

**MUNICIPAL FUNDING AGREEMENT
FOR THE CANADA COMMUNITY-BUILDING FUND**

BETWEEN: HIS MAJESTY THE KING IN RIGHT OF Nova Scotia, as represented by the Minister of Municipal Affairs and Housing (“Nova Scotia”)

AND: Municipality of the District of Argyle
in the Province of Nova Scotia (the “Municipality”)
collectively referred to as the “Parties”

WHEREAS His Majesty the King in Right of Canada, as represented by the Minister of Housing, Infrastructure, and Communities (“Canada”) and His Majesty the King in Right of Nova Scotia, as represented by the Minister of Municipal Affairs and Housing (“Nova Scotia”), entered into an Administrative Agreement for the Canada Community-Building Fund (“CCBF”) effective **April 1, 2024**, respecting the roles and responsibilities of Canada and Nova Scotia for the administration of the CCBF; and

WHEREAS Nova Scotia has agreed to administer the Administrative Agreement on behalf of Canada and allocate to Municipalities any CCBF funding that may be transferred by Canada under the Administrative Agreement for the purposes described in the Administrative Agreement; and

WHEREAS the Parties agree that any CCBF funding allocated to Municipalities is to help Nova Scotia communities build and revitalize their public municipal infrastructure that supports national objectives of productivity and economic growth, a clean environment and strong cities and communities;

THEREFORE, the Parties agree as follows:

1. PURPOSE

This Municipal Funding Agreement (“MFA”) sets out the roles and responsibilities of Nova Scotia and the Municipality for the administration of the CCBF.

2. CONTEXT

With the Administrative Agreement, Canada and Nova Scotia wish to help communities build and revitalize their public infrastructure that supports national objectives of productivity and economic growth, a clean environment and strong cities and communities, building on:

- the success of the Previous Agreements;
- Section 161 of the *Keeping Canada’s Economy and Jobs Growing Act*, S.C. 2011, c. 24, under which, starting in 2014-2015, the Government of Canada makes up to \$2 billion per year available for the purpose of municipal, regional and First Nations infrastructure;

- Economic Action Plan 2013, through which the Government of Canada announced a renewed Gas Tax Fund which included the indexation of the Gas Tax Fund funding at two percent per year, with increases to be applied in \$100 million increments (confirmed through section 161 of the Keeping Canada’s Economy and Jobs Growing Act, S.C. 2011, c. 24 as amended by section 233 of the Economic Action Plan 2013 Act, No. 1, S.C. 2013, c. 33);
- Section 199 of Budget Implementation Act, 2021, No. 1 (Budget 2021) in which the Gas Tax Fund was renamed the Canada Community-Building Fund;
- Budget 2022 (A Plan to Grow Our Economy and Make Life More Affordable) in which the Government of Canada ties access to infrastructure funding to actions by provinces, territories, and municipalities to increase housing supply where it makes sense to do so; and
- Nova Scotia’s Budget 2024 to 2025 (Build Nova Scotia, Faster), including new funding to advance Nova Scotia’s 5-Year *Our Homes, Action for Housing* plan, which includes 12 key actions to increase housing supply, grow and sustain affordable housing, and deliver programs people need, as informed by comprehensive data from the provincial and municipal Housing Needs Assessment Reports.

3. PRINCIPLES

Nova Scotia and the Municipality acknowledge that this MFA is based on the following principles:

- a) **Principle 1: Respect for Jurisdiction.** The CCBF is designed to leverage the strengths of each level of government and is based on the principle that each level of government has its own areas of jurisdiction and is accountable to its population for its delivery of the CCBF program. Canada respects the jurisdiction of provinces and territories over municipal institutions.
- b) **Principle 2: Flexibility of Approach.** In recognition of the diversity of Canadian provinces, territories, regions and communities, the CCBF recognizes the need for a flexible approach to program delivery. Wherever possible, the CCBF aims to employ regionally adapted delivery mechanisms, including the leveraging of existing delivery mechanisms and reporting structures.
- c) **Principle 3: Equitable Distribution.** The CCBF recognizes the importance of ensuring that the inter-provincial/territorial allocation is equitable while supporting meaningful infrastructure investments within the least populated jurisdictions.

