

ONTARIO TRANSFER PAYMENT AGREEMENT

for the GreenON Social Housing program

THE AGREEMENT, effective as of April 24, 2018 (the “**Effective Date**”),

B E T W E E N:

Housing Services Corporation

(“**HSC**”)

- and -

Corporation of the City of London

(the “**Service Manager**”)

BACKGROUND

The Service Manager intends to participate in the GreenON Social Housing program (the “Program”), more particularly described in Schedule C.

HSC wishes to provide Funds to the Service Manager for the Program.

CONSIDERATION

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

ENTIRE AGREEMENT

This agreement (the “**Agreement**”), including:

Schedule “A” - General Terms and Conditions

Schedule “B” - Program Specific Information and Additional Provisions

Schedule “C” - Program Description and Timelines

Schedule “D” - Budget

Schedule “E” - Payment Plan

Schedule “F” - Reporting

Schedule “G” - Program Delivery and Fiscal Plan (PDFP)

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

COUNTERPARTS AND TRANSMISSION

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

This Agreement may be validly executed and delivered by means of transmission of signed facsimile or by email transmission of an electronically scanned original signature (such as PDF format).

AMENDING THE AGREEMENT

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

ACKNOWLEDGEMENT

The Service Manager:

- (a) acknowledges that it has read and understands the provisions contained in the entire Agreement; and
- (b) agrees to be bound by the terms and conditions contained in the entire Agreement.

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

Housing Services Corporation	
Name:	Howie Wong
Title:	CEO
Date:	April 24, 2018
	Authorizing Signing Officer

Corporation of the City of London		
Name:		
Title:		
Date:		
	Authorizing Signing Officer	Authorizing Signing Officer

SCHEDULE "A"
GENERAL TERMS AND CONDITIONS

1.0 INTERPRETATION AND DEFINITIONS

1.1 Interpretation. For the purposes of interpretation:

- (a) words in the singular include the plural and vice-versa;
- (b) words in one gender include all genders;
- (c) the headings do not form part of the Agreement; they are for reference only and will not affect the interpretation of the Agreement;
- (d) any reference to dollars or currency will be in Canadian dollars and currency; and
- (e) "include", "includes" and "including" denote that the subsequent list is not exhaustive.

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

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

"Administration Costs" means the Service Manager's costs of performing tasks under this Agreement but only up to 5% of the total Maximum Funds.

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

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

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

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

- (a) is subject to a transferred housing program under the Housing Services Act, 2011;
- (b) is an apartment building with fewer than 100 units with a specific business case identifying activities that fulfill the objectives of the program and demonstrating GHG emission reductions.
- (c) must remain Affordable for the Three Year Affordability Period, including a minimum of three (3) years as social housing under the Housing Services Act, 2011, regardless of the end dates of any operating agreements and/or mortgage maturation;
- (d) is selected by the Service Manager through a competitive process to participate in the Program; and

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

“Eligible Housing Provider” means,

a housing provider that,

- (a) owns and operates an Eligible Housing Project;
- (b) is a local housing corporation, a non-profit corporation or a non-profit housing co-operative corporation;
- (c) is selected by the Service Manager through a competitive process to participate in the Program; and
- (d) meets such other criteria as the Service Manager may require.

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

- (a) replacing building heating and/or cooling systems and associated sub-components of these systems including mechanical insulation;
- (b) upgrading exterior or interior insulation;
- (c) solar walls;
- (d) upgrading building windows and/or exterior doors;
- (e) Upgrading building lighting systems including converting to light-emitting diode (LED) lighting systems, lighting controls or sensors;
- (f) re-cladding or upgrading building envelopes
- (g) Retrofits that utilize latest low-carbon and carbon-free energy technologies/systems; and
- (h) performing required building energy audits

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

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

“Funding Year” means:

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

“Funds” means the money HSC provides to the Service Manager pursuant to the Agreement.

“Green House Gas” or “GHG” has the meaning assigned to it in Schedule “C”.

“Green Ontario Fund” means the Ontario Climate Change Solutions Deployment Corporation, established by O.Reg 46/17 under the *Development Corporations Act*.

“Indemnified Parties” means HSC, its directors, officers, employees and agents.

“Maximum Funds” means the maximum amount HSC will provide the Service Manager under the Agreement as set out in Schedule “B”.

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

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

“Party” means either HSC or the Service Manager.

“PIF” means a Project Information Form in the form and format required by HSC;

“Program” means the program described in Schedule “C”.

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

“Reports” means the reports described in Schedule “F”.

“Three Year Affordability Period” means, for each participating Eligible Housing Project, the three (3) year period following completion of its approved Eligible Work.

“Timelines” means the timelines set out in Schedule “C”.

2.0 REPRESENTATIONS, WARRANTIES AND COVENANTS

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

- (a) it is, and will continue to be, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- (b) it has, and will continue to have, the experience and expertise necessary to carry out the Program;
- (c) it is in compliance, and will continue to comply with, with all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules and by-laws related to any aspect of the Program, the Funds or both; and
- (d) unless otherwise provided for in the Agreement, any information the Service Manager provided to HSC in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Service Manager provided it and will continue to be true and complete.

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

- (a) the full power and authority to enter into the Agreement; and
- (b) taken all necessary actions to authorize the execution of the Agreement.

2.3 Governance. The Service Manager represents, warrants and covenants that it has, and will maintain, in writing and will follow:

- (a) a code of conduct and ethical responsibilities for all persons at all levels of the Service Manager's organization;
- (b) procedures to enable the ongoing effective functioning of the Service Manager;
- (c) decision-making mechanisms for the Service Manager;
- (d) procedures to enable the Service Manager to manage Funds prudently and effectively;
- (e) procedures to enable the Service Manager to complete the Program successfully;
- (f) procedures to enable the Service Manager, in a timely manner, to identify risks to the completion of the Program, and strategies to address the identified risks;
- (g) procedures to enable the preparation and submission of all Reports required pursuant to Article 7.0; and
- (h) procedures to enable the Service Manager to deal with such other matters as the Service Manager considers necessary to ensure that the Service Manager carries out its obligations under the Agreement.

2.4 Supporting Documentation. Upon the request of HSC, the Service Manager will provide HSC with proof of the matters referred to in this Article A2.0.

3.0 TERM OF THE AGREEMENT

3.1 Term. The term of the Agreement will commence on the Effective Date and will expire on the Expiration Date unless terminated earlier pursuant to Article A13.0, Article A14.0 or Article A15.0.

