for planning and engineering studies, architectural drawings and legal expenses;
- “Proponent” means a person identified as such on the first page of this Agreement;
- “Proposal” means the proposal made by the Proponent for the Project;
- “Provincial Funds” means funding from Ontario for a Unit, as set out in the Program Guidelines;

- “Rental Housing Component” means the Investment in Affordable Housing Program Extension 2014 described in the New Rental Housing Component Program Guidelines;
- “Security Documents” means the security documents for the Project in the form of, or described in Schedules E-1, E-2, E-3 and F;
- “Service Manager” means the County;
- “Small Project” means a Project with twelve (12) or fewer Units;
- “Substantial Completion” means the substantial performance, within the meaning of the *Construction Lien Act*, of all contracts which the Proponent has entered into for Development Activities in connection with the Project;
- “Targeting Plan” means the manner in which a Service Manager or a Proponent plans to meet the objectives of the Program to create Affordable Housing for households that are on or are eligible to be on the waiting lists for social housing;
- “Unit” means a self-contained residential dwelling, including, without limiting the generality of the foregoing, (i) supportive rental Housing where service funding is secured from sources other than Federal Funds and Provincial Funds provided under the Program; (ii) multi-bedroom units which are used for congregate living; and (iii) disabled/accessible units.

1.2 All references in this Agreement, including, without limitation, the Schedules hereto, to “rent” is deemed to include housing charges paid by members of non-profit housing co-operatives and “rental” is deemed to have a corresponding meaning.

1.3 The following Schedules are attached to and form part of this Agreement:

Schedule “A” – New Rental Housing Component Program Guidelines;
 Schedule “B” -Funding Schedule;
 Schedule “C” -Contribution by Others Agreement(s);
 Schedule “D” -Rental Protocol;
 Schedule “E-1” -Charge/Mortgage of Land;
 Schedule “E-2” -Assignment of Rents;
 Schedule “E-3” -Security Agreement;
 Schedule “F” -Alternate Security;
 Schedule “G” -Permitted Encumbrances;
 Schedule “H” -Proponent’s Initial Occupancy Report;

Schedule “I” -Proponent’s Annual Occupancy Report;
Schedule “J” -Proponent’s Annual Targeting Report;
Schedule “K” -Protocol for Non-Compliance.

- 1.4 In the event of a conflict or inconsistency between the provisions of this Agreement and the provisions of a Schedule, the provisions of this Agreement shall prevail.
- 1.5 All references in this Agreement to section numbers are references to sections of this Agreement unless otherwise stated.

2. FUNDING FOR AFFORDABLE HOUSING

- 2.1 The Proponent agrees to advance as its equity contribution to the Project the amount of Seventy One Thousand and One Hundred and Sixty One dollars (\$71,161), in the form of a contribution of land, on or before Occupancy is permitted in the Project, and provide written confirmation to the County that the equity contribution has been advanced.
- 2.2 Funding for Affordable Housing is comprised of Federal Funds and Provincial Funds. Funds will be advanced to the Proponent in the form of a Loan during Development Activities, based on the completion of construction milestones.
- 2.3 The Loan, upon the terms and subject to the conditions set out in this Agreement, shall be in the amount of One Hundred and Twelve Thousand, Five Hundred dollars (\$ 112,500) for each Unit included in the Development Activities for Affordable Housing by the Proponent pursuant to the Proposal, the total amount of such Loan being Four Hundred and Fifty Thousand dollars (\$450,000).
- 2.4 The County shall disburse the amount of the Loan in accordance with the Funding Schedule attached as Schedule “B”. Notwithstanding Schedule "B", the County shall at all times hold back the amount of funds required to comply with the *Construction Lien Act*.
- 2.5 The County shall have the option of withholding from the amount to be disbursed under section 2.4 the amount of the cost of construction necessary to complete the incomplete construction of the Project from time to time and, in such case, the County shall disburse the amount so withheld following its receipt of satisfactory evidence that such construction is complete within the meaning of the *Construction Lien Act* and provided that the *Construction Lien Act* is complied with.
- 2.6 The Proponent shall use the amount of the Loan and Contribution by Others only for the purpose of its Development Activities in connection with the Project.

- 2.7 The Proponent may authorize the County to pay Funds to a third party and the County shall permit such authorization.

3. PROVISION OF AFFORDABLE HOUSING

- 3.1 The Proponent agrees to undertake its Development Activities in connection with the Project in accordance with the provisions relating to the development of the Project contained in the Program Guidelines.
- 3.2 The Proponent shall, subject to Force Majeure, achieve Substantial Completion in accordance with the Program Guidelines.
- 3.3 Without limiting the condition set out in section 5.1(b), the Proponent shall use its reasonable best efforts to discharge or cause the discharge of any registered construction liens so as to ensure that there are no construction liens registered against the Project on the date for the disbursement of the Loan under sections 2.4 and 2.5. The County's obligation to disburse shall be conditional upon Proponents compliance with the *Construction Lien Act* as set out in section 5.1 (b).
- 3.4 The Proponent shall not at any time during the term of this Agreement breach any Contribution by Others Agreement respecting the Project including any municipal capital facility agreement made pursuant to section 110 of the *Municipal Act, 2001* and shall not, through any breach on its part, cause such other entity to terminate a Contribution by Others Agreement for cause. The Proponent agrees that a breach by it of any such Contribution by Others Agreement, that has not been corrected, shall constitute a breach of this Agreement. All Contribution by Others Agreements shall be attached as Schedule “C”. The Proponent shall provide the County with evidence of its good standing under any such Contribution by Others Agreement within ten (10) Business Days following its receipt of a written request from the County.

4. OPERATION OF AFFORDABLE HOUSING

- 4.1 The Proponent acknowledges and agrees that the Rental Protocol set out in Schedule “D” applies to the Project by virtue of the contractual terms of this Agreement, notwithstanding that the Rental Protocol does not apply to the Project under the *Residential Tenancies Act, 2006*.
- 4.2 The Proponent agrees to operate the Units in accordance with the rules set out in Schedule “D” of this Agreement.

5. CONDITIONS

5.1 The provision of funding by the County pursuant to sections 2.4 and 2.5 is subject to the following conditions precedent, each of which is for the exclusive benefit of the County, and may be waived in full or in part by the County by written notice to the Proponent:

- (a) any Contribution by Others Agreement(s) referred to in section 3.4 remaining in force and the Proponent being in good standing thereunder;
- (b) there being no Claim for Lien under the *Construction Lien Act* registered against the Project;
- (c) there being in existence no unregistered lien or statutory claim having priority against the Project;
- (d) the Proponent's title to the Project being encumbered by no registered encumbrances other than the Permitted Encumbrances;
- (e) the Proponent being in good standing under all of the Permitted Encumbrances and there being no work orders issued against the Project by any governmental entity, agency or official;
- (f) the Proponent having provided the County with the security documents required by section 7 and in accordance with the said section; and
- (g) all funds provided by means of a Contribution by Others due on or before a disbursement date hereunder having been fully advanced to the Proponent on or before such disbursement date and having been authorized by by-law, agreement or otherwise and all Contribution by Other Agreements shall be attached as Schedule "C".

5.2 If any of the conditions contained in section 5.1 have not been fulfilled on the date for the disbursement of the Loan by the County pursuant to sections 2.4 or 2.5 and are not waived by the County pursuant to section 5.1, the County shall be under no obligation to make any advance of the Loan to the Proponent and the County shall thereupon have the right to terminate this Agreement and, in that event, neither Party to this Agreement shall have any rights or obligations hereunder, save and except that the County may, notwithstanding such termination, bring an action against the Proponent for all losses, costs and expenses, including, without limitation, reasonable legal fees incurred by the County in connection with this Agreement where the non-performance or non-fulfillment of a condition is a result of a breach of a covenant by the Proponent and the County shall have the right to require repayment of any previously advanced Funds together with interest as set out in this Agreement.

6. TERMS OF THE FUNDING

- 6.1 The Loan shall have a term of twenty (20) years, commencing as of the Interest Adjustment Date.
- 6.2 Prior to the Interest Adjustment Date, interest shall accrue on the total of the amount or amounts advanced under the Loan at the rate of eight per cent (8%) per annum. The interest so calculated shall compound semi-annually, not in advance, and shall be payable upon demand, until the Interest Adjustment Date.
- 6.3 On the Interest Adjustment Date, the amount of interest accrued as calculated in section 6.2 shall be forgiven, provided that the Proponent has satisfied all requirements as set out in section 3.
- 6.4 With effect from the Interest Adjustment Date, the interest rate applicable to the Loan shall be the higher of the average posted rate offered by major Canadian lending institutions for a commercial first mortgage having a five (5) year term, plus two per cent (2%) or the interest rate applicable to the first mortgage registered against title to the property, plus two per cent (2%).
- 6.5 On each anniversary date of the Interest Adjustment Date, the Proponent shall pay the County the amount of interest, as calculated on the Loan amount according to the interest rate stipulated in section 6.4, so accrued during the previous year, provided however, if the Proponent has satisfied, as of such anniversary date, the requirements of this Agreement, the amount of the interest so owing shall automatically be forgiven.
- 6.6 The Loan amount shall be fully forgiven on the last day of the month at the end of the term of the Loan, provided that the Proponent has fulfilled all the requirements of the Program as set out in this Agreement.
- 6.7 The Proponent shall comply with the requirements of the Ontario Mortgage and Housing Initiative.
- 6.8 The Proponent shall provide the County with such information respecting the Proponent's permanent financing obligations for the Project as the County may require from time to time.

7. SECURITY

- 7.1 Prior to the County disbursing the Loan proceeds to the Proponent pursuant to section 2.4, the Proponent shall provide the County with executed registerable security documents in the form attached hereto as Schedules "E-1", "E-2" and "E-3" (the

“Security”), completed in accordance with this Agreement or at the County's option, such alternate form of security, on such terms and conditions as the County may require, attached hereto as Schedule “F”.

- 7.2 The Security shall be collateral to this Agreement and any Contribution by Others Agreement between the County and the Proponent. The County shall be a party on all Security documents and shall share in any recoveries thereunder in proportion to their respective contributions to the total amount secured. The amount of all contributions from the County shall be included in the Security documents. The amount of any eligible in-kind contributions from the County shall not be included in the Security documents.
- 7.3 Without limiting the Proponent’s covenants and the remedies of the County under this Agreement and the Security, the Proponent agrees that a breach of this Agreement or any Contribution by Others Agreement with the County shall constitute a breach of the Security and a breach of the Security shall constitute a breach of this Agreement and any Contribution by Others Agreement with the County.
- 7.4 The County acknowledges and agrees that notwithstanding that the Security provides that the principal and interest secured thereunder is payable on demand, the County shall have no right to demand payment thereunder except in accordance with the provisions of this Agreement relating to repayment or in the event of breach described in section 7.3. In the event of a conflict or inconsistency between the provisions of this Agreement and the Security, the provisions of this Agreement shall prevail with respect to Funds provided by the County.
- 7.5 The Security shall rank immediately behind the registered security for the Proponent’s primary financial obligations for the Project, unless the County determines that the Security shall have a lesser priority.

8. ACCOUNTABILITY FRAMEWORK

- 8.1 (a) In the event:
- (i) the County is of the opinion that the Proponent is not proceeding in an expeditious manner with the Development Activities for which Project Development Funding has been provided; or
 - (ii) the Province is advised by the County that the Project will not proceed; or
 - (iii) the building permit for the Project is not issued on or before April 1, 2017 or such longer period of time as the County may determine;

the Proponent shall return all unexpended Project Development Funding to the County, forthwith upon demand, provided however, that the County shall not require the Proponent to return any Project Development Funding that has been expended for the intended purposes.

- (b) If requested by the County, the Proponent shall submit to the County, an audited financial statement respecting the expenditure of the Funds provided to it pursuant to this Agreement, within ninety (90) days or such additional time as may be determined by the County, following the date on which the County is advised that the Project will not proceed or that the Development Activities related to the Project have been fully completed.
 - (c) Following the full completion of the Development Activities related to the Project, the Proponent shall submit to the County a completed information report in the form attached hereto as Schedule “H”, and annually thereafter shall submit to the County completed information reports in the forms attached hereto as Schedules “I” and “J”.
 - (d) Without limiting the Proponent’s obligations under section 8.1(c), the Proponent, if requested by the County, shall forthwith submit to the County the material required to be submitted pursuant to section 8.1(c), in addition to any such material that the Proponent may have previously submitted to the County.
- 8.2 The Proponent represents that it has not provided any false or misleading information in the Proposal and agrees that it shall not provide any false or misleading information to the County under this Agreement.
- 8.3 The Proponent shall, on forty-eight (48) hours prior written notice, give the County free access to the Project and to such staff, documents, books, records and accounts as may be determined by the County, for the purpose of verifying compliance with this Agreement.
- 8.4 The County may conduct an audit, investigation or inquiry in relation to the Project or any larger development or project of which the Project is a part and the Proponent shall cooperate with the County and provide free access to the Project and to such staff, documents, books, records and accounts as may be determined by the County.
- 8.5 The provisions of sections 8.1, 8.2, 8.3, 8.4 and 8.5 shall continue to apply for a period of seven (7) years following the end of the Phase-out Period or the date of any early termination of this Agreement.

9. PUBLICITY

- 9.1 The Proponent acknowledges that it has been informed by the County that under the terms of the Investment in Affordable Housing Program Extension 2014 and the Supplementary Agreement all publicity, including written materials and signs, respecting the Project must recognize the contributions of CMHC, the Province and the County. The Proponent further acknowledges that it has been informed by the County that the 2016 Social Infrastructure Fund under the Investment in Affordable Housing Program and the Supplementary Agreement requires the County to co-ordinate with the Province and CMHC and/or obtain CMHC's approval with respect to communications, signage and advertising matters. The Proponent agrees that it shall not do or omit to do any act which will cause the County to be in breach of the terms of the Investment in Affordable Housing Program Extension 2014 and the Supplementary Agreement.
- 9.2 The Proponent shall not make any public announcement respecting the Project, insofar as it relates to the Program, or respecting its participation in the Program or respecting the Program in any other respect without the prior written consent of the County.
- 9.3 During the period of the Development Activities related to the Project, the Proponent shall erect a sign in front of the Project. The sign shall be in accordance with specifications issued by the Province and the County.
- 9.4 The Proponent acknowledges that any breach by it of sections 9.2 or 9.3 of this Agreement shall cause the County to be in breach of its obligations as a Service Manager responsible for administration of the funding program in the Investment in Affordable Housing Program Extension 2014 and the Supplementary Agreement.

10. REMEDIES

- 10.1 In the event the County determines that a Proponent has breached any one (1) or more provisions of this Agreement or any other Contribution of Others Agreement or the County advises the Province that a Proponent has breached any one (1) or more provisions of this Agreement or any other Contribution of Others Agreement between the County and a Proponent, the Province and County shall follow the Protocol for Non-Compliance set out in Schedule "K".
- 10.2 All of the remedies in this Agreement and the Security are cumulative and the Province and the County shall be entitled to avail itself simultaneously of some or all of the said remedies and any other remedies available in equity or at law.
- 10.3 Notwithstanding any of the terms of this Agreement or of the Security, the County shall have the option of waiving any or all of its' remedies under this Agreement and the Security, but no waiver of a provision shall be deemed to constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver

unless otherwise provided in writing.

11. NOTICE

11.1 Any notice or other communication required, desired or permitted to be given by this Agreement shall be in writing and shall be effectively given if:

- (a) delivered personally;
- (b) sent by prepaid courier service; or
- (c) sent by facsimile communication, and confirmed by mailing the original documents so sent by prepaid mail on the same or following day, addressed as follows:

- (i) in the case of notice to the County:

*The Corporation of the County of Grey
595 9th Avenue East
Owen Sound, Ontario N4K 3E3*

- (ii) in the case of notice to the Proponent:

*Owen Sound Housing Company
Unit 1, 700 21st Street East
Owen Sound, Ontario N4K 6W1*

or at such other address as the party to whom such notice or other communication is to be given shall have advised the party giving same in the manner provided in this section. Any notice or other communication delivered personally or by prepaid courier service shall be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a Business Day such notice or other communication shall be deemed to have been given and received on the next following Business Day. Any notice or other communication transmitted by facsimile communication shall be deemed to have been given and received on the day of its transmission, provided that such day is a Business Day and such transmission is completed before 4:30 p.m. on such day, failing which such notice or other communication shall be deemed to have been given and received on the first (1) Business Day after its transmission. If there has been a mail stoppage and if a party sends a notice or other communication by facsimile communication, such party shall be relieved from the obligation to mail the original document in accordance with this paragraph.

12. GENERAL

12.1 Any power, right or function of the County, contemplated by this Agreement, may be

exercised by any employee or agent of the County.

12.2 It is understood that the *Municipal Freedom of Information and Protection of Privacy Act* shall apply to all records submitted to or created by the County pursuant to this Agreement.

12.3 The Proponent represents and warrants that:

- (a) it shall preserve the PIPEDA compliance of all PIPEDA Protected Information transferred to it by the County;
- (b) it shall ensure the PIPEDA compliance of all PIPEDA Protected Information it collects in the course of performing its contractual obligations; and
- (c) it shall ensure the PIPEDA compliance of all PIPEDA Protected Information that it transfers to the County.

12.4 The disbursement of Funds by the County to the Proponent pursuant to sections 2.4 to 2.5, inclusive, is subject to the necessary appropriations from the Federal Parliament and the Provincial Legislature. Neither the County, the Province nor CMHC shall have any liability in the event the respective appropriations are insufficient to meet the funding obligations of the County.

12.5 Nothing in this Agreement is to be construed as authorizing one Party to contract for or incur any obligation on behalf of the other or to act as agent for the other and nothing in this Agreement shall be construed to constitute the County and the Proponent as partners of each other.

12.6 The Proponent acknowledges that CMHC is not a party to this Agreement or other agreement relating to any Project.

12.7 No member of:

- (a) the House of Commons or Senate of Canada; or
- (b) the Legislative Assembly of Ontario; or
- (c) the Municipal Council constituting the County or the Municipal Council of any local municipality of the County or the governing body of any Municipal Agency, Board or Commission, of any such municipalities;

shall be admitted to any share or part of any contract, agreement or commission made

pursuant to this Agreement or to any benefit arising therefrom, including, without limitation, any contract, agreement or commission arising from or related to the Program.

