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Item No. 15.1.5
Halifax Regional Council
May 23, 2023

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed

Cathie O'Toole, Chief Administrative Officer

DATE: May 15, 2023

SUBJECT: **Contribution Agreement - Green Shores Project Shore Rd., Eastern Passage**

ORIGIN

May 3, 2022 Halifax Regional Council, Item 15.1.7 National Disaster Mitigation Plan - Flood Risk Implementation Plan

MOVED by Deputy Mayor Lovelace, seconded by Councillor Blackburn

THAT Halifax Regional Council ... Direct the Chief Administrative Officer to develop an implementation plan for the 10 National Disaster Mitigation Program projects set forth in the Discussion section of the staff report dated January 19, 2022, which considers opportunities within HRM's Street Recapitalization Program, HalifACT, and the Halifax Water capital plan.

MOTION PUT AND PASSED UNANIMOUSLY

LEGISLATIVE AUTHORITY

The *Halifax Regional Municipality Charter*, S.N.S. 2008, c. 39 subsection 74(1) provides:

74(1) The Municipality may agree with one or more municipalities, villages, service commissions, the Government of the Province or of Canada or a department or agency of either of them or a band council pursuant to the Indian Act (Canada) to provide or administer municipal or village services.

Halifax Regional Municipality's *Procurement Policy*, 2022-12-ADM, subsection 40(2) provides:

40(2) Notwithstanding the authority limits listed in subsection (1), Council approval is required for any cost sharing or contribution agreement that requires or will result in an increase of more than \$1,000,000 in the approved project budget or multiyear capital plan.

RECOMMENDATION

It is recommended that Halifax Regional Council authorize the Mayor and the Municipal Clerk to sign the Contribution Agreement with Infrastructure Canada, as set out in Attachment A, on behalf of the Municipality.

BACKGROUND

Under the 2015 SDMM Report “HRM Stormwater Funding Strategy – Baseline Study”, and the follow up National Disaster Mitigation Program (NDMP) project, Shore Road in Eastern Passage has been highlighted as an area of concern regarding flooding from both overland flow, and coastal impacts. In recent years, the site has seen increased storm impacts, including shoreline erosion, undercutting of the road, and resulting road closures. The road is a key access route to the community of Eastern Passage. Traditional hard infrastructure approaches, such as rip rap and armour stone, have been constructed along the road to mitigate storm damage, however with increasing pressures from climate change, a new long-term solution is required.

Shore Road is among the top 10 sites prioritized by Regional Council for action to mitigate flood risk, in the NDMP Implementation Plan Council report dated January 19, 2022¹. In alignment with HalifACT and the Green Network Plan, the proposed mitigation works involve building natural infrastructure along a 555 m stretch of vulnerable coastal road on Shore Road in Eastern Passage, shown in Figure 1.



Figure 1: Proposed project site (Source: HRM Mapping)

The site is in an area naturally characterized by high wave agitation levels, cobble beaches and rocky shoreline. The proposed work is to reinstate the cobble shoreline that was previously eroded, by placing native vegetation bounded by a cobble beach, and a breakwater to dissipate wave energy and reduce erosion. This approach mimics the natural setting present in the area reflecting the principles outlined in the International Guidelines on Natural and Nature-Based Features for Flood Risk Management and the Green Shores for Shoreline Development Program. The proposed design will reduce the risks of coastal flooding and wave damage at the site while providing opportunities for public access to green spaces.

As part of the shoreline rehabilitation, a raised permeable waterfront trail will be installed, along with added trees, native shrubs and grasses, and rain gardens. This will provide public access to nature as well as

¹ NDMP Implementation Report, Regional Council, May 3, 2022. [National Disaster Mitigation Plan - Flood Risk Implementation Plan - May 3/22 Regional Council | Halifax.ca](https://www.halifax.ca/ndmp)

stormwater management elements to improve the quality of stormwater runoff reaching the ocean.

The key objectives of the project are to:

- reduce coastal flooding risks and wave damage at the site;
- increase the long-term resilience of the shoreline to increasing climate change pressures;
- restore the natural shoreline configuration typical of the area;
- improve the quality of stormwater runoff;
- enhance public access to nature;
- increase green space; and
- extend habitat connectivity by connecting the trail corridor to the nearby MacCormack’s Beach provincial park.

In 2021, Infrastructure Canada invited the Municipality to apply to the Natural Infrastructure Fund (INFC) for funding under their large projects stream. The purpose of this fund is to support natural infrastructure and hybrid infrastructure across Canada, to improve well-being, mitigate the impacts of climate change, and prevent costly extreme weather events. In 2022, the Municipality was successful in their application for funding of 60% of the total project costs up to \$3M for the Shore Road Green Shores Project, with a total estimated project cost of \$5M.

DISCUSSION

Following the approval for funding from Infrastructure Canada for the Shore Road Green Shores project, a Contribution Agreement has been prepared by Infrastructure Canada (Attachment A), to provide funding from the government of Canada’s Natural Infrastructure Fund to Halifax Regional Municipality.

The Infrastructure Canada portion of funding is 60% up to a maximum of \$3M, with HRM funding the remaining project costs, currently estimated at \$2M. The deadline for project funding ends in March 2025.

The Shore Road Green Shores project has been initiated, and a site assessment is underway. This includes an environmental assessment, archeological assessment, and a coastal analysis. This background information allowed the development of a concept plan that can be shared for community consultation. Should Council choose to approve the staff recommendation, design and community consultation will begin in Summer 2023. Construction is planned for 2024.

FINANCIAL IMPLICATIONS

Funding for the Shore Road Green Shores project is identified in the 2023-2026 Capital Plan in the capital account CZ230400 – HalifACT-Shore Rd Resilience Improvements. The Municipality will fully fund the estimated project costs of \$5M up front and will recover 60% of the project costs to a maximum of \$3M through the claims process described in the Contribution Agreement (Attachment A).

A summary of the INFC contribution schedule is as follows:

	Annual Breakdown			Total
	2022-2023	2023-2024	2024-2025	
INFC Contribution	\$156,000	\$204,000	\$2,640,000	\$3,000,000
HRM Project Share	\$104,000	\$136,000	\$1,760,000	\$2,000,000

RISK CONSIDERATION

There is a risk associated with signing the Contribution Agreement to do work on submerged land. In Nova Scotia, submerged land is considered to be provincial Crown land, owned by the province. There is a risk associated with the HRM not owning the submerged land on which this work is to take place. To mitigate this risk, staff have engaged the province to understand and expedite the process of applying for permits and an "alteration to Crown land". Because the province has been amenable to date, and the land is public land, this risk is considered low to moderate.

There is a risk associated with signing the Contribution Agreement, which dictates that the project must be substantially completed before March 2025. There are standard risks associated with the schedule of a project of this magnitude. Infrastructure Canada may be willing to grant an extension to the deadline, however, this would not be certain until such time that the schedule was identified as in jeopardy, and an application for an extension submitted to Infrastructure Canada.

COMMUNITY ENGAGEMENT

No community engagement was required as part of entering into the Contribution Agreement.

Community consultation is planned as part of the Shore Road Green Shores project, and will begin at the conceptual design stage, after the Contribution Agreement is signed.

The Contribution Agreement requires the Municipality to meet the Government of Canada's legal duty to consult and, where appropriate, accommodate indigenous communities. The duty to consult with indigenous communities will be fulfilled through the Municipality's consultation plan for this project.

The project plan anticipates 3 stages of community engagement:

- Community Engagement Phase 1: Consult Mi'kmaq community and neighbouring community for history and input on conceptual design.
- Community Engagement Phase 2: Consult Mi'kmaq and neighbouring communities on the proposed design options: Share information and solicit feedback.
- Community Engagement Phase 3: Public Education and presentation of design

External stakeholders identified to date include:

External Stakeholders (Individual / Group)	Influence / Relationship to Project
HRM District 3 Councillor Becky Kent	<ul style="list-style-type: none">• Area Councillor
Community Residents	<ul style="list-style-type: none">• Potentially impacted and greatest users
Fishing Community	<ul style="list-style-type: none">• Potentially impacted community
Mi'kmaq Community	<ul style="list-style-type: none">• Potentially impacted community
Provincial Parks	<ul style="list-style-type: none">• Owners of McCormack's Park
Nova Scotia Department of Natural Resources and Renewables	<ul style="list-style-type: none">• Provincial Environmental permitting agents
Department of Fisheries and Oceans (DFO)	<ul style="list-style-type: none">• Overseers of property into water

Should additional groups be identified, they will be incorporated into the community consultation process.

ENVIRONMENTAL IMPLICATIONS

There are positive environmental implications associated with the Shore Road Green Shores project which are described earlier in this report.

ALTERNATIVES

Regional Council could choose not to approve the recommendation that the Mayor and Municipal Clerk sign the Contribution Agreement with Infrastructure Canada (Attachment A) on behalf of the Municipality. This will result in not receiving funding from the Natural Infrastructure Fund. This is not recommended for the reasons listed in this report.