4.0 FUNDS AND CARRYING OUT THE PROGRAM

4.1 HSC will:

- (a) provide the Service Manager up to the Maximum Funds for the purpose of carrying out the Program;
- (b) provide the Funds to the Service Manager in accordance with the Payment Plan attached to the Agreement as Schedule "E"; and
- (c) deposit the Funds into a separate account designated by the Service Manager provided that the account:

- (i) resides at a Canadian financial institution; and
- (ii) is in the name of the Service Manager.

4.2 Limitation on Payment of Funds. Despite section 4.1:

- (a) HSC is not obligated to provide any Funds to the Service Manager until the Service Manager provides the insurance certificate or other proof as HSC may request pursuant to section 12.2;
- (b) HSC is not obligated to provide instalments of Funds until it is satisfied with the progress of the Program;
- (c) HSC may adjust the amount of Funds it provides to the Service Manager based upon the HSC's assessment of the information provided by the Service Manager pursuant to section 7.1;
- (d) if HSC does not receive the necessary appropriation from the Green Ontario Fund for payment under the Agreement for any reason whatsoever, HSC is not obligated to make any such payment, and, as a consequence, HSC may:
 - (i) reduce the amount of Funds and, in consultation with the Service Manager, change the Program; or
 - (ii) terminate the Agreement pursuant to section 14.1.
- (e) HSC is not obligated to provide any Funds to the Service Manager in excess of the cost of completed Eligible Work that was approved by the Service Manager plus Administration Costs; and
- (f) if HSC does not receive the necessary proceeds from the Green Ontario Fund, HSC is not obligated to provide any Funding, and, as a consequence, HSC may:
 - (i) reduce the amount of Funds and, in consultation with the Service Manager, change the program, or
 - (ii) terminate the Agreement pursuant to section 13.

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

- (a) any Funds not paid within 3 years from the start of Eligible Work for each project to an Eligible Housing Provider for the purposes of the Program or used by such date to off-set Administration Costs;
- (b) any Funds provided to an Eligible Housing Provider but not paid to a vendor within 3 years from the start of Eligible Work for each project;
- (c) any interest earned on the Funds referred to in clauses (a) and (b); and
- (d) any Funds provided to an Eligible Housing Provider for an Eligible Housing Project that does not remain Affordable for the Three Year Affordability Period, including a minimum of three (3) years as social housing under the Housing Services Act, 2011, prorated to reflect the portion of the three year period for which it is not Affordable.

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

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

- (a) carry out the Program in accordance with the terms and conditions of the Agreement;
- (b) use the Funds only for the purpose of carrying out the Program;
- (c) spend the Funds only in accordance with the Budget;
- (d) ensure that any Funds distributed to third parties by the Service Manager are covered by an agreement that includes:
 - (i) reporting back to the Service Manager on how the distributed Funds and interest earned are used; and
 - (ii) the ability to demand the return of those Funds and an amount equal to the interest earned if not spent in accordance with the agreement between the Service Manager and the third party;
- (e) ensure the Funds are deposited by the third party into a separate account at a Canadian financial institution that is in the name of the third party; and
- (f) not use the Funds to cover any specific cost that has or will be funded or reimbursed by any third party, including other ministries, agencies and organizations of the Government of Ontario. For clarity, Eligible Work by the Program shall not be eligible for funding pursuant to the Social Housing Apartment Improvement Program (SHAIP), Social Housing Apartment Retrofit Program (SHARP), Social Housing Electricity Efficiency Program (SHEEP) or the Municipal GHG Challenge Fund.

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

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

4.6 **Interest Bearing Account.** If HSC provides Funds to the Service Manager before the Service Manager's immediate need for the Funds, the Service Manager will place the Funds in an interest bearing account in the name of the Service Manager at a Canadian financial institution.

4.7 **Interest.** If the Service Manager earns any interest on the Funds, HSC may:

- (a) deduct an amount equal to the interest from any further instalments of Funds; or
- (b) demand from the Service Manager the repayment of an amount equal to the interest.

- 4.8 **Maximum Funds.** The Service Manager acknowledges that the Funds available to it pursuant to the Agreement will not exceed the Maximum Funds.
- 4.9 **Rebates, Credits and Refunds.** The Service Manager acknowledges that the amount of Funds available to it pursuant to the Agreement is based on the actual costs to the Service Manager, less any costs (including taxes) for which the Service Manager has received, will receive, or is eligible to receive, a rebate, credit or refund.
- 4.10 **Funding, Not Procurement.** For greater clarity, the Service Manager acknowledges that it is receiving funding from HSC for the Program and is not providing goods or services to HSC.
- 4.11 **Program Over Budget.** The Service Manager acknowledges that should the Program expenses exceed the amount of the Funds, HSC is not responsible for any additional funding and the Service Manager undertakes to incur all further costs necessary to carry out the Program and complete the Program Delivery and Fiscal Plan.

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

- 5.1 **Acquisition.** If the Service Manager acquires goods, services, or both with the Funds or the interest earned, it will do so through a process that promotes the best value for money, and will comply with the Broader Public Sector Accountability Act, 2010 (Ontario), including any procurement directive issued thereunder, to the extent applicable.
- 5.2 **Disposal.** The Service Manager will not, without the HSC's prior written consent, sell, lease, or otherwise dispose of any asset purchased or created with the Funds or for which Funds were provided, the cost of which exceeded the amount as set out in Schedule "B" at the time of purchase.

6.0 **CONFLICT OF INTEREST**

- 6.1 **No Conflict of Interest.** The Service Manager will carry out the Program and use the Funds and interest earned without an actual, potential or perceived conflict of interest.
- 6.2 **Conflict of Interest Includes.** For the purposes of this Article, a conflict of interest includes any circumstances where:

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

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

- 6.3 **Disclosure to HSC.** The Service Manager will:

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

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

7.0 REPORTING, ACCOUNTING AND REVIEW

7.1 Preparation and Submission. The Service Manager will:

- (a) submit to HSC at the address referred to in section 19.1, all Reports in accordance with the timelines and content requirements set out in Schedule "F", or in a form as specified by HSC from time to time;
- (b) submit to HSC at the address referred to in section 19.1, any other reports as may be requested by HSC in accordance with the timelines and content requirements specified by HSC;
- (c) ensure that all Reports and other reports are completed to the satisfaction of HSC; and
- (d) ensure that all Reports and other reports are signed on behalf of the Service Manager by an authorized signing officer.