- 12.8 Time shall in all respects be of the essence in this Agreement, provided that the time for doing or completing any matter provided for under this Agreement may be extended or abridged by agreement in writing signed by the County and the Proponent or their respective solicitors on their behalf, who are hereby expressly appointed in this regard.
- 12.9 Any tender of documents or money hereunder may be made by the County or the Proponent or their respective solicitors.
- 12.10 This Agreement is made pursuant to and shall be governed by and construed in accordance with the laws of the Province of Ontario. Any reference to a statute in this Agreement includes a reference to all regulations made pursuant to such statute, all amendments made to such statute and regulations in force from time to time and to any statute or regulation which may be passed and which has the effect of supplementing or superseding such statute or regulations.
- 12.11 The headings and subheadings contained in this Agreement are inserted for convenience and for reference only and in no way define, limit or describe the scope or intent of this Agreement or form part of this Agreement.
- 12.12 The Parties agree that there are no representations, warranties, covenants, agreements, collateral agreements or conditions affecting the property or this Agreement other than as expressed in writing in this Agreement.
- 12.13 This Agreement shall be read with all changes of gender and number required by the context.
- 12.14
- (a) The Proponent shall not transfer or convey its interest in all or any part of the Project without, subject to subsection 12.14(b), simultaneously assigning its interest in this Agreement to the transferee, which transferee shall enter into one or more agreements with the County, in a form satisfactory to the County, to assume all of the Proponent's obligations under this Agreement and to provide the County with Security in accordance with this Agreement.
 - (b) The Proponent shall not assign its interest in this Agreement without the prior written consent of the County, which consent shall not be arbitrarily or unreasonably withheld.
 - (c) For the purpose of this Agreement, a transfer of the beneficial interest in the

shares of the Proponent shall be deemed to constitute an assignment if it results in a change in the party or parties who owns or own more than fifty per cent (50%) of the voting shares of the said corporation.

- 12.15 Each of the Parties shall, at any time and from time to time, upon not less than twenty (20) Business Days prior written notice by the other Party, execute and deliver to the other Party a statement in writing certifying that this Agreement is in good standing, unmodified and in full force and effect, or if there have been modifications that the same are in good standing and in full force and effect, as modified, and stating the modifications. Where applicable, the statement shall state the defaults, if any, known to the Party to whom such request has been made and the action taken or proposed to be taken by such requested Party with respect to same.
- 12.16 If more than one entity is a party to this Agreement as Proponent, all references to the Proponent shall include all of the said entities and this Agreement shall be binding on each jointly and severally.
- 12.17 This Agreement shall ensure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns, provided that this paragraph shall in no way derogate from the provisions of section 12.14 restricting the Proponent's ability to assign this Agreement.

IN WITNESS WHEREOF This agreement has executed by the **Parties.**

The Corporation of the County of Grey

Per:_____

Warden Alan Barfoot

c/s

Per:_____

Clerk Sharon Vokes

Owen Sound Housing Company

Per: _____

Name:

Title:

c/s

Per: _____

Name:

Title:

SCHEDULE “A”

NEW RENTAL HOUSING COMPONENT PROGRAM GUIDELINES

The 2016 SIF IAH includes \$33.6 million in dedicated capital funding in each of 2016-17 and 2017-18 for seniors housing. The Ministry will monitor proposals from SMs and funding take-up to ensure the seniors funding requirements are met for each year. SMs should consider the funding requirement for senior’s housing when evaluating proposals. The Ministry retains the right to reallocate funding to ensure this funding target is met.

Rental Housing Component

The Rental Housing component will:

- Increase the supply of rental housing for households on, or eligible to be on, social housing waiting lists.
- Ensure that safe, adequate and affordable rental housing is available to Ontario households who meet one or more of the priorities identified for the 2016 SIF IAH.

Eligibility Criteria - Projects

Eligible projects must be one of the following:

- New construction, including additions and extensions
- Acquisition and, where required, rehabilitation of existing residential buildings to maintain or increase the affordable rental housing stock
- Conversion of non-residential buildings or units to purpose-built rental buildings/units

Social housing redevelopment which involves building new affordable rental units/additions on social housing sites may be eligible provided that the appropriate ministerial or service manager consent, as applicable, is obtained as per the Housing Services Act, 2011.

Projects that are **not eligible** include:

- Secondary suites in owner-occupied housing
- Nursing and retirement homes
- Social housing projects/units that receive ongoing federal and/or provincial subsidies (e.g. demolition and replacement of existing social housing units)
- Shelters and crisis care facilities
- Owner-occupied housing
- Student residences

Eligibility Criteria – Units

Units must be modest in size and amenities relative to other housing in the community. Units are expected to be self-contained unless a rationale is provided. Proponents who wish to develop congregate living buildings (rooms with shared living spaces) for supportive housing may be eligible for program funding and should provide a rationale in order to receive funding.

Funding will be advanced to SMs in three instalments:

- 50% at signing of CA, registration of security, 1st available building permit, and construction start
- 40% at completion of structural framing for new construction or fifty percent completion for acquisition and rehabilitation projects
- 10% at confirmation of occupancy, submission of Initial Occupancy Report and Confirmation of Employment of Apprentices Report, and submission of an updated capital cost statement in a form acceptable to the Ministry

SMs must also obtain and submit to the Ministry an audited capital cost statement within six months following the initial occupancy date of projects, or such additional time acceptable to the Ministry

Targets for Special Priority Groups

SMs are required to direct Rental component funding consistent with one or more of the identified priorities including:

- Seniors - dedicated funding is available for projects with rental units for low-income seniors
- Four provincial priorities (Indigenous peoples, youth, chronically homeless, homelessness following transitions from provincially-funded institutions and service systems)
 - Persons with disabilities including adults with developmental disabilities
 - Projects that support provincial priorities of transit corridor intensification and/or community hubs.

The tenant groups must also be on, or eligible to be on, social housing waiting lists

Affordability Criteria and Rents

Projects approved under the Rental Housing component must remain affordable for a minimum period of 20 years. Affordability is defined as having rents for the project that are at or below 80% of CMHC Average Market Rent (AMR) at the time of occupancy. Average rent is calculated using actual rents paid by tenants and any rent supplements provided by the Service Manager

General Program Requirements

The following general program requirements apply to projects approved under the Rental Housing component:

Construction

- Projects must start construction within three months of signing a CA.
- Projects that do not start construction within three months of signing a CA will have 2016 SIF IAH program funding withdrawn and re-allocated.
- Written confirmation of construction start must be provided to the Ministry.
- Site inspections will be conducted at the discretion of the Ministry.
- Projects must complete construction within two years of signing a CA.

Municipal Property Tax

SMs are required to either:

- Reduce property taxes for Rental Housing projects by setting it at a rate equivalent to, or lower than, the single residential rate for the area; or
- Provide a grant in lieu of this property tax reduction.

As of January 1, 2011, it is mandatory that suite meters be installed in all new social and affordable housing units.

SCHEDULE “B”
FUNDING SCHEDULE

50% at signing of Contribution Agreement	\$225,000
40% at completion of Structural Framing	\$180,000
10% at proof of occupancy, apprenticeship report and capital costs statement	\$ 45,000

SCHEDULE “C”
CONTRIBUTION BY OTHERS AGREEMENTS

CONTRIBUTION AGREEMENT
Investment in Affordable Housing Extension Program 2014
New Rental Component

This Agreement made the day of *[insert year]*.

BETWEEN:

THE CORPORATION OF THE COUNTY OF GREY

(hereinafter called the “County”)

- and -

Owen Sound Housing Company

(hereinafter called the “Proponent”)

WHEREAS:

- A. In order to create a supply of Affordable Housing, the County of Grey wishes to provide funds to proponents of affordable housing.
- B. The County has confirmed that the Proponent has responded to the Procurement Process of the County of Grey by submitting its proposal dated *March 11, 2016* (the “Proposal”) to undertake Development Activities for the Project(s) in return for Funding.
- C. The County and the Proponent have entered into this Agreement for the Purpose of establishing the Proponent’s obligations with respect to the Program and the County’s obligation to provide funding to the Proponent.

NOW THEREFORE, the County and the Proponent agree with each other as follows:

1. INTERPRETATION

1.1 In the Agreement, including its Schedules, unless the context requires otherwise,

- “Affordability Period” means the period during which the average rent in a Project is required to be maintained at an affordable level, as established by the County;
- “Affordable Housing” means Housing which is modest in terms of floor area and amenities, based on household needs and community norms, in Projects that achieve rent levels no greater than 80% of average market rents in the County of Grey, but does not include residential premises used as a nursing home, retirement home, shelter, crisis care facility or any other type of similar facility as determined by the County;
- “Average Market Rents” means the average rent figures, based on geographical areas and classified by bedroom count, as determined annually in the CMHC Average Market Rent Survey or as determined by the County, based on available data, in areas where there is no information from the CMHC Average Market Rent Survey;
- “Business Day” means each Monday, Tuesday, Wednesday, Thursday and Friday except when any such day occurs on a statutory holiday observed in Ontario;
- “Contribution Agreement” means an agreement entered into by the County or another party contributing to the Project and an approved Proponent receiving contributions under the Program;
- “Development Activities” means those activities which are normally undertaken for the development, construction, repair, renovation, rehabilitation or conversion of buildings for residential purposes and include the acquisition of property and

activities for which Project Development Funding may be provided;

- “Force Majeure” means a delay arising from strike, lockout, riot, insurrection, terrorism, war, fire, tempest, act of God, lack of material or supply of service at a reasonable cost, inclement weather, binding orders or regulations of governmental bodies, courts or arbitrators or any other event beyond the control of the Parties which causes a delay in the fulfillment of a Party’s obligations under this Agreement notwithstanding the reasonable efforts of such Party and provided that any such non-availability or delay does not relate to any act or omission by such Party or any of its authorized agents or employees;
- “Funds” means County Funds under this County program;
- “Housing” means residential accommodation and facilities, common areas and services used directly with the residential accommodation. Housing does not include commercial or institutional premises, social or recreational services, and services or facilities related to mental or physical health care, education, corrections, food services, social support or public recreation;
- “Interest Adjustment Date” means the date on which the Proponent makes the first payment of principal and interest in respect of the Proponent’s permanent financing obligations for the Project, following the completion of construction;
- “Loan” means the total amount of County funds advanced by the County to the Proponent, in accordance with this contribution agreement;
- “Occupancy Date” means the date on which occupancy of all Units in a Project is permitted;
- “Parties” means the County and the Proponent and “Party” means either of them, as the context may require;

- “Permitted Encumbrances” means the encumbrances encumbering the Affordable Housing Units listed in Schedule “G”;
- “Phase-out Period” means the last five (5) year period of the Affordability Period;
- “PIPEDA” means the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, including any amendments thereto;
- “PIPEDA Protected Information” means any “Personal Information” or “Personal Health Information”, as defined under PIPEDA;
- "PPSA" means the *Personal Property Security Act*, R.S.O. 1990, c. P. 10 including any amendments thereto;
- “Procurement Process” means the request for proposals or procurement process used by the County;
- “Program” means the County of Grey's Investment in Affordable Housing Extension Program New Rental Component as set out in this contribution agreement;
- “Project” means Affordable Housing proposed or approved for the Program, as the context may require;
- “Proponent” means a person identified as such on the first page of this Agreement;
- “Proposal” means the response to the request for proposals or procurement process, submitted to the County;

- “Security Documents” means the security documents attached to and forming part of the Contribution Agreement;
- “Substantial Completion” means the substantial performance, within the meaning of the *Construction Lien Act*, of all contracts which the Proponent has entered into for Development Activities in connection with the Project under this Agreement;
- “Targeting Plan” means the manner in which a Proponent plans to meet the objectives of the Program to create Affordable Housing for households that are on or are eligible to be on the waiting lists for social housing;
- “Unit” means a self-contained residential dwelling.

1.2 All references in this Agreement, including, without limitation, the Schedules hereto, to “rent” is deemed to include housing charges paid by members of non-profit housing co-operatives and “rental” is deemed to have a corresponding meaning.

1.3 All references in this Agreement to section numbers are references to sections of this Agreement unless otherwise stated.

2. FUNDING FOR AFFORDABLE HOUSING

2.1 The Proponent agrees to advance as its equity contribution to the Project the amount of Seventy One Thousand and One Hundred and Sixty One dollars (\$71,161), in the form of a contribution of land, on or before Occupancy is permitted in the Project, and provide written confirmation to the County that the equity contribution has been advanced.

2.2 Funding for Affordable Housing is comprised of Funds held by the County. Funds will be advanced to the Proponent in the form of a Loan, during the Development Activities.

2.3 The County shall disburse the amount of the Loan following the date on which this

Agreement is signed by the Parties and upon construction milestones as set out in the Program guidelines. Notwithstanding this provision, the County shall at all times hold back the required amount of funds to comply with the *Construction Lien Act*.

- 2.4 The County shall have the option of withholding from the amount to be disbursed under section 2.3 the amount of the cost of construction necessary to complete the construction of the Project and, in such case, the County shall disburse the amount so withheld following its receipt of satisfactory evidence that such construction is complete within the meaning of the *Construction Lien Act* and provided that the *Construction Lien Act* is complied with.
- 2.5 The Proponent shall use the amount of the Loan for the purpose of its Development Activities in connection with the Project.
- 2.6 The Proponent may authorize the County to pay Funds to a third party and the County shall permit such authorization.

3. PROVISION OF AFFORDABLE HOUSING

- 3.1 Without limiting the condition set out in section 5.1(b), the Proponent shall use its reasonable best efforts to discharge or cause the discharge of any registered construction liens so as to ensure that there are no construction liens registered against the Project on the date for the disbursement of the Loan under sections 2.3 and 2.4. The County's obligation to disburse shall be conditional upon the Proponent's compliance with the *Construction Lien Act* as set out in section 5.1 (b).
- 3.2 The Proponent shall not at any time during the term of this Agreement breach any Contribution Agreement respecting the Project including any municipal capital facility agreement made pursuant to section 110 of the *Municipal Act, 2001* and shall not, through any breach on its part, cause such other entity to terminate a Contribution Agreement for cause. The Proponent agrees that a breach by it of any such Contribution

Agreement, that has not been corrected, shall constitute a breach of this Agreement. The Proponent shall provide the County with evidence of its good standing under any such Contribution Agreement within ten (10) Business Days following its receipt of a written request from the County.

4. OPERATION OF AFFORDABLE HOUSING

- 4.1 The Proponent acknowledges and agrees that the Rental Protocol set out in Schedule “D” applies to the Project by virtue of the contractual terms of this Agreement, notwithstanding that the Rental Protocol does not apply to the Project under the *Residential Tenancies Act, 2006*.
- 4.2 The Proponent agrees to operate the Units in accordance with the rules set out in Schedule “D” of this Agreement.

5. CONDITIONS

- 5.1 The provision of funding by the County pursuant to sections 2.3 and 2.4 is subject to the following conditions precedent, each of which is for the exclusive benefit of the County, and may be waived in full or in part by the County by written notice to the Proponent:
- (a) any Contribution Agreement referred to in section 3.2 remaining in force and the Proponent being in good standing thereunder;
 - (b) there being no Claim for Lien under the *Construction Lien Act* registered against the Project;
 - (c) there being in existence no unregistered lien or statutory claim having priority against the Project;
 - (d) the Proponent’s title to the Project being encumbered by no registered

encumbrances other than the Permitted Encumbrances;

- (e) the Proponent being in good standing under all of the Permitted Encumbrances and there being no work orders issued against the Project by any governmental entity, agency or official; and
- (f) the Proponent having provided the County with the Security Documents required by section 7 and in accordance with the said section.

5.2 If any of the conditions contained in section 5.1 have not been fulfilled on the date for the disbursement of the Loan by the County pursuant to sections 2.3 and 2.4 and are not waived by the County pursuant to section 5.1, the County shall be under no obligation to make any advance of the Loan to the Proponent and the County shall thereupon have the right to terminate this Agreement and, in that event, neither party to this Agreement shall have any rights or obligations hereunder, save and except that the County may, notwithstanding such termination, bring an action against the Proponent for all losses, costs and expenses, including, without limitation, reasonable legal fees incurred by the County in connection with this Agreement where the non-performance or non-fulfillment of a condition is a result of a breach of a covenant by the Proponent and the County shall have the right to require repayment of any previously advanced Funds together with interest as set out in this Agreement.

6. TERMS OF THE FUNDING

- 6.1 The Loan shall have a term of twenty (20) years, commencing as of the Interest Adjustment Date.
- 6.2 Prior to the Interest Adjustment Date, interest shall accrue on the total of the amount or amounts advanced under the Loan at the rate of eight per cent (8%) per annum. The interest so calculated shall compound semi-annually, not in advance, payable on demand until the Interest Adjustment Date.

- 6.3 On the Interest Adjustment Date, the amount of interest accrued as calculated in section 6.2 shall be forgiven, provided that the Proponent has satisfied all requirements as set out in section 2.
- 6.4 With effect from the Interest Adjustment Date, the interest rate applicable to the Loan shall be the higher of the average posted rate offered by major Canadian lending institutions for a commercial first mortgage having a five (5) year term, plus two per cent (2%) or the interest rate applicable to the first mortgage registered against title to the property, plus two per cent (2%).
- 6.5 On each anniversary date of the Interest Adjustment Date, the Proponent shall pay the County the amount of interest, as calculated on the Loan amount according to the interest rate stipulated in section 6.4, so accrued during the previous year, provided however, if the Proponent has satisfied, as of such anniversary date, the requirements of this Agreement, the amount of the interest so owing shall automatically be forgiven.
- 6.6 The Loan amount shall be fully forgiven on the last day of the month at the end of the term of the Loan, provided that the Proponent has fulfilled all the requirements of the Program as set out in this Agreement.
- 6.10 The Proponent shall provide the County with such information respecting the Proponent's permanent financing obligations for the Project as the County may require from time to time.

7. SECURITY

- 7.1 Prior to the County disbursing the Loan proceeds to the Proponent pursuant to section 2.4, the Proponent shall provide the County with executed registerable security documents in the form attached hereto as Schedules "E-1", "E-2" and "E-3" (the "Security"), completed in accordance with this Agreement or at the County's option, such

alternate form of security, on such terms and conditions as the County may require, attached hereto as Schedule “F”.