ATTACHMENTS

Attachment A – Contribution Agreement
Attachment B – Letter from Minister to the Mayor

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Shannon O'Connell, Senior Engineer, Engineering & Building Standards, Planning & Development, 902.476.2917

**CANADA – HALIFAX REGIONAL MUNICIPALITY
NATURAL INFRASTRUCTURE FUND**

**AGREEMENT FOR BUILDING WITH NATURE: IMPLEMENTING A GREEN SHORES
APPROACH FOR SHORE ROAD**

This Agreement is made as of the date of last signature

BETWEEN: **HIS MAJESTY THE KING IN RIGHT OF CANADA**, as represented by the Minister of Infrastructure and Communities, hereinafter referred to as Minister of Intergovernmental Affairs, Infrastructure and Communities ("Canada")

AND

HALIFAX REGIONAL MUNICIPALITY, continued or incorporated pursuant to the *Halifax Regional Municipality Charter*, S.N.S. 2008, c. 39 (the "Recipient"),

individually referred to as a "Party" and collectively referred to as the "Parties".

RECITALS

WHEREAS the Government of Canada established the \$200 Million Natural Infrastructure Fund in Budget 2021.

WHEREAS the Minister of Intergovernmental Affairs, Infrastructure and Communities is responsible for the Natural Infrastructure Fund (the "Program");

WHEREAS the Recipient has submitted to Canada a proposal for the funding of the Building with Nature: Implementing a Green Shores Approach for Shore Road Project ("the Project") which qualifies for support under the Program;

AND WHEREAS the Recipient is responsible for carrying out the Project and Canada wishes to provide financial support for the Project and its objectives;

NOW THEREFORE, the Parties agree as follows:

1. INTERPRETATION

1.1 DEFINITIONS

In addition to the terms defined in the recitals and elsewhere in this Agreement, a capitalized term has the meaning given to it in this Section.

"**Agreement**" means this contribution agreement and all its schedules, as may be amended from time to time.

"**Agreement End Date**" means March 31, 2025, unless terminated earlier in accordance with this Agreement.

"**Annual Report**" means the report described in Section 8.2.

"**Asset**" means any real or personal property or immovable or movable asset acquired, purchased, constructed, rehabilitated or improved, in whole or in part, with funds contributed by Canada under the terms and conditions of this Agreement, including but not limited to any Non-owned Asset.

"**Asset Disposal Period**" means the period commencing from the Effective Date and ending twenty (20) years after the Project's Substantial Completion Date.

"**Committee**" means the Oversight Committee established pursuant to Section 5.

"**Communications Activity**" or "**Communications Activities**" means, but is not limited to, public or media events or ceremonies including key milestone events,

news releases, reports, web and social media products or postings, blogs, news conferences, public notices, physical and digital signs, publications, success stories and vignettes, photos, videos, multi-media content, advertising campaigns, awareness campaigns, editorials, multi-media products and all related communication materials under this Agreement.

“Contract” means an agreement between the Recipient and a Third Party whereby the latter agrees to supply a product or service to the Project in return for financial consideration.

“Declaration of Substantial Completion” means a declaration in the form substantially prescribed in Schedule E (Declaration of Substantial Completion).

“Effective Date” means the date of last signature of this Agreement.

“Eligible Expenditures” means those costs of the Project incurred by the Recipient and eligible for reimbursement by Canada as set out in Schedule A (Eligible and Ineligible Expenditures).

“Fair Market Value” means the amount that would be agreed upon in an arm’s length transaction between knowledgeable, willing parties who are under no compulsion to act.

“Final Claim Date” means the date on or before three (3) months prior to the Agreement End Date.

“Final Report” means the report described in Section 8.3.

“Fiscal Year” means the period beginning April 1 of a year and ending March 31 of the following year.

“Grey Infrastructure” means features of the built environment made exclusively of engineered materials such as concrete and steel, including but not limited to buildings, water treatment plants, culverts, and roads.

“Hybrid Infrastructure” means the use of use of Grey Infrastructure to enhance or support Natural Infrastructure and/or the use of ecosystem features.

“In-Kind Contributions” means non-monetary contributions of goods, services or other support provided by the Recipient, or to the Recipient by a third party for the Project, for which Fair Market Value is assigned, but for which no payment occurs.

“Joint Communications” means events, news releases and signage that relate to the Agreement and are collaboratively developed and approved by the Parties and are not operational in nature.

“Natural Infrastructure” means the use of preserved, restored or enhanced ecosystem features and materials, including but not limited to water, native species of vegetation, sand and stone, to deliver targeted community services and infrastructure outcomes, such as resilience services, environmental quality services, access to nature services, carbon sequestration benefits, and biodiversity benefits. For clarity, Natural infrastructure can be naturally occurring or engineered using exclusively ecosystem features and materials.

“Non-owned Asset” means an Asset to which the Recipient does not hold the title and ownership.

“Progress Report” means the report described in Section 8.1.

“Project” means the project as described in Schedule B (The Project).

“Project Approval Date” means June 14, 2022 which is the date indicated by Canada in writing to the Recipient following Canada’s approval in principle of the Project.

“Project Completion Date” means the date at which all funded activities of the Project under this Agreement have been completed and which must be no later than December 31, 2024.

“Project Component” means any of the components of the Project as described in Schedule B.2 (Project Budget).

“Program” means the Natural Infrastructure Fund.

“Substantial Completion Date” means the date at which the Project can be used for its intended use as described in Schedule B.1 (Project Description) as will be set out in Schedule E (Declaration of Substantial Completion).

“**Third Party**” means any person or legal entity, other than a Party, who participates in the implementation of the Project by means of a Contract.

“**Total Financial Assistance**” means total funding from all sources towards Eligible Expenditures of the Project, including funding from the Recipient and federal, provincial, territorial, and municipal governments as well as funding from all other sources, including In-Kind Contributions.

1.2 **ENTIRE AGREEMENT**

This Agreement comprises the entire agreement between the Parties in relation to the subject of the Agreement. No prior document, negotiation, provision, undertaking or agreement has legal effect, unless incorporated by reference into this Agreement. No representation or warranty express, implied or otherwise, is made by Canada to the Recipient except as expressly set out in this Agreement.

1.3 **DURATION OF AGREEMENT**

This Agreement will be effective as of the Effective Date and will terminate on the Agreement End Date subject to early termination in accordance with this Agreement.

1.4 **SCHEDULES**

The following schedules are attached to, and form part of this Agreement:

Schedule A – Eligible and Ineligible Expenditures

Schedule B – The Project

B.1 Project Description

B.2 Project Budget

Schedule C – Certificate(s) of Compliance

Schedule D – Communications Protocol

Schedule E – Declaration of Substantial Completion

2. **PURPOSE OF AGREEMENT**

The purpose of this Agreement is to establish the terms and conditions whereby Canada will provide funding to the Recipient for the Project.

3. **OBLIGATION OF THE PARTIES**

3.1 **COMMITMENTS BY CANADA**

- a) Canada agrees to pay a contribution to the Recipient of not more than sixty percent (60%) of the total Eligible Expenditures for the Project but only up to a maximum of three million dollars (\$3,000,000).
- b) Canada will pay the contribution in accordance with the terms and conditions of this Agreement and the Fiscal Year breakdown in Schedule B.2 (Project Budget).
- c) If Canada's total contribution towards the Project exceeds sixty percent (60%) of the Project's total Eligible Expenditures or if the Total Financial Assistance received or due in respect of the total Project costs exceeds one hundred percent (100%) thereof, Canada may recover the excess from the Recipient or reduce its contribution by an amount equal to the excess.
- d) The Parties acknowledge that Canada's role in the Project is limited to making a financial contribution to the Recipient for the Project and that Canada will have no involvement in the implementation of the Project or its operation. Canada is neither a decision-maker nor an administrator to the Project.

3.2 **COMMITMENTS BY THE RECIPIENT**

- a) The Recipient will ensure the Project is completed in a diligent and timely manner, as per the Project details outlined in Schedule B (The Project), within the costs and deadlines specified in this Agreement and in accordance with

the terms and conditions of this Agreement.

- b) The Recipient will be responsible for all costs of the Project including cost overruns, if any.
- c) The Recipient will be responsible for any and all costs associated with the Project should the Project be withdrawn or cancelled, and the Recipient will repay to Canada any payment received for disallowed costs and all ineligible costs, surpluses, unexpended contributions, and overpayments made under and according to the terms and conditions of this Agreement.
- d) The Recipient will inform Canada promptly of the Total Financial Assistance received or due for the Project.
- e) The Recipient will ensure the ongoing operation, maintenance, and repair of any Asset in relation to the Project as per appropriate standards, during the Asset Disposal Period.
- f) The Recipient will inform Canada immediately of any fact or event that could compromise wholly or in part the Project.
- g) The Recipient agrees that material changes to the Project, as described in Schedule B (The Project), will require Canada's consent, which may be subject to terms and conditions, and a corresponding amendment to the Agreement. Material changes are those determined by Canada to be material, including but not limited to changes in scope or timing of the Project.
- h) During the Asset Disposal Period the Recipient will ensure:
 - i. that it acquires, secures and maintains all necessary rights, interests, permissions, permits, licences, approvals, registrations, and any other authorizations, to carry out the Project and to provide the ongoing operation, maintenance, and repair of any Asset, in accordance with this Agreement; and,
 - ii. the ongoing operation, maintenance, and repair any Asset as per appropriate standards.