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

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

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

- (a) inspect and copy the records and documents referred to in section 7.2;
- (b) remove any copies made pursuant to section 7.3(a) from the Service Manager's premises; and
- (c) conduct an audit or investigation of the Service Manager in respect of the expenditure of the Funds, the Program, or all three.
- (d) HSC may conduct an annual audit in respect of the information addressed in this section 7.3.

7.4 Disclosure. To assist in respect of the rights set out in section 7.3, the Service Manager will disclose any information requested by HSC, its authorized representatives or an independent

auditor identified by HSC, and will do so in the form requested by HSC, its authorized representatives or an independent auditor identified by HSC, as the case may be.

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

7.6 Expenses. The Service Manager shall document expenses through invoices, receipts or records acceptable to HSC and such invoices, receipts, records and other documents are subject to verification by HSC.

7.7 Auditor General. For greater certainty, the Green Ontario Fund's rights under this Article are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario). The Parties acknowledge that the use of Funds is subject to review by the Auditor General of the Province of Ontario.

8.0 COMMUNICATIONS REQUIREMENTS

8.1 Acknowledge Support. Unless otherwise directed by HSC, the Service Manager will acknowledge the support of the Green Ontario Fund in a form and manner as directed by HSC.

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

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

8.4 Announcements. The Service Manager shall not publicly announce receiving the Funds or anything to do with the Agreement, at one or more Program events, until permitted by HSC.

8.5 Use of Green Ontario Fund logo. The Service Manager may only use the Green Ontario Fund logo by requesting and obtaining written approval from the HSC. The placement of the logo on the Service Manager's materials will clearly identify the Green Ontario Fund as a funder, funding supporter or sponsor, and not as a partner or similar.

9.0 FURTHER CONDITIONS

9.1 Additional Provisions. The Service Manager will comply with any Additional Provisions. In the event of a conflict or inconsistency between any of the requirements of the Additional Provisions and any requirements of this Schedule "A", the Additional Provisions will prevail.

10.0 FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY

10.1 FIPPA. The Service Manager acknowledges that the Green Ontario Fund is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided

to the Green Ontario Fund in connection with the Program or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

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

11.0 INDEMNITY

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

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

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

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

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

12.0 INSURANCE

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

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

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

- (b) a cross-liability clause;
- (c) contractual liability coverage; and
- (d) a 30 day written notice of cancellation.

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

13.0 TERMINATION ON NOTICE

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

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

- (a) cancel all further instalments of Funds;
- (b) demand the repayment of any Funds remaining in the possession or under the control of the Service Manager, and interest earned thereon (if any); and
- (c) determine the reasonable costs for the Service Manager to wind down the Program, and do either or both of the following:
 - (i) permit the Service Manager to offset such costs against the amount owing pursuant to section 13.2(b); and
 - (ii) subject to section 4.8, provide Funds to the Service Manager to cover such costs.

14.0 TERMINATION WHERE NO APPROPRIATION

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

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

- (a) cancel all further instalments of Funds;
- (b) demand the repayment of any Funds remaining in the possession or under the control of the Service Manager; and

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

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

15.0 EVENT OF DEFAULT, CORRECTIVE ACTION AND TERMINATION FOR DEFAULT

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

- (a) in the opinion of HSC, the Service Manager breaches any representation, warranty, covenant or other material term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:
 - (i) carry out the Program and the Program Delivery and Fiscal Plan;
 - (ii) comply with any of the terms of Schedule "C";
 - (iii) use or spend Funds or interest earned; or
 - (iv) provide, in accordance with section 7.1, Reports or such other reports as may have been requested pursuant to section 7.1(b).
 - (v) the **Service Manager** fails to respond to any inquiry of the Province of Ontario pertaining to the *Public Sector Salary Disclosure Act, 1996* (Ontario).

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

- (a) initiate any action HSC considers necessary in order to facilitate the successful continuation or completion of the Program;
- (b) provide the Service Manager with an opportunity to remedy the Event of Default;
- (c) suspend the payment of Funds for such period as HSC determines appropriate;
- (d) reduce the amount of the Funds or Maximum Funds;
- (e) cancel all further instalments of Funds;
- (f) demand the repayment of any Funds, or an amount equal to the interest earned, remaining in the possession or under the control of the Service Manager;
- (g) demand the repayment of an amount equal to any Funds and interest earned, the Service Manager used, but did not use in accordance with the Agreement;
- (h) demand the repayment of an amount equal to any Funds, HSC provided to the Service Manager and only interest earned;

- (i) terminate the Agreement at any time, including immediately, without liability, penalty or costs to HSC upon giving Notice to the Service Manager; and
- (j) demand the repayment of an amount equal to, at the discretion of the HSC, either the interest earned on the amount demanded under subsection (f), (g) or (h), or the interest imputed to be earned on such amount based on the then current interest rate charged by the Province of Ontario on accounts receivable, calculated from the date of the Event of Default.

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

- (a) the particulars of the Event of Default; and
- (b) the Notice Period.

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

- (a) the Service Manager does not remedy the Event of Default within the Notice Period;
- (b) it becomes apparent to HSC that the Service Manager cannot completely remedy the Event of Default within the Notice Period; or
- (c) the Service Manager is not proceeding to remedy the Event of Default in a way that is satisfactory to HSC,

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

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

16.0 FUNDS AT THE END OF EACH FUNDING YEAR

16.1 Funds at the End of each Funding Year. Without limiting any rights of HSC under Article A15.0, if the Service Manager has not spent all the Funds allocated for the Funding Year as provided in the Budget, HSC may take one or both of the following actions:

- (a) demand the return of the unspent Funds and an amount equal to the interest earned; and
- (b) adjust the amount of any further instalments of Funds accordingly.

17.0 FUNDS UPON EXPIRY

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

18.0 REPAYMENT

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

- (a) deduct an amount equal to the excess Funds from any further instalments of Funds; or
- (b) demand that the Service Manager pay an amount equal to the excess Funds and interest earned, to HSC.
- (c) deduct from any further instalments of Funds an amount equal to, at the discretion of HSC, either the interest earned on the amount deducted under subsection (a) or the interest imputed to be earned on said amount based on the then current interest rate charged by the Province of Ontario on accounts receivable, calculated from the date of overpayment;
- (d) demand demand that the Service Manager pay an amount to HSC equal to, at the discretion of HSC, either the interest earned on the amount deducted under subsection (b) or the interest imputed to be earned on said amount based on the then current interest rate charged by the Province of Ontario on accounts receivable, calculated from the date of overpayment;
- (e) deduct deduct the amounts referred to in both subsection (a) and (c) from any further instalments of Funds; or
- (f) demand that the Service Manager pay an amount equal to the amounts referred to in both subsection (b) and (d).