- 7.2 The Security shall be collateral to this Agreement and any other Contribution Agreement between the County and the Proponent. The County shall be a party on all Security documents and shall share in any recoveries thereunder in proportion to their respective contributions to the total amount secured. The amount of all contributions from the County shall be included in the Security documents. The amount of any eligible in-kind contributions from the County shall not be included in the Security documents.
- 7.3 Without limiting the Proponent’s covenants and the remedies of the County under this Agreement and the Security, the Proponent agrees that a breach of this Agreement or any other Contribution Agreement with the County shall constitute a breach of the Security and a breach of the Security shall constitute a breach of this Agreement and any other Contribution Agreement with the County.
- 7.4 The County acknowledges and agrees that notwithstanding that the Security provides that the principal and interest secured thereunder is payable on demand, the County shall have no right to demand payment thereunder except in accordance with the provisions of this Agreement relating to repayment. In the event of a conflict or inconsistency between the provisions of this Agreement and the Security, the provisions of this Agreement shall prevail with respect to Funds provided by the County.
- 7.5 The Security shall rank immediately behind the registered security for the Proponent’s primary financial obligations for the Project, unless the County determines that the Security shall have a lesser priority.

8. ACCOUNTABILITY FRAMEWORK

- 8.1 Submissions will be required of the Proponent as follows:

- (a) If requested by the County, the Proponent shall submit to the County, an audited financial statement respecting the expenditure of the Funds provided to it pursuant to this Agreement, within ninety (90) days or such additional time as may be determined by the County, following the date on which the County is advised that the Project will not proceed or that the Development Activities related to the Project have been fully completed.
 - (b) Following the full completion of the Development Activities related to the Project, the Proponent shall submit to the County a completed information report in the form attached hereto as Schedule “H”, and annually thereafter shall submit to the County completed information reports in the forms attached hereto as Schedules “I” and “J”.
- 8.2 The Proponent represents that it has not provided any false or misleading information in the Proposal and agrees that it shall not provide any false or misleading information to the County under this Agreement.
- 8.3 The Proponent shall, on forty-eight (48) hours prior written notice, give the County free access to the Project and to such staff, documents, books, records and accounts as may be determined by the County, for the purpose of verifying compliance with this Agreement.
- 8.4 The County may conduct an audit, investigation or inquiry in relation to the Project or any larger development or project of which the Project is a part and the Proponent shall cooperate with the County and provide free access to the Project and to such staff, documents, books, records and accounts as may be determined by the County.
- 8.5 The provisions of sections 8.1, 8.2, 8.3, 8.4 and 8.5 shall continue to apply for a period of seven (7) years following the end of the Phase-out Period or the date of any early termination of this Agreement.

9. PUBLICITY

9.1 The Proponent shall not make any public announcement respecting the Project, without the prior written consent of the County.

9.2 During the period of the Development Activities related to the Project, the Proponent shall erect a sign in front of the Project. The sign shall be in accordance with specifications issued by the Province and the County.

10. REMEDIES

10.1 In the event the County determines that a Proponent has breached any one (1) or more provisions of this Agreement or any other Contribution Agreement or the County advises the Province that a Proponent has breached any one (1) or more provisions of this Agreement or any other Contribution Agreement between the County and a Proponent, the Province and County shall follow the Protocol for Non-Compliance set out in Schedule "K".

10.2 All of the remedies in this Agreement and the Security are cumulative and the County shall be entitled to avail itself simultaneously of some or all of the said remedies and any other remedies available in equity or at law.

10.3 Notwithstanding any of the terms of this Agreement or of the Security, the County shall have the option of waiving any or all of its remedies under this Agreement and the Security, but no waiver of a provision shall be deemed to constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise provided in writing.

11. NOTICE

11.1 Any notice or other communication required, desired or permitted to be given by this Agreement shall be in writing and shall be effectively given if:

- (a) delivered personally;
- (b) sent by prepaid courier service; or
- (c) sent by facsimile communication, and confirmed by mailing the original documents so sent by prepaid mail on the same or following day, addressed as follows:

- (i) in the case of notice to the County:

The Corporation of the County of Grey
595 9th Avenue East
Owen Sound, Ontario N4K 3E3

- (ii) in the case of notice to the Proponent:

Owen Sound Housing Company
Unit 1, 700 21st Street East
Owen Sound, Ontario N4K 6W1

or at such other address as the party to whom such notice or other communication is to be given shall have advised the party giving same in the manner provided in this section. Any notice or other communication delivered personally or by prepaid courier service shall be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a Business Day such notice or other communication shall be deemed to have been given and received on the next following Business Day. Any notice or other communication transmitted by facsimile communication shall be deemed to have been given and received on the day of its transmission, provided that such day is a Business Day and such transmission is completed before 4:30 p.m. on such day, failing which such notice or other communication shall be deemed to have been given and received on the first (1) Business Day after its transmission. If there has been a mail stoppage and if a party sends a notice or other communication by facsimile communication, such party shall be relieved from the obligation to mail the original document in accordance with this

paragraph.

12. GENERAL

- 12.1 Any power, right or function of the County, contemplated by this Agreement, may be exercised by any employee or agent of the County.
- 12.2 It is understood that the *Municipal Freedom of Information and Protection of Privacy Act* shall apply to all records submitted to or created by the County pursuant to this Agreement.
- 12.3 The Proponent represents and warrants that:
- (a) it shall preserve the PIPEDA compliance of all PIPEDA Protected Information transferred to it by the County;
 - (b) it shall ensure the PIPEDA compliance of all PIPEDA Protected Information it collects in the course of performing its contractual obligations; and
 - (c) it shall ensure the PIPEDA compliance of all PIPEDA Protected Information that it transfers to the County.
- 12.4 Nothing in this Agreement is to be construed as authorizing one Party to contract for or incur any obligation on behalf of the other or to act as agent for the other and nothing in this Agreement shall be construed to constitute the County and the Proponent as partners of each other.
- 12.5 No member of the municipal council constituting the County or the municipal council of any local municipality of the County or the governing body of any municipal agency, board or commission, of any such municipalities shall be admitted to any share or part of any contract, agreement or commission made pursuant to this Agreement or to any

benefit arising therefrom, including, without limitation, any contract, agreement or commission arising from or related to the Program.

- 12.6 Time shall in all respects be of the essence in this Agreement, provided that the time for doing or completing any matter provided for under this Agreement may be extended or abridged by agreement in writing signed by the County and the Proponent or their respective solicitors on their behalf, who are hereby expressly appointed in this regard.
- 12.7 Any tender of documents or money hereunder may be made by the County or the Proponent or their respective solicitors.
- 12.8 This Agreement is made pursuant to and shall be governed by and construed in accordance with the laws of the Province of Ontario. Any reference to a statute in this Agreement includes a reference to all regulations made pursuant to such statute, all amendments made to such statute and regulations in force from time to time and to any statute or regulation which may be passed and which has the effect of supplementing or superseding such statute or regulations.
- 12.9 The headings and subheadings contained in this Agreement are inserted for convenience and for reference only and in no way define, limit or describe the scope or intent of this Agreement or form part of this Agreement.
- 12.10 The Parties agree that there are no representations, warranties, covenants, agreements, collateral agreements or conditions affecting the property or this Agreement other than as expressed in writing in this Agreement.
- 12.11 This Agreement shall be read with all changes of gender and number required by the context.
- 12.12
- (a) The Proponent shall not transfer or convey its interest in all or any part of the

Project without, subject to subsection 12.12(b), simultaneously assigning its interest in this Agreement to the transferee, which transferee shall enter into one or more agreements with the County, in a form satisfactory to the County, to assume all of the Proponent's obligations under this Agreement and to provide the County with Security in accordance with this Agreement.

- (b) The Proponent shall not assign its interest in this Agreement without the prior written consent of the County, which consent shall not be arbitrarily or unreasonably withheld.
- (c) For the purpose of this Agreement, a transfer of the beneficial interest in the shares of the Proponent shall be deemed to constitute an assignment if it results in a change in the party or parties who owns or own more than fifty per cent (50%) of the voting shares of the said corporation.

12.13 Each of the Parties shall, at any time and from time to time, upon not less than twenty (20) Business Days prior written notice by the other Party, execute and deliver to the other Party a statement in writing certifying that this Agreement is in good standing, unmodified and in full force and effect, or if there have been modifications that the same are in good standing and in full force and effect, as modified, and stating the modifications. Where applicable, the statement shall state the defaults, if any, known to the Party to whom such request has been made and the action taken or proposed to be taken by such requested Party with respect to same.

12.14 If more than one entity is a party to this Agreement as Proponent, all references to the Proponent shall include all of the said entities and this Agreement shall be binding on each jointly and severally.

12.15 This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns, provided that this paragraph shall in no way derogate from the provisions of section 12.12 restricting the Proponent's ability to assign this Agreement.

IN WITNESS WHEREOF This agreement has executed by the **Parties.**

The Corporation of the County of Grey

Per: _____

Name:

Warden Alan Barfoot

c/s

Per: _____

Name:

Clerk Sharon Vokes

Owen Sound Housing Company

Per: _____

Name:

Title:

c/s

Per: _____

Name:

Title:

SCHEDULE “D”
RENTAL PROTOCOL

1. DEFINITIONS

1.1 In this Schedule “D”, unless the context requires otherwise,

- “Affordability Period” means the “twenty (20) year period”, or “details in words (and numbers) of such longer period” as may be established in the Procurement Process, following the date of the first occupancy of a Unit in the Project;

- “Agreement” means the Agreement to which this Schedule “D” is attached, and

when used in this Schedule “D”, the term “rent” includes the amount of any consideration paid or given or required to be paid or given by or on behalf of a tenant to the Proponent or the Proponent’s agent for the right to occupy a Unit and for any services and facilities and any privilege, accommodation or thing that the Proponent provides for the tenant in respect of the occupancy of the Unit, whether or not a separate charge is made for services and facilities or for the privilege, accommodation or thing.

1.2 The definitions in the Agreement shall apply to this Schedule “D”, in addition to the definitions contained in section 1.1 above.

1.3 All references to section numbers in this Schedule are references to sections of the Schedule and not sections of the Agreement, unless otherwise explicitly stated.

2. AFFORDABLE RENT

2.1 During the Affordability Period, the Proponent shall not charge rent for a Unit in the Project in excess of the affordable rent permitted under this Schedule “D” nor increase any rent charged for a Unit except as permitted in this Schedule “D”.

3. RENTS

- 3.1 The weighted average rent of all Units in a Project for which Program Funds have been utilized shall not exceed eighty per cent (80%) of CMHC Average Market Rents in the geographical area, as determined in the most recent CMHC Annual Rental Market Survey.
- 3.2 The maximum rent for any Unit shall not exceed one hundred and five per cent (105%) of the modified shelter allowance under the Ontario Works program, provided that the amount so calculated does not exceed the CMHC Average Market Rent for units of a similar type in the geographical area.

4. RENT INCREASES

- 4.1 The Proponent may increase the rent charged under section 3.1 with respect to a Unit only if at least twelve (12) months have elapsed,
- (a) since the day of the last rent increase respecting the Unit, if there has been an increase, or
 - (b) since the day the Unit was first rented for the first rental period following the completion of the Development Activities in connection with the Project.
- 4.2 Subject to section 4.3, the Proponent shall not increase the rent pursuant to section 4.1 during the Affordability Period by more than the then prevailing rent increase guideline established for each calendar year pursuant to the *Residential Tenancies Act, 2006* or any successor legislation. The Proponent acknowledges that the rent increase guideline of the *Residential Tenancies Act, 2006* or any successor legislation does not apply to the Project and agrees that the rent increase guideline applies by virtue of the contractual terms of the Agreement and this Schedule “D”.
- 4.3 From the beginning of the eleventh (11) year of the Affordability Period until the end of

the Affordability Period, in addition to the increase permitted by section 4.2, the Proponent may apply to the County to increase Unit rents to an amount not to exceed CMHC Average Market Rent for units of a similar type in the geographical area.

5. PHASE-OUT PERIOD

- 5.1 During the Phase-out Period, the Proponent shall not increase the rent charged to *in-situ* tenants of Units by more than the rent guideline increase permitted under section 4.2 and any additional increase that may be approved under section 4.3.
- 5.2 Upon a Unit becoming vacant during the Phase-out Period, the Proponent may rent the Unit to a new tenant at any rent agreed to by the Proponent and the new tenant.

6. EXCEPTION

- 6.1 Subject to the provisions of the *Residential Tenancies Act, 2006* or any successor legislation, and notwithstanding the provisions of this Schedule “D” respecting rent increases prior to and during the Phase-out Period, where a Service Manager implements income verification of tenants following the initial occupancy of a Unit, a Service Manager may increase the rent for a Unit by more than the rent increase guideline under the *Residential Tenancies Act, 2006* or any successor legislation, provided that the rent for the Unit does not exceed the CMHC Average Market Rent for units of a similar type for that year and provided that the weighted average rent for the funded Units in a Project does not exceed the permitted rents for the Project.

7. AFTER PHASE-OUT PERIOD

- 7.1 After the end of the Phase-out Period, the Proponent shall be permitted to rent Units in the Project to new tenants at rents agreed to by the Proponent and the new tenants.

SCHEDULES "E-1", "E-2", "E-3" SECURITY DOCUMENTS

[Relevant Documents to be Attached]

Schedule E-1 - Charge/Mortgage of Land - register in land titles/land registry system

Schedule E-2 - Assignment of Rents - register in land titles/land registry system and PPSA

Schedule E-3 - Security Agreement (chattels) - register in PPSA

SCHEDULE “F”
ALTERNATE SECURITY

[Relevant Documents to be Attached]

Schedule “F” is not registerable and is used to replace Schedules “E-1”, “E-2” and “E-3”.

SCHEDULE “G”
PERMITTED ENCUMBRANCES

[This schedule in the executed Charge/Mortgage will contain the registration details of all registered documents which fit into the categories listed below.]

1. All mortgages and security collateral thereto totaling principal amounts which do not exceed the total costs of the Development Activities incurred in connection with the Project.
2. Such easements and restrictive covenants as do not prevent the Project from being constructed or used as Affordable Housing.
3. Municipal agreements relating to the Development Activities in connection with the Project.

SCHEDULE "H"

Investment in Affordable Housing Program Extension 2014 – Rental Housing

Initial Occupancy Report

Occupancy Date: _____

A. Project Information

Contribution Agreement Number	
Contribution Agreement Expiry Date	

Project Name	
Property Address	

B. Number of Units in Project

Unit Type	AHP Funded Rental Units (#)	AHP Funded Supportive Units (#)	Units Not Receiving AHP Funding (#)	Total Number of Units (#)
Bachelor				
One Bedroom				
Two Bedroom				
Three Bedroom				
Four Bedroom				
Other				
Total Number of Units				

C. Depth of Affordability: Rents at Occupancy (AHP Funded Units)

Establishes “permitted rents” which are used in Schedule “I”

Unit Type	Average Unit Rent (AHP Funded Units) (A)	CM HC Average Market Rent (\$) (B)	Percentage of CM HC Average Market Rent $(A \div B) \cdot 100$
Bachelor			
One Bedroom			
Two Bedroom			
Three Bedroom			
Four Bedroom			
Other			

Depth of Affordability: Percentage of CMHC Average Market Rent Achieved for Overall Project	<u>80%</u> (Note: This figure cannot be greater than 80% of CMHC Average Market Rent, without the approval of the County)
--	--

D. Project Certification

I certify, to the best of my knowledge, that the information provided in Sections B and C above is true and correct. I hereby authorize the County to review the rent roll from appropriate source(s) if deemed necessary.

____ Date: _____ Signed by: _____
[please print name]

I am [please check on the appropriate line below]

___ the Owner of the Project

___ the Chairperson of the Board of Directors of the Project

SCHEDULE "I"

Investment in Affordable Housing Program- New Rental Component

Annual Occupancy Report

A. Project Information

Contribution Agreement Number	
Contribution Agreement Expiry Date	

Project Name	
Property Address	

B. Average Rents at Year End

				Previous Year		Current Year		
Unit Type	Total Number of Units (#)	AHP Funded Rental Units (#)	AHP Funded Supportive Units (#)	Permitted Rent [insert last reporting year] (\$) (A)	RTA Permitted Increase (\$) (B)	Permitted Rent per Unit per Month (\$) (C) (A+B = C)	Average Rent per Unit per Month (\$) (D)	
Bachelor								
One Bedro								
Two Bedro								
Three Bedro								

Four Bedro								
Other								
Total								

C. Affordability

Year	Average Rent in Relation to AMR	Variance Between Current and Last Year's Average Rent	RTA Permitted Increase	Rationale for Amount Above RTA Increase
First Year Occupied	#80%*			
Annually Thereafter				

* This figure cannot be greater than 80% of CMHC Average Market Rent, without the approval of the County

D. Project Certification

I certify, to the best of my knowledge, that the information provided in Section B above is true and correct. I hereby authorize the County to review the rent roll from appropriate source(s) if deemed necessary.

_____ Date: _____ Signed by: _____
[please print name]

I am *[please check on the appropriate line below]*

____ the Owner of the Project

____ the Chairperson of the Board of Directors of the Project

E. Auditor's Confirmation

We have performed the necessary review and tests on the records of the named property pertaining to the rent levels for the reporting period. Our results confirm the information as provided in Sections B and C above is true and correct.

_____ Date: _____

Confirmed by *[please print name]*

Name, Address and Telephone Number of Firm:

[insert relevant information]

SCHEDULE “J”

Annual Targeting Report

For year ending December 31, _____

Name of Owner	RENTAL				SOCIAL HOUSING				AVERAGE RENT OF UNITS PER MONTH
	Number of Units				Number of Units				
	New	Conversion	Rehabilitation	Major Addition	New	Conversion	Rehabilitation	Major Addition	

CLIENTELE					
Number of Units					
Family	Single	Senior	Supportive Victims of Domestic Violence	Supportive Mental Health	Other Target Group (Name)

SCHEDULE "K"
PROTOCOL FOR NON-COMPLIANCE

Investment in Affordable Housing Program Extension Program 2014 - New Rental Housing
Component

1. BACKGROUND

1.1 This Schedule addresses the obligations to indemnify and obligations of the Investment in Affordable Housing Program Extension 2014 participants to recover Funds from affordable housing projects which may encounter difficulties within the relationships described below:

- (a) Province (which is referred to as the “Province” in the Agreement) - Canada Mortgage and Housing Corporation (“CMHC”);
- (b) Service Manager - County;
- (c) Proponent - Service Manager; and
- (d) Proponent - County.