3.3 **APPROPRIATIONS AND FUNDING LEVELS**

Notwithstanding Canada's obligation to make any payment under this Agreement, this obligation does not arise if, at the time when a payment under this Agreement becomes due, the Parliament of Canada has not passed an appropriation that is sufficient and constitutes lawful authority for making the payment. Canada may reduce or terminate any payment under this Agreement in response to the reduction of appropriations or departmental funding levels in respect of transfer payments, the program under which this Agreement was made or otherwise, as evidenced by any appropriation act or the federal Crown's main or supplementary estimates expenditures. Canada will promptly advise the Recipient of any reduction or termination of funding once it becomes aware of any such situation. Canada will not be liable for any direct, indirect, consequential, exemplary or punitive damages, regardless of the form of action, whether in contract, tort or otherwise, arising from any such reduction or termination of funding.

3.4 **FISCAL YEAR BUDGETING**

- a) The amount of the contribution payable by Canada for each Fiscal Year of the Project is set out in Schedule B.2 (Project Budget).
- b) If the actual amount payable by Canada in respect of any Fiscal Year of the Project is less than the estimated amount in Schedule B.2 (Project Budget), the Recipient may request that Canada re-allocate the difference between the two amounts to a subsequent Fiscal Year. Subject to Section 3.3 (Appropriations and Funding Levels), Canada agrees to make reasonable efforts to accommodate the Recipient's request. The Recipient acknowledges that requests for re-allocation of Project funding will require appropriation adjustments or federal Crown approvals.
- c) In the event that any requested re-allocation of Project funding is not approved, the amount of Canada's contribution payable pursuant to Section 3.1 (Commitments by Canada) may be reduced by the amount of the requested re-allocation. If the contribution payable by Canada pursuant to Section 3.1 (Commitments by Canada) is so reduced, the Parties agree to review the effects of such reduction on the overall implementation of the

Project and to adjust the terms and conditions of this Agreement as appropriate.

3.5 **CHANGES DURING THE LIFE OF THE PROJECT**

- a) Where a change to this Agreement is contemplated, the Recipient will submit to Canada a request for a change.
- b) Where the change is approved by Canada, the Parties will execute the corresponding amendment to the Agreement in accordance with Section 15.14 (Amendments).

3.6 **INABILITY TO COMPLETE PROJECT**

If, at any time during the term of this Agreement, one or all of the Parties determine that it will not be possible to complete the Project for any reason, the Party will immediately notify the other Party of that determination and Canada may suspend its funding obligation. The Recipient will, within thirty (30) business days of a request from Canada, provide a summary of the measures that it proposes to remedy the situation. If Canada is not satisfied that the measures proposed will be adequate to remedy the situation, then this will constitute an Event of Default under Section 12 (Default) and Canada may declare a default pursuant to Section 12 (Default).

4. **RECIPIENT REPRESENTATIONS AND WARRANTIES**

The Recipient represents and warrants to Canada that:

- a) the Recipient has the capacity and authority to enter into and execute this Agreement as duly authorized section 74 of the *Halifax Regional Municipality Charter*, S.N.S. 2008, c.39;
- b) the Recipient has the capacity and authority to carry out the Project;
- c) the Recipient has the requisite power to own the Assets or it will secure all necessary rights, interests, and permissions in respect of the Assets, during the Asset Disposal Period;
- d) this Agreement constitutes a legally binding obligation of the Recipient, enforceable against it in accordance with its terms and conditions;
- e) all information submitted to Canada as described in Schedule B.1 (Project Description), and in this Agreement is true, accurate, and was prepared in good faith to the best of its ability, skill, and judgment;
- f) any individual, corporation or organization that the Recipient has hired, for payment, who undertakes to speak to or correspond with any employee or other person representing Canada on the Recipient's behalf, concerning any matter relating to the contribution under this Agreement or any benefit hereunder and who is required to be registered pursuant to the federal Lobbying Act, is registered pursuant to that Act;
- g) the Recipient has not made and will not make a payment or other compensation that is contingent upon or is calculated upon the contribution hereunder or the negotiation of the whole or any part of the terms and conditions of this Agreement to any individual, corporation or organization with which that individual is engaged in doing business with, who is registered pursuant to the federal *Lobbying Act*;
- h) there are no actions, suits, investigations or other proceedings pending or, to the knowledge of the Recipient, threatened and there is no order, judgment or decree of any court or governmental agency which could materially and adversely affect the Recipient's ability to carry out the activities contemplated by this Agreement. The Recipient will inform Canada immediately if any such action or proceedings are threatened or brought during the term of this Agreement;
- i) the Recipient agrees to purchase, provide, and maintain adequate comprehensive commercial general liability insurance to cover claims for bodily injury, death, or other loss or damage resulting from the actions of the

Recipient in connection with the activities funded under this Agreement.

5. OVERSIGHT COMMITTEE

Within sixty (60) business days of the date of the last signature of this Agreement, the Parties will establish an Oversight Committee comprising a federal co-chair and a co-chair from the Recipient ("Committee"). The Committee will:

- a) Monitor compliance with the terms and conditions of this Agreement;
- b) Monitor the implementation of Schedule D (Communications Protocol);
- c) Monitor Project risks and mitigation measures;
- d) Monitor the progress of the Project as per described in Section 8 (Reporting);
- e) Ensure that audit plans are carried out as per this Agreement, including but not limited to Section 9 (Audit, Evaluation and Monitoring for Compliance);
- f) Act as a forum to resolve potential issues and address concerns;
- g) Review and, as necessary, recommend to the Parties amendments to the Agreement; and
- h) Attend to any other function required by this Agreement, or as mutually agreed to by the Parties.

6. CONTRACT PROCEDURES

6.1 AWARDING OF CONTRACTS

- a) The Recipient will ensure that Contracts are awarded in a way that is fair, transparent, competitive and consistent with value-for-money principles, and if applicable, in accordance with the Canadian Free Trade Agreement and international trade agreements.
- b) If Canada becomes aware that a Contract is awarded in a manner that is not in compliance with the foregoing, upon notification to the Recipient, Canada may consider the expenditures associated with the Contract to be ineligible.
- c) In addition to any other remedy available to Canada under this Agreement, if Canada considers the expenditures associated with a Contract to be ineligible under Section 6.1 b) the Recipient shall repay to Canada any funds that have been paid for Eligible Expenditures in relation to the Contract, at Canada's discretion.

6.2 CONTRACT PROVISIONS

The Recipient will ensure that all Contracts are consistent with, and incorporate, the relevant provisions of this Agreement. More specifically but without limiting the generality of the foregoing, the Recipient agrees to include terms and conditions in all Contracts to ensure that:

- a) the Third Party will keep proper and accurate financial accounts and records, including but not limited to its contracts, invoices, statements, receipts, and vouchers, in respect of the Project for at least six (6) years after the Agreement End Date and that the Recipient has the contractual right to audit them;
- b) all applicable labour, environmental, and human rights legislation are respected; and
- c) Canada and its designated representatives, to the extent permitted by law, will at all times be permitted to inspect the terms and conditions of the Contract and any records and accounts respecting the Project and will have free access to the Project sites and to any documentation relevant for the purpose of audit.

7. CLAIMS AND PAYMENTS

7.1 PAYMENT CONDITIONS

- a) Canada will not pay interest for failing to make a payment under this

Agreement.

- b) Canada will not pay any claims submitted after the Final Claim Date, unless otherwise accepted by Canada.
- c) Canada will not pay any claims until the requirements under Section 18 (Indigenous Consultation), if applicable, are, in Canada's opinion, satisfied to the extent possible at the date the claim is submitted to Canada.
- d) Canada will not pay any claims until the requirements under Section 8 (Reporting) are, in Canada's opinion, satisfied to the extent possible at the time the claim is submitted to Canada
- e) Canada will not make a payment in respect of an Asset until the Recipient secures and confirms in writing to Canada, and to Canada's satisfaction, the necessary rights or interests with respect to land required for the Project in respect of that Asset.

7.2 PROGRESS CLAIMS

- a) The Recipient will submit progress claims to Canada at least once per fiscal year covering the Recipient's Eligible Expenditures in a form acceptable to Canada. Each progress claim must include the following:
 - i. a certification by the Recipient Co-chair or a senior official designated in writing by the Recipient in the form set out in Schedule C.1 (Certificate of Compliance for Progress Claim) stating that the information submitted in support of the claim is accurate;
 - ii. a breakdown of Eligible Expenditures of the Project claimed, in accordance with Schedule B.2 (Project Budget) in a form set out by Canada;
 - iii. any reporting due in accordance with Section 8 (Reporting);
 - iv. upon request by Canada, any documentation in support of Eligible Expenditures claimed.
- b) Canada will make a payment upon review and acceptance of a progress claim, subject to the terms and conditions of the Agreement

7.3 FINAL CLAIM AND FINAL ADJUSTMENTS

- a) the Recipient will submit a final claim to Canada on or before the date that is three (3) months after the Substantial Completion Date, covering the Recipient's Eligible Expenditures in a form acceptable to Canada but no later than the the Final Claim Date. The final claim must include the following:
 - i. a certification by the Recipient Co-chair or a senior official designated in writing by the Recipient in the form set out in Schedule C.2 (Certificate of Compliance for Final Claim) stating that the information submitted in support of the claim is accurate;
 - ii. a breakdown of Eligible Expenditures of the Project claimed, in accordance with Schedule B.2 (Project Budget) in a form set out by Canada;
 - iii. confirmation of the Total Financial Assistance in accordance with Section 3.2 d) (Commitments by the Recipient), in the form set out in Schedule C.2 (Certificate of Compliance for Final Claim);
 - iv. any reporting due in accordance with Section 8 (Reporting);
 - v. a completed Declaration of Substantial Completion in accordance with Section 7.5 (Declaration of Substantial Completion);
 - vi. upon request by Canada, any of the documents referenced in Schedule E (Declaration of Substantial Completion); and
 - vii. upon request by Canada, any documentation in support of Eligible Expenditures claimed.