18.2 Debt Due. If, pursuant to the Agreement:

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

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

18.4 Payment of Money to HSC. The Service Manager will pay any money owing to HSC by cheque

payable to the "Housing Services Corporation" and delivered to HSC at the address referred to in section 19.1.

18.5 Failure to Repay. Without limiting the application of section 43 of the *Financial Administration Act* (Ontario), if the Service Manager fails to repay any amount owing under the Agreement, the Green Ontario Fund may deduct any unpaid amount from any money payable to the Service Manager by the Green Ontario Fund. The parties confirm that the Green Ontario Fund shall have this right though it is not a party to this Agreement. In addition, HSC may pursue any remedies at law it may have to compel payment of such Funds.

19.0 NOTICE

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

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

- (a) in the case of postage-prepaid mail, five Business Days after the Notice is mailed; or
- (b) in the case of email, personal delivery or fax, one Business Day after the Notice is delivered.

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

- (a) Notice by postage-prepaid mail will not be deemed to be received; and
- (b) the Party giving Notice will provide Notice by email, personal delivery or by fax.

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

20.0 CONSENT HSC AND COMPLIANCE BY SERVICE MANAGER

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

21.0 SEVERABILITY OF PROVISIONS

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

22.0 WAIVER

22.1 Waivers in Writing. If a Party fails to comply with any term of the Agreement, that Party may only rely on a waiver of the other Party if the other Party has provided a written waiver in accordance

with the Notice provisions in Article 19.0. Any waiver must refer to a specific failure to comply and will not have the effect of waiving any subsequent failures to comply.

23.0 INDEPENDENT PARTIES

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

24.0 ASSIGNMENT OF AGREEMENT OR FUNDS

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

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

25.0 GOVERNING LAW

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

26.0 FURTHER ASSURANCES

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

27.0 RIGHTS AND REMEDIES CUMULATIVE

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

28.0 SURVIVAL

28.1 Survival. The following Articles and sections, and all applicable cross-referenced sections and schedules, will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Article 1.0 and any other applicable definitions, Article 3.0, section 4.2(d), 4.11, 4.7, section 5.2, section 7.1 (to the extent that the Service Manager has not provided the Reports to the satisfaction of HSC), sections 7.2, 7.3, 7.4, 7.5, 7.6, Article 8.0, Article

11.0, section 13.2, sections 14.2 and 14.3, sections 15.1, 15.2, Article 17.0, Article 18.0, Article 19.0, Article 21.0, section 24.2, Article 25.0, Article 27.0 and Article 28.0. .

29.0 ACCESSIBILITY

29.1 Meetings and Events. In using the Funds for meetings, or similar events, the Service Manager will consider the accessibility needs of attendees with disabilities, both in terms of physical access to the event/meeting space, as well as access to the event/meeting contents and proceedings. The Service Manager will use best efforts to accommodate these needs.

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

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

29.4 Venue Examples. For assistance with the Service Manager's obligations under section 29.3, examples of areas where accessibility should be considered include: parking, sidewalks/paths of travel, accessible transit, entrances and lobbies, elevators, accessible washrooms, hallways and corridors, and meeting and conference rooms. Materials to assist in these considerations may be found on the website of the Ministry of Economic Development, Employment & Infrastructure.

30.0 PERSONAL INFORMATION and PARTICIPATION BY MINORS

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

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

31.0 INDIGENOUS CONSULTATION

31.1 Notification. The Service Manager agrees to immediately notify HSC if any Indigenous group makes any inquiries about the Program.

32.0 ENVIRONMENTAL INITIATIVES

32.1 Meetings. In using the Funds for meetings, the **Service Manager** will use best efforts to hold virtual meetings instead of requiring attendees to travel to meetings in person.

32.2 Printing. In using the Funds for printing, the **Service Manager** will use best efforts to:

- (a) minimize the need to print documents by scanning and e-mailing documents that might otherwise be printed;
- (b) print or copy double-sided and in black and white when printing or copying is necessary; and
- (c) purchase paper from environmentally responsible sources.

32.3 Environmentally Responsible Sources. For assistance with the Recipient's obligations under section 32.2(c), environmentally responsible sources provide virgin bulk paper certified by third party verified forest certification systems such as Forest Stewardship Council (FSC), Canadian Standards Association (CSA) or Sustainable Forest Initiative (SFI).

33.0 PERSONAL INFORMATION and PARTICIPATION BY MINORS

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

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

34.0 LIMITATION OF LIABILITY

34.1 Limitation of Liability. The HSC and its officers, employees and agents shall not be liable to the Service Manager or any of the Service Manager's personnel for costs, losses, claims, liabilities and damages howsoever caused (including any incidental, indirect, special or consequential damages, injury or any loss of use or profit of the Recipient) arising out of or in any way related to the Program or otherwise in connection with the Agreement, unless solely caused by the negligence or wilful misconduct of the HSC's officers, employees or agents.

- END OF GENERAL TERMS AND CONDITIONS -

SCHEDULE “B”

PROGRAM SPECIFIC INFORMATION AND ADDITIONAL PROVISIONS

Maximum Funds	\$972,546
Expiration Date	The earlier of March 31, 2024 and the date that is 60 days after the date on which HSC receives the last Annual Program Compliance Attestation Report
Amount for the purposes of section 5.2 of Schedule “A”	\$1,000.00
Insurance	\$2,000,000.00
Contact information for the purposes of Notice to HSC	<p>Name: Housing Services Corporation</p> <p>Address: 30 Duncan Street, Suite 500 Toronto ON M5V 2C3</p> <p>Attention: Howie Wong, CEO</p> <p>Fax: 416-594-9422</p> <p>Email: hwong@hscorp.ca</p>
Contact information for the purposes of Notice to the Service Manager	<p>Name:</p> <p>Address:</p> <p>Attention:</p> <p>Fax:</p> <p>Email:</p> <p>Telephone:</p>
Contact information for the senior financial person in the Service Manager organization (e.g., CFO, CAO) to respond as required to requests from HSC related to the Agreement	<p>Name:</p> <p>Position:</p> <p>Fax:</p> <p>Email:</p> <p>Telephone:</p>

SCHEDULE “C”

PROGRAM DESCRIPTION AND TIMELINES

1 BACKGROUND

Funded through proceeds from the province’s carbon market, the Green Ontario Fund is a not-for-profit provincial agency tasked with reducing greenhouse gas pollution in buildings and industry while helping Ontarians save money on energy costs. Through various programs and partnerships, the Green Ontario Fund helps people, communities and businesses take climate action into their own hands.

