

Addendum D to the Community Homelessness Prevention Initiative Program Guidelines

Ministry of Municipal Affairs and Housing Program Guidelines – Social Services Relief Fund Phase 4

1 Introduction

The housing and homelessness sectors in Ontario have had to alter the ways in which they provide services to vulnerable populations due to the COVID-19 outbreak. Under the three previous phases of the Social Services Relief Fund (SSRF), \$765 million in funding was made available to Service Managers (SMs) and Indigenous Program Administrators (IPAs) to help a diverse range of vulnerable people, create longer-term housing solutions for people in need, and ensure that the housing and homelessness sector has the tools and support that they need to safely and successfully transition to recovery.

Building on these investments, the SSRF Phase 4 will provide \$286.4 million in additional one-time operating and capital funding. This investment will enable SMs and IPAs to continue to fund the vital supports and services that were established to address the impacts of COVID-19 on vulnerable Ontarians from April 1, 2021 to March 31, 2022, while ensuring an orderly winddown of SSRF funding and to support economic recovery as the impacts of the pandemic recede.

The objectives for SSRF Phase 4 are as follows:

1. **Mitigate ongoing risk for vulnerable people, especially in congregate care settings:**
 - Where appropriate, support changes to the physical design of congregate spaces, permit physical distancing and other modifications based on public health guidance; and
 - Provide ongoing services and supports to address immediate pandemic needs of vulnerable people.
2. **Encourage longer-term housing-based solutions to homelessness post-COVID-19:**
 - SMs and IPAs are encouraged to use funding in ways that create longer-term housing solutions, move towards client service models that are innovative, and support client and organizational readiness for potential future outbreaks or emergencies.

3. **Enhance rent assistance provided to households in rent arrears due to COVID-19:**
 - SMs and IPAs are encouraged to consider using funding to support renter households who may be in rental arrears and at a high risk of becoming homeless.
4. **Ensure an orderly wind-down of SSRF-funded supports prior to program expiry on March 31, 2022:**
 - SMs and IPAs must outline a plan for the winddown of SSRF-funded supports and services as part of their Investment and Winddown Plan.

The Ministry of Municipal Affairs and Housing (MMAH) will again be administering this investment to SMs and IPAs through distinct components of the existing Community Homelessness Prevention Initiative (CHPI) and Indigenous Supportive Housing Program (ISHP) Service Agreements.

1.1 Allocations

For SSRF Phase 4, all SMs and IPAs will be provided with an initial planning allocation. The \$286.4 million in new funding is being allocated to SMs and IPAs based on their total share of previous SSRF funding.

Prior to funds being flowed, SMs and IPAs must agree to the terms and conditions of the funding through the execution of a sign-back letter and submission of an Investment and Winddown Plan for ministry approval.

1.2 Investment and Winddown Plan

Prior to receiving their payments under SSRF Phase 4, all SMs and IPAs will be required to submit an Investment and Winddown Plan to demonstrate how their funding allocations would be used to achieve the objectives of the program and to support the winddown of SSRF-funded supports and services.

The purpose of the Investment and Winddown Plan is as follows:

1. To assess proposed uses of SSRF Phase 4 funding, in terms of eligibility under these Program Guidelines and alignment with local needs in their respective communities;
2. To identify projected funding needs by spending category on a quarterly basis to March 31, 2022; and
3. To demonstrate an orderly winddown of the SSRF to ensure that municipal expenditures can support any remaining SSRF-funded activities as provincial SSRF funding ceases in March 2022.

1.3 Program Administration and Flexibility

SMs and IPAs will determine local needs and distribute the funding consistent with their approved Investment and Winddown Plans, ensuring people are receiving the appropriate support they need.

There will be no requirement for a minimum or maximum amount of capital and/or operating expenses from the initial planning allocation – SMs and IPAs are best placed to determine local needs and will be provided the flexibility to determine these amounts in their Investment and Winddown Plans.

However, no changes may be made between capital and operating components after December 31, 2021.

1.4 Reallocation

MMAH reserves the right to reallocate funding at its sole discretion based on: a review and evaluation of Investment and Winddown Plans, consideration of COVID-19 related needs and emerging public health emergencies across the province, and/or the SMs and IPAs progress towards use of the SSRF Phase 4 allocations.

1.5 Administration Fees

SMs and IPAs will be permitted to use up to three (3) per cent of their approved funding allocation for administration costs.

Program administration costs may include costs for staff involved in the planning and administration of the program. It is expected that SMs and IPAs will ensure that program administration funds are used efficiently.

Please note that costs for staff who directly deliver services to clients are not considered administration costs under the Program Guidelines. These costs are instead considered as eligible program operating costs and may be reported as such.

1.6 Accountability and Reporting

SMs and IPAs will be required to report quarterly on actual expenditures for the previous financial quarter and revised projections for subsequent quarters by the relevant spending category. As part of these reporting requirements, it is also expected that SMs and IPAs will be asked to report on the number of households served.