1.2 It is expected that all Rental and Supportive projects will be required to obtain CMHC insurance for the first mortgage since this is a condition of funding under the Ontario Mortgage and Housing Partnership Initiative.

1.3 While this Schedule pertains to the Rental and Supportive Component of the AHP program, the same set of underlying principles and requirements could accommodate other program components with minor adjustments.

1.4 The undertakings and commitments contained in this Schedule are consistent with and do not supersede any agreements between the Governments of Canada and Ontario as per the Investment in Affordable Housing Program Extension 2014 (“IAH E Agreement”).

2. CONSULTATION

- 2.1 When the County becomes aware of a failure of a Proponent to observe or perform a material condition in the Contribution Agreement, the County shall notify the Province, which shall, in turn, notify CMHC. The County and the Province shall each appoint one person to an ad hoc committee for the purpose of assembling information relating to the project in difficulty and determining a course of action for rectifying the difficulty. CMHC shall be invited to participate and will determine the extent of its involvement on the committee. Terms of reference for the ad hoc committee shall be developed and agreed to by all three parties.

3. BEST EFFORTS

- 3.1 In determining what course of action may be undertaken to rectify a project in difficulty, the parties shall use their best efforts to work together co-operatively with a view to maintaining, to the greatest extent possible in the circumstances, the affordability of the rents for the project as determined by the Contribution Agreement. The parties acknowledge that the interests of the tenants shall be considered in determining what course of action may be most suitable for a project in difficulty.

4. ADVANCE NOTICE

- 4.1 Neither CMHC, the Province nor the County shall substantially modify the terms of any project-specific agreement, including the Contribution Agreement, or the advance of Funds or the security documentation associated with the advance of Funds, with the exception of a CMHC insured first mortgage, without providing written notice to the other parties and a reasonable opportunity for the other parties to address the implications of such action.
- 4.2 The obligation to indemnify or the distribution of a recovery of Funds from a project in difficulty will require the County and/or Proponent to exhaust all reasonable

opportunities to seek recovery, which efforts shall include but shall not be limited to resorting to legal action to defend third party claims, seeking indemnification from insurance policies, if any, that may afford coverage for a particular loss and/or recovering Funds from bonding companies or other third parties who, at law, may be responsible for the losses of a project in difficulty.

5. INDEMNITY

5.1 County - CMHC

- (a) As per Section 8.4 of the IAH E Agreement, the County shall indemnify CMHC as the result of third party claims arising out of the implementation of the Agreement.
- (b) Federal-Provincial indemnity provisions on Project Development Funding and environmental claims remain as per Section 8.4 (d), (e) and (f) of the IAH E Agreement.
- (c) Where CMHC has insured a Proponent's first mortgage and a default occurs on the insured mortgage, the Province is not required to indemnify CMHC for any losses related to the mortgage insurance as per Section 8.4 (g) of the IAH E Agreement.
- (d) The IAH E "capital" Funds and the circumstances dealing with the recovery of these Funds are dealt with in subsequent sections of this Schedule.

5.2 County - Province

- (a) Subject to paragraphs (b) and (c) below, the County shall:
 - (i) during construction and following completion of construction, indemnify the Province for 100% of any third party claims against

the Province arising out of the implementation of this Agreement;
and

- (ii) following completion of construction, indemnify the Province for 50% of that portion of any third party claims against CMHC arising out of the implementation of this Agreement where the County indemnifies CMHC under the IAH E Agreement,

unless the claims are in any way, directly or indirectly, attributable to the negligence, bad faith or willful misconduct of the County.

- (b) During the construction phase of a project, the County shall indemnify the Province as a result of any third party claims against the County, subject to certain exceptions as per Section 8.4 of the IAH E Agreement, including:
 - (i) Maximum liability is limited to the total amount of IAH E Funds advanced at the time of the loss giving rise to the claim for indemnification;
 - (ii) This indemnity is limited to 50% of the provincial liability for losses in relation to Project Development Funding (i.e. 25% of the total claim);
 - (iii) This indemnity is limited to 50% of all losses, costs and expenses incurred by the County that relate to environmental or pollution claims, including claims against CMHC; and
 - (iv) There is no indemnification for losses covered solely by CMHC or by other insurance.
- (c) Following completion of construction, the County shall indemnify the Province as a result of any third party claims against the County and/or CMHC, subject to certain exceptions as per Section 8.4 of the IAH E Agreement, including:
 - (i) Maximum liability is limited to the total amount of IAH E Funds

advanced at the time of the loss giving rise to the claim for indemnification;

- (ii) This indemnity is limited to 50% of the provincial liability for losses in relation to Project Development Funding (i.e. 25% of the total claim);
- (iii) This indemnity is limited to 50% of all losses, costs and expenses incurred by the County that relate to environmental or pollution claims, including claims against CMHC; and
- (iv) There is no indemnification for losses covered solely by CMHC or by other insurance.

5.3 Proponent - Province

- (a) The Proponent shall indemnify the Province for any claims against the County and/or CMHC, in accordance with the Contribution Agreement.
- (b) The Proponent shall indemnify the County for any claims against the Province and/or CMHC, in accordance with the Contribution Agreement.

5.4 Proponent - County

- (a) Where there is a direct relationship between the County and a Proponent, the Proponent shall indemnify the County for all Federal Funds and Provincial Funds paid in the event of a claim against the County or CMHC.
- (b) Indemnification of CMHC will be required during the construction and occupancy period of a project. Indemnification of the County will be required throughout the Affordability Period.

6. **RECOVERY OF FUNDS**

6.1 Under the IAH E, a number of circumstances could arise which could make a project “noncompliant”. Examples include:

- (a) Construction Failures - increased construction costs, bankruptcy;
- (b) Environmental considerations - with the exception of those identified and recorded in advance of an IAH E funding commitment;
- (c) Program compliance violations - project fails to remain affordable or does not maintain its affordability target for the full 20 years, or Funds are misused.

6.2 Province - CMHC

- (a) CMHC would not expect full repayment of federal capital by the Province if the Province and the County confirms that “best efforts” were made to collect the Funds.
- (b) Best efforts would involve adherence by the County to the “risk sharing protocols” in order to minimize occurrence of failure. Furthermore, the parties will need to explore all available remedies with the County, the Province, Proponents and CMHC, and implement the best remedy to the extent possible.
- (c) If efforts lead to a recovery of capital Funds, CMHC would expect a repayment of “a pro rata portion” of the Federal Funds. All three funding partners shall share in any proceeds recovered, in proportion to their contributions.
- (d) A sliding scale for CMHC forgiveness is set at 5% per year over 20 years. Under certain circumstances, the County will share this forgiveness with Service Managers and Proponents, otherwise the County will collect these Funds for recycling in other projects.

- (e) Federal Funds could either be repaid by the Service Manager to the County and recycled in new commitments before March 31, 2018 or refunded directly to CMHC after this date.
- (f) In the event that auditors discover misuse of Federal Funds as per the IAH E Agreement, CMHC would expect a refund from the County where applicable. The amount owing could be reduced based on earned forgiveness of the principal amount during the period of project compliance.

6.3 County - Province

- (a) In the event a project ceases to be an IAH E project for reasons related to negligence, misuse or non-compliance, the County shall repay the Province all Provincial Funds advanced during the period of non-compliance. It is acknowledged that where the first mortgagee or CMHC has gained possession, as a result of a default under the insured loan, they would not assume any liability for Provincial Funds paid to the Proponent during the period of non-compliance prior to the date the first mortgagee or CMHC took possession.
- (b) In the event a project ceases to be compliant due to the negligence of the County, the County shall repay the Province all Federal Funds, less any earned forgiveness of the principal amount during the period of project compliance.

6.4 Proponent - County

- (a) The County shall adopt a similar position if a project terminates under reasonable circumstances. That is, best efforts can be made to recover Funds, but if there were no proceeds available, repayment would not be expected.
- (b) In situations of non-compliance due to misuse or negligence, the County is

expected to take remedies available to recover Funds.

6.5 Proponent - County

(a) In situations of non-compliance due to misuse or negligence, the Proponent shall repay the County all Federal Funds and Provincial Funds.

(b) If a project ceases to operate as an IAH E project, under reasonable circumstances, the provincial affordability payment would end and best efforts will be made to recover the Provincial Funds paid during any period of non-compliance. In the event no proceeds were available, repayment would not be expected.

CONTRIBUTION AGREEMENT

Social Infrastructure Fund under the Agreement for Investment in Affordable Housing

2016

New Rental Housing Component

This Agreement made the day of *[insert year]*.

BETWEEN:

THE CORPORATION OF THE COUNTY OF GREY

(hereinafter called the “County”)

- and -

OWEN SOUND HOUSING COMPANY

(hereinafter called the “Proponent”)

WHEREAS:

- A. Canada Mortgage and Housing Corporation (“CMHC”) and Her Majesty the Queen in right of Ontario as represented by the Minister of Municipal Affairs and Housing (“MMAH”) entered into a bi-lateral agreement to provide for the Investment in Affordable Housing Program from 2011-2014, effective April 1, 2011(the “CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014”).
- B. CMHC and MMAH entered into a Supplementary Agreement N0.1 dated August 11, 2014 (“the Supplementary Agreement”).
- C. The Supplementary Agreement amended the CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014 by extending the funding available for Affordable Housing.
- D. CMHC and MMAH entered into the 2016 Social Infrastructure Fund Agreement under the Agreement for Investment in Affordable Housing made as of April 1,

2016

- E. Whereas the Minster is now responsible for the above agreements signed by MMAH.
- E. The County and the Proponent have entered into this Agreement for the purpose of establishing the County's obligation to provide funding to the Proponent for its Project, and the Proponent's obligations with respect to use of such funds under the 2016 Social Infrastructure Fund Agreement under the Agreement for Investment in Affordable Housing.

NOW THEREFORE, the County and the Proponent agree with each other as follows:

1. INTERPRETATION

1.1 In the Agreement, including its Schedules, unless the context requires otherwise,

- “Affordability Period” means the period during which the average rent in a Project is required to be maintained at an affordable level, as determined in accordance with the Program Guidelines or as otherwise established by the County;
- “Affordable Housing” means Housing which is modest in terms of floor area and amenities, based on household needs and community norms, in Projects that achieve rent levels in accordance with the Program Guidelines, but does not include residential premises used as a nursing home, retirement home, shelter, crisis care facility or any other type of similar facility as determined by the County;

- “Average Market Rents” means the average rent figures, based on geographical areas and classified by bedroom count, as determined annually in the CMHC Average Market Rent Survey or as determined by the County, based on available data, in areas where there is no information from the CMHC Average Market Rent Survey;
- “Business Day” means each Monday, Tuesday, Wednesday, Thursday and Friday except when any such day occurs on a statutory holiday observed in Ontario;
- “Contribution by Others Agreement” means an agreement entered into by the County (other than this Agreement) or another party contributing to the Project, and the Proponent ;
- “Contribution by Others” means cash or in-kind eligible contributions from municipalities, in accordance with the Program and may include a contribution from the County pursuant to another funding program documented by a Contribution Agreement other than this Agreement. It does not include contributions from any other Government of Canada sources, including, but not limited to the CMHC - Ontario Social Housing Agreement dated November 15, 1999, nor contributions which receive credit under any agreement with CMHC outside this Agreement nor equity contributions to the Project made by the Proponent to the extent required in the Procurement Process;
- “Development Activities” means those activities which are normally undertaken for the development, construction, repair, renovation, rehabilitation or conversion of buildings for residential purposes and include the acquisition

of property and activities for which Project Development Funding may be provided;

- “Federal Funds” means funding from CMHC for a Unit, as set out in the Program Guidelines;
- “Force Majeure” means a delay arising from strike, lockout, riot, insurrection, terrorism, war, fire, tempest, act of God, lack of material or supply of service at a reasonable cost, inclement weather, binding orders or regulations of governmental bodies, courts or arbitrators or any other event beyond the control of the Parties which causes a delay in the fulfillment of a Party’s obligations under this Agreement notwithstanding the reasonable efforts of such Party and provided that any such non-availability or delay does not relate to any act or omission by such Party or any of its authorized agents or employees;
- “Funding Schedule” means the schedule of funding setting out progress payments for the type of Project to be undertaken by a Proponent, in the form determined by the County;
- “Funds” means Federal Funds or Provincial Funds, as set out in the Program Guidelines;
- “Housing” means residential accommodation and facilities, common areas and services used directly with the residential accommodation. Housing does not include commercial or institutional premises, social or recreational services, and services or facilities related to mental or physical health care, education, corrections, food services, social support or public recreation;

- “Interest Adjustment Date” means the date on which the Proponent makes the first payment of principal and interest in respect of the Proponent’s permanent financing obligations for the Project, following the completion of construction;
- “Large Project” means a Project with thirteen (13) or more Units;
- “Loan” means the total amount of Federal Funds and Provincial Funds, if applicable, advanced by the County to the Proponent, in accordance with the Funding Schedule;
- “Occupancy Date” means the date on which occupancy of all Units in a Project is permitted;
- “Ontario Mortgage and Housing Initiative” means the government program that provides Proponents with access to lower-cost, longer-term financing for affordable rental housing for both construction financing and long-term mortgages;
- “Parties” means the County and the Proponent and “Party” means either of them, as the context may require;
- “Permitted Encumbrances” means the encumbrances encumbering the Affordable Housing Units listed in Schedule “G”;
- “Phase-out Period” means the last five (5) year period of the Affordability Period;

- “PIPEDA” means the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, including any amendments thereto;
- “PIPEDA Protected Information” means any “Personal Information” or “Personal Health Information”, as defined under PIPEDA;
- "PPSA" means the *Personal Property Security Act*, R.S.O. 1990, c. P. 10, including any amendments thereto;
- “Procurement Process” means the request for proposals or procurement process used by the County;
- “Program” means the Rental Housing Component of the Social Infrastructure Fund under the Investment in Affordable Housing Program, as set out in the Program Guidelines;
- “Program Guidelines” means the Program Guidelines in respect of the new Rental Housing Component of the Social Infrastructure Fund under the Investment in Affordable Housing Program and attached to this Agreement as Schedule “A”;
- “Project” means Affordable Housing proposed or approved for the Program subject of this Agreement, as the context may require;
- “Project Development Funding” means that part of the CMHC funds in an

amount of up to One Hundred Fifty Thousand Dollars (\$150,000.00) which is available to private non-profit Proponents to pay for planning and engineering studies, architectural drawings and legal expenses;

- “Proponent” means a person identified as such on the first page of this Agreement;
- “Proposal” means the proposal made by the Proponent for the Project;
- “Provincial Funds” means funding from Ontario for a Unit, as set out in the Program Guidelines;
- “Rental Housing Component” means the Affordable Housing Program described in the Rental Housing Component Program Guidelines;
- “Security Documents” means the security documents for the Project in the form of, or described in Schedules E-1, E-2, E-3 and F;
- “Service Manager” means the County;
- “Small Project” means a Project with twelve (12) or fewer Units;
- “Substantial Completion” means the substantial performance, within the meaning of the *Construction Lien Act*, of all contracts which the Proponent has entered into for Development Activities in connection with the Project;

- “Targeting Plan” means the manner in which a Service Manager or a Proponent plans to meet the objectives of the Program to create Affordable Housing for households that are on or are eligible to be on the waiting lists for social housing;
- “Unit” means a self-contained residential dwelling, including, without limiting the generality of the foregoing, (i) supportive rental Housing where service funding is secured from sources other than Federal Funds and Provincial Funds provided under the Program; (ii) multi-bedroom units which are used for congregate living; and (iii) disabled/accessible units.

1.2 All references in this Agreement, including, without limitation, the Schedules hereto, to “rent” is deemed to include housing charges paid by members of non-profit housing cooperatives and “rental” is deemed to have a corresponding meaning.

1.3 The following Schedules are attached to and form part of this Agreement:

Schedule “A” – New Rental Housing Component Program Guidelines;

Schedule “B” -Funding Schedule;

Schedule “C” -Contribution by Others Agreement(s);

Schedule “D” -Rental Protocol;

Schedule “E-1” -Charge/Mortgage of Land;

Schedule “E-2” -Assignment of Rents;

Schedule “E-3” -Security Agreement;

Schedule “F” -Alternate Security;

Schedule “G” -Permitted Encumbrances;

Schedule “H” -Proponent’s Initial Occupancy Report;

Schedule “I” -Proponent’s Annual Occupancy Report;

Schedule “J” -Proponent’s Annual Targeting Report;

Schedule “K” -Protocol for Non-Compliance.

- 1.4 In the event of a conflict or inconsistency between the provisions of this Agreement and the provisions of a Schedule, the provisions of this Agreement shall prevail.
- 1.5 All references in this Agreement to section numbers are references to sections of this Agreement unless otherwise stated.

2. FUNDING FOR AFFORDABLE HOUSING

- 2.1 The Proponent agrees to advance as its equity contribution to the Project the amount of One Hundred and Thirteen Thousand Eight Hundred and Fifty Seven dollars (\$113,857), in the form of a contribution of land, on or before Occupancy is permitted in the Project, and provide written confirmation to the County that the equity contribution has been advanced.
- 2.2 Funding for Affordable Housing is comprised of Federal Funds and Provincial Funds. Funds will be advanced to the Proponent in the form of a Loan during Development Activities, based on the completion of construction milestones.
- 2.3 The Loan, upon the terms and subject to the conditions set out in this Agreement, shall be in the amount of One Hundred and Seven Thousand Four Hundred and Thirty Six dollars (\$ 107,436) for each Unit included in the Development Activities for Affordable Housing by the Proponent pursuant to the Proposal, the total amount of such Loan being Seven Hundred and Fifty Two Thousand and Fifty Two dollars (\$752,052).
- 2.4 The County shall disburse the amount of the Loan in accordance with the Funding

Schedule attached as Schedule "B". Notwithstanding Schedule "B", the County shall at all times hold back the amount of funds required to comply with the *Construction Lien Act*.

- 2.5 The County shall have the option of withholding from the amount to be disbursed under section 2.4 the amount of the cost of construction necessary to complete the incomplete construction of the Project from time to time and, in such case, the County shall disburse the amount so withheld following its receipt of satisfactory evidence that such construction is complete within the meaning of the *Construction Lien Act* and provided that the *Construction Lien Act* is complied with.
- 2.6 The Proponent shall use the amount of the Loan and Contribution by Others only for the purpose of its Development Activities in connection with the Project.
- 2.7 The Proponent may authorize the County to pay Funds to a third party and the County shall permit such authorization.