On February 9, 2018, the Green Ontario Fund (GreenON) announced the GreenON Social Housing program for eligible social housing apartment buildings across Ontario. Administered by the Housing Services Corporation (HSC), the Program will invest \$25 million to support GHG-reducing retrofits in social housing apartment buildings across the province with fewer than 100 units. With buildings generating almost a quarter of Ontario’s greenhouse gas emissions, this announcement supports the province’s Climate Change Action Plan.

Studies have indicated that substantial GHG emissions reductions can be achieved through targeted investments to upgrade mechanical systems and insulation in apartment buildings. The majority of Ontario’s medium and large-size apartment buildings were developed at a time when greenhouse gas emissions were not a concern and little attention was paid to energy-efficient design. Social housing buildings with less than 100 units have shown a similar opportunity for emissions reductions to that seen in large apartment buildings, which are already served by emissions reduction funding programs. Many of these buildings are now at a period of their life-cycles where major building systems must be replaced. Investing in energy efficiency upgrades in apartment buildings with fewer than 100 units will help reduce greenhouse gas emissions, improve the quality and sustainability of social housing stock in Ontario, and enhance the quality-of-life of tenant households.

For the purposes of this Program, “**Greenhouse Gas**” or “**GHG**” is defined as the following types of gas and such other contaminants as may be prescribed as greenhouse gas by any regulations, including:

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

HSC has received \$25 Million from the Ontario Climate Change Solutions Deployment Corporation to support GHG retrofits in social housing apartment buildings with fewer than 100 units. This Program will continue the success of Ontario’s recent Social Housing Apartment Retrofit Program (SHARP) and Social Housing Apartment Improvement Program (SHAIP). Key outcomes expected from the program include:

- Reducing GHG emissions in social housing apartment buildings across Ontario through targeted energy efficiency retrofits;
- Increasing comfort and quality of life for Ontario’s low-income and vulnerable tenants;
- Lowering operating costs for social housing providers through the energy savings associated with the retrofit activities, which will improve the sustainability of existing social housing stock;

- Supporting the GHG retrofit sector and creating local jobs across Ontario, including rural and northern communities, where retrofit activities are taking place.

2 PROGRAM OBJECTIVE

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

3 FUNDING ALLOCATION

HSC will provide the Service Manager with Maximum Funding Allocations prior to the signing of the Transfer Payment Agreement. This will allow Service Managers to follow their procedures and obtain Council/Board approval and enter into contracts with housing providers to complete the necessary retrofits.

The Service Manager will electronically submit signed copies of their Transfer Payment Agreement by June 30, 2018 and a completed Program Delivery and Fiscal Plan (PDFP) by June 30, 2018 to Rosabelle Gonzales at rgonzales@hscorp.ca.

The Program Delivery and Fiscal Plan will briefly describe the repair activities the Service Manager plans to undertake, the number of buildings and units that will receive the funding, a quarterly projected investments and percentage of administration funding (up to 5%). The Service Manager is required to submit quarterly updates to the PDFP for reporting the actual expenditures made, to be provided electronically to HSC in accordance with Schedule F.

4 SCOPE OF PROGRAM

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

- 1. General Service Manager Program Obligations.** The Service Manager shall,
 - (a) administer and deliver the Program;
 - (b) approve Eligible Work for Eligible Housing Projects (taking into account the below priorities) in accordance with policies it has adopted respecting the procurement of goods and services;
 - (c) in approving Eligible Work for Eligible Housing Projects, prioritize the following in order to maximize greenhouse gas reductions, where possible:
 - (i) retrofits/replacements of building heating and cooling equipment (e.g. boilers and chillers, including mechanical system insulation);
 - (ii) upgrading exterior or interior insulation; upgrading windows and/or exterior doors;
 - (iii) solar walls;
 - (iv) converting to LED lighting and/or adding lighting controls or sensors; re-cladding or

- upgrading building envelopes;
 - (v) retrofits that utilize latest low-carbon and carbon-free energy technologies/systems; and
 - (vi) applications that combine several retrofits to achieve cumulative greenhouse gas emission reduction outcomes (e.g. proposed upgraded windows or insulation to increase the efficiency of a recently installed high-efficiency boiler).
- (d) allocate Funds to each Eligible Housing Provider based on the full cost of the Eligible Work it approves for each Eligible Housing Project operated by that Eligible Housing Provider;
 - (e) be solely responsible for ensuring that the Funds are sufficient to cover the cost of all Eligible Work that it approves. The Service Manager releases HSC from any claims it may have now or in the future relating to the Eligible Work that it approves and/or funds;
 - (f) use the Funds only to offset the full costs of Eligible Work on Eligible Housing Projects that has been approved by the Service Manager, and to offset Administration Costs;
 - (g) ensure that all Funds provided to Eligible Housing Providers supplement, and do not replace, funding for current or existing capital repair and maintenance obligations or planned investments by the Service Manager and/or the Eligible Housing Providers;
 - (h) acknowledge the requirement to ensure that GHG emission reductions are persistent and maintained, which will also lead to sustained energy cost savings for Eligible Housing Providers. As such, the Green Ontario Fund will seek input from the Service Manager in the potential development of an inspection, maintenance and repair program (on terms acceptable to the Service Manager, acting reasonably), based on manufacturers' specifications for the Eligible Housing Projects completed. As part of such program, the Service Manager is required to include in all of its contracts with Eligible Housing Providers, that the Eligible Housing Provider agrees to provide access (with reasonable notice) to the Green Ontario Fund (or its agent), for a minimum of three (3) years post-project implementation, to inspect the completed Eligible Housing Project and carry out maintenance and repairs as per the manufacturer's specifications all at the Green Ontario Fund's cost (which is subject to the Green Ontario Fund offering such a service in the future), unless the Eligible Housing Provider can demonstrate that it has contracted with another maintenance service provider;
 - (i) prior to providing any Funds to an Eligible Housing Provider, enter into an agreement with the Eligible Housing Provider that will at a minimum,
 - (i) require that the Funds and interest on the Funds be spent only on the Eligible Work approved by the Service Manager;
 - (ii) contain a clearly defined description of the Eligible Work to be carried out, a timeline for carrying out such Eligible Work and a budget;
 - (iii) require the return of any Funds and interest on the Funds not paid by March 31, 2021 for such Eligible Work;
 - (iv) permit HSC, its authorized representatives or an independent auditor identified by HSC, at

its own expense, upon twenty-four hours' Notice to the Eligible Housing Provider and during normal business hours, to enter upon the Eligible Housing Provider's premises or its Eligible Housing Project to review and confirm the project progress achievement of the Eligible Housing Project and, for these purposes, HSC, its authorized representatives or an independent auditor identified by HSC may inspect and copy the Eligible Housing Provider's records and documents;