For year-end reports, SMs and IPAs will be required to report on actual expenditures by spending category along with data collected on specific performance indicators.

Reporting under the SSRF Phase 4 will be separate from the reporting on base CHPI and ISHP funding and funding through SSRF Phase 3.

MMAH reserves the right to request additional reporting as required.

1.7 Audits and Reviews

SMs and IPAs shall support MMAH in exercising its rights to audit and inspect SMs and IPAs to ensure program funding is used in compliance with these Program Guidelines as is set out in the SM and IPA CHPI/ISHP Transfer Payment Agreements, with the necessary changes.

2 Operating Funding

2.1 Objectives

The intention of operating funding under SSRF Phase 4 is to continue to help a diverse range of vulnerable people meet their short-term critical needs. This includes people living in community housing, supportive housing, people with low incomes, social assistance recipients, or others who require social services support as well as those that are experiencing homelessness, while ensuring an orderly winddown of SSRF-funded services and supports.

2.2 Eligible Use of Funding

All eligible operating expenses under the existing SSRF Phase 3 will be maintained under SSRF Phase 4. A wide variety of services and supports are eligible for funding.

Consistent with SSRF Phase 2 and Phase 3, SMs and IPAs are required to consider the use of operating funding for rental assistance to support renter households who may be in rental arrears and at a high risk of becoming homeless, and to describe how they intend to support this in their Investment and Winddown Plans.

As well, SMs and IPAs must consider how enhanced supports and services offered through the SSRF will be phased out or continued through other funding sources as the SSRF Phase 4 ends on March 31, 2022.

For SMs, eligible operating expenses refer to the use of funding in any of the four service categories under CHPI: Emergency Shelter Solutions, Housing and Related Supports, Other Services and Supports and Homelessness Prevention.

For IPAs, eligible operating expenses include providing housing assistance such as housing allowances and rent supplements and eligible support services to help eligible Indigenous recipients obtain and retain stable housing during the COVID-19 pandemic. This assistance may be provided under a variety of housing models that best meet recipients' needs, including transitional and/or dedicated supportive housing.

For both SMs and IPAs, the eligible operating expenses include but are not limited to:

- Continued use of motels or hotels as isolation centres or to support social distancing;
- Rental assistance such as funding for rent arrears and short-term housing allowances;
- Transportation costs;
- Food and supplies;
- Enhanced cleaning services;
- Non-medical staffing requirements (e.g., enhanced outreach services);
- Personal protective equipment; and
- Minor retrofits, alterations and repairs under \$50,000.

More broadly, this funding could also be used towards initiatives delivered through local service agencies like:

- Rent bank and emergency energy funds;
- Food banks and grocery gift cards;
- Community outreach to support vulnerable populations in self-isolation;
- Transportation for low-income individuals to get to and from medical appointments; and
- Funding administration needs, including staffing.

In the event of uncertainty regarding the eligibility of a specific expense, SMs and IPAs are encouraged to contact MMAH staff to seek clarification. For contact information, please see the "MMAH Staff Contacts" section.

2.3 Operating Payments and Reporting

Following receipt of an executed sign-back letter, ministry approval of the Investment and Winddown Plan and confirmation of eligibility, MMAH will initiate the first operating payment based on the cash flow outlined in the SM/IPA's Investment and Winddown Plan.

A subsequent operating payment will be made following the submission and approval of the Q3 Report Back and attestation.

SMs will be required to report on the data collected on specific performance indicators in year-end reports. For the operating component, the year-end report will capture information according to the requirements in the existing program agreement (e.g., by service category). Additionally, given the SSRF objectives, year-end reports will require information on the number of vulnerable households assisted by vulnerable population group.

Below are some examples of performance indicators:

- Facilities funded for recovery/isolation or emergency shelter;
- Spaces funded for recovery/isolation or shelter;
- Unique households assisted with emergency shelter, hotel/motel/isolation stays;
- Unique households moved from shelter into longer-term housing;
- Unique unsheltered households moved into longer-term housing;
- Agencies provided with funding for pandemic expenses;
- Agencies provided with funding for services/supports;
- Households assisted with food security;
- Households assisted with medical services;
- Households assisted with personal protective equipment;
- Households assisted with transportation;
- Households assisted with mental health and addictions services;
- Unique households assisted with rent banks;
- Unique households assisted with utility arrears;
- Unique households assisted with support to retain housing;
- Unique households assisted with housing allowances;
- Unique households assisted with rent supplements; and
- Number of agencies receiving funds for minor site readiness.

MMAH reserves the right to request additional reporting as required.

2.4 Return of Funding

All eligible operating expenses must be spent by March 31, 2022.

All funding provided under the operating component that is not spent by March 31, 2022 or that is not used for an eligible expense under these Program Guidelines shall be returned to MMAH on demand.

All remedies under these Program Guidelines shall survive any termination or expiry of the Program.