3. PROVISION OF AFFORDABLE HOUSING

- 3.1 The Proponent agrees to undertake its Development Activities in connection with the Project in accordance with the provisions relating to the development of the Project contained in the Program Guidelines.
- 3.2 The Proponent shall, subject to Force Majeure, achieve Substantial Completion in accordance with the Program Guidelines.
- 3.3 Without limiting the condition set out in section 5.1(b), the Proponent shall use its

reasonable best efforts to discharge or cause the discharge of any registered construction liens so as to ensure that there are no construction liens registered against the Project on the date for the disbursement of the Loan under sections 2.4 and 2.5. The County's obligation to disburse shall be conditional upon Proponents compliance with the *Construction Lien Act* as set out in section 5.1 (b).

- 3.4 The Proponent shall not at any time during the term of this Agreement breach any Contribution by Others Agreement respecting the Project including any municipal capital facility agreement made pursuant to section 110 of the *Municipal Act, 2001* and shall not, through any breach on its part, cause such other entity to terminate a Contribution by Others Agreement for cause. The Proponent agrees that a breach by it of any such Contribution by Others Agreement, that has not been corrected, shall constitute a breach of this Agreement. All Contribution by Others Agreements shall be attached as Schedule “C”. The Proponent shall provide the County with evidence of its good standing under any such Contribution by Others Agreement within ten (10) Business Days following its receipt of a written request from the County.

4. OPERATION OF AFFORDABLE HOUSING

- 4.1 The Proponent acknowledges and agrees that the Rental Protocol set out in Schedule “D” applies to the Project by virtue of the contractual terms of this Agreement, notwithstanding that the Rental Protocol does not apply to the Project under the *Residential Tenancies Act, 2006*.
- 4.2 The Proponent agrees to operate the Units in accordance with the rules set out in Schedule “D” of this Agreement.

5. CONDITIONS

5.1 The provision of funding by the County pursuant to sections 2.4 and 2.5 is subject to the following conditions precedent, each of which is for the exclusive benefit of the County, and may be waived in full or in part by the County by written notice to the Proponent:

- (a) any Contribution by Others Agreement(s) referred to in section 3.4 remaining in force and the Proponent being in good standing thereunder;
- (b) there being no Claim for Lien under the *Construction Lien Act* registered against the Project;
- (c) there being in existence no unregistered lien or statutory claim having priority against the Project;
- (d) the Proponent's title to the Project being encumbered by no registered encumbrances other than the Permitted Encumbrances;
- (e) the Proponent being in good standing under all of the Permitted Encumbrances and there being no work orders issued against the Project by any governmental entity, agency or official;
- (f) the Proponent having provided the County with the security documents required by section 7 and in accordance with the said section; and
- (g) all funds provided by means of a Contribution by Others due on or before a disbursement date hereunder having been fully advanced to the Proponent on or

before such disbursement date and having been authorized by by-law, agreement or otherwise and all Contribution by Other Agreements shall be attached as Schedule “C”.

- 5.2 If any of the conditions contained in section 5.1 have not been fulfilled on the date for the disbursement of the Loan by the County pursuant to sections 2.4 or 2.5 and are not waived by the County pursuant to section 5.1, the County shall be under no obligation to make any advance of the Loan to the Proponent and the County shall thereupon have the right to terminate this Agreement and, in that event, neither Party to this Agreement shall have any rights or obligations hereunder, save and except that the County may, notwithstanding such termination, bring an action against the Proponent for all losses, costs and expenses, including, without limitation, reasonable legal fees incurred by the County in connection with this Agreement where the non-performance or non-fulfillment of a condition is a result of a breach of a covenant by the Proponent and the County shall have the right to require repayment of any previously advanced Funds together with interest as set out in this Agreement.

6. TERMS OF THE FUNDING

- 6.1 The Loan shall have a term of twenty (20) years, commencing as of the Interest Adjustment Date.
- 6.2 Prior to the Interest Adjustment Date, interest shall accrue on the total of the amount or amounts advanced under the Loan at the rate of eight per cent (8%) per annum. The interest so calculated shall compound semi-annually, not in advance, and shall be payable upon demand, until the Interest Adjustment Date.
- 6.3 On the Interest Adjustment Date, the amount of interest accrued as calculated in

section 6.2 shall be forgiven, provided that the Proponent has satisfied all requirements as set out in section 3.

- 6.4 With effect from the Interest Adjustment Date, the interest rate applicable to the Loan shall be the higher of the average posted rate offered by major Canadian lending institutions for a commercial first mortgage having a five (5) year term, plus two per cent (2%) or the interest rate applicable to the first mortgage registered against title to the property, plus two per cent (2%).
- 6.5 On each anniversary date of the Interest Adjustment Date, the Proponent shall pay the County the amount of interest, as calculated on the Loan amount according to the interest rate stipulated in section 6.4, so accrued during the previous year, provided however, if the Proponent has satisfied, as of such anniversary date, the requirements of this Agreement, the amount of the interest so owing shall automatically be forgiven.
- 6.6 The Loan amount shall be fully forgiven on the last day of the month at the end of the term of the Loan, provided that the Proponent has fulfilled all the requirements of the Program as set out in this Agreement.
- 6.7 The Proponent shall comply with the requirements of the Ontario Mortgage and Housing Initiative.
- 6.8 The Proponent shall provide the County with such information respecting the Proponent's permanent financing obligations for the Project as the County may require from time to time.

7. SECURITY

- 7.1 Prior to the County disbursing the Loan proceeds to the Proponent pursuant to section 2.4, the Proponent shall provide the County with executed registerable security documents in the form attached hereto as Schedules "E-1", "E-2" and "E-3" (the "Security"), completed in accordance with this Agreement or at the County's option, such alternate form of security, on such terms and conditions as the County may require, attached hereto as Schedule "F".
- 7.2 The Security shall be collateral to this Agreement and any Contribution by Others Agreement between the County and the Proponent. The County shall be a party on all Security documents and shall share in any recoveries thereunder in proportion to their respective contributions to the total amount secured. The amount of all contributions from the County shall be included in the Security documents. The amount of any eligible in-kind contributions from the County shall not be included in the Security documents.
- 7.3 Without limiting the Proponent's covenants and the remedies of the County under this Agreement and the Security, the Proponent agrees that a breach of this Agreement or any Contribution by Others Agreement with the County shall constitute a breach of the Security and a breach of the Security shall constitute a breach of this Agreement and any Contribution by Others Agreement with the County.
- 7.4 The County acknowledges and agrees that notwithstanding that the Security provides that the principal and interest secured thereunder is payable on demand, the County shall have no right to demand payment thereunder except in accordance with the provisions of this Agreement relating to repayment or in the event of breach described in section 7.3. In the event of a conflict or inconsistency between the provisions of this Agreement and the Security, the provisions of this Agreement shall prevail with respect to Funds provided by the County.

- 7.5 The Security shall rank immediately behind the registered security for the Proponent's primary financial obligations for the Project, unless the County determines that the Security shall have a lesser priority.

8. ACCOUNTABILITY FRAMEWORK

- 8.1 (a) In the event:

- (i) the County is of the opinion that the Proponent is not proceeding in an expeditious manner with the Development Activities for which Project Development Funding has been provided; or
- (ii) the Province is advised by the County that the Project will not proceed; or
- (iii) the building permit for the Project is not issued on or before April 1, 2017 or such longer period of time as the County may determine;

the Proponent shall return all unexpended Project Development Funding to the County, forthwith upon demand, provided however, that the County shall not require the Proponent to return any Project Development Funding that has been expended for the intended purposes.

- (b) If requested by the County, the Proponent shall submit to the County, an audited financial statement respecting the expenditure of the Funds provided to it pursuant to this Agreement, within ninety (90) days or such additional time as may be determined by the County, following the date on which the County is advised that the Project will not proceed or that the Development Activities related to the Project have been fully completed.

- (c) Following the full completion of the Development Activities related to the Project, the Proponent shall submit to the County a completed information report in the form attached hereto as Schedule “H”, and annually thereafter shall submit to the County completed information reports in the forms attached hereto as Schedules “I” and “J”.
 - (d) Without limiting the Proponent’s obligations under section 8.1(c), the Proponent, if requested by the County, shall forthwith submit to the County the material required to be submitted pursuant to section 8.1(c), in addition to any such material that the Proponent may have previously submitted to the County.
- 8.2 The Proponent represents that it has not provided any false or misleading information in the Proposal and agrees that it shall not provide any false or misleading information to the County under this Agreement.
- 8.3 The Proponent shall, on forty-eight (48) hours prior written notice, give the County free access to the Project and to such staff, documents, books, records and accounts as may be determined by the County, for the purpose of verifying compliance with this Agreement.
- 8.4 The County may conduct an audit, investigation or inquiry in relation to the Project or any larger development or project of which the Project is a part and the Proponent shall cooperate with the County and provide free access to the Project and to such staff, documents, books, records and accounts as may be determined by the County.
- 8.5 The provisions of sections 8.1, 8.2, 8.3, 8.4 and 8.5 shall continue to apply for a period of seven (7) years following the end of the Phase-out Period or the date of any early

termination of this Agreement.

9. PUBLICITY

- 9.1 The Proponent acknowledges that it has been informed by the County that under the terms of the 2016 Social Infrastructure Fund under the Investment in Affordable Housing Program and the Supplementary Agreement all publicity, including written materials and signs, respecting the Project must recognize the contributions of CMHC, the Province and the County. The Proponent further acknowledges that it has been informed by the County that the 2016 Social Infrastructure Fund under the Investment in Affordable Housing Program and the Supplementary Agreement requires the County to co-ordinate with the Province and CMHC and/or obtain CMHC's approval with respect to communications, signage and advertising matters. The Proponent agrees that it shall not do or omit to do any act which will cause the County to be in breach of the terms of the 2016 Social Infrastructure Fund under the Investment in Affordable Housing Program and the Supplementary Agreement.
- 9.2 The Proponent shall not make any public announcement respecting the Project, insofar as it relates to the Program, or respecting its participation in the Program or respecting the Program in any other respect without the prior written consent of the County.
- 9.3 During the period of the Development Activities related to the Project, the Proponent shall erect a sign in front of the Project. The sign shall be in accordance with specifications issued by the Province and the County.
- 9.4 The Proponent acknowledges that any breach by it of sections 9.2 or 9.3 of this Agreement shall cause the County to be in breach of its obligations as a Service Manager responsible for administration of the funding program in the and the

10. REMEDIES

- 10.1 In the event the County determines that a Proponent has breached any one (1) or more provisions of this Agreement or any other Contribution of Others Agreement or the County advises the Province that a Proponent has breached any one (1) or more provisions of this Agreement or any other Contribution of Others Agreement between the County and a Proponent, the Province and County shall follow the Protocol for Non-Compliance set out in Schedule “K”.
- 10.2 All of the remedies in this Agreement and the Security are cumulative and the Province and the County shall be entitled to avail itself simultaneously of some or all of the said remedies and any other remedies available in equity or at law.
- 10.3 Notwithstanding any of the terms of this Agreement or of the Security, the County shall have the option of waiving any or all of its' remedies under this Agreement and the Security, but no waiver of a provision shall be deemed to constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise provided in writing.

11. NOTICE

- 11.1 Any notice or other communication required, desired or permitted to be given by this Agreement shall be in writing and shall be effectively given if:

- (a) delivered personally;
- (b) sent by prepaid courier service; or
- (c) sent by facsimile communication, and confirmed by mailing the original documents so sent by prepaid mail on the same or following day, addressed as follows:

- (i) in the case of notice to the County:

The Corporation of the County of Grey
595 9th Avenue East
Owen Sound, Ontario N4K 3E3

- (ii) in the case of notice to the Proponent:

Owen Sound Housing Company
Unit 1, 700 21st Street East
Owen Sound, Ontario N4K 6W1

or at such other address as the party to whom such notice or other communication is to be given shall have advised the party giving same in the manner provided in this section. Any notice or other communication delivered personally or by prepaid courier service shall be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a Business Day such notice or other communication shall be deemed to have been given and received on the next following Business Day. Any notice or other communication transmitted by facsimile communication shall be deemed to have been given and received on the day of its transmission, provided that such day is a Business Day and such transmission is completed before 4:30 p.m. on such day, failing which such notice or other communication shall be deemed to have been given and received on the first (1) Business Day after its transmission. If there has been a mail stoppage and if a party sends a notice or other communication by facsimile communication, such party shall be

relieved from the obligation to mail the original document in accordance with this paragraph.

12. GENERAL

- 12.1 Any power, right or function of the County, contemplated by this Agreement, may be exercised by any employee or agent of the County.
- 12.2 It is understood that the *Municipal Freedom of Information and Protection of Privacy Act* shall apply to all records submitted to or created by the County pursuant to this Agreement.
- 12.3 The Proponent represents and warrants that:
- (a) it shall preserve the PIPEDA compliance of all PIPEDA Protected Information transferred to it by the County;
 - (b) it shall ensure the PIPEDA compliance of all PIPEDA Protected Information it collects in the course of performing its contractual obligations; and
 - (c) it shall ensure the PIPEDA compliance of all PIPEDA Protected Information that it transfers to the County.
- 12.4 The disbursement of Funds by the County to the Proponent pursuant to sections 2.4 to 2.5, inclusive, , is subject to the necessary appropriations from the Federal Parliament and the Provincial Legislature. Neither the County, the Province nor CMHC shall have any liability in the event the respective appropriations are insufficient to meet the

funding obligations of the County.

12.5 Nothing in this Agreement is to be construed as authorizing one Party to contract for or incur any obligation on behalf of the other or to act as agent for the other and nothing in this Agreement shall be construed to constitute the County and the Proponent as partners of each other.

12.6 The Proponent acknowledges that CMHC is not a party to this Agreement or other agreement relating to any Project.

12.7 No member of:

(a) the House of Commons or Senate of Canada; or

(b) the Legislative Assembly of Ontario; or

(c) the Municipal Council constituting the County or the Municipal Council of any local municipality of the County or the governing body of any Municipal Agency, Board or Commission, of any such municipalities;

shall be admitted to any share or part of any contract, agreement or commission made pursuant to this Agreement or to any benefit arising therefrom, including, without limitation, any contract, agreement or commission arising from or related to the Program.

12.8 Time shall in all respects be of the essence in this Agreement, provided that the time for doing or completing any matter provided for under this Agreement may be

extended or abridged by agreement in writing signed by the County and the Proponent or their respective solicitors on their behalf, who are hereby expressly appointed in this regard.

12.9 Any tender of documents or money hereunder may be made by the County or the Proponent or their respective solicitors.

12.10 This Agreement is made pursuant to and shall be governed by and construed in accordance with the laws of the Province of Ontario. Any reference to a statute in this Agreement includes a reference to all regulations made pursuant to such statute, all amendments made to such statute and regulations in force from time to time and to any statute or regulation which may be passed and which has the effect of supplementing or superseding such statute or regulations.

12.11 The headings and subheadings contained in this Agreement are inserted for convenience and for reference only and in no way define, limit or describe the scope or intent of this Agreement or form part of this Agreement.

12.12 The Parties agree that there are no representations, warranties, covenants, agreements, collateral agreements or conditions affecting the property or this Agreement other than as expressed in writing in this Agreement.

12.13 This Agreement shall be read with all changes of gender and number required by the context.

12.14

(a) The Proponent shall not transfer or convey its interest in all or any part of the

Project without, subject to subsection 12.14(b), simultaneously assigning its interest in this Agreement to the transferee, which transferee shall enter into one or more agreements with the County, in a form satisfactory to the County, to assume all of the Proponent's obligations under this Agreement and to provide the County with Security in accordance with this Agreement.

- (b) The Proponent shall not assign its interest in this Agreement without the prior written consent of the County, which consent shall not be arbitrarily or unreasonably withheld.
- (c) For the purpose of this Agreement, a transfer of the beneficial interest in the shares of the Proponent shall be deemed to constitute an assignment if it results in a change in the party or parties who owns or own more than fifty per cent (50%) of the voting shares of the said corporation.

12.15 Each of the Parties shall, at any time and from time to time, upon not less than twenty (20) Business Days prior written notice by the other Party, execute and deliver to the other Party a statement in writing certifying that this Agreement is in good standing, unmodified and in full force and effect, or if there have been modifications that the same are in good standing and in full force and effect, as modified, and stating the modifications. Where applicable, the statement shall state the defaults, if any, known to the Party to whom such request has been made and the action taken or proposed to be taken by such requested Party with respect to same.

12.16 If more than one entity is a party to this Agreement as Proponent, all references to the Proponent shall include all of the said entities and this Agreement shall be binding on each jointly and severally.

12.17 This Agreement shall ensure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns, provided that this paragraph shall in no

way derogate from the provisions of section 12.14 restricting the Proponent's ability to assign this Agreement.

IN WITNESS WHEREOF This agreement has executed by the **Parties.**

The Corporation of the County of Grey

Per: _____

Warden Alan Barfoot

c/s

Per: _____

Clerk Sharon Vokes

Owen Sound Housing Company

Per: _____

Name:

Title:

c/s

Per: _____

Name:

Title:

SCHEDULE “A”

NEW RENTAL HOUSING COMPONENT PROGRAM GUIDELINES

[Program Guidelines to be Attached]

2016 Social Infrastructure Fund

Program Guidelines

Introduction

The 2016 federal budget announced the federal government's Social Infrastructure Fund (2016 SIF) that included the following investments in housing:

- An increase to the funding commitment under the current Investment in Affordable Housing (IAH) program (totalling \$168.3 million over two years);
- Funding for the construction and renovation of affordable housing for seniors (\$67.2 million over two years);
- Funding for the renovation and retrofit of social housing (\$209.3 million in 2016/17); and
- Funding for the construction and renovation of shelters and transitional housing for survivors of domestic violence (\$27.9 million over two years).

The province is cost-matching the increase to the IAH Program over a three year period, resulting in over \$640 million in new housing funding through the 2016 SIF for Ontario.

The 2016 SIF will be delivered through the existing Federal-Provincial Agreement for Investment in Affordable Housing, a proven flexible model that will ensure a quick roll-out of funding. Funding allocations will be provided to Service Managers (SMs) for 2016/17 and 2017/18. SMs will be able to use funding to deliver tailored programs that incorporate local considerations to respond to provincial priorities.