- b) Upon Canada's receipt of the final claim, but before issuing the final payment, the Parties will jointly carry out a final reconciliation of all claims and payments in respect of the Project and make any adjustments required in the circumstances.

7.4 RETENTION OF CONTRIBUTION

Canada will retain five percent (5%) of its contribution, under this Agreement, as a holdback. The amount retained by Canada will be released by Canada upon review and acceptance of the final report described under Section 8.3 (Final Report) and Canada being satisfied that the Recipient has fulfilled all of its obligations under this Agreement.

7.5 DECLARATION OF SUBSTANTIAL COMPLETION

- a) Prior to executing the Declaration of Substantial Completion, the Recipient will request confirmation in writing from Canada as to whether the Declaration of Substantial Completion lists all relevant documents.
- b) The Declaration of Substantial Completion must be signed by an authorized official of the Recipient as deemed acceptable by Canada, and it must list all relevant documents as determined by Canada.

7.6 PAYMENT DEADLINE

- a) Canada will not have the obligation to make a payment after March 31st of the year following the Fiscal Year in which the Eligible Expenditures were incurred; and
- b) Canada will not have the obligation to make a payment after March 31st, 2025.

8. REPORTING

8.1 PROGRESS REPORT

- a) The Recipient will submit progress reports to Canada on or before September 1, at a timing and frequency determined by Canada but no less than once per year. The progress report will be attested by a delegated senior official. The first progress report under this Agreement must cover the period from the Project Approval Date.
- b) Each progress report must include, at a minimum, the following information:
 - i. Recipient name, Project title and Project identification number;
 - ii. Reporting period dates;
 - iii. Construction dates;
 - iv. summary of Project activities and progress achieved to date;
 - v. an update on Project risks or issues affecting the progress of the Project, if any, and mitigation measures;
 - vi. planned Project activities for the upcoming period, including any variation from the workplan (if applicable);
 - vii. results achieved towards outcomes based on pre-established performance measures, per Schedule B.1.2.
 - viii. confirmation of the Project's installed signage, if applicable; and
 - ix. update on Communication Activities to date and future communications plans.
 - x. Expenditures for the reporting period and updated cash flow forecast for the upcoming fiscal year(s).

8.2 ANNUAL REPORT

- a) The Recipient will submit an annual report ('Annual Report') for the end of each Fiscal Year period covered by this Agreement no later than five (5) business days following March 31st. The Annual Report will be attested by a senior designated official, duly authorized by the Recipient, stating that the report is factually correct and that the Recipient and the Project continue to maintain eligibility under the Program. Notwithstanding the

foregoing, for the last Fiscal Year period, the Recipient will submit a Final Report instead of an Annual Report.

- b) The Annual Report will be submitted to Canada in an agreed upon format acceptable to Canada and will include at a minimum:
 - i. Recipient name, Project title and Project identification #;
 - ii. Reporting period dates; and
 - iii. Expenditures for the reporting period and updated cash flow forecast for the upcoming fiscal year(s).
 - iv. A claim for reimbursement, with an updated cashflow of Eligible Expenditures incurred up to March 31st;

8.3 **FINAL REPORT**

The Recipient will submit a final report to Canada with the final claim for approval no later than three (3) months after the Substantial Completion Date. The final report will include:

- a) All information required under paragraph 8.1b) (Progress Report), covering the period from the last progress report to the date of submitting the final claim; and
- b) A cumulative summary of the results and the financials for the Project, which will include the following information:
 - i. the Project's completed results compared to the baseline established prior to the start of the Project as listed under Schedule B (The Project);
 - ii. total expenditures and Eligible Expenditures by source of funding as well as federal contribution by Fiscal Year for the Project;
 - iii. an attestation, signed by a delegated senior official, that the Project has been completed and that federal funding was spent on Eligible Expenditures in accordance with this Agreement;
 - iv. Confirmation that all environmental conditions and Indigenous consultations and accommodation requirements have been met;
 - v. confirmation of the Total Financial Assistance in accordance with paragraph 3.2 d) (Commitments by the Recipient) and Schedule B.2 (Project Budget).

9. **AUDIT, EVALUATION AND MONITORING FOR COMPLIANCE**

9.1 **AUDIT**

- a) Canada may, at its discretion, conduct a Recipient audit related to this Agreement during the term of this Agreement and up to three years after the Agreement End Date, in accordance with the Canadian Auditing Standards and Section 15.3 (Accounting Principles).
- b) The Recipient agrees to inform Canada of any audit that has been conducted on the use of contribution funding under this Agreement, provide Canada with all relevant audit reports, and ensure that prompt and timely corrective action is taken in response to any audit findings and recommendations.

9.2 **AUDITOR GENERAL OF CANADA**

[INTENTIONALLY OMITTED]

9.3 **EVALUATION**

The Recipient agrees to cooperate with Canada in the conduct of any evaluation of the Program during or after the term of this Agreement. The Recipient also agrees to provide Project-related information to Canada during and following the termination of the Agreement in order for Canada to conduct any evaluation of the performance of the Program. All evaluation results will be made available to the public, subject to all applicable laws and policy requirements.

9.4 **CORRECTIVE ACTION**

The Recipient will submit to Canada in writing as soon as possible, but no later than sixty (60) days following receiving it, a report on follow-up actions taken to address recommendations and results of any audit findings and recommendations.

9.5 **RECORD KEEPING**

The Recipient will keep proper and accurate financial accounts and records, including but not limited to its Contracts, invoices, statements, receipts, and vouchers, in respect of the Project, for at least six (6) years after the Agreement End Date.

9.6 **ACCESS**

The Recipient will provide Canada and its designated representatives with reasonable and timely access, at no cost, to the Project sites, facilities, and any documentation for the purposes of audit, evaluation, inspection and monitoring compliance with this Agreement.

10. **COMMUNICATIONS**

10.1 **COMMUNICATIONS PROTOCOL**

The Parties will comply with Schedule D (Communications Protocol).

10.2 **RECOGNITION OF CANADA'S CONTRIBUTION**

The Recipient will acknowledge Canada's contribution in all signage and public communication produced as part of the Project or Agreement, in a manner acceptable to Canada, unless Canada communicates in writing to the Recipient that this acknowledgement is not required.

10.3 **PUBLIC INFORMATION**

The Recipient acknowledges that the following may be made publicly available by Canada:

- a) its name, the amount awarded by Canada, and the general nature of the Project; and
- b) any evaluation or audit report and other reviews related to this Agreement.

11. **DISPUTE RESOLUTION**

- a) The Parties will keep each other informed of any issue that could be contentious by exchanging information and will, in good faith and reasonably, attempt to resolve potential disputes.
- b) If a contentious issue arises, it will be referred to the Committee. The Committee will examine it and, in good faith, attempt to resolve it, within thirty (30) business days from the receipt of notice.
- c) Where the Committee cannot agree on a resolution, the issue will be referred to the Parties for resolution. The Parties will provide a decision within ninety (90) business days.
- d) Where the Parties cannot agree on a resolution, the Parties may explore any alternative dispute resolution mechanisms available to them to resolve the issue.
- e) Any payments related to the issue in dispute will be suspended, together with the obligations related to such issue, pending resolution.
- f) The Parties agree that nothing in this section will affect, alter or modify the rights of Canada to terminate this Agreement.

12. **DEFAULT**

12.1 **EVENTS OF DEFAULT**

The following events constitute Events of Default under this Agreement:

- a) the Recipient has not complied with one or more of the terms and conditions of this Agreement;
- b) the Recipient has not completed the Project in accordance with the terms and conditions of this Agreement;
- c) the Recipient has submitted false or misleading information to Canada or made a false or misleading representation in respect of the Project or in this Agreement, except for an error in good faith, demonstration of which is incumbent on the Recipient, to Canada's satisfaction;
- d) the Recipient has neglected or failed to pay Canada any amount due in accordance with this Agreement.

12.2 **DECLARATION OF DEFAULT**

Canada may declare a default if:

- i. In Canada's opinion, one or more of the Events of Default occurs;
- ii. Canada gave notice to the Recipient of the event which constitutes an Event of Default; and
- iii. the Recipient has failed, within thirty (30) business days of receipt of the notice from Canada, either to remedy the Event of Default or to notify Canada and demonstrate, to the satisfaction of Canada, that it has taken such steps as are necessary to remedy the Event of Default.