3 Capital Funding

3.1 Objectives

Similar to SSRF Phase 2, capital costs will be permitted as an eligible expense under SSRF Phase 4. Capital funding would enable the acquisition of new, or modifications to existing facilities such as emergency shelters, supportive housing, transitional housing, and related facilities.

The objectives under this component, which include the attached Schedule “A”, are as follows:

- To provide longer-term housing-based solutions to homelessness post-COVID-19 outbreak;
- To better address need and to encourage movement toward client service models that are innovative, and seek to support client and organizational readiness in preparation for potential future outbreaks or emergencies;
- To change the physical design of congregate care settings such as emergency shelters, to permit elements such as physical distancing and self-contained bedrooms and washrooms; and
- To support jobs and economic recovery coming out of the COVID-19 pandemic.

3.2 Eligible Use of Funding

Similar to SSRF Phase 2, there are two components of major capital funding under SSRF Phase 4:

- New Facilities; and
- Retrofits and Upgrades.

Eligible uses of funding under the two components include:

- Major retrofits and upgrades to an existing emergency shelter, and/or congregate living space to continue to ensure shelter spaces adhere to public health directives (e.g., additions to an existing facility to allow minimum spacing of beds; self-contained bedrooms and washrooms) and support independent units aligned with more permanent forms of housing where possible;
- Acquisitions that would be converted/upgraded to provide longer-term housing solutions; and
- Retrofit of existing transitional or supportive housing facility, and/or creating new innovative models of transitional and supportive housing.

Other eligible costs may include labour, applicable taxes, building permits, legal fees, certificates, signage, appraisal fees, inspection fees, drawing and specification and any

other costs that the Service Manager deems reasonable and that are agreed to by MMAH.

Please note that all ongoing operating costs associated with capital projects funded under SSRF Phase 4 will be the responsibility of the respective SM or IPA.

For-profit proponents may be eligible under the Retrofits and Upgrades component, however for-profit proponents are not eligible under New Facilities component.

3.3 Funding Commitment

Funding under the SSRF Phase 4 capital components must be committed by December 31, 2021 and must be completed by March 31, 2023. Details on commitment and spending requirements are provided under each capital component section.

Any funding remaining to be committed after December 31, 2021 may be reallocated to another SM or IPA.

3.4 Return of Funding

All funding provided under the capital component that is not used for an eligible capital expense under these Guidelines shall be returned to MMAH on demand. All remedies under these Program Guidelines shall survive any termination or expiry of the Program and/or funding for a project.

3.5 Capital Funding – New Facilities

3.5.1 General Eligible Activities and Costs

Eligible projects must lead to the creation of one or more new units, and be one of the following:

- Acquisition and, where required, rehabilitation of existing buildings to meet program objectives;
- Conversion of an existing property to create transitional housing or permanent supportive housing and/or expanding an existing facility;
- Conventional construction or expansion of a current construction project in-progress to increase capacity; or
- Modular housing.

3.5.2 Project Submission Process

SMs and IPAs will solicit proposals and select projects through appropriate procurement processes to recommend to MMAH for funding approval within their allocations.

Recommended projects shall:

- Be approved by Council and/or Board;
- Be able to sign a Contribution Agreement and registration of mortgage security or an alternate form of security (conversion, conventional, or modular housing projects) no later than December 31, 2021;
- For acquisition projects, the executed Agreement of Purchase and Sale must have a closing date no later than March 1, 2022;
- Commence construction, acquisition, rehabilitation and/or conversion within ninety (90) days of the date of commitment;
- Be completed by March 31, 2023;
- Meet the current Ontario Building Code, public health, and other applicable requirements;
- Include information on how the on-going operating financial requirements for the project will be met; and
- Address local housing/homelessness needs.

All projects must be submitted through the TPON system along with additional project background information such as information contained in Council/Board reports. SMs and IPAs should demonstrate a plan on how the on-going operating financial requirements for the project will be met (e.g., alternate sources of funding).

3.5.3 Project Approval Process

Project approval will be based on alignment with the approved Investment and Winddown Plan, consideration of the information submitted to MMAH and the ability to meet the program's eligibility criteria.

Once approved, a project will receive a Conditional Letter of Commitment from MMAH, which confirms MMAH approval and outlines the steps to take prior to signing a Contribution Agreement.

The Contribution Agreement shall describe legal obligations and reporting requirements for the project. All SMs and IPAs are required to enter into Contribution Agreements directly with proponents and shall require the forgivable loan to be secured through a mortgage or alternate form of security.

The deadline to commit funding – i.e., execute Contribution Agreements and submit executed Agreements of Purchase and Sale (for acquisition projects), registration of mortgage security or an alternate form of security (for modular housing projects) – will

be December 31, 2021, to allow time for reprofiling between operating and capital funding, or reallocation of funds if necessary.