Scope of the Guidelines

The Program Guidelines describe the various program components for the additional IAH funding and seniors funding (to be delivered as one program – 2016 SIF IAH), and the program requirements for the renovation and retrofit of social housing program – to be known as the Social Housing Improvement Program (SHIP).

The funding for the construction and renovation of shelters and transitional housing for survivors of domestic violence will be delivered through the Ministry of Community and Social Services and are not included in these Program Guidelines.

Please note that the Program Guidelines may be updated on an as needed basis and changes will be communicated to SMs.

Role of the Service Manager

Service Managers are responsible for: 2

- Entering into an Administration Agreement with the province for the 2016 SIF IAH and SHIP
- Completing and updating a Program Delivery and Fiscal Plan (PDFP) outlining how their notional funding allocation will be used under the 2016 SIF
- Developing application processes for the selected 2016 SIF IAH program components, if applicable
- Selecting and recommending Rental projects for Ministry approval
- Approving Homeownership, Ontario Renovates and SHIP projects

- Entering into funding agreements with housing proponents/landlords/clients
- Advancing payments to proponents, housing providers, or clients based on agreed upon milestones
- Monitoring projects to ensure timely completion and occupancy
- Fulfilling reporting requirements as per the Administration Agreement
- Adhering to indemnification provisions as per the Administration Agreement
- Preventing and resolving issues for projects that encounter difficulties
- Participating in communication events pertaining to the 2016 SIF as per the Communications Protocol Requirements outlined in Schedule F of the Administration Agreement.

SMs may engage third party agencies to deliver the 2016 SIF but retain all responsibilities for program delivery.

The Ministry is available to assist SMs with the implementation of the 2016 SIF in their communities. SMs are encouraged to liaise with their Ministry contacts for more information (see Appendix A for Ministry contact information).

2016 SIF Program Objectives

The 2016 SIF program supports the two overarching outcomes of the Long-Term Affordable Housing Strategy:

- Decreased number of people who are homeless
- Increased number of households achieving housing stability

The 2016 SIF program has the following key objectives:

- Address the affordable housing needs of specific identified priorities.
- Reduced number of households in need by improving access to affordable housing that is sound, suitable, and sustainable for priority households across Ontario.
- Reduced demand for services and institutional living by increasing and extending independent living for seniors and persons with disabilities.
- Offer funding for an array of housing options that address affordable housing needs for identified priority groups across the housing system.
- Increased resources available to address housing needs of households by encouraging contributions by others including the private and not-for-profit sectors.
- Incorporate energy efficiency and accessibility into affordable housing units and building design.
- Reduced greenhouse gas emissions as a result of increased energy efficiency in social housing stock.
- Extended useful life and long term physical sustainability of social housing projects.
- Promote and support the use of apprentices and the training of skilled labour.

Program Delivery and Fiscal Plan

Each SM is required to develop and submit a Program Delivery and Fiscal Plan (PDFP) through the Grants Ontario System (GOS) that outlines how the 2016 SIF annual funding allocations will be used over the two-year funding period (2016/17 and 2017/18). The Ministry requires the PDFP to support the goals and address the needs outlined in SMs' Housing and Homelessness Plans, and be consistent with the identified provincial priorities.

PDFPs must be Council/Board (or delegated authority) and Ministry approved prior to receiving any 2016 SIF funding approval.

The PDFP is intended to be a concise document that identifies:

- The 2016 SIF IAH components the SM will deliver in each of the two years of the program and how the selected components address the identified priorities and meet the needs identified in the SM's Housing and Homelessness Plan.
- The number of units expected to be developed and households to be assisted under the selected components in each year of the program.
- The number of senior units expected to be developed and/or repaired and approximate funding projected to be committed to senior projects/households from each year's funding allocation.
- The amount of funding from each year's funding allocation to be used for the selected 2016 SIF IAH components.
- The amount of funding projected to be committed to projects/households quarterly under the 2016 SIF IAH capital components and SHIP.
- Proposed quarterly expenditures and agreement information under the Rent Supplement and Housing Allowance streams.
- Quarterly cash flow requirements and actual quarterly payments over the life of SHIP. (The cash flow statement will be submitted as an attachment to the PDFP)
- The client groups to be targeted under the selected components.
- The amount of funding from each year's funding allocation to be used for administration fees.

The PDFP confirms the SM's commitment to use their total notional funding allocation for the program. The Ministry will be using the PDFPs to track each SM's progress against their allocation and will use this information to provide reports to Canada Mortgage and Housing Corporation (CMHC).

The initial PDFP must be submitted to the Ministry for approval no later than September 1, 2016. SMs are required to update their PDFPs – including the cash flow statement under SHIP – on a quarterly basis. Updates will include the SM's progress (i.e. actual 4 commitments, and Operating and SHIP component payments) against their planned commitments.

PDFP Due Date	Description
September 1, 2016	Initial PDFP to Ministry for approval
December 15, 2016	Year 1 Third quarter PDFP update
March 15, 2017	Year 1 Fourth quarter PDFP update and revisions to Year 2 program year allocations
July 15, 2017	Year 2 First quarter PDFP update
October 15, 2017	Year 2 Second quarter PDFP update
December 15, 2017	Year 2 Third quarter PDFP update
March 15, 2018	Year 2 Final PDFP update

The province has a duty to consult and accommodate Indigenous peoples where it has knowledge of the potential existence of an Indigenous right or title and contemplates conduct that might adversely impact that right or title.

If such a duty arises in the context of making a decision to provide 2016 SIF funding, the province has an obligation to consult Indigenous peoples before the decision is made.

The Housing Division of the Ministry of Housing has established a protocol for assessing when a duty to consult may arise and with whom consultation may be required. Please contact your local Ministry contact (see Appendix A) if you have any questions or are uncertain if a proposed 2016 SIF project requires consultation.

French Language Services

SMs providing a service to the public in connection with 2016 SIF and that have an office (including the offices of sub-contractors) located in or serving a designated area must:

- Ensure services are provided in French; and,
- Make it known to the public (through 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 2016 SIF are available in French.

The list of designated areas can be found in Appendix B.

SMs serving a designated area are required to complete and submit a French Language Services Report to the Ministry confirming that the SM is providing the requisite French language services. The report must be signed and submitted to the Ministry at the time of signing the Administration Agreement.

SMs are also required to submit annual French Language Services Reports confirming their continued compliance with the French language services requirements, by July 15th of each year.

Environmental Assessment

Projects approved under the capital components of the 2016 SIF IAH and SHIP are subject to the *Canadian Environmental Assessment Act 2012* ("CEAA 2012"). SMs are required to check for compliance of the CEAA 2012 and provide confirmation to the Ministry. Please refer to Appendix C for the CEAA 2012 checklist. CEAA 2012 compliance does not apply to the Operating and Homeownership components.

Communications Protocol

SMs participating in the 2016 SIF must agree to adhere to the CMHC-Ontario Agreement for Investment in Affordable Housing (2011-14) Communications Protocol.

This is to ensure open, transparent, effective and proactive communications with citizens through ongoing public information activities that recognize the contributions of each party. This approach is consistent with the guiding principles established in the Memorandum of Understanding (MOU) signed by the federal and provincial governments, the Association of Municipalities of Ontario (AMO), and the City of Toronto on August 31, 2005.

Important Dates

Date	Description
September 1, 2016	Last day to enter into Administration' Agreement with the province and submit the Program Delivery and Fiscal Plan.

Date	Description
December 31, 2016	<p>Last day for 2016/17 funding allocations to be committed under the Rental Housing component.</p> <p>For the Homeownership and Ontario Renovates components, SMs must have committed a minimum of 90% of their 2016/17 allocation to projects. Last day to enter and submit SHIP projects, along with confirmation of project funding agreement between the SM and housing provider, in GOS.</p>
January 2017	Ministry begins reallocation process for uncommitted funding.
March 31, 2017	Last day for funding commitments to be made under SHIP.
December 31, 2017	<p>Last day for 2017/18 funding allocations to be committed under the Rental Housing component.</p> <p>For the Homeownership and Ontario Renovates components, SMs must have committed a minimum of 90% of their 2017/18 allocation to projects.</p>
March 31, 2018	2016 SIF IAH ends. No further funding commitments can be made.
March 31, 2019	Final deadline for disbursement of SHIP funding.
March 31, 2020	Final deadline for disbursement of 2016 SIF IAH funding to projects/clients under the Rental, Ontario Renovates and Homeownership components.
June 30, 2020	Final disbursement of Housing Allowance - Shared Delivery component funding.
March 31, 2024	Final deadline for disbursement of 2016 SIF IAH funding to landlords/clients under the Operating Direct Delivery components.

SCHEDULE “B”
FUNDING SCHEDULE

50% at signing of Contribution Agreement	\$376,026
40% at completion of Structural Framing	\$300,821
10% at proof of occupancy, apprenticeship, report and capital costs statement	\$75,205

SCHEDULE “C”
CONTRIBUTION BY OTHERS AGREEMENTS

CONTRIBUTION AGREEMENT

Social Infrastructure Fund under the Investment in Affordable Housing Program 2016

This Agreement made the day of *[insert year]*.

BETWEEN:

THE CORPORATION OF THE COUNTY OF GREY

(hereinafter called the “County”)

- and -

Owen Sound Housing Company

(hereinafter called the “Proponent”)

WHEREAS:

- A. In order to create a supply of Affordable Housing, the County of Grey wishes to provide funds to proponents of affordable housing.
- B. The County has confirmed that the Proponent has responded to the Procurement Process of the County of Grey by submitting its proposal dated *March 11, 2016*

(the “Proposal”) to undertake Development Activities for the Project(s) in return for Funding.

- C. The County and the Proponent have entered into this Agreement for the Purpose of establishing the Proponent’s obligations with respect to the Program and the County’s obligation to provide funding to the Proponent.

NOW THEREFORE, the County and the Proponent agree with each other as follows:

1. INTERPRETATION

1.1 In the Agreement, including its Schedules, unless the context requires otherwise,

- “Affordability Period” means the period during which the average rent in a Project is required to be maintained at an affordable level, as established by the County;
- “Affordable Housing” means Housing which is modest in terms of floor area and amenities, based on household needs and community norms, in Projects that achieve rent levels no greater than 80% of average market rents in the County of Grey, but does not include residential premises used as a nursing home, retirement home, shelter, crisis care facility or any other type of similar facility as determined by the County;
- “Average Market Rents” means the average rent figures, based on geographical areas and classified by bedroom count, as determined annually in the CMHC Average Market Rent Survey or as determined by the County, based on available data, in areas where there is no information from the CMHC Average

Market Rent Survey;

- “Business Day” means each Monday, Tuesday, Wednesday, Thursday and Friday except when any such day occurs on a statutory holiday observed in Ontario;
- “Contribution Agreement” means an agreement entered into by the County or another party contributing to the Project and an approved Proponent receiving contributions under the Program;
- “Development Activities” means those activities which are normally undertaken for the development, construction, repair, renovation, rehabilitation or conversion of buildings for residential purposes and include the acquisition of property and activities for which Project Development Funding may be provided;
- “Force Majeure” means a delay arising from strike, lockout, riot, insurrection, terrorism, war, fire, tempest, act of God, lack of material or supply of service at a reasonable cost, inclement weather, binding orders or regulations of governmental bodies, courts or arbitrators or any other event beyond the control of the Parties which causes a delay in the fulfillment of a Party’s obligations under this Agreement notwithstanding the reasonable efforts of such Party and provided that any such non-availability or delay does not relate to any act or omission by such Party or any of its authorized agents or employees;
- “Funds” means County Funds under this County program;

- “Housing” means residential accommodation and facilities, common areas and services used directly with the residential accommodation. Housing does not include commercial or institutional premises, social or recreational services, and services or facilities related to mental or physical health care, education, corrections, food services, social support or public recreation;
- “Interest Adjustment Date” means the date on which the Proponent makes the first payment of principal and interest in respect of the Proponent’s permanent financing obligations for the Project, following the completion of construction;
- “Loan” means the total amount of County funds advanced by the County to the Proponent, in accordance with this contribution agreement;
- “Occupancy Date” means the date on which occupancy of all Units in a Project is permitted;
- “Parties” means the County and the Proponent and “Party” means either of them, as the context may require;
- “Permitted Encumbrances” means the encumbrances encumbering the Affordable Housing Units listed in Schedule “G”;
- “Phase-out Period” means the last five (5) year period of the Affordability Period;
- “PIPEDA” means the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, including any amendments thereto;

- “PIPEDA Protected Information” means any “Personal Information” or “Personal Health Information”, as defined under PIPEDA;
- "PPSA" means the *Personal Property Security Act*, R.S.O. 1990, c. P. 10 including any amendments thereto;
- “Procurement Process” means the request for proposals or procurement process used by the County;
- “Program” means the County of Grey's New Rental Housing Program, as set out in this contribution agreement;
- “Project” means Affordable Housing proposed or approved for the Program, as the context may require;
- “Proponent” means a person identified as such on the first page of this Agreement;
- “Proposal” means the response to the request for proposals or procurement process, submitted to the County;
- “Security Documents” means the security documents attached to and forming part of the Contribution Agreement;
- “Substantial Completion” means the substantial performance, within the

meaning of the *Construction Lien Act*, of all contracts which the Proponent has entered into for Development Activities in connection with the Project under this Agreement;

- “Targeting Plan” means the manner in which a Proponent plans to meet the objectives of the Program to create Affordable Housing for households that are on or are eligible to be on the waiting lists for social housing;
- “Unit” means a self-contained residential dwelling.

1.2 All references in this Agreement, including, without limitation, the Schedules hereto, to “rent” is deemed to include housing charges paid by members of non-profit housing cooperatives and “rental” is deemed to have a corresponding meaning.

1.3 All references in this Agreement to section numbers are references to sections of this Agreement unless otherwise stated.

2. FUNDING FOR AFFORDABLE HOUSING

2.1 The Proponent agrees to advance as its equity contribution to the Project the amount of One Hundred and Thirteen Thousand, Eight Hundred and Fifty Seven dollars (\$113,857), in the form of a contribution of land, on or before Occupancy is permitted in the Project, and provide written confirmation to the County that the equity contribution has been advanced.

2.2 Funding for Affordable Housing is comprised of Funds held by the County. Funds will be advanced to the Proponent in the form of a Loan, during the Development

Activities.

- 2.3 The County shall disburse the amount of the Loan following the date on which this Agreement is signed by the Parties and upon construction milestones as set out in the Program guidelines. Notwithstanding this provision, the County shall at all times hold back the required amount of funds to comply with the *Construction Lien Act*.
- 2.4 The County shall have the option of withholding from the amount to be disbursed under section 2.3 the amount of the cost of construction necessary to complete the construction of the Project and, in such case, the County shall disburse the amount so withheld following its receipt of satisfactory evidence that such construction is complete within the meaning of the *Construction Lien Act* and provided that the *Construction Lien Act* is complied with.
- 2.5 The Proponent shall use the amount of the Loan for the purpose of its Development Activities in connection with the Project.
- 2.6 The Proponent may authorize the County to pay Funds to a third party and the County shall permit such authorization.

3. PROVISION OF AFFORDABLE HOUSING

- 3.1 Without limiting the condition set out in section 5.1(b), the Proponent shall use its reasonable best efforts to discharge or cause the discharge of any registered construction liens so as to ensure that there are no construction liens registered against the Project on the date for the disbursement of the Loan under sections 2.3 and 2.4. The County's obligation to disburse shall be conditional upon the Proponent's compliance with the *Construction Lien Act* as set out in section 5.1 (b).

- 3.2 The Proponent shall not at any time during the term of this Agreement breach any Contribution Agreement respecting the Project including any municipal capital facility agreement made pursuant to section 110 of the *Municipal Act, 2001* and shall not, through any breach on its part, cause such other entity to terminate a Contribution Agreement for cause. The Proponent agrees that a breach by it of any such Contribution Agreement, that has not been corrected, shall constitute a breach of this Agreement. The Proponent shall provide the County with evidence of its good standing under any such Contribution Agreement within ten (10) Business Days following its receipt of a written request from the County.

4. OPERATION OF AFFORDABLE HOUSING

- 4.1 The Proponent acknowledges and agrees that the Rental Protocol set out in Schedule “D” applies to the Project by virtue of the contractual terms of this Agreement, notwithstanding that the Rental Protocol does not apply to the Project under the *Residential Tenancies Act, 2006*.
- 4.2 The Proponent agrees to operate the Units in accordance with the rules set out in Schedule “D” of this Agreement.

5. CONDITIONS

- 5.1 The provision of funding by the County pursuant to sections 2.3 and 2.4 is subject to the following conditions precedent, each of which is for the exclusive benefit of the County, and may be waived in full or in part by the County by written notice to the Proponent:

- (a) any Contribution Agreement referred to in section 3.2 remaining in force and the Proponent being in good standing thereunder;
- (b) there being no Claim for Lien under the *Construction Lien Act* registered against the Project;
- (c) there being in existence no unregistered lien or statutory claim having priority against the Project;
- (d) the Proponent's title to the Project being encumbered by no registered encumbrances other than the Permitted Encumbrances;
- (e) the Proponent being in good standing under all of the Permitted Encumbrances and there being no work orders issued against the Project by any governmental entity, agency or official; and
- (f) the Proponent having provided the County with the Security Documents required by section 7 and in accordance with the said section.

5.2 If any of the conditions contained in section 5.1 have not been fulfilled on the date for the disbursement of the Loan by the County pursuant to sections 2.3 and 2.4 and are not waived by the County pursuant to section 5.1, the County shall be under no obligation to make any advance of the Loan to the Proponent and the County shall thereupon have the right to terminate this Agreement and, in that event, neither party to this Agreement shall have any rights or obligations hereunder, save and except that the County may, notwithstanding such termination, bring an action against the Proponent for all losses, costs and expenses, including, without limitation, reasonable legal fees incurred by the County in connection with this Agreement where the non-performance

or non-fulfillment of a condition is a result of a breach of a covenant by the Proponent and the County shall have the right to require repayment of any previously advanced Funds together with interest as set out in this Agreement.