12.3 **REMEDIES ON DEFAULT**

In the event that Canada declares a default under Section 12.2 (Declaration of Default), Canada may exercise one or more of the following remedies, without limiting any remedy available to it at law:

- a) suspend any obligation by Canada to contribute or continue to contribute funding to the Project, including any obligation to pay an amount owing prior to the date of such suspension;
- b) terminate any obligation of Canada to contribute or continue to contribute funding to the Project, including any obligation to pay any amount owing prior to the date of such termination;
- c) require the Recipient to reimburse Canada all or part of the contribution paid by Canada to the Recipient;
- d) terminate the Agreement.

13. **LIMITATION OF LIABILITY AND INDEMNIFICATION**

13.1 **DEFINITION OF PERSON**

In this section, "Person" includes, without limitation, a person, the Recipient, a Third Party, a corporation, or any other legal entity, and their officers, servants, employees or agents.

13.2 **LIMITATION OF LIABILITY**

In no event will Canada, its officers, servants, employees or agents be held liable for any damages in contract, tort (including negligence) or otherwise, for:

- a) any injury to any Person, including, but not limited to, death, economic loss or infringement of rights;
- b) any damage to or loss or destruction of property of any Person; or
- c) any obligation of any Person, including, but not limited to, any obligation arising from a loan, capital lease or other long term obligation;

in relation to this Agreement or the Project.

13.3 **INDEMNIFICATION**

The Recipient will at all times indemnify and save harmless Canada, its officers, servants, employees or agents, from and against all actions, claims, demands, losses, costs, damages, suits or other proceedings, whether in contract, tort (including negligence) or otherwise, by whomsoever brought or prosecuted in any manner based upon or occasioned by:

- a) any injury to any Person, including, but not limited to, death, economic loss or any infringement of rights;
- b) any damage to or loss or destruction of property of any Person; or
- c) any obligation of any Person, including, but not limited to, any obligation arising from a loan, capital lease or other long term obligation;

in relation to this Agreement or Project, except to the extent to which such actions, claims, demands, losses, costs, damages, suits or other proceedings are caused by the negligence or breach of the Agreement by an officer, servant, employee or agent of Canada in the performance of his or her duties.

14. DISPOSAL OF ASSETS

- a) The Recipient will:
 - i. where the Recipient owns the Asset, retain title to and ownership of an Asset or part of an Asset for the Asset Disposal Period; or
 - ii. retain all necessary rights, interests, and permissions in Non-owned Assets for the Asset Disposal Period.
- b) The Recipient will ensure that any Asset will be preserved, maintained, and used for the purposes of the Project, and that no Asset, in whole or in part, will be sold, leased, encumbered or otherwise disposed of, directly or indirectly, during the Asset Disposal Period unless the Recipient notifies Canada in advance and in writing, and Canada consents to such disposal.
- c) Upon alternate use or disposal of any Asset, which includes selling, leasing, encumbering, or otherwise disposing of, directly or indirectly, during the Asset Disposal Period, the Recipient will reimburse Canada, at Canada's discretion, all or part of the contribution paid under this Agreement by Canada to the Recipient.

15. GENERAL

15.1 PUBLIC BENEFIT

The Parties acknowledge that their contributions to the Project are meant to accrue to the public benefit.

15.2 SURVIVAL

The Parties' rights and obligations which, by their nature, extend beyond the termination of this Agreement, will survive any termination of this Agreement.

15.3 ACCOUNTING PRINCIPLES

All accounting terms will have the meanings assigned to them, all calculations will be made and all financial data to be submitted will be prepared, in accordance with the Generally Accepted Accounting Principles (GAAP) in effect in Canada as defined in the Chartered Professional Accountants (CPA) Canada Handbook - Accounting or, where applicable, the CPA Canada Public Sector Accounting Handbook.

15.4 DEBTS DUE TO THE FEDERAL CROWN

Any amount owed to Canada under this Agreement by the Recipient will constitute a debt due to the federal Crown, which the Recipient will reimburse to Canada forthwith on demand.

15.5 INTEREST ON DEBTS DUE TO THE FEDERAL CROWN

Debts due to the federal Crown by the Recipient will accrue interest in accordance with the federal *Interest and Administrative Charges Regulations*.

15.6 SET-OFF BY CANADA

Any debt due to the federal Crown by the Recipient may be set-off against any amounts payable by Canada to the Recipient under this Agreement.

15.7 MEMBERS OF THE HOUSE OF COMMONS AND SENATE

No member of the House of Commons or the Senate of Canada will be admitted to any share or part of this Agreement, or to any benefit arising from it that is not otherwise available to the public. The Recipient will promptly inform Canada should it become aware of the existence of any such situation.

15.8 CONFLICT OF INTEREST

No current or former public servant or public office holder to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of Canada applies will derive direct benefit from this Agreement unless the provision or receipt of such benefits is in compliance with such legislation, guidelines, policies or codes. The Recipient will promptly inform Canada should it become aware of the existence of any such situation.

15.9 NO AGENCY, PARTNERSHIP, JOINT VENTURE, ETC.

- a) No provision of this Agreement and no action by the Parties will establish or be deemed to establish a partnership, joint venture, principal-agent relationship or employer-employee relationship in any way or for any purpose whatsoever between Canada and the Recipient or between Canada and a Third Party.
- b) The Recipient will not represent itself, including in any agreement with a Third Party as a partner, employee or agent of Canada.

15.10 NO AUTHORITY TO REPRESENT

Nothing in this Agreement is to be construed as authorizing any person, including a Third Party, to contract for or to incur any obligation on behalf of Canada or to act as an agent for Canada. The Recipient will take the necessary action to ensure that any Contract between the Recipient and any Third Party contains a provision to that effect.

15.11 ASSIGNMENT

The Recipient will not transfer or assign its rights or obligations under this Agreement without the prior written consent of Canada. Any attempt by the Recipient to assign any of the rights, duties or obligations of this Agreement without Canada's express written consent is void.

15.12 COUNTERPART SIGNATURE

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts (including by electronic signature or other means of electronic transmission, such as by electronic mail in "PDF" form), with the same effect as if all Parties had signed and delivered the same document, and all counterparts shall together constitute one and the same original document.

15.13 SEVERABILITY

If for any reason a provision of this Agreement that is not a fundamental term of this Agreement between the Parties is found to be or becomes invalid or unenforceable, in whole or in part, and if both Parties agree, it will be deemed to be severable and will be deleted from this Agreement, but all the other terms and conditions of this Agreement will continue to be valid and enforceable.

15.14 AMENDMENTS

This Agreement, including its schedules, can only be amended in writing by the Parties. Reallocation of amounts within Schedule B.2 (Project Budget) which do not result in an increase to the maximum amount of Canada's contribution under Section 3.1 (Commitments by Canada), do not require a formal amendment agreement between the Parties and may be agreed to by the Parties through administrative processes.

15.15 WAIVER

A Party may waive any of its rights under this Agreement only in writing. Any tolerance or indulgence demonstrated by the Party will not constitute a waiver.

15.16 NOTICE

- a) Any notice, information or required documentation provided for under this Agreement must be delivered in person or sent by mail or email, to the identified representatives of the Parties at the following coordinates, unless otherwise specified by Canada:

Canada:

ASSISTANT DEPUTY MINISTER
COMMUNITIES AND INFRASTRUCTURE PROGRAMS
INFRASTRUCTURE CANADA
1100 - 180 KENT STREET
OTTAWA, ONTARIO
K1P 0B6

or to such other address or email or addressed to such other person as Canada may, from time to time, designate in writing to the Recipient; and

Recipient:

CHIEF ADMINISTRATIVE OFFICER
PO BOX 1749
HALIFAX, NOVA SCOTIA
B3J 3A5

or such other address or email or addressed to such other person as the Recipient may, from time to time, designate in writing to Canada.

- b) Such notice will be deemed to have been received:
- viii. in person, when delivered;
 - ix. if sent by mail or email, when receipt is acknowledged by the other Party;
 - x. if sent by messenger or registered mail, when the receiving Party has signed the acknowledgment of reception.
- c) If a Party changes its representative or the coordinates for that representative, it will advise the other Party as soon as possible.

15.17 COMPLIANCE WITH LAWS

The Recipient will comply with all applicable laws and regulations and all requirements of regulatory bodies having jurisdiction over the subject matter of the Project.

15.18 GOVERNING LAW

This Agreement is governed by, and is to be interpreted in accordance with, the applicable federal laws and the laws in force in Nova Scotia. The Parties attorn to the jurisdiction of the Courts of Nova Scotia and all courts competent to hear appeals from the Courts of Nova Scotia.

15.19 SUCCESSORS AND ASSIGNS

This Agreement is binding upon the Parties and their respective successors and assigns.

16. INTELLECTUAL PROPERTY

- a) All intellectual property that arises in the course of the Project will vest in the Recipient
- b) The Recipient will obtain the necessary authorizations, as needed, for the implementation of the Project, from Third Parties who may own the intellectual property rights or other rights in respect of the Project. Canada will assume no liability in respect of claims from any third party in relation to such rights and to the Agreement.