- (v) maintain rental affordability of the retrofitted units for a minimum three (3) year period post-project implementation;
- (vi) require the return of Funds if the Eligible Housing Projects do not remain Affordable for the Three Year Affordability Period, including a minimum of three (3) years as social housing under the Housing Services Act, 2011;
- (vii) flow Funds to the Eligible Housing Provider at appropriate stages of work completion;
- (viii) in connection with the inspection, maintenance and repair program developed by the Green Ontario Fund (on terms acceptable to the Service Manager, acting reasonably), provide access (with reasonable notice) to the Green Ontario Fund (or its agent), for a minimum of 3-year post-project implementation, to inspect the completed Eligible Housing Project and carry out maintenance and repairs as per the manufacturer's specifications all at the Green Ontario Fund's cost (which is subject to the Green Ontario fund offering such a service in the future), unless the Eligible Housing Provider can demonstrate that it has contracted with another maintenance service provider;
- (ix) impose reporting and other obligations on the Eligible Housing Provider sufficient to allow the Service Manager to comply with its obligations under this Agreement;
- (j) monitor the construction activities associated with all approved Eligible Work and report to HSC on the achievement of milestones and the outcomes of the Eligible Work;
- (k) immediately inform HSC of:
 - (i) any failure by an Eligible Housing Provider to use the Funds or interest in accordance with the Program;
 - (ii) any misuse of Funds; and
 - (iii) any failure to carry out approved Eligible Work;
- (l) ensure that all approved Eligible Work is completed by March 31, 2021;
- (m) arrange for required building energy audits;
- (n) ensure that participating Eligible Housing Providers:
 - (i) minimize disruption to tenants while approved Eligible Work is undertaken;

- (ii) ensure the vendors who carry out the approved Eligible Work are selected in accordance with procurement policies that promote the best value for money;
 - (iii) ensure that participating Eligible Housing Projects remains Affordable for at least the Three Year Affordability Period, including a minimum of three (3) years as social housing under the Housing Services Act, 2011, regardless of the end dates of any operating agreements or mortgage maturation;
 - (iv) are financially viable; and
- (o) carry out the Program in accordance with all applicable laws.

2. Subsidies and Incentives.

- (1) The Service Manager shall encourage Eligible Housing Providers to take advantage of other subsidies or incentives for retrofit work available through other sources.
- (2) Funds may be used to supplement external subsidy or incentive funds offered through utility companies, local distribution companies, or other groups.
- (3) Funds may not be used to pay for portions of the Eligible Work that are covered by any subsidies, incentives or other funding received for the Eligible Work.
- (4) If any subsidies, incentives or other funding are used for funded Eligible Work, the equivalent amount of the subsidy, incentive or other funding must either be promptly returned to the Service Manager by the Eligible Housing Provider and subsequently refunded to HSC, or be used to carry out other Eligible Work with the goal of reducing greenhouse gas emissions in accordance with the Program objectives.
- (5) If the Service Manager has not complied with subsection (4), HSC may:
 - (a) deduct an amount equal to the subsidy, incentive or other funding from any further instalments of Funds; or
 - (b) demand from the Service Manager the repayment of an amount equal to the subsidy, incentive or other funding.

3. Project Completion

The Eligible Work is to be completed no later than March 31, 2021.

4. Building Energy Audit.

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

- (2) An Eligible Housing Provider may use an existing energy audit for an Eligible Housing Project if the existing energy audit is not older than one (1) year as of the date of the Eligible Housing Provider receiving a funding allocation.
- (3) In the event an Eligible Housing Project does not have an existing energy audit, or the existing energy audit is older than one (1) year following the funding allocation date, a new energy audit must be commissioned for the Eligible Housing Project.
- (4) Each building energy audit must show energy use in cubic metres of gas and kilowatt hours of electricity and total GHG emission reductions in kg of CO₂e for the relevant Eligible Housing Project for the three (3) previous years of operation, where possible.
- (5) The Service Manager must receive a copy of the energy audit prior to the start of any Eligible Work on each Eligible Housing Project.
- (6) The Service Manager must provide a copy of each report to HSC in accordance with the reporting requirements in "Schedule F".

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

- (1) The Service Manager shall require that, following completion of the Eligible Work for an Eligible Housing Project, the Eligible Housing Provider undertake energy use monitoring. The Eligible Housing Provider must report to the Service Manager on a monthly basis for a three year period following the implementation of the building retrofits, and provide the Service Manager energy use data for the year that preceded the retrofits completion date.
- (2) The Service Manager must collect and submit post-retrofit energy and emissions audit reports based on estimated energy savings, following completion of Eligible Work for an Eligible Housing Project. Service Managers shall report on performance measures achieved by each Eligible Housing Project including, at a minimum, the following:
 - GHG and energy savings on a building-specific basis;
 - Other economic benefits, including at a minimum job retention/creation, associated with implementing GHG-saving activities;
 - Leveraging of funds from local incentives;
- (3) The Service Manager must subsequently collect and maintain detailed actual energy related data for each participating Eligible Housing Project including:
 - (a) data reflecting the energy use and rated efficiency of the each item of previously installed equipment, or building element that is replaced or retrofitted under the Program, in cubic metres of gas and kilowatt hours of electricity and total GHG emission reductions in kg of CO₂e; and
 - (b) data reflecting the energy use and rated efficiency of each item of newly installed equipment, or building element that is installed or retrofitted under the Program, in cubic meters of gas and kilowatt hours of electricity and total GHG emission reductions in kg of

CO2e.