MMAH reserves the right to return a project application for revision and resubmission if it is not consistent with these Program Guidelines.

3.5.4 Funding

Funding under the Capital Funding – New Facilities component must be provided as a secured forgivable capital loan.

SMs and IPAs are required to perform their due diligence to ensure that a project is financially viable from a construction cost and on-going operating perspective, and the program expenditures represent a prudent and best value use of public dollars.

3.5.5 Payment Process

MMAH will advance funding directly to SMs and IPAs, who will be responsible for making project payments to housing proponents.

SMs and IPAs will advance funds to proponents based on the completion of milestones and compliance with the program requirements.

Funding for acquisition, rehabilitation and/or modular housing will be advanced to SMs and IPAs based on the following instalments:

1. Up to 90 per cent following signing of the Contribution Agreement; and
 - a. submission of Agreement of Purchase and Sale for acquisition projects (funding will be advanced within 15 business days of the closing date); or,
 - b. registration of mortgage security or an alternate form of security (modular housing projects) that is acceptable to the ministry.
2. Remaining funding upon confirmation of completion and submission of required documentation including registered security.

Up to 100 per cent of the funding may be provided, if required, to finance the purchase. If the capital funding provided under the SSRF Phase 4 is insufficient to cover the cost of the acquisition of the building and/or any rehabilitation work required, the SM and IPA must demonstrate the additional funding sources being accessed to complete the project.

Funding for conventional and other projects will be based on the following instalments:

1. 50 per cent at signing of the Contribution Agreement and submission of mortgage security registration or alternate form of security that is acceptable to the ministry;
2. 40 per cent at confirmation of 50 per cent construction completion; and

3. Remaining upon confirmation of completion and submission of required documentation.

3.5.6 Reporting

SMs and IPAs must complete a Project Information Form through the TPON System supplemented by regular milestone updates in TPON, along with detailed construction/acquisition/rehabilitation progress reports to MMAH contacts describing project progress and potential issues of concern that might delay or jeopardize the project.

SMs and IPAs must also submit signed project checklists and documentation in the TPON System as follows:

- For acquisition projects, registration of mortgage security or an alternate form of security;
- Confirmation of Project Start (for conventional and other projects);
- Confirmation of 50 per cent construction completion (for conventional projects);
- Confirmation of Project Completion; and
- An Audited Financial Statement for the project within six months following project completion initial occupancy date, or such additional time acceptable to MMAH.

Project Information Forms will require SMs and IPAs to report on the following information for performance indicators:

- Number of **new** facilities/housing (and number of units) created (i.e. acquisition, conversions, modular units) by type of housing; and
- Vulnerable population group(s) targeted for the housing project.

Housing Type	# facilities	# units
Transitional housing		
Supportive housing		
Permanent, long-term housing		
Other		

SMs and IPAs must confirm that projects funded under the Capital Funding – New Facilities component continue to be used for their intended purpose, or for longer-term housing solutions, for a minimum period of 10 years following completion.

During the minimum 10 year intended use period, proponents may not, without MMAH’s consent, dispose of assets acquired with Funds under these Program Guidelines. However, new facilities acquired by the SM and IPA under this component may be sold prior to the expiry of the minimum 10-year the intended-use period, so long as the SM or IPA is of the view that the facility is no longer needed for its intended use, and

ensures that all proceeds are reinvested into the housing and homelessness sector. For details, please see Schedule “A”.

3.6 Capital Funding – Retrofits and Upgrades

3.6.1 General Eligible Activities and Costs

Major eligible retrofits and upgrades over \$50,000 may include the following activities:

- Renovation, retrofitting and upgrading of existing emergency shelters, transitional housing, and permanent supportive housing facilities to meet building code standards and public health requirements (e.g., building self-contained bedrooms, adding walls/partitions, washrooms); and
- Costs for professional services associated with the activities noted above.

Other activities may be considered, with supporting documentation, at the sole discretion of MMAH.

Work must commence within 90 days of the date of the funding agreement and completed by March 31, 2023. Copies of all financial invoices must be kept for reporting and audit purposes.

3.6.2 Project Submission and Approval Process

The SM/IPA is responsible for selecting all eligible projects, monitoring progress, completion of projects, quality of work, and for advancing funds.

Once an eligible project has been approved by the SM/IPA, a completed Project Information Form along with an executed loan agreement and promissory note securing the funding must be entered and submitted in the TPON System for ministry review and approval. Following ministry approval, the funding is committed.

MMAH reserves the right to return a project application for revision and resubmission if it is not consistent with the Program Guidelines.

3.6.3 Funding

Funding must be provided to proponents in the form of a forgivable loan based on the cost of the work items approved by the SM and IPA. Loans are to be secured by a mortgage registered on title upon project completion.