6. TERMS OF THE FUNDING

- 6.1 The Loan shall have a term of twenty (20) years, commencing as of the Interest Adjustment Date.
- 6.2 Prior to the Interest Adjustment Date, interest shall accrue on the total of the amount or amounts advanced under the Loan at the rate of eight per cent (8%) per annum. The interest so calculated shall compound semi-annually, not in advance, payable on demand until the Interest Adjustment Date.
- 6.3 On the Interest Adjustment Date, the amount of interest accrued as calculated in section 6.2 shall be forgiven, provided that the Proponent has satisfied all requirements as set out in section 2.
- 6.4 With effect from the Interest Adjustment Date, the interest rate applicable to the Loan shall be the higher of the average posted rate offered by major Canadian lending institutions for a commercial first mortgage having a five (5) year term, plus two per cent (2%) or the interest rate applicable to the first mortgage registered against title to the property, plus two per cent (2%).
- 6.5 On each anniversary date of the Interest Adjustment Date, the Proponent shall pay the County the amount of interest, as calculated on the Loan amount according to the interest rate stipulated in section 6.4, so accrued during the previous year, provided however, if the Proponent has satisfied, as of such anniversary date, the requirements

of this Agreement, the amount of the interest so owing shall automatically be forgiven.

- 6.6 The Loan amount shall be fully forgiven on the last day of the month at the end of the term of the Loan, provided that the Proponent has fulfilled all the requirements of the Program as set out in this Agreement.
- 6.10 The Proponent shall provide the County with such information respecting the Proponent's permanent financing obligations for the Project as the County may require from time to time.

7. SECURITY

- 7.1 Prior to the County disbursing the Loan proceeds to the Proponent pursuant to section 2.4, the Proponent shall provide the County with executed registerable security documents in the form attached hereto as Schedules "E-1", "E-2" and "E-3" (the "Security"), completed in accordance with this Agreement or at the County's option, such alternate form of security, on such terms and conditions as the County may require, attached hereto as Schedule "F".
- 7.2 The Security shall be collateral to this Agreement and any other Contribution Agreement between the County and the Proponent. The County shall be a party on all Security documents and shall share in any recoveries thereunder in proportion to their respective contributions to the total amount secured. The amount of all contributions from the County shall be included in the Security documents. The amount of any eligible in-kind contributions from the County shall not be included in the Security documents.
- 7.3 Without limiting the Proponent's covenants and the remedies of the County under this

Agreement and the Security, the Proponent agrees that a breach of this Agreement or any other Contribution Agreement with the County shall constitute a breach of the Security and a breach of the Security shall constitute a breach of this Agreement and any other Contribution Agreement with the County.

7.4 The County acknowledges and agrees that notwithstanding that the Security provides that the principal and interest secured thereunder is payable on demand, the County shall have no right to demand payment thereunder except in accordance with the provisions of this Agreement relating to repayment. In the event of a conflict or inconsistency between the provisions of this Agreement and the Security, the provisions of this Agreement shall prevail with respect to Funds provided by the County.

7.5 The Security shall rank immediately behind the registered security for the Proponent's primary financial obligations for the Project, unless the County determines that the Security shall have a lesser priority.

8. ACCOUNTABILITY FRAMEWORK

8.1 Submissions will be required of the Proponent as follows:

- (a) If requested by the County, the Proponent shall submit to the County, an audited financial statement respecting the expenditure of the Funds provided to it pursuant to this Agreement, within ninety (90) days or such additional time as may be determined by the County, following the date on which the County is advised that the Project will not proceed or that the Development Activities related to the Project have been fully completed.

(b) Following the full completion of the Development Activities related to the Project, the Proponent shall submit to the County a completed information report in the form attached hereto as Schedule “H”, and annually thereafter shall submit to the County completed information reports in the forms attached hereto as Schedules “I” and “J”.

8.2 The Proponent represents that it has not provided any false or misleading information in the Proposal and agrees that it shall not provide any false or misleading information to the County under this Agreement.

8.3 The Proponent shall, on forty-eight (48) hours prior written notice, give the County free access to the Project and to such staff, documents, books, records and accounts as may be determined by the County, for the purpose of verifying compliance with this Agreement.

8.4 The County may conduct an audit, investigation or inquiry in relation to the Project or any larger development or project of which the Project is a part and the Proponent shall cooperate with the County and provide free access to the Project and to such staff, documents, books, records and accounts as may be determined by the County.

8.5 The provisions of sections 8.1, 8.2, 8.3, 8.4 and 8.5 shall continue to apply for a period of seven (7) years following the end of the Phase-out Period or the date of any early termination of this Agreement.

9. PUBLICITY

9.1 The Proponent shall not make any public announcement respecting the Project, without the prior written consent of the County.

- 9.2 During the period of the Development Activities related to the Project, the Proponent shall erect a sign in front of the Project. The sign shall be in accordance with specifications issued by the Province and the County.

10. REMEDIES

- 10.1 In the event the County determines that a Proponent has breached any one (1) or more provisions of this Agreement or any other Contribution Agreement or the County advises the Province that a Proponent has breached any one (1) or more provisions of this Agreement or any other Contribution Agreement between the County and a Proponent, the Province and County shall follow the Protocol for Non-Compliance set out in Schedule "K".
- 10.2 All of the remedies in this Agreement and the Security are cumulative and the County shall be entitled to avail itself simultaneously of some or all of the said remedies and any other remedies available in equity or at law.
- 10.3 Notwithstanding any of the terms of this Agreement or of the Security, the County shall have the option of waiving any or all of its remedies under this Agreement and the Security, but no waiver of a provision shall be deemed to constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise provided in writing.

11. NOTICE

- 11.1 Any notice or other communication required, desired or permitted to be given by this

Agreement shall be in writing and shall be effectively given if:

- (a) delivered personally;
- (b) sent by prepaid courier service; or
- (c) sent by facsimile communication, and confirmed by mailing the original documents so sent by prepaid mail on the same or following day, addressed as follows:

- (i) in the case of notice to the County:

The Corporation of the County of Grey
595 9th Avenue East
Owen Sound, Ontario N4K 3E3

- (ii) in the case of notice to the Proponent:

Owen Sound Housing Company
Unit 1, 700 21st Street East
Owen Sound, Ontario N4K 6W1

or at such other address as the party to whom such notice or other communication is to be given shall have advised the party giving same in the manner provided in this section. Any notice or other communication delivered personally or by prepaid courier service shall be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a Business Day such notice or other communication shall be deemed to have been given and received on the next following Business Day. Any notice or other communication transmitted by facsimile communication shall be deemed to have been given and received on the day of its transmission, provided that such day is a Business Day and such transmission is completed before 4:30 p.m. on such day, failing which such notice or other communication shall be deemed to have been given and received on the first (1)

Business Day after its transmission. If there has been a mail stoppage and if a party sends a notice or other communication by facsimile communication, such party shall be relieved from the obligation to mail the original document in accordance with this paragraph.

12. GENERAL

12.1 Any power, right or function of the County, contemplated by this Agreement, may be exercised by any employee or agent of the County.

12.2 It is understood that the *Municipal Freedom of Information and Protection of Privacy Act* shall apply to all records submitted to or created by the County pursuant to this Agreement.

12.3 The Proponent represents and warrants that:

- (a) it shall preserve the PIPEDA compliance of all PIPEDA Protected Information transferred to it by the County;
- (b) it shall ensure the PIPEDA compliance of all PIPEDA Protected Information it collects in the course of performing its contractual obligations; and
- (c) it shall ensure the PIPEDA compliance of all PIPEDA Protected Information that it transfers to the County.

12.4 Nothing in this Agreement is to be construed as authorizing one Party to contract for or incur any obligation on behalf of the other or to act as agent for the other and nothing

in this Agreement shall be construed to constitute the County and the Proponent as partners of each other.

- 12.5 No member of the municipal council constituting the County or the municipal council of any local municipality of the County or the governing body of any municipal agency, board or commission, of any such municipalities shall be admitted to any share or part of any contract, agreement or commission made pursuant to this Agreement or to any benefit arising therefrom, including, without limitation, any contract, agreement or commission arising from or related to the Program.
- 12.6 Time shall in all respects be of the essence in this Agreement, provided that the time for doing or completing any matter provided for under this Agreement may be extended or abridged by agreement in writing signed by the County and the Proponent or their respective solicitors on their behalf, who are hereby expressly appointed in this regard.
- 12.7 Any tender of documents or money hereunder may be made by the County or the Proponent or their respective solicitors.
- 12.8 This Agreement is made pursuant to and shall be governed by and construed in accordance with the laws of the Province of Ontario. Any reference to a statute in this Agreement includes a reference to all regulations made pursuant to such statute, all amendments made to such statute and regulations in force from time to time and to any statute or regulation which may be passed and which has the effect of supplementing or superseding such statute or regulations.
- 12.9 The headings and subheadings contained in this Agreement are inserted for convenience and for reference only and in no way define, limit or describe the scope or

intent of this Agreement or form part of this Agreement.

12.10 The Parties agree that there are no representations, warranties, covenants, agreements, collateral agreements or conditions affecting the property or this Agreement other than as expressed in writing in this Agreement.

12.11 This Agreement shall be read with all changes of gender and number required by the context.

12.12

(a) The Proponent shall not transfer or convey its interest in all or any part of the Project without, subject to subsection 12.12(b), simultaneously assigning its interest in this Agreement to the transferee, which transferee shall enter into one or more agreements with the County, in a form satisfactory to the County, to assume all of the Proponent's obligations under this Agreement and to provide the County with Security in accordance with this Agreement.

(b) The Proponent shall not assign its interest in this Agreement without the prior written consent of the County, which consent shall not be arbitrarily or unreasonably withheld.

(c) For the purpose of this Agreement, a transfer of the beneficial interest in the shares of the Proponent shall be deemed to constitute an assignment if it results in a change in the party or parties who owns or own more than fifty per cent (50%) of the voting shares of the said corporation.

12.13 Each of the Parties shall, at any time and from time to time, upon not less than twenty (20) Business Days prior written notice by the other Party, execute and deliver to the other Party a statement in writing certifying that this Agreement is in good standing,

unmodified and in full force and effect, or if there have been modifications that the same are in good standing and in full force and effect, as modified, and stating the modifications. Where applicable, the statement shall state the defaults, if any, known to the Party to whom such request has been made and the action taken or proposed to be taken by such requested Party with respect to same.

12.14 If more than one entity is a party to this Agreement as Proponent, all references to the Proponent shall include all of the said entities and this Agreement shall be binding on each jointly and severally.

12.15 This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns, provided that this paragraph shall in no way derogate from the provisions of section 12.12 restricting the Proponent's ability to assign this Agreement.

IN WITNESS WHEREOF This agreement has executed by the **Parties.**

The Corporation of the County of Grey

Per: _____

Name:

Warden Alan Barfoot

c/s

Per: _____

Name:

Clerk Sharon Vokes

Owen Sound Housing Company

Per: _____

Name:

Title:

c/s

Per: _____

Name:

Title:

SCHEDULE “D”
RENTAL PROTOCOL

1. DEFINITIONS

1.1 In this Schedule “D”, unless the context requires otherwise,

- “Affordability Period” means the “twenty (20) year period”, or “details in words (and numbers) of such longer period” as may be established in the Procurement Process, following the date of the first occupancy of a Unit in the Project;
- “Agreement” means the Agreement to which this Schedule “D” is attached, and

when used in this Schedule “D”, the term “rent” includes the amount of any consideration paid or given or required to be paid or given by or on behalf of a tenant to the Proponent or the Proponent’s agent for the right to occupy a Unit and for any services and facilities and any privilege, accommodation or thing that the Proponent provides for the tenant in respect of the occupancy of the Unit, whether or not a separate charge is made for services and facilities or for the privilege, accommodation or thing.

1.2 The definitions in the Agreement shall apply to this Schedule “D”, in addition to the definitions contained in section 1.1 above.

1.3 All references to section numbers in this Schedule are references to sections of the Schedule and not sections of the Agreement, unless otherwise explicitly stated.

2. AFFORDABLE RENT

- 2.1 During the Affordability Period, the Proponent shall not charge rent for a Unit in the Project in excess of the affordable rent permitted under this Schedule “D” nor increase any rent charged for a Unit except as permitted in this Schedule “D”.

3. RENTS

- 3.1 The weighted average rent of all Units in a Project for which Program Funds have been utilized shall not exceed eighty per cent (80%) of CMHC Average Market Rents in the geographical area, as determined in the most recent CMHC Annual Rental Market Survey.
- 3.2 The maximum rent for any Unit shall not exceed one hundred and five per cent (105%) of the modified shelter allowance under the Ontario Works program, provided that the amount so calculated does not exceed the CMHC Average Market Rent for units of a similar type in the geographical area.

4. RENT INCREASES

- 4.1 The Proponent may increase the rent charged under section 3.1 with respect to a Unit only if at least twelve (12) months have elapsed,
- (a) since the day of the last rent increase respecting the Unit, if there has been an increase, or
 - (b) since the day the Unit was first rented for the first rental period following the completion of the Development Activities in connection with the Project.
- 4.2 Subject to section 4.3, the Proponent shall not increase the rent pursuant to section 4.1

during the Affordability Period by more than the then prevailing rent increase guideline established for each calendar year pursuant to the *Residential Tenancies Act, 2006* or any successor legislation. The Proponent acknowledges that the rent increase guideline of the *Residential Tenancies Act, 2006* or any successor legislation does not apply to the Project and agrees that the rent increase guideline applies by virtue of the contractual terms of the Agreement and this Schedule “D”.

- 4.3 From the beginning of the eleventh (11) year of the Affordability Period until the end of the Affordability Period, in addition to the increase permitted by section 4.2, the Proponent may apply to the County to increase Unit rents to an amount not to exceed CMHC Average Market Rent for units of a similar type in the geographical area.

5. PHASE-OUT PERIOD

- 5.1 During the Phase-out Period, the Proponent shall not increase the rent charged to *in-situ* tenants of Units by more than the rent guideline increase permitted under section 4.2 and any additional increase that may be approved under section 4.3.
- 5.2 Upon a Unit becoming vacant during the Phase-out Period, the Proponent may rent the Unit to a new tenant at any rent agreed to by the Proponent and the new tenant.

6. EXCEPTION

- 6.1 Subject to the provisions of the *Residential Tenancies Act, 2006* or any successor legislation, and notwithstanding the provisions of this Schedule “D” respecting rent increases prior to and during the Phase-out Period, where a Service Manager implements income verification of tenants following the initial occupancy of a Unit, a Service Manager may increase the rent for a Unit by more than the rent increase guideline under the *Residential Tenancies Act, 2006* or any successor legislation, provided that the rent for the Unit does not exceed the CMHC Average Market Rent

for units of a similar type for that year and provided that the weighted average rent for the funded Units in a Project does not exceed the permitted rents for the Project.

7. AFTER PHASE-OUT PERIOD

- 7.1 After the end of the Phase-out Period, the Proponent shall be permitted to rent Units in the Project to new tenants at rents agreed to by the Proponent and the new tenants.

SCHEDULES "E-1", "E-2", "E-3" SECURITY DOCUMENTS

[Relevant Documents to be Attached]

Schedule E-1 - Charge/Mortgage of Land - register in land titles/land registry system

Schedule E-2 - Assignment of Rents - register in land titles/land registry system and PPSA

Schedule E-3 - Security Agreement (chattels) - register in PPSA

SCHEDULE “F”

ALTERNATE SECURITY

[Relevant Documents to be Attached]

Schedule “F” is not registerable and is used to replace Schedules “E-1”, “E-2” and “E-3”.

SCHEDULE “G”
PERMITTED ENCUMBRANCES

[This schedule in the executed Charge/Mortgage will contain the registration details of all registered documents which fit into the categories listed below.]

1. All mortgages and security collateral thereto totaling principal amounts which do not exceed the total costs of the Development Activities incurred in connection with the Project.
2. Such easements and restrictive covenants as do not prevent the Project from being constructed or used as Affordable Housing.
3. Municipal agreements relating to the Development Activities in connection with the Project.

SCHEDULE “H”

Social Infrastructure Fund under the Investment in Affordable Housing Program – New

Rental Housing

Initial Occupancy Report

Occupancy Date: _____

A. Project Information

Contribution Agreement Number	
Contribution Agreement Expiry Date	

Project Name	
Property Address	

B. Number of Units in Project

Unit Type	AHP Funded Rental Units (#)	AHP Funded Supportive Units (#)	Units Not Receiving AHP Funding (#)	Total Number of Units (#)
Bachelor				
One Bedroom				
Two Bedroom				
Three Bedroom				
Four Bedroom				

Other				
Total Number of Units				

C. Depth of Affordability: Rents at Occupancy (AHP Funded Units)

Establishes “permitted rents” which are used in Schedule “I”

Unit Type	Average Unit Rent (AHP Funded Units) (A)	CM HC Average Market Rent (\$) (B)	Percentage of CM HC Average Market Rent (A÷B) • 100
Bachelor			
One Bedroom			
Two Bedroom			
Three Bedroom			
Four Bedroom			
Other			

Depth of Affordability: Percentage of CMHC Average Market Rent Achieved for Overall Project	<u>80%</u> (Note: This figure cannot be greater than 80% of CMHC Average Market Rent, without the approval of the County)
--	--

D. Project Certification

I certify, to the best of my knowledge, that the information provided in Sections B and C above is true and correct. I hereby authorize the County to review the rent roll from

appropriate source(s) if deemed necessary.

_____ Date: _____ Signed by: _____

[please print name]

I am *[please check on the appropriate line below]*

___ the Owner of the Project

___ the Chairperson of the Board of Directors of the Project

SCHEDULE “I”

Social Infrastructure Fund- Investment in Affordable Housing Program- New Rental Housing

Component

Annual Occupancy Report

A. Project Information

Contribution Agreement Number	
Contribution Agreement Expiry Date	

Project Name	
Property Address	

B. Average Rents at Year End

				Previous Year		Current Year		Rati onal e
Un it Ty pe	To tal Nu mb	A H P Fu	AHP Fun ded Supp	Per mitte d Rent	RT A Per mitt	Perm itted Rent per	Av era ge Re	

	er of Units (#)	nd ed Re nt al Units (#)	ortiv e Unit s (#)	[inse rt last repor ting year] (\$) (A)	ed Incr ease (\$) (B)	Unit per Mont h (\$) (C) (A+B = C)	nt per Un it per Mo nth (\$) (D)	(if D>C)
Ba								
ch								
On								
e								
T								
wo								
Th								
ree								
Fo								
ur								
Ot								
her								
To								
tal								

C. Affordability

Year	Average Rent in Relation to	Variance Between Current and	RTA Permitted Increase	Rationale for Amount Above RTA Increase
------	-----------------------------------	------------------------------------	------------------------------	---

	AMR	Last Year's Average Rent		
First Year Occupied	#80%*			
Annually Thereafter				

* This figure cannot be greater than 80% of CMHC Average Market Rent, without the approval of the County

D. Project Certification

I certify, to the best of my knowledge, that the information provided in Section B above is true and correct. I hereby authorize the County to review the rent roll from appropriate source(s) if deemed necessary.