17. ENVIRONMENTAL AND IMPACT ASSESSMENT**17.1 REQUIREMENTS UNDER APPLICABLE FEDERAL**

ENVIRONMENTAL OR IMPACT ASSESSEMENT LEGISLATION

The Recipient represents and warrants that there are no requirements under applicable federal environmental or impact assessment legislation for the Project.

17.2 *CHANGES TO PROJECT OR OTHERWISE*

If, as a result of changes to the Project or otherwise, Canada is of the opinion that the Project is subject to federal environmental or impact assessment legislation, the Recipient agrees that construction of the Project or any other physical activity to be carried out in relation to the Project, including site preparation or vegetation removal, will not be undertaken or will be suspended unless and until the legislative requirements are met and continue to be met. The Recipient also agrees that no funds or additional funds for any Eligible Expenditure for the Project will become or will be payable by Canada to the Recipient unless and until the legislative requirements are met and continue to be met.

Canada may consent in writing that construction or any other physical activity, including site preparation or vegetation removal, be carried out for the portion of the Project not subject to federal environmental or impact assessment and that funds or additional funds for any Eligible Expenditure will be payable by Canada for the portion of the Project not subject to federal environmental or impact assessment.

18. INDIGENOUS CONSULTATION

18.1 *INDIGENOUS CONSULTATION*

The Recipient agrees that:

- a) it will consult with Indigenous communities that might be affected by the Project. Specifically, it will
 - i. explain the Project to the Indigenous communities, including Canada's funding role, and
 - ii. provide a report to Canada, which will include:
 - (1) a list of all Indigenous communities contacted;
 - (2) a summary of all communications with the Indigenous communities;
 - (3) a summary of any issues or concerns that the Indigenous communities have raised, how they were addressed, and any outstanding concerns; and
 - (4) any other information Canada may consider appropriate.
- b) accommodation measures, where appropriate, will be carried out by the Recipient and these costs may be considered Eligible Expenditures.
- c) no construction or any other physical activity, including site preparation or vegetation removal may be carried out in relation to the Project, and no funds or additional funds for any Eligible Expenditure for the Project will be payable by Canada to the Recipient, unless and until Canada is satisfied that its legal duty to consult and, where appropriate, accommodate Indigenous communities has been met and continues to be met.

18.2 *CHANGES TO PROJECT OR OTHERWISE*

If, as a result of changes to the Project or otherwise, Canada determines that further Indigenous consultation is required, the Recipient will work with Canada to satisfy its legal duty to consult and, where appropriate, accommodate Indigenous communities and agrees that clause 18.1 will be applicable.

19. SIGNATURES

This Agreement has been executed on behalf of His Majesty the King in right of Canada by the Minister of Intergovernmental Affairs, Infrastructure and Communities and on behalf of HALIFAX REGIONAL MUNICIPALITY by the Mayor & Municipal Clerk.

HIS MAJESTY THE KING IN RIGHT OF
CANADA

HALIFAX REGIONAL MUNICIPALITY

Per: The Honourable Dominic LeBlanc
Minister of Intergovernmental Affairs,
Infrastructure and Communities

Per: Mike Savage
Mayor

January 20, 2023

Date

Date

Per: Iain MacLean
Municipal Clerk

Date

SCHEDULE A – ELIGIBLE AND INELIGIBLE EXPENDITURES

SCHEDULE A.1: Eligible expenditures

- a) Eligible expenditures are costs considered by Canada to be direct and necessary for the successful implementation of an eligible project, and are incurred by an eligible recipient, excluding those explicitly identified in the Ineligible Expenditures section below.
- b) Eligible expenditures include:
 - i. Costs that are incurred between May 1, 2021, and December 31, 2024 except as otherwise noted for Indigenous consultation/engagement activities and eligible costs for Indigenous recipients. Capital costs will only be eligible as of project approval;
 - ii. Capital costs to construct, create, expand, restore, improve or enhance Natural Infrastructure or hybrid capital infrastructure assets;
 - iii. Fees paid to professionals, technical personnel, consultants and contractors specifically engaged for the purpose of the capital project, including for example, feasibility, planning and design, and co-benefit valuation;
 - iv. Costs of environmental assessments, monitoring and follow up activities as required by the Impact Assessment Act or equivalent legislation;
 - v. Costs associated with Community Employment Benefits reporting requirements;
 - vi. Costs associated with required temporary or permanent signage that includes the cost of creation and posting of signage;
 - vii. Costs for the purpose of Indigenous consultation/engagement activities. These costs are retroactively eligible dating back to one year prior to the submission of the application for funding. These costs can include legal fees of the Indigenous groups, as part of overall consultation capacity funding, if they are incurred by an Indigenous group who is not a Recipient of the given project, are reasonable, as determined by Canada, and support consultation efforts, activities or tools and are not used to fund litigation against the Crown.
 - viii. Expenditures incurred for accommodation of adverse impacts on Aboriginal and Treaty rights;
 - ix. Exceptionally, salaries, wages and other incremental costs (i.e., materials or equipment) of the recipient provided that:
 - a. The recipient confirms and substantiates that it is not economically feasible to tender a contract;
 - b. The costs are incurred and directly in respect to the work that would have been subject of the contract; and
 - c. The arrangement is approved in advance and in writing by Canada.
- c) All Eligible Expenditures outlined above can be reimbursed to the Recipient only following the Effective Date of the Agreement.

SCHEDULE A.2: INELIGIBLE EXPENDITURES

Certain expenditures are not eligible for funding and therefore will not be considered in the calculation of the total Eligible Expenditures of the Project, including:

- a) Project costs incurred prior to May 1, 2021 including costs related to contracts signed prior to May 1, 2021, or after December 31, 2024, except as otherwise noted for Indigenous consultation/engagement activities and eligible costs for Indigenous recipients.

- b) All capital costs, including land acquisition, site preparation and construction costs, for all projects, until Canada is satisfied that the Impact Assessment Act, the Yukon Environmental and Socio-Economic Assessment Act, or any other relevant legislation, and Indigenous consultation obligations have been met and continue to be met;
- c) Non capital costs that may enable the project to be carried out in whole or in part, for projects subject to the Impact Assessment Act, the Yukon Environmental and Socio-Economic Assessment Act, or any other relevant legislation, until Canada is satisfied that the Environmental/Impact Assessment obligations have been met and continue to be met. In exceptional circumstances, Canada may choose to pay non capital costs necessary to ensure the successful implementation of an eligible project.
- d) Cost incurred for cancelled projects;
- e) Land acquisition not directly linked to the development of Natural Infrastructure;
- f) Land acquisition in cases where it is the sole Project Component;
- g) Real estate fees and related costs;
- h) Costs related to the purchase or construction of buildings or facilities (except particular natural infrastructure or hybrid infrastructure elements that may be eligible e.g., green roofs, living walls);
- i) Leasing land, buildings and other facilities;
- j) Cost of leasing of equipment by the recipient except if the equipment is directly related to the construction of the project;
- k) Financing charges, legal fees, and loan interest payments including those related to easements (e.g., surveys) (except as specifically indicated as eligible for Indigenous recipients);
- l) Provincial sales tax and Goods and Services tax/HST, for which the recipient is eligible for a rebate, and any other costs eligible for rebates;
- m) Costs associated with operating expenses and regularly scheduled maintenance work;
- n) Services or work that is normally provided by the recipient or a related party;
- o) Salaries and other employment benefits of any employees of the recipient except as outlined above in Eligible Project Expenditures (paragraph b) ix);
- p) In-kind contributions (goods or services);
- q) Costs related to business promotion;
- r) Costs for activities intended to directly influence/lobby governments;
- s) Travel costs, except for environmental assessment or Indigenous consultation purposes or if proven essential for a project in a rural, remote, or northern area.

SCHEDULE B – THE PROJECT

SCHEDULE B.1: PROJECT DESCRIPTION

For clarity, the Project description includes the information that the Recipient provided to Canada in support of its request for Project funding.

The Building with Nature project involves the implementation of natural infrastructure along Shore Road, a 555-meter stretch of vulnerable coastal road in HRM. HRM's Shore Road, a critical bus and emergency evacuation route, is increasingly impacted by climate change (road undercutting, coastal erosion, and flooding due to increasing frequency and intensity of storms). Road closures have become more common during extreme storm events. As part of HalifACT – HRM's climate plan – and the Halifax Green Network Plan, the municipality has focused efforts on implementing green infrastructure practices, increasing access to green space, and increasing resiliency of critical infrastructure to climate impacts. With the Green Shores Approach for Shore Road project, the City aims at strengthening the long-term resilience of the shoreline to climate impacts, restoring coastal ecosystems and intertidal habitat, and improving the quality of stormwater runoff while enabling public access to nature, increasing green space, and extending habitat connectivity by connecting the trail corridor to the nearby provincial park.