3.6.4 Payment Process

Funding will be advanced to SMs and IPAs and based on the following instalments:

1. 50 per cent when a completed Project Information Form along with an executed loan agreement between the SM/IPA and proponent, and signed promissory note are submitted and approved by MMAH in TPON;
2. 40 per cent at confirmation of 50 per cent project completion; and
3. 10 per cent at confirmation of final project completion and mortgage registered on title.

MMAH may consider a higher upfront payment based on local need with supporting documentation.

SMs and IPAs must ensure project status is updated and documents are posted in TPON on an on-going basis. Retrofit and Upgrade activities must start within 90 days of the date of the funding agreement.

SMs and IPAs are responsible for project selection and approval, monitoring progress and completion of projects, quality of work, and for the advancement of funds. Retrofit and Upgrade activities must be completed by March 31, 2023.

3.6.5 Reporting

SMs and IPAs are required to report quarterly to MMAH on the status of each project during its retrofit and upgrade activities. SMs and IPAs must regularly update progress on project activities and payments to proponents through the TPON system. Confirmation of construction start and completion for each project must be submitted in TPON.

Project Information Forms will require SMs and IPAs to report on the following information for performance indicators:

- Number of facilities (and number of units) **upgraded/retrofitted** (i.e., physical changes made to facilities in response to the COVID-19 outbreak, such as adding walls) to permit physical distancing, by type of housing; and
- Vulnerable population group(s) targeted for the housing project.

Housing Type	# facilities	# units
Emergency shelter		
Transitional housing		
Supportive housing		
Permanent, long-term housing		
Other		

SMs and IPAs are required to confirm that projects continue to be used for its intended purposes, or for longer-term housing solutions, for a minimum period of five years following completion of upgrade/retrofit projects.

4 Important Dates

SSRF Phase 4 will be delivered according to the following timelines:

Activity	Date
Sign-back letter and completed Investment and Winddown Plan due	September 15, 2021
Initial operating payments initiated	By October 1, 2021
Deadline to commit capital funding	December 31, 2021
Q3 report-back and attestation due	January 15, 2022
Second (final) operating payment initiated	By February 15, 2022
Executed Agreement of Purchase and Sale closing date deadline for acquisition projects	By March 1, 2022
Deadline to spend operating funding	March 31, 2022
Year End Report and Final Attestation due	May 31, 2022
Deadline to complete capital projects	March 31, 2023

5 MMAH Staff Contacts

Questions regarding the SSRF Phase 4 may be directed to the respective MMAH Municipal Services Office (MSO) or Housing Programs Branch staff contact, as noted below:

Region & Contact	Contact Information
Toronto and Indigenous Program Administrators: Bailey Anderson <ul style="list-style-type: none"> Serving Toronto, Ontario Aboriginal Housing Services and Miziwe Biik Development Corporation 	Bailey.Anderson@ontario.ca

<p>MSO Central: Ian Russell</p> <ul style="list-style-type: none"> • Serving Durham, Halton, Hamilton, Muskoka, Niagara, Peel, Simcoe, and York 	<p><u>Ian.Russell@ontario.ca</u></p>
<p>MSO Eastern: Mila Kolokolnikova</p> <ul style="list-style-type: none"> • Serving Cornwall, Hastings, Kawartha Lakes, Kingston, Lanark, Leeds and Grenville, Lennox and Addington, Northumberland, Ottawa, Peterborough, Prescott and Russell, and Renfrew 	<p><u>Mila.Kolokolnikova@ontario.ca</u></p>
<p>MSO Western: Cindy Couillard</p> <ul style="list-style-type: none"> • Serving Brantford, Bruce, Chatham-Kent, Dufferin, Grey, Huron, Lambton, London, Norfolk, Oxford, St. Thomas, Stratford, Waterloo, Wellington, and Windsor 	<p><u>Cindy.Couillard@ontario.ca</u></p>
<p>MSO Northeastern: Liana Bacon</p> <ul style="list-style-type: none"> • Serving Algoma, Cochrane, Greater Sudbury, Manitoulin-Sudbury, Nipissing, Parry Sound, Sault Ste. Marie, and Timiskaming 	<p><u>Liana.Bacon@ontario.ca</u></p>
<p>MSO Northwestern: Jessica Vail</p> <ul style="list-style-type: none"> • Serving Kenora, Rainy River, and Thunder Bay 	<p><u>Jessica.Vail@ontario.ca</u></p>

SCHEDULE "A" CAPITAL COMPONENT

1. Interpretation.

- (1) In this Schedule "A", capitalized terms have the meaning given to them herein and the following terms shall have the following meanings:

"Intended Use" means the intended use of the Project once it is complete, as set out in the Project Information Form for the Project;

"Intended Use Period" means the minimum ten (10) year period following the date of the Project completion for new facilities or conversion Projects;

"Capital Component" means the Capital Component under the Program Guidelines and this Schedule "A";

"Conditional Letter of Commitment" means a letter issued by the Minister of Municipal Affairs and Housing confirming approval of a Project under the Capital Component subject to conditions;