- d) **Principle 4: Equity.** The CCBF is designed to afford participating municipalities with flexibility in developing projects and setting priorities, offering a wide range of possible project categories. Nova Scotia, and its Ultimate Recipients are expected to consider Gender Based Analysis Plus (GBA+) lenses when undertaking projects.
- e) **Principle 5: Complementarity.** The CCBF provides stable, predictable, long-term funding for communities. The CCBF is not to replace municipal operating and maintenance funding or municipal capital funds. The CCBF complements municipal funding for the purpose of creating or revitalizing municipal infrastructure. The CCBF also complements but does not replace other national infrastructure funding programs.
- f) **Principle 6: Transparency.** The CCBF is administered via an open and transparent governance process that includes regular evaluations and audits. Canada and Nova Scotia are committed to promoting and supporting accountability through regular, effective, and accurate program reporting to the Canadian public.
- g) **Principle 7: Commitment to Improve Housing Supply and Affordability.** Canada and Nova Scotia are committed to working collaboratively to address the national priority of increasing the supply of housing as well as the availability of affordable housing. Nova Scotia will work with Ultimate Recipients to leverage the CCBF to support housing investments in Nova Scotia, where it makes sense to do so.

4. ANNEXES AND SCHEDULES

The following annexes and schedules are attached to and form part of this MFA:

- Annex A: Definitions
- Annex B: Terms and Conditions, including:
 1. Allocation of Funds
 2. Delivery Mechanism
- Schedule A: Municipality Requirements
- Schedule B: Eligible Project Categories
- Schedule C: Eligible and Ineligible Expenditures
- Schedule D: Reporting
- Schedule E: Communications Protocol
- Schedule F: Asset Management
- Schedule G: Housing

The provisions of this MFA, including the annexes and schedules listed above, constitute the entire agreement between the Parties and supersede all previous communications, representations, agreements, whether oral or written, between the Parties with respect to the subject matter herein.

5. DEFINITIONS

Unless defined elsewhere in this Agreement, capitalized words used throughout this MFA are defined in Annex A (Definitions).

6. CANADA COMMUNITY BUILDING FUND

- 6.1. Any CCBF funding that may be transferred by Nova Scotia to the Municipality, when transferred, will be administered by the Municipality in accordance with this MFA, including the terms and conditions set out in Annex B (Terms and Conditions).
- 6.2. Any Unspent Funds, and any interest earned thereon, will be subject to the terms and conditions of this MFA and will no longer be governed by the terms and conditions of a previous municipal funding agreement.

7. GENERAL

- 7.1. Nova Scotia and the Municipality acknowledge the financial contribution by Canada under this MFA and, in consideration of that contribution and notwithstanding that Canada is not a signatory to this MFA; the parties agree that the terms of this MFA applicable to, or with respect to, Canada are for its sole benefit.
- 7.2. Nothing in this MFA is to be construed as authorizing one Party to contract for or to incur any obligation on behalf of the other or to act as an agent for the other. Nothing in this MFA is to be construed as authorizing the Municipality, Village, Non-Municipal Entity, or any Third Party to contract for or to incur any obligation on behalf of either Party or to act as an agent for either Party.
- 7.3. The parties agree to give this MFA a fair and reasonable interpretation and, when required, to negotiate with fairness and candour any modifications or alteration thereof for the purpose of carrying out the intent of this MFA and or rectifying any omission in any of these provisions.
- 7.4. If there is a conflict between this MFA and the Administrative Agreement, the provision(s) of the Administrative Agreement will apply, and the conflicting provision(s) in this MFA will be of no force or effect.
- 7.5. This MFA shall be governed by the laws of Nova Scotia and Canada as applicable.

- 7.6. Nothing contained in this agreement shall constitute or be deemed to create a partnership or joint venture or employment relationship between the Parties. The parties shall each act as independent contractors for the purposes of this MFA.