Project components:

By adapting the Green Shores approach, the project aims to:

- Reinststate previously eroded shoreline and restore coastal ecosystems and intertidal habitat by:
 - removing existing armour stone and replacing it with a new slope of 2,640 to 2,910 m² of native vegetated infill;
 - creating 10,550 to 11,660 m² of salt marsh;
 - installing 2,640 to 2,910 m² of hybrid breakwater / rock sill to dissipate wave energy;
- Provide public access to nature as well as stormwater management elements to improve the quality of stormwater runoff reaching the ocean by:
 - installing a new 1580 to 1750 m² raised natural fill permeable waterfront trail and four (4) low impact benches;
 - adding 1,050 to 1,170 m² of new greenspace with native vegetation and 45-55 new trees between the road and the trail; and
 - adding five (5) rain gardens and five (5) bioswales.

Objective(s):

This project is expected to reduce road closures caused by washouts of the road or guiderail and erosion of the adjacent shoreline. By creating new green space and improving the coastal infrastructure resilience, it is also expected that there will be less overall erosion and it will not require human intervention after each storm. Additionally, the permeable walking trail will lead the public through the new green space, and resting spaces will provide a view of the salt marsh. This project offers environmental benefits including water quality improvements, air quality improvements, restoring natural habitat for aquatic and terrestrial species, and reinstating natural coastline processes.

Lastly, this innovative project would be the first Green Shores® rated project in Nova Scotia and could serve as a "groundswell" for other Green Shores® and natural infrastructure projects across the municipality and the province.

List of Assets:

Assets
A – Permeable waterfront trail
B – Rock sill on seaward side of salt marsh
C – Salt marsh shoreline
D – Vegetated shoreline slope with added biomass
E – Rain gardens and bioswales
F – Low impact benches along trail
G - Added greenspace with trees between road and trail

SCHEDULE B.1.2: EXPECTED RESULTS AT PROJECT COMPLETION (by asset or asset system):

If there are multiple assets or asset systems, include a legend to ensure the Targets are related to their respective assets or asset systems.

E.g. A. Stormwater Facility

B. Shoreline rehabilitation

C. Tree planting

Expected Outputs and immediate Outcome(s)	Indicators	Current	Forecasted	Actual Results (info to be included in final report)
Increased structural or natural capacity to provide community services	Number of natural or hybrid infrastructure assets (by type) receiving investments	A. 0 B. 0 C. 0 D. 0 E. 0 F. 0 G. 0	A. 1 trail B. 1 rock sill C. 1 salt marsh D. 1 shoreline slope E. 5 rain gardens, 5 bioswales F. 4 benches G. 1 greenspace ; 45-55 trees	
Expected intermediate Outcome(s)	Indicators	Current	Forecasted	Actual Results (info to be included in final report)
Increased awareness of natural infrastructure.	Recipient seeking to undertake their first known natural infrastructure project.	n/a	No	
Indigenous peoples benefit from investment in natural infrastructure projects	Value of investment in Indigenous-led project (if applicable)	n/a	n/a	
Achieve human well-being co-benefits through climate smart ecosystems	Number of direct jobs created	n/a	Short term: 20 Long term: 1	
	Overall project is enhancing access to nature	n/a	Yes	
	Project is in proximity to lower income neighborhoods	n/a	No	

SCHEDULE B.1.3: Boundaries

		Project Component Mid-Points	
Project Component	Midpoint km	CSRS-UTM-20N Lat/Long	
		Latitude (N)	Longitude (W)
A to G	0.278	44.6062	-63.4857



SCHEDULE B.2: PROJECT BUDGET

Table 1:

Project Budget	Amount
Project Cost	\$5,000,000
Total Eligible Cost	\$5,000,000

Table 2:

Total INFC Contribution	Annual Breakdown			Total
	2022-23	2023-24	2024-2025	
Project Cost	\$156,000	\$204,000	\$2,640,000	\$3,000,000

Table 3: Other Sources of Funding

Cash	
Halifax Regional Municipality	\$2,000,000
Sub-total Cash	\$2,000,000
Total Other Sources of Funding	\$2,000,000

SCHEDULE C – CERTIFICATE(S) OF COMPLIANCE**SCHEDULE C.1: CERTIFICATE OF COMPLIANCE FOR PROGRESS CLAIM**

In the matter of the Agreement entered into between His Majesty the King in right of Canada, as represented by the Minister of Infrastructure and Communities, also known as the Minister of Intergovernmental Affairs, Infrastructure and Communities, and Halifax Regional Municipality (the “Recipient”), represented by _____ (Name), concerning the BUILDING WITH NATURE: IMPLEMENTING A GREEN SHORES APPROACH FOR SHORE ROAD Project (the “Agreement”).

I, _____ (Name), of the City/Town of _____, Province/Territory of _____, declare as follows:

1. That I hold the position of _____ with the Recipient and as such have knowledge of the matters set forth in this declaration and believe this declaration to be true.
2. I am duly authorized by the Recipient to give this Certificate under [RECIPIENT INSERTS THE COMPLETE REFERENCE TO THE BY LAW OR INTERNAL POLICY AUTHORITY THAT ALLOWS THEM TO PROVIDE THIS CERTIFICATION] dated [DATE].
3. I have read and understood the Agreement and the progress claim submitted by the Recipient thereunder dated the same date as this Certificate and have knowledge of the business and affairs of the Recipient and have made such examinations or investigations as are necessary to give this Certificate and to ensure that the information contained herein is true and accurate.
4. The expenditures claimed are Eligible Expenditures in accordance with the Agreement.
5. The Recipient, at the date of this Certificate, has performed all covenants under the Agreement that are required to be performed by it on or prior to that date.
6. All representations and warranties of the Recipient contained in the Agreement are true and accurate in all respects at the date of this Certificate as though such representations and warranties had been made at the date of this Certificate.

Dated, this _____ day of _____ 20__

Signature

SCHEDULE C.2: CERTIFICATE OF COMPLIANCE FOR FINAL CLAIM

In the matter of the Agreement entered into between His Majesty the King in right of Canada, as represented by the Minister of Infrastructure and Communities, also known as the Minister of Intergovernmental Affairs, Infrastructure and Communities, and Halifax Regional Municipality (the "Recipient"), represented by _____ (Name), concerning the BUILDING WITH NATURE: IMPLEMENTING A GREEN SHORES APPROACH FOR SHORE ROAD Project (the "Agreement").

Province/Territory of _____, declare as follows:

1. That I hold the position of _____ with the Recipient and as such have knowledge of the matters set forth in this declaration and believe this declaration to be true.
2. I am duly authorized by the Recipient to give this Certificate under [RECIPIENT INSERTS THE COMPLETE REFERENCE TO THE BY LAW OR INTERNAL POLICY AUTHORITY THAT ALLOWS THEM TO PROVIDE THIS CERTIFICATION] dated [DATE].
3. I have read and understood the Agreement and the final claim submitted by the Recipient thereunder dated the same date as this Certificate and have knowledge of the business and affairs of the Recipient and have made such examinations or investigations as are necessary to give this Certificate and to ensure that the information contained herein is true and accurate.
4. The Recipient, at the date of this Certificate, has performed all covenants under the Agreement that are required to be performed by it on or prior to that date.
5. The expenditures claimed are Eligible Expenditures in accordance with the Agreement.
6. All representations and warranties of the Recipient contained in the Agreement are true and accurate in all respects at the date of this Certificate as though such representations and warranties had been made at the date of this Certificate.
7. The Project as defined in the Agreement has been completed.

[If applicable, add:]

8. The Project, to the best of my knowledge and belief, conforms to the applicable federal environmental or impact assessment legislation.

[If applicable, add:]

9. All applicable mitigation measures, accommodation measures and follow-up measures required to be performed during the Project implementation as a result of Indigenous consultations have been implemented.
10. The Total Financial Assistance received or due for the Project in accordance with Section 3.2 c) (Commitments by the Recipient) is as follows:
[INCLUDE ALL TOTAL FINANCIAL ASSISTANCE RECEIVED OR DUE]
11. This Certificate of Compliance does not preclude any rights of Canada to verify, audit or inspect as per the terms and conditions of the Agreement.
12. The Recipient is not entitled to payment of any amount under the Agreement, other than any amount requested by the Recipient in accordance with the Agreement on or prior to the date of this Certificate.

Dated, this _____ day of _____ 20__

Signature

SCHEDULE D – COMMUNICATIONS PROTOCOL

SCHEDULE D.1: PURPOSE

This Communications Protocol outlines the roles and responsibilities of each of the Parties to this Agreement with respect to Communications Activities related to the funded Project.

This Communications Protocol will guide all communications activity planning, development and implementation to ensure clear, consistent and coordinated communications to the Canadian public.

The provisions of this Communications Protocol apply to all Communications Activities related to this Agreement including any Project funded under this Agreement.

Communications Activities may include, but are not limited to, public, virtual or media events, news releases, reports, web and social media products or postings, blogs, project signs, digital signs, publications, success stories and vignettes, photo compilations, videos, advertising campaigns, awareness campaigns, editorials, and multi-media products.

SCHEDULE D.2: GUIDING PRINCIPLES

The Parties recognize the importance of managing the delivery of coherent Communications Activities based on the principle of transparent and open discussion and collaboration.

Communications Activities undertaken through this Protocol should ensure that Canadians are informed of infrastructure investments made to help improve their quality of life and that they receive consistent information about the funded Project and its benefits.

The Communication Activities undertaken jointly by Canada and the Recipient should recognize the funding of all contributors to the Project.