"Contribution Agreement" means an agreement entered into by the Recipient and a Proponent for the construction, acquisition and/or rehabilitation of, or the conversion of a property into a Project and which shall set out the terms for a forgivable loan, including mortgage security;

"Development Activities" means those activities which are normally undertaken for the development, construction, rehabilitation or conversion of buildings for residential purposes, including the acquisition of property;

"Permitted Encumbrances" means (i) the construction, acquisition, rehabilitation and/or conversion financing in respect of the Project approved by the Recipient, (ii) if the Project is to be added to, or part of, a building with an existing mortgage, the existing mortgage on the building up to the amount owing under it prior to putting the construction, acquisition, rehabilitation and/or conversion financing in place (iii) any necessary easements for the supply of domestic utility or telecommunications services to the Project or adjacent properties, (iv) any necessary easements for drainage, storm or sanitary sewers, public utility lines, or other services which do not materially affect the use of the property as residential dwellings; (v) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, and (vi) any registered restrictions that run with the land providing such are complied with;

"Program" means the Social Services Relief Fund Phase 4 Program set out in the Program Guidelines, including this Schedule "A";

“Program Guidelines” means the Guidelines for the Program forming part of the Recipient’s TPA;

“Project” means the construction, acquisition, and/or rehabilitation of, or the conversion of a property into, a facility contemplated by the Program Guidelines, or the resulting facility as the context may require;

“Project Information Form” means the project information form submitted by the Recipient to the Province for consideration of the construction, acquisition, and/or rehabilitation of, or the conversion of a property into, a Project;

“Proponent” means a Proponent selected by the Recipient to carry out a Project;

“Recipient” means the Service Manager, as applicable; and

“TPA” means the Recipient’s Transfer Payment Agreement for Community Homelessness Prevention Initiative or Indigenous Supportive Housing Program, as applicable.

- (2) In the event of a conflict or inconsistency between the provisions of this Schedule and the provisions of an Appendix, the provisions of this Schedule shall prevail.
 - (3) All references in this Schedule to section numbers are references to sections of this Schedule unless stated otherwise.
 - (4) This Schedule does not apply with respect to the Retrofit and Upgrade portion of the Capital Component included in the Program Guidelines.
2. **Proposed Projects.** The Recipient shall submit to the Province a Project Information Form for each Project that it would like funded. The Project Information Form must be approved by the Recipient’s council, through delegated authority or by the Board, as applicable. The Recipient shall update the Project Information Form in accordance with the Program Guidelines, in the event of a project milestone being achieved and/or in the event of any proposed change.
 3. **Project Eligibility.** Each Project must comply with the project eligibility requirements set out in the Program Guidelines, including the following:
 - (a) all acquisitions/purchases must be procured in accordance with procurement policies adopted and maintained under the Municipal Act, 2001;
 - (b) the Project must have all required municipal approvals such as zoning, minor variances, land severances, or site plan approvals in place to permit the proposed development, or be well advanced in the planning approvals process;

- (c) the Project must be financially viable from a construction and operating cost perspective based on Recipient confirmation;
 - (d) the Project must meet current Ontario Building Code requirements;
 - (e) the completed Project must comply with the Program Guidelines; and
 - (f) the Recipient must have a plan in place to ensure that the Project will be used for its Intended Use for the entire Intended Use Period.
4. **Conditional Letter of Commitment.** If the Province approves the Project, the Province shall advise the Recipient of the approval and provide the Recipient with a Conditional Letter of Commitment.
5. **Changes.** The Recipient shall advise and request approval from the Province for any changes to the Project(s) which may affect how the Project will be used.
6. **Contribution Agreement.** Following the approval of each Project by the Province, the Recipient shall, where a Proponent other than the Recipient will own the Project, arrange for an appropriate form of Contribution Agreement with the Proponent to be executed.
7. **Funding Conditions.**
- (1) Before the Recipient enters into a Contribution Agreement with a Proponent for an approved Project, the Recipient shall:
- (a) ensure that the Proponent has disclosed all of its creditors, debt and the proposed construction, acquisition, rehabilitation and/or conversion costs in full; and
 - (b) confirm to the Province the source and availability of adequate ongoing funding for any acquisition of property or Development Activities for the Project and the support services that will be made available to the public through the Project once complete.
- (2) The Recipient shall ensure that the Contribution Agreement with each Proponent requires the Proponent to comply with the requirements of the Capital Component, and, if the Project involves Development Activities, includes obligations to:
- (a) complete the construction of the approved Project within construction budgets and financing approved by the Recipient and required timelines;
 - (b) ensure that until construction of the approved Project is complete (i) all claims for lien registered against the Project(s) are promptly vacated, (ii) the Proponent does not incur any additional construction financing, capital

or operating debt related to the Project without the Recipient's consent (iii) the Project(s) are not encumbered by any registered encumbrances other than Permitted Encumbrances, (iv) the Proponent remains in good standing under the Permitted Encumbrances and (v) any work orders issued against the Project(s) by any governmental entity, agency or official are addressed to the satisfaction of the Recipient;