- (4) The Service Manager must also collect and maintain ongoing actual energy use data in cubic metres of gas and kilowatt hours of electricity for each Eligible Housing Project, for the three (3) years following the date of completion of the Eligible Work. The data must be broken down according to monthly use and be provided electronically to HSC in accordance with Schedule "F" and upon request.
- (5) The Service Manager will prepare a case study on at least one Eligible Housing Project that notes the environmental benefits and associated economic co-benefits of such project, outlines any barriers and how they were overcome and shall deliver the case study to HSC.
- (6) The Service Manager must work with accredited local resources, such as utility corporations, local distribution corporations, or appropriate energy experts, agencies or consultants to ensure the data provided meets any applicable standards.
- (7) HSC reserves the right to unilaterally amend the Service Manager's energy data obligations as necessary, in order to conform to any future requirements of the Ontario Climate Change Strategy for the purposes of reporting greenhouse gas emission reductions as part of provincial targets.
- (8) The Service Manager shall require that any Eligible Housing Provider receiving funding pursuant to the Program enroll in HSC's Utility Management Program. To this end the Service Manager shall make the delivery of the "UMP Release Form" to be provided by HSC a condition precedent to the advance of any funds pursuant to the Program. The Service Manager shall deliver the fully executed UMP Release Form to HSC.
- (9) The Service Manager shall participate in annual client program satisfaction surveys to be administered by HSC and require that any Eligible Housing provider receiving funding pursuant to the Program shall also be required to participate.
- (10) The Service Manager acknowledges that all data and information delivered by the Service Manager may be used, on a non-attributable basis, by HSC for sector research and program development.

6. Calculation of Greenhouse Gas Emissions.

- (1) As set out in Schedule "F", the Service Manager must provide HSC with the calculated amount of greenhouse gas emissions projected to be saved annually for each Eligible Housing Project, as well as information detailing the methodology for the calculation of these projected savings.
- (2) The Service Manager must ensure that Eligible Housing Providers work with an energy auditor or consultant to provide an engineering calculation of the total greenhouse gas emissions projected to be saved through the installed retrofits for each Eligible Housing Project.
- (3) The calculation will reflect the projected savings resulting from the Eligible Work completed for each Eligible Housing Project.

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

7. French Language Services.

- (1) The Service Manager agrees that where the Service Manager is providing a public service in connection with the Program and has an office located in or servicing an area designated in the Schedule to the French Language Services Act, the Service Manager shall:
 - (a) ensure services are provided in French; and
 - (b) make it known to the public, by way of signs, notices, other information on services, and initiation of communications in French, that services provided to and communications with the public in connection with the Program are available in French.
- (2) The Service Manager acknowledges that none of the French language services provisions of the Agreement authorize the Service Manager or provide it with the delegated authority to enter into any agreements on behalf of or otherwise bind HSC.

SCHEDULE “D”
BUDGET

Funds shall be used only to:

- (a) off-set the full cost of approved and completed Eligible Work on Eligible Housing Projects for Eligible Housing Providers;
- (b) off-set the cost of required building energy audits; and
- (c) off-set the Administration Costs up to 5% of the total Maximum Funds.

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

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

- (i) any travel, food or hospitality costs;
- (ii) any costs related to developing a business case, funding proposal or other activity with a similar aim;
- (iii) any costs related to activities undertaken with the actual or perceived intention of lobbying;
- (iv) any costs not directly related to the Program;
- (v) any costs incurred prior to the Effective Date, unless explicitly stated otherwise in this Agreement;
- (vi) costs deemed ineligible in accordance with section 4.9 of Schedule “A”;
- (vii) any portion of the costs of Eligible Work that are covered by incentives, subsidies or other funding received for Eligible Work from external parties; and
- (viii) any costs which are an inappropriate use of public funds in the sole opinion of HSC.

SCHEDULE "E"
PAYMENT PLAN

First Payment	20% of Maximum Funds upon signing of the Transfer Payment Agreement and submission of Program Delivery and Fiscal Plan. Support for the 20% advance must be reconciled against cumulative expenditures in the Quarterly Financial Progress Reports.
Subsequent Quarterly Payments	Quarterly payments equal to actual expenditures reported on Quarterly Financial Progress Report but up to 70% of the total Maximum Funds*
Final Payment	A minimum of 10% holdback of the total Maximum Funds to be released after receiving Repair Completion Reports and Post-Retrofit Energy and Emissions Savings Report for all projects.

*Maximum funds include administration fees paid to the Service Manager (if any).

SCHEDULE "F"
REPORTING

Name of Report	Due Date
1. Business Cases	March 28, 2018
2. Project Delivery and Fiscal Plan (PDFP)	One time report due with signed TPA no later than June 30, 2018.
3. Pre-Retrofit Energy Audit and Project Information Form	Prior to each Eligible Housing Provider starting the approved Eligible Work and must be submitted no later than December 31, 2018.
4. Quarterly Financial Progress Report	Quarterly reports for June 30, September 30, December 31 and March 31 are due within 30 calendar days subsequent to each quarter end.
5. Repair Completion Form	For each Eligible Housing Project, upon completion of all approved Eligible Work. The Eligible Work is to be completed no later than March 31, 2021.
6. Post-Retrofit Energy and Emissions Savings Report	For each Eligible Housing Project, upon completion of all approved Eligible Work in the Eligible Project, based on estimated energy savings. This is to be submitted along with the Repair Completion Form.
7. Case Studies	For at least one (1) Eligible Housing project, upcoming completion of all approved Eligible work in the Eligible project. This is to be submitted along with the Repair

	Completion Form.
8. Annual Program Compliance Attestation Report	By March 31 in each year until the expiry of the Three Year Affordability Period for each participating Eligible Housing Project.
9. French Language Services Report	By March 31 of each year funding is received, up to March 31, 2024.
10. Critical Three Year Energy Usage Data Report	<p>Energy usage data for each funded project must be collected for three calendar years following the completion of the Eligible Work.</p> <p>Service Managers will provide data related to the ongoing energy usage of the building where the work was carried out, and submit it annually on the repair completion anniversary to HSC.</p>
11. Reports as specified from time to time	On a date or dates specified by HSC.

Report Due Date

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

Submission of Reports

Unless HSC directs otherwise, all Reports are to be submitted through HSC's secure online portal <https://greenon.hscorp.ca>, using the log-in information provided by HSC.