_____ Date: _____ Signed by: _____

[please print name]

I am [please check on the appropriate line below]

___ the Owner of the Project

___ the Chairperson of the Board of Directors of the Project

E. Auditor's Confirmation

We have performed the necessary review and tests on the records of the named property pertaining to the rent levels for the reporting period. Our results confirm the information as

provided in Sections B and C above is true and correct.

_____ Date: _____

Confirmed by *[please print name]*

Name, Address and Telephone Number of Firm:

[insert relevant information]

SCHEDULE “J”

Annual Targeting Report

For year ending December 31, _____

Name of Owner	RENTAL				SOCIAL HOUSING				AVERAGE RENT OF UNITS PER MONTH
	Number of Units				Number of Units				
	New	Conversion	Rehabilitation	Major Addition	New	Conversion	Rehabilitation	Major Addition	

CLIENTELE					
Number of Units					
Family	Single	Senior	Supportive Victims of Domestic Violence	Supportive Mental Health	Other Target Group (Name)

SCHEDULE "K"
PROTOCOL FOR NON-COMPLIANCE

Social Infrastructure Fund under the Investment in Affordable Housing Program - New
Rental Housing Component

1. BACKGROUND

1.1 This Schedule addresses the obligations to indemnify and obligations of Social Infrastructure Fund under the Investment in Affordable Housing Program participants to recover Funds from affordable housing projects which may encounter difficulties within the relationships described below:

- (a) Province (which is referred to as the “Province” in the Agreement) - Canada Mortgage and Housing Corporation (“CMHC”);
- (b) Service Manager - County;
- (c) Proponent - Service Manager; and
- (d) Proponent - County.

1.2 It is expected that all Rental and Supportive projects will be required to obtain CMHC insurance for the first mortgage since this is a condition of funding under the Ontario Mortgage and Housing Partnership Initiative.

1.3 While this Schedule pertains to the New Rental Housing Component of the Social Infrastructure Fund under the Investment in Affordable Housing program, the same set of underlying principles and requirements could accommodate other program

components with minor adjustments.

- 1.4 The undertakings and commitments contained in this Schedule are consistent with and do not supersede any agreements between the Governments of Canada and Ontario as per the 2016 Social Infrastructure Fund under the Investment in Affordable Housing Program (the SIF-IAH Agreement”).

2. CONSULTATION

- 2.1 When the County becomes aware of a failure of a Proponent to observe or perform a material condition in the Contribution Agreement, the County shall notify the Province, which shall, in turn, notify CMHC. The County and the Province shall each appoint one person to an ad hoc committee for the purpose of assembling information relating to the project in difficulty and determining a course of action for rectifying the difficulty. CMHC shall be invited to participate and will determine the extent of its involvement on the committee. Terms of reference for the ad hoc committee shall be developed and agreed to by all three parties.

3. BEST EFFORTS

- 3.1 In determining what course of action may be undertaken to rectify a project in difficulty, the parties shall use their best efforts to work together co-operatively with a view to maintaining, to the greatest extent possible in the circumstances, the affordability of the rents for the project as determined by the Contribution Agreement. The parties acknowledge that the interests of the tenants shall be considered in determining what course of action may be most suitable for a project in difficulty.

4. ADVANCE NOTICE

- 4.1 Neither CMHC, the Province nor the County shall substantially modify the terms of any project-specific agreement, including the Contribution Agreement, or the advance of Funds or the security documentation associated with the advance of Funds, with the exception of a CMHC insured first mortgage, without providing written notice to the other parties and a reasonable opportunity for the other parties to address the implications of such action.
- 4.2 The obligation to indemnify or the distribution of a recovery of Funds from a project in difficulty will require the County and/or Proponent to exhaust all reasonable opportunities to seek recovery, which efforts shall include but shall not be limited to resorting to legal action to defend third party claims, seeking indemnification from insurance policies, if any, that may afford coverage for a particular loss and/or recovering Funds from bonding companies or other third parties who, at law, may be responsible for the losses of a project in difficulty.

5. INDEMNITY

5.1 County - CMHC

- (a) As per Section 8.4 of the SIF-IAH Agreement, the County shall indemnify CMHC as the result of third party claims arising out of the implementation of the Agreement.
- (b) Federal-Provincial indemnity provisions on Project Development Funding and environmental claims remain as per Section 8.4 (d), (e) and (f) of the SIF- IAH Agreement.

- (c) Where CMHC has insured a Proponent's first mortgage and a default occurs on the insured mortgage, the Province is not required to indemnify CMHC for any losses related to the mortgage insurance as per Section 8.4 (g) of the SIF- IAH Agreement.
- (d) The SIF-IAH "capital" Funds and the circumstances dealing with the recovery of these Funds are dealt with in subsequent sections of this Schedule.

5.2 County - Province

- (a) Subject to paragraphs (b) and (c) below, the County shall:
 - (i) during construction and following completion of construction, indemnify the Province for 100% of any third party claims against the Province arising out of the implementation of this Agreement; and
 - (ii) following completion of construction, indemnify the Province for 50% of that portion of any third party claims against CMHC arising out of the implementation of this Agreement where the County indemnifies CMHC under the SIF-IAH Agreement,

unless the claims are in any way, directly or indirectly, attributable to the negligence, bad faith or willful misconduct of the County.

- (b) During the construction phase of a project, the County shall indemnify the Province as a result of any third party claims against the County, subject to certain exceptions as per Section 8.4 of the SIF- IAH Agreement, including:
 - (i) Maximum liability is limited to the total amount of SIF- IAH

Funds advanced at the time of the loss giving rise to the claim for indemnification;

- (ii) This indemnity is limited to 50% of the provincial liability for losses in relation to Project Development Funding (i.e. 25% of the total claim);
 - (iii) This indemnity is limited to 50% of all losses, costs and expenses incurred by the County that relate to environmental or pollution claims, including claims against CMHC; and
 - (iv) There is no indemnification for losses covered solely by CMHC or by other insurance.
- (c) Following completion of construction, the County shall indemnify the Province as a result of any third party claims against the County and/or CMHC, subject to certain exceptions as per Section 8.4 of the SIF-IAH Agreement, including:
- (i) Maximum liability is limited to the total amount of SIF-IAH Funds advanced at the time of the loss giving rise to the claim for indemnification;
 - (ii) This indemnity is limited to 50% of the provincial liability for losses in relation to Project Development Funding (i.e. 25% of the total claim);
 - (iii) This indemnity is limited to 50% of all losses, costs and expenses incurred by the County that relate to environmental or pollution claims, including claims against CMHC; and
 - (iv) There is no indemnification for losses covered solely by CMHC or by other insurance.

5.3 Proponent - Province

- (a) The Proponent shall indemnify the Province for any claims against the County and/or CMHC, in accordance with the Contribution Agreement.
- (b) The Proponent shall indemnify the County for any claims against the Province and/or CMHC, in accordance with the Contribution Agreement.

5.4 Proponent - County

- (a) Where there is a direct relationship between the County and a Proponent, the Proponent shall indemnify the County for all Federal Funds and Provincial Funds paid in the event of a claim against the County or CMHC.
- (b) Indemnification of CMHC will be required during the construction and occupancy period of a project. Indemnification of the County will be required throughout the Affordability Period.

6. **RECOVERY OF FUNDS**

6.1 Under the SIF-IAH, a number of circumstances could arise which could make a project “noncompliant”. Examples include:

- (a) Construction Failures - increased construction costs, bankruptcy;
- (b) Environmental considerations - with the exception of those identified and

recorded in advance of an SIF-IAH funding commitment;

- (c) Program compliance violations - project fails to remain affordable or does not maintain its affordability target for the full 20 years, or Funds are misused.

6.2 Province - CMHC

- (a) CMHC would not expect full repayment of federal capital by the Province if the Province and the County confirms that “best efforts” were made to collect the Funds.
- (b) Best efforts would involve adherence by the County to the “risk sharing protocols” in order to minimize occurrence of failure. Furthermore, the parties will need to explore all available remedies with the County, the Province, Proponents and CMHC, and implement the best remedy to the extent possible.
- (c) If efforts lead to a recovery of capital Funds, CMHC would expect a repayment of “a pro rata portion” of the Federal Funds. All three funding partners shall share in any proceeds recovered, in proportion to their contributions.
- (d) A sliding scale for CMHC forgiveness is set at 5% per year over 20 years. Under certain circumstances, the County will share this forgiveness with Service Managers and Proponents, otherwise the County will collect these Funds for recycling in other projects.
- (e) Federal Funds could either be repaid by the Service Manager to the County and recycled in new commitments before March 31, 2018 or refunded directly to

CMHC after this date.

- (f) In the event that auditors discover misuse of Federal Funds as per the SIF- IAH Agreement, CMHC would expect a refund from the County where applicable. The amount owing could be reduced based on earned forgiveness of the principal amount during the period of project compliance.

6.3 County - Province

- (a) In the event a project ceases to be an SIF-IAH project for reasons related to negligence, misuse or non-compliance, the County shall repay the Province all Provincial Funds advanced during the period of non-compliance. It is acknowledged that where the first mortgagee or CMHC has gained possession, as a result of a default under the insured loan, they would not assume any liability for Provincial Funds paid to the Proponent during the period of non-compliance prior to the date the first mortgagee or CMHC took possession.
- (b) In the event a project ceases to be compliant due to the negligence of the County, the County shall repay the Province all Federal Funds, less any earned forgiveness of the principal amount during the period of project compliance.

6.4 Proponent - County

- (a) The County shall adopt a similar position if a project terminates under reasonable circumstances. That is, best efforts can be made to recover Funds, but if there were no proceeds available, repayment would not be expected.

- (b) In situations of non-compliance due to misuse or negligence, the County is expected to take remedies available to recover Funds.

6.5 Proponent - County

- (a) In situations of non-compliance due to misuse or negligence, the Proponent shall repay the County all Federal Funds and Provincial Funds.

- (b) If a project ceases to operate as an SIF-IAH project, under reasonable circumstances, the provincial affordability payment would end and best efforts will be made to recover the Provincial Funds paid during any period of non-compliance. In the event no proceeds were available, repayment would not be expected.

Corporation of the County of Grey

By-Law 4960-17

A By-law to Establish Certain Lands in the Town of the Blue Mountains (geographic Township of Collingwood) Described in Schedule 'A' as Part of the County Highway Upon Which the Lands Abut

WHEREAS Section 11 of the Municipal Act, 2001 as amended provides that an upper tier municipality may pass a by-law respecting highways, including parking and traffic on highways under its jurisdiction;

AND WHEREAS Section 31 of the Municipal Act, 2001 as amended provides that a municipality may by by-law, establish a highway and that if a municipality acquires land for the purpose of widening a highway, the land acquired forms part of the highway to the extent of the designated highway;

AND WHEREAS it would appear that part of Lot 28, Concession 8; Collingwood, was conveyed to the County for road widening purposes through Instrument Number 135961 on January 31, 1973, but was never acquired or joined to the county road system by by-law.

NOW THEREFORE BE IT RESOLVED THAT THE COUNCIL OF THE CORPORATION OF THE COUNTY OF GREY HEREBY ENACTS AS FOLLOWS:

1. The lands described in Schedule 'A' attached hereto are hereby laid out and established as part of the common public highway upon which they abut under the jurisdiction of the Corporation of the County of Grey.
2. That the Warden and Clerk are hereby authorized to execute all documents necessary to complete the acquisition and joining of the lands authorized in Section 1.

ENACTED AND PASSED this 12th day of January, 2017.

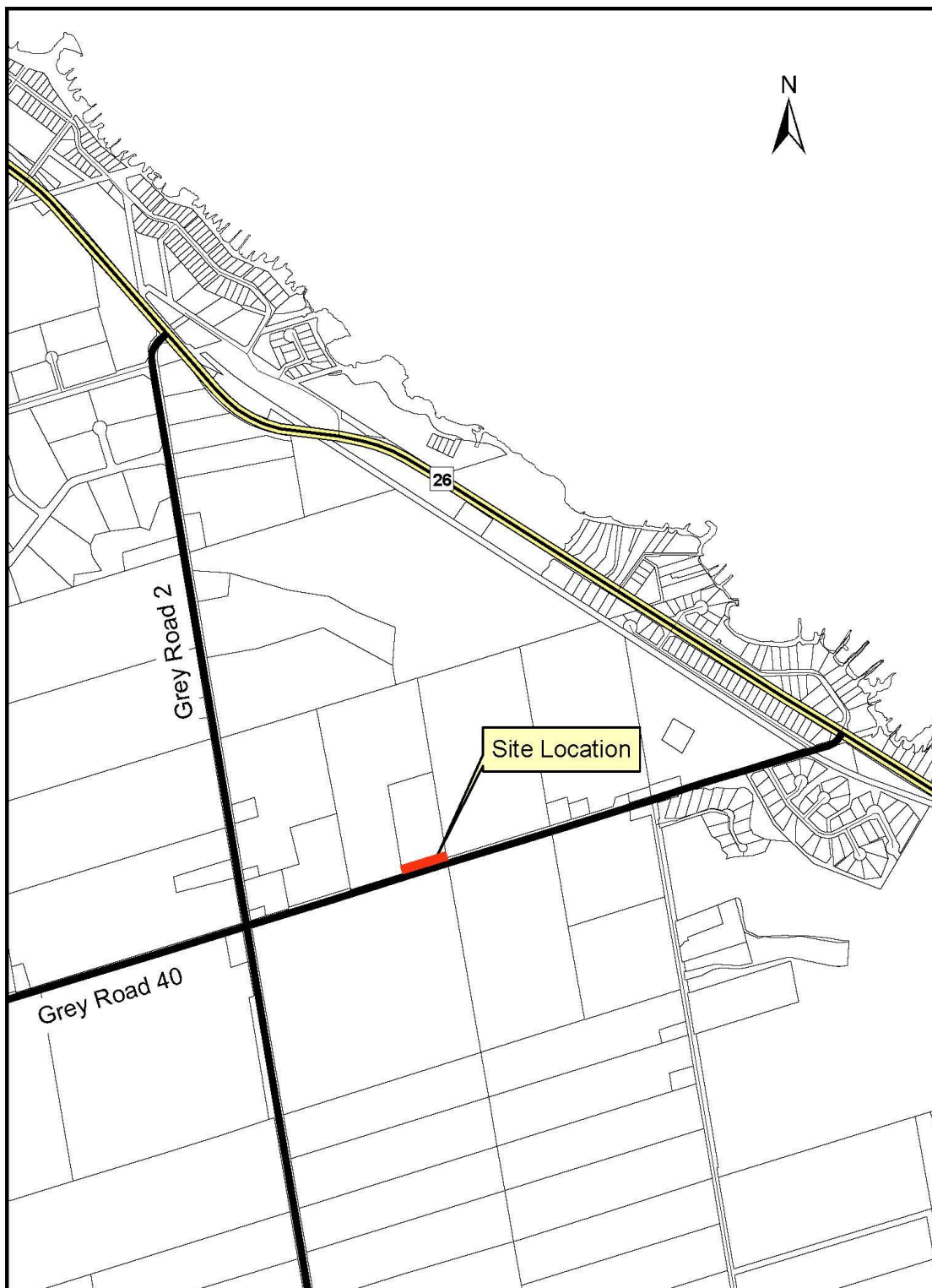
WARDEN: Alan Barfoot

CLERK: Sharon Vokes

Corporation of the County of Grey Schedule 'A' to By-law 4960-17

Part of Lot 28, Concession 8, Town of the Blue Mountains (geographic Township of Collingwood) County of Grey described in instrument R135961 being part of PIN 37142-0055.

(Darling to Corporation)



Corporation of the County of Grey

By-Law 4961-17

A By-law to Establish Certain Lands in the Township of Southgate (geographic Township of Egremont) Described in Schedule 'A' as Part of the County Highway Upon Which the Lands Abut

WHEREAS Section 11 of the Municipal Act, 2001 as amended provides that an upper tier municipality may pass a by-law respecting highways, including parking and traffic on highways under its jurisdiction;

AND WHEREAS Section 31 of the Municipal Act, 2001 as amended provides that a municipality may by by-law, establish a highway and that if a municipality acquires land for the purpose of widening a highway, the land acquired forms part of the highway to the extent of the designated highway;

AND WHEREAS it would appear that part of Lots 38 and 39, Concession 3; Egremont, being Parts 1 and 2 of Plan 16R-7044 (Instrument Number RR-400625) and part of Lot 38, Concession 3, Egremont being Part 25 of Plan 17R-306 (Instrument Number R-314114) were conveyed to the County for road widening purposes on September 4, 1998 and March 23, 1992 respectively but were never acquired or joined to the county road system by by-law.

NOW THEREFORE BE IT RESOLVED THAT THE COUNCIL OF
THE CORPORATION OF THE COUNTY OF GREY HEREBY ENACTS AS FOLLOWS:

1. The lands described in Schedule 'A' attached hereto are hereby laid out and established as part of the common public highway upon which they abut under the jurisdiction of the Corporation of the County of Grey.
2. That the Warden and Clerk are hereby authorized to execute all documents necessary to complete the acquisition and joining of the lands authorized in Section 1.

ENACTED AND PASSED this 12th day of January, 2017.

WARDEN: Alan Barfoot

CLERK: Sharon Vokes

Corporation of the County of Grey Schedule 'A' to By-law 4961-17

Part of Lots 38 and 39, Concession 3, Township of Southgate (geographic Township of Egremont), County of Grey, being parts 1 and 2 of Plan 16R-7044, subject to the rights of ingress and egress over to and along Parts 1 and 2 of Plan 16R-7044 (Instrument Number R-400625)

Part of Lot 38, Concession 3, Township of Southgate (geographic Township of Egremont), County of Grey, Part 25 of Plan 17R-306 (Instrument Number R-314114)

(Watson to Corporation)