- (c) obtain all the insurance the a reasonably prudent person carrying out the Project would obtain, including at least \$2,000,000 in commercial general liability insurance, and all other the insurance required by the main body of the TPA read as if it applied to the Proponent and/or the Proponent's Project, and including:
- (i) Builder's Risk Insurance (property insurance) for the full replacement value of the completed construction projects, including a negotiated sub-limit for earthquake and flood. The policy must include the following:
 - 1. replacement cost value;
 - 2. stated amount of co-insurance;
 - 3. waiver of subrogation; and
 - 4. loss payable in favour of the Recipient and the Indemnified Parties.
 - (ii) Boiler and Machinery Insurance (including pressure objects, machinery objects and service supply objects) on a comprehensive basis. The policy must include the following:
 - 1. repair and/or replacement value;
 - 2. stated amount co-insurance;
 - 3. waiver of subrogation; and
 - 4. loss payable in favour of the Recipient and the Indemnified Parties.
 - (iii) Wrap Up Liability Insurance for Third Party Bodily Injury, Personal Injury and Property Damage to an inclusive limit per occurrence and products and completed operations aggregate that a reasonably prudent person undertaking such a Project would obtain. The insurance shall be in the joint names of the Recipient, the Indemnified Parties, all other contractors, sub-contractors, suppliers and/or tradesmen while working on the site, engineers, architects, consultants or other person which the Recipient may

require to be added as insured parties. The policy must include the following:

1. premises and operations;
2. owner's and contractor's protective liability;
3. broad form products and completed operations liability;
4. cross liability;
5. blanket written and oral contractual liability;
6. all risks tenant's legal liability;
7. hoist liability;
8. firefighting and forest fire fighting expense liability;
9. employer's liability and voluntary compensation;
10. non-owned automobile liability;
11. directors, officers, employees, shareholders, the Recipient and the Indemnified Parties added as insureds and/or additional insureds;
12. shoring, blasting, excavating, under-pinning, demolition, pile driving and caisson work, work below and above ground surface, work below and above water, tunnelling and grading and similar operations associated with construction work, as applicable;
13. sudden and accidental pollution liability with a discovery provision of not less than one hundred and twenty (120) hours and a subsequent reporting provision of not less than one hundred and twenty (120) hours; and
14. thirty (30) days written notice of cancellation.

(iv) Valid coverage and clearance certificates of coverage under the *Workplace Safety and Insurance Act, 1997*, S.O. 1997, c. 16, Schedule A ("WSIA") for all persons working on the Project(s);

- (d) provide to the Recipient valid insurance and WSIA certificates evidencing the above coverage;
- (e) use its property insurance proceeds to repair or rebuild the Project(s) in the event of damage to all or part of them;
- (f) require the Proponent to use the Funds provided for the Project only for eligible expenses in connection with the Project and use the Project for its Intended Use for the entire Intended Use Period;
- (g) refund to the Recipient any misused funds; and
- (h) provide the reports and other things to the Recipient needed to enable the Recipient to comply with requirements of the Program Guidelines and this Schedule "A", including the reporting requirements.

- (3) The Recipient agrees that, where it is to be the owner of a Project, the provisions of subsection 7(2) apply to it with the necessary changes.
- (4) The Recipient shall ensure that each Contribution Agreement contains provisions to the effect that,
 - (a) the payment of funds is subject to the necessary appropriations from the Provincial Legislature and the Province shall have no liability to the Recipient or the Proponent in case there are insufficient appropriations for the payments, or in case the total appropriations available for the Province's undertakings are insufficient for all of the Province's undertakings; and
 - (b) the provision by the Recipient of Funds to the Proponent in respect of its Project(s) is subject to the terms and conditions for funding under the Program Guidelines, including this Schedule A".
8. **Payments.** Funds shall be paid in accordance with the Program Guidelines.
9. **Acknowledgement.** The Recipient acknowledges that the requirements in this Schedule "A" relating to the Project(s) are not all that is required, advisable and/or prudent in connection with their construction.
10. **Contribution Agreement Deadline.** No Contribution Agreement under this Schedule can be signed after December 31, 2021, or such earlier or later date as may be determined by the Province and communicated by the Province to the Recipient by Notice.
11. **Monitoring.** The Recipient shall monitor the construction of all Projects which have received a funding allocation to determine whether the Proponents carry out all Development Activities in such manner and within such time periods as are set out in the Contributions Agreement and the Program Guidelines, including this Schedule "A".
12. **Construction, Acquisition, Rehabilitation and/or Conversion Budget and Financing.** The Recipient shall ensure that any property for an approved Project is acquired and that approved Project(s) are constructed by Proponents(s) within construction, acquisition, rehabilitation and/or conversion budgets and financing approved by the Recipient.
13. **Construction Start.** The Recipient shall use its best efforts to ensure that construction for each approved Project commences within the timelines contemplated by the Program Guidelines unless such period is extended by the Province. Despite anything to the contrary in this Agreement, if construction for an approved Project has not commenced within those timelines or the end of the

extended period, whichever is applicable, the Recipient or the Province may cancel the Funds for the Project.