Reporting Templates

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

Report Details

1. **Business Cases** will describe how the funds will be spent on social housing apartment buildings with fewer than 100 units.
2. **The Program Development and Fiscal Plan (made available by HSC) will set out:**
 - (i) Planned repairs, number of buildings and units that will be repaired;

- (ii) Projected cash flow based on the Maximum Funds for the 3 year program duration; and
 - (iii) Administration fees, if any that the Service Manager wishes to use up to 5% of the Maximum Funds.
- 3. The Project Information Form (made available by HSC), for each participating Eligible Housing Project will set out**, among other things, a description of the Eligible Work approved by the Service Manager and cost estimates for the Eligible Work, and estimated repair start and completion dates.
- 4. The Pre-Retrofit Energy Audit Report must:**
- (i) indicate energy use in cubic metres of gas and kilowatt hours of electricity and total GHG emission in tonnes of CO₂e for the three (3) previous years of operation where possible from the date of the Eligible Housing Provider receiving a funding allocation;
 - (ii) confirm that a building energy audit has been completed, received and deemed satisfactory by the Service Manager;
 - (iii) confirm that the building energy audit received by the Service Manager conforms to the requirements set out in the Agreement;
 - (iv) confirm that no Eligible Work commenced on the Eligible Housing Project prior to the Service Manager receiving the building energy audit for the Eligible Housing Project;
- 5. Quarterly Financial Progress Report:**
- (i) This report is a quarterly report on the progress of the Project and will include:
 - a. a summary of the current status of the Project, including photographs,
 - b. a comparison of actuals and estimated budget as set out in the PDFP with explanation for any variances;
 - c. project level details of quarterly disbursements made by the Service Manager to proponents for each project, supported by relevant invoices or purchase orders; and
 - d. a certificate of the Service Manager confirming the contents of the report and if any subsidy/other funding has been received for Eligible work.
 - (ii) This will be due every quarter as listed in the above table in the Form made available by HSC.
- 6. The Repair Completion Form for each participating Eligible Housing Project shall be:**
- (i) completed in the Form made available by HSC and set out details of all the Eligible Work completed and a breakdown of the actual cost to complete it, including the cost of the required building energy audit;
 - (ii) set out an accounting of any other funding received by the Service Manager; the identification of the funding source, including energy-related incentives and subsidies from utility companies (e.g. saveONenergy's Home Assistance and Union Gas' Furnace End-of Life

programs) and other partners (e.g. Toronto Atmospheric Fund); and, the amount and the specific aspect of the Program that the additional funding is supporting as well as a statement confirming whether there is any overlap of funding from HSC and other funding sources as identified above.

- (iii) set out an accounting of any subsidies or incentives received directly by the participating Eligible Housing Provider as well as a statement confirming whether there is any overlap of funding from HSC with funding from such subsidies or incentives;
 - (iv) confirm that all Eligible Work for the Eligible Housing Project has been completed in accordance with the Agreement and that the Service Manager is in compliance with the terms and conditions of the Agreement except as disclosed in the report, signed by an authorized signing officer of the Service Manager.
- 7. The Post-Retrofit Energy and Emissions Savings Report for each Eligible Housing Project shall be in a form provided by HSC and will:**
- (i) provide the calculated total energy in cubic meters of gas and kilowatt hours of electricity projected to be saved annually based on the Eligible Work carried out in the Eligible Housing Project;
 - (ii) provide the calculated total of greenhouse gas emission reductions projected to be saved annually based on the Eligible Work installed in the Eligible Housing Project;
 - (iii) confirm that the above calculations were done in accordance with this Agreement, as detailed in section 6 of "Schedule C"; and
 - (iv) provide a description of the approach and methodology that was used by the qualified auditor or consultant to calculate projected energy and greenhouse gas emissions savings.
- 8. Case Studies** shall be prepared on at least one Eligible Housing Project that notes the environmental benefits and associated economic co-benefits of such project, outlines any barriers and how they were overcome and shall deliver the case study to HSC.
- 9. The Annual Program Compliance Attestation Report shall** be in a form similar to Appendix A and will set out whether each Eligible Housing Project that received Funds under the Program is still, in accordance with this Agreement, Affordable and/or operating as social housing under the Housing Services Act, 2011. The Service Manager must also indicate, where applicable, if an Eligible Housing Project is no longer Affordable and/or operating as social housing under with the Housing Service Act, 2011.
- 10. The French Language Services Report shall** be in a form similar to Appendix B and will set out whether the Service Manager has complied with the French Language Services (FLS) requirements of the Agreement.
- 11. The Critical Three Year Energy Usage Data Report shall** include all actual energy use data in cubic metres of gas and kilowatt hours of electricity for each Eligible Housing Project that received Funds under the Program, collected in accordance with the Agreement to the date of the Report.
- 12. Other Reports:**
- Without limiting its right to receive other reports in accordance with the Agreement, HSC reserves the right to request, among other things, energy usage data from Eligible Housing Projects outside

of the regular reporting requirement dates in this "Schedule F". HSC will specify the timing and content of any other reports as may be necessary.

APPENDIX A

ANNUAL PROGRAM COMPLIANCE ATTESTATION REPORT

Service Manager:

Service Manager _____
Address:
Service Manager
Contact: Name: _____
Telephone: _____
Email: _____

This report confirms that the Corporation of the City of London (the “Service Manager”) is administering and delivering the GreenON Social Housing program (the “Program”) in accordance with an Agreement dated April 24, 2018 with the Housing Services Corporation (the “Agreement”).

The Service Manager confirms that:

- (a) all Eligible Housing Projects that received Program funding are listed in column one of the second page of this form;
- (b) the dates at which the Eligible Work was completed for each project are set out in column 4; and
- (c) subject to the exceptions listed below, each Eligible Housing Project continues to be Affordable and/or operate as social housing under the Housing Services Act, 2011 (HSA).

Exceptions:

I declare that the above information is true and complete.

By: _____

Name:
Title:
Date:

I have the authority to bind the Service Manager

ANNUAL PROGRAM COMPLIANCE ATTESTATION REPORT CONTINUED

Service Manager Name:

Date:

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

APPENDIX B

FRENCH LANGUAGE SERVICES REPORT

Service Manager:

Service Manager _____

Address:

Service Manager

Contact: Name: _____

Telephone: _____

Email: _____

This report confirms that the Corporation of the City of London (the "Service Manager") is providing services under the GreenON Social Housing program (the "Program") and has an office(s) located in or serving an area designated in the Schedule to the *French Language Services Act* ("FLSA").

The Service Manager confirms that it is:

- a) providing Program services to the public in French in all of its offices (including the offices of sub-contractors) located in or serving an area designated in the Schedule to the FLSA; and,
- b) making it known to the public, including by way of signs, notices, other information on services, and initiation of communications in French, that services provided to and communications with the public in connection with the Programs are available in French.

I declare that the above information is true and complete.

By: _____

Name:

Title:

Date:

I have the authority to bind the Service Manager

SCHEDULE A

(to the French Language Services Report)

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

Service Manager Name:

Name of Designated Area(s):

Description of Services:

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

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

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

SCHEDULE B

(to the French Language Services Report)

List of Designated Areas under the French Language Services Act

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

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

SCHEDULE "G"
PROGRAM DELIVERY AND FISCAL PLAN

Attached as a separate document.