The Recipient's public acknowledgement of financial assistance received from Canada is a condition of funding under this Agreement.

The Recipient will address any deficiencies and/or corrective actions identified by Canada or by the Committee.

SCHEDULE D.3: GOVERNANCE

The Parties will designate communications contacts and form a communications subcommittee that will be responsible for preparing the Project's communications plan, overseeing its implementation and reporting on its results to the Committee.

SCHEDULE D.4: PROGRAM COMMUNICATIONS

Canada retains the right to meet its obligations to communicate information to Canadians about the Program and the use of funding through its own communications products and activities.

Canada and the Recipient may also include general Program messaging and an overview of this Project as an example in their own communications products and activities. The Party undertaking these activities will recognize the funding of the Parties.

Canada and the Recipient agree that they will not unreasonably restrict the other Party or other funding contributors from using, for their own purposes, public communications products related to the Project that were prepared collectively or individually by the Parties, and if web-based, from linking to them.

Canada and the Recipient will ensure that:

- a) Canada and the Recipient will work together with respect to Joint Communications about the Project.

- b) Joint Communications related to the Project funded under this Agreement should not occur without the prior knowledge and agreement of each of the Parties.
- c) All Joint Communications material will be approved by Canada and the Recipient, and will recognize the funding of each of the Parties.
- d) Each of the Parties may request Joint Communications to communicate to Canadians about the progress or completion of Projects. The requestor will provide at least fifteen (15) business days' notice to the other Parties. If the Communications Activity is an event, it will take place at a mutually agreed date and location.
- e) The requestor of the Joint Communications will provide an equal opportunity for the other Parties to participate and choose their own designated representative in the case of an event.
- f) As Canada has an obligation to communicate in English and French, Communications products related to events must be bilingual and include the Canada word mark and the other Party's logo. In such cases, Canada will provide the translation services and final approval of products.
- g) The conduct of all Joint Communications will follow the Table of Precedence for Canada (<https://www.canada.ca/en/canadian-heritage/services/protocol-guidelines-special-event/table-precedence-canada.html>).

Media events include, but are not limited to, news conferences, public and virtual announcements, official events or ceremonies, and news releases.

The Recipient agrees to collaborate with Canada on Communications Activities and products including, but not limited to, Project success stories, vignettes, and multi-media products.

SCHEDULE D.5: INDIVIDUAL COMMUNICATIONS

The Recipient will ensure that:

- a) Where a website or webpage is created to promote or communicate progress on a funded Project or Projects, it must recognize federal funding through the use of a digital sign or through the use of the Canada wordmark and the following wording, "This project is funded in part by the Government of Canada." The Canada wordmark or digital sign must link to Infrastructure Canada's website, at www.infrastructure.gc.ca. The guidelines for how this recognition is to appear and language requirements are published on Infrastructure Canada's website (<http://www.infrastructure.gc.ca/pub/signage-panneaux/intro-eng.html>)
- b) Recipients will be required to send a minimum of one photograph to each of the Parties of the construction in progress, or of the completed project, for use in social media and other digital individual Communications Activities. Sending the photos will constitute permission to use and the transfer of copyright. Photographs are to be sent to photo@infcc.gc.ca along with the Project name and location.

SCHEDULE D.6: OPERATIONAL COMMUNICATIONS

The Recipient is solely responsible for operational communications with respect to the Project, including, but not limited to, calls for tender, construction, and public safety notices.

Operational communications will include the following statement: "This project is funded in part by the Government of Canada". Operational communications as described above are not subject to the federal official languages policy.

Canada and the Recipient will share information promptly with the other Party should significant media inquiries be received or if major stakeholder issues relating to the Project arise.

SCHEDULE D.7: SIGNAGE

Unless otherwise agreed upon by Canada, the Recipient will produce and install a sign to recognize contributors' funding at each Project site in accordance with current federal signage guidelines. The sign's design, content, and installation guidelines are provided by Canada (<http://www.infrastructure.gc.ca/pub/signage-panneaux/intro-eng.html>).

Where the Recipient decides to install a permanent plaque or other suitable marker with respect to the Project, it must recognize the federal contribution and be approved by Canada.

The Recipient will ensure that signs are installed at the Project site(s) at least one (1) month prior to the start of construction, be visible for the duration of the Project, and remain in place until one (1) month after construction is completed and the infrastructure is fully operational or opened for public use.

The Recipient will ensure that signs are installed in a prominent and visible location that takes into consideration pedestrian and traffic safety and visibility.

Sign installations shall be reported to Canada as per subsection 8.1b) (Progress Report).

SCHEDULE D.8: ADVERTISING CAMPAIGNS

Recognizing that advertising can be an effective means of communicating with the public, Canada and the Recipient may, at their own cost, organize an advertising or public information campaign related to the Program or the funded Project. However, such a campaign must respect the provisions of this Agreement. In the event of such a campaign, each Party agrees to inform the other Party of its intention, no less than twenty-one (21) business days prior to the campaign launch.

SCHEDULE E - DECLARATION OF SUBSTANTIAL COMPLETION

In the matter of the Agreement entered into between His Majesty the King in right of Canada, as represented by the Minister of Infrastructure and Communities, also known as the Minister of Intergovernmental Affairs, Infrastructure and Communities, and Halifax Regional Municipality (the "Recipient"), represented by _____ (Name), concerning the BUILDING WITH NATURE: IMPLEMENTING A GREEN SHORES APPROACH FOR SHORE ROAD Project (the "Agreement").

I, _____ (Name), of the City/Town of _____, Province/Territory of _____, declare as follows:

1. I hold the position of _____ with the Recipient and as such have knowledge of the matters set forth in this declaration and believe this declaration to be true.
- 2.
- a) I have received the following documents for the BUILDING WITH NATURE: IMPLEMENTING A GREEN SHORES APPROACH FOR SHORE ROAD Project:
 - i. [LIST NAME OF RELEVANT DOCUMENT, e.g. Certificate of Completion, Certificate of Performance, Occupancy Permit, etc.] [INSERT if applicable "signed by _____ (Name), a _____ (Profession, e.g. professional engineer, professional architect or other applicable professional) for the Project."]
 - i. [ADD SAME TEXT AS IN i. FOR EACH DOCUMENT]...
- b) Based on the above documents and the representations made to me by the professionals identified in Section 2(a) above, I declare to the best of my knowledge and belief that the Project:
 - i. has been substantially completed, in that it can be used for its intended use, as described in Schedule B.1 (Project Description) of the Agreement, on the _____ day of the _____ 20__.

[Insert #3, if applicable:]

3. I have received the following documents and based on these documents and representations made to me by the professionals identified below, I declare to the best of my knowledge and belief that the Project conforms with the guidelines of the Agreement:
 - i. [LIST NAME OF RELEVANT DOCUMENT, e.g. Certificate of Completion, Certificate of Performance, Occupancy Permit, etc.] [INSERT if applicable "signed by _____ (Name), a _____ (Profession, e.g. professional engineer, professional architect or other applicable professional) for the Project."]
 - ii. ...

[Insert #4, if applicable:]

4. I have received the following documents and based on these documents and representations made to me by the professionals identified below, I declare to the best of my knowledge and belief that the Project conforms with, as applicable, the [LIST THE APPLICABLE ENVIRONMENTAL REVIEW OR ASSESSMENT e.g., the Canadian Environmental Assessment Act, 2012, Impact Assessment Act, or Northern Regime]:
 - i. [LIST NAME OF RELEVANT DOCUMENT] signed by _____ (Name), an _____ (Profession, e.g. environmental consultant or other

applicable professional).

ii. [ADD SAME TEXT AS IN i FOR EACH DOCUMENT]...

5. All terms and conditions of the Agreement that are required to be met as of the date of this declaration have been met.

Declared at _____ (City/Town), in _____
(Province/Territory)

this _____ day of _____, 20_____.

Signature

Minister of Intergovernmental Affairs,
Infrastructure and Communities



Ministre des Affaires intergouvernementales,
de l'Infrastructure et des Collectivités

Ottawa, Canada K1P 0B6

January 20, 2023

His Worship Mike Savage
Mayor



Dear Mayor Mike Savage,

I am very pleased to write to you regarding the signing of the Contribution Agreement for the Building with Nature: Implementing a Green Shores Approach for Shore Road Project (the Project).

Under the Natural Infrastructure Fund, the Government of Canada will invest up to 60 percent of the total eligible expenditures for the Project to a maximum federal contribution of \$3,000,000.

Please find enclosed an original copy of the Contribution Agreement, which I have signed electronically on behalf of the Government of Canada.

I would kindly ask that you sign and date the Contribution Agreement and share an electronic copy via email to :

Annie Geoffroy
Senior Director, Climate Mitigation and Adaptation Community Programs
Communities and Infrastructure Programs Branch
Infrastructure Canada



- 2 -

The Contribution Agreement will come into effect as of the date of the last signature.

Yours sincerely,

A solid black rectangular redaction box covering the signature of the sender.

Dominic LeBlanc, P.C., K.C., M.P.

Enclosure: Contribution Agreement for the Building with Nature: Implementing a
Green Shores Approach for Shore Road Project.