14. **Construction, Acquisition, Rehabilitation and/or Conversion Completion.** Construction, acquisition, rehabilitation and/or conversion for each approved Project must be completed by March 31, 2023. Despite anything to the contrary in this Agreement, if construction for an approved Project is not completed by that date, the Province may cancel the Funds for the Project.
15. **Confirmation of Construction Start.** The Recipient shall provide the Province with a completed Confirmation of Construction Start at the start of construction of each Project, within ten (10) days of the start of construction of the Project.
16. **Proof of Completion.** The Recipient shall provide the Province with proof that that the Project is complete and may be used for its Intended Use.
17. **Enforcing Contribution Agreement.** The Recipient shall, after consultation with and if required by the Province, use its best efforts to enforce the terms of all Contribution Agreements and Security.
18. **Notices.** The Recipient shall immediately inform the Province in writing of the following matters as soon as it becomes aware of them:
 - (a) a request by a Proponent to transfer responsibility for an approved Project to another entity;
 - (b) any failure by the Proponent to carry out Development Activities which threatens the completion of an approved Project;
 - (c) if the construction, acquisition, rehabilitation and/or conversion of an approved Project has not commenced within ninety (90) days of the date of the Commitment for the Project;
 - (d) any substantial breach by the Proponent of its Contribution Agreement with the Recipient;
 - (e) the Proponent becoming bankrupt or insolvent or taking the benefit of any act now or hereafter in force for bankrupt or insolvent debtors or filing any proposal or making any assignment for the benefit of creditors or any arrangement or compromise;
 - (f) the appointment of a receiver or a receiver and manager for all or a portion of an approved Project;
 - (g) the taking of any steps or any action or the institution of any proceedings by a Proponent or by any other party, including, without limitation, any court or governmental body of competent jurisdiction for the dissolution, winding up or liquidation of the Proponent or its assets;

- (h) if the construction, acquisition, rehabilitation and/or conversion, repair and/or upgrade activity has not been or is not likely to be completed by March 31, 2023; and
 - (i) any significant changes to a Proponent's business structure.
- 19. **Intended Use.** The Recipient shall ensure that each completed Project is used for its Intended Use for the entire Intended Use Period.
- 20. **Disposition of Acquired Facilities.** For Projects acquired by the Recipient for the purposes of the Program, the Recipient may dispose of the Project after the expiry of the Intended Use Period, or at an earlier date if the Recipient is of the view that the Project is no longer needed for its Intended Use, provided that the Recipient has complied with the Program Guidelines, including this Schedule "A," and the Recipient reinvests the proceeds of disposition, if any, in the housing and homelessness sector.
- 20. **Additional Events of Default.**
 - (1) If,
 - (a) a Proponent does not complete construction, acquisition, rehabilitation and/or conversion of an approved Project;
 - (b) a Proponent ceases to use the Project for its Intended Use during the Intended Us Period;
 - (c) a Proponent uses the Funds provided to it by the Recipient for a purpose other than that contemplated by the Project Information Form; or
 - (d) one of the events referred to in section 18 has occurred in relation to a Proponent,

the Province may suspend, reduce or cease funding in relation to the Project, shall have no obligation to provide any further Funds in respect of that Proponent and shall have no liability for any consequential or other damages and/or liability incurred by the Recipient or the Proponent as a result of the suspension, reduction and/or cessation of funding.
 - (2) For greater certainty, the above rights are in addition to any other rights the Province may have under the TPA and any other rights the Province may have at law.
- 21. **Component Availability.** Subject to the termination rights in the TPA, the Capital Component is available from the Effective Date until, and shall expire on, March 31, 2023 (plus the Intended Use Period). All remedies herein shall indefinitely survive any termination or expiry of the Capital Component.

22. **Signage.** For New Facilities Projects approved or funding of \$100,000 or greater:
- (1) The Recipient must produce and display permanent signs at the Project site indicating the Province's financial contribution to the Project ("Ontario Builds Signage") unless directed otherwise by the Province in writing.
 - (2) A sign must be present at the construction site at all stages including before construction work starts and throughout construction.
 - (3) The Recipient is responsible for removing the signage within six months of the completion of the project.
 - (4) The Province must provide to the Recipient the digital Ontario Builds artwork and the Ontario Builds Visual Identity Guide that the Recipient must use to create the signage.
 - (5) The Recipient must provide the Province with photographs of the Ontario Builds Signage once it is on display.
 - (6) The Province will monitor compliance with the requirements of this section, and may, at its discretion, advise the Recipient of issues and required adjustments.