8. DURATION, TERMINATION, AMENDMENT AND DEFAULT

- 8.1. This MFA will be effective as of April 1, 2024, and will be in effect until March 31, 2034, unless Nova Scotia and the Municipality agree to renew it. In the event where this MFA is not renewed, any Funds, Unspent Funds, and any interest earned that is held by the Municipality, that have not been expended on Eligible Projects as of March 31, 2034, will nevertheless continue to be subject to this MFA until such time as may be determined and agreed by Nova Scotia and the Municipality.
- 8.2. This MFA may be amended at any time in writing as agreed to by the Municipality and Nova Scotia.
- 8.3. This MFA may be terminated at any time and for any reason by Nova Scotia or the Municipality on two (2) years written notice. In the event where this MFA is so terminated, any Funds, Unspent Funds, and any interest earned that is held by the Municipality, that have not been expended on Eligible Projects as of the date of termination, will nevertheless continue to be subject to this MFA until such time as may be determined by Nova Scotia at its sole discretion.
- 8.4. Nova Scotia may declare a default of this MFA if a Municipality:
- a) has failed to comply with any condition, undertaking or material term of this MFA;
 - b) fails to implement or operate a project within the term of this MFA;
 - c) fails to obtain the necessary licenses, permits or approvals required to implement a project;
 - d) fails to implement any environmental mitigation requirements; or
 - e) fails to meet the reporting requirements of this MFA.
- 8.5. Nova Scotia will not declare a default of this MFA has occurred unless it has consulted with and given notice of default in writing to the Municipality of the occurrence which, in the opinion of Nova Scotia, constitutes an event of default.
- 8.6. The Municipality shall, within 30 days of receipt of the notice of default, either correct the condition that has led to the serving of notice or demonstrate to the satisfaction of Nova Scotia that it has taken such steps as are necessary to correct the condition.

- 8.7. If a default of this MFA occurs, Nova Scotia may inform the Municipality by notice in writing that Nova Scotia's obligation to transfer funds, or the balance of funds, to the Municipality is terminated, and if requested in writing, the Municipality agrees to reimburse Nova Scotia, within 60 days of the written request, for the amount dispersed.
- 8.8. In addition to any other remedy available at law, Nova Scotia reserves the right of set-off to recover any overpayments made to, or amounts owing by, the Municipality under this MFA.
- 8.9. The Municipality will indemnify and save harmless each of Canada and Nova Scotia and each of their respective ministers, servants, officers, employees and agents from and against all claims, liabilities, and demands of any kind with respect to any injury or death to a person, or damage to or loss or destruction of property, economic loss or infringement of rights by or arising directly or indirectly from:
- a) the Administrative Agreement and this MFA;
 - b) the performance of this MFA or the breach of any term or condition of it by the Municipality, a Village, a Non-Municipal Entity or by a Third Party, and any of its officers, employees, servants or agents;
 - c) the ongoing operation, maintenance and repair of the municipal Infrastructure resulting from any Eligible Projects commenced or completed under this MFA;
 - d) any omission or other wilful or negligent act of the Municipality, a Village, a Non-Municipal Entity or a Third Party, and their respective employees, officers, servants or agents.
- 8.10. The Parties' rights and obligations respecting access to records, liability for projects, and retaining title will survive the expiry or early termination of this MFA.

9. CORRESPONDENCE

9.1. Any notice or communication authorized or permitted with respect to this MFA shall be effectively given if:

- a) Delivered by hand;
- b) Sent by letter;
- c) Sent by electronic mail; or
- d) Sent by facsimile (FAX).

9.2. Any notice or communication required or permitted by this MFA to be made by the Municipality shall be provided to:

Director, Municipal Infrastructure
Department of Municipal Affairs and Housing
1505 Barrington Street
Maritime Centre, 14 North
P.O. Box 216
Halifax, Nova Scotia
B3J 2M4
Telephone: 902-424-6642
Facsimile: 902-424-0821
Email: CCBF@novascotia.ca

10. SIGNATURES

IN WITNESS WHEREOF, Nova Scotia and the Municipality have respectively executed and delivered this Municipal Funding Agreement on the date set out on the front page.

Municipality of the District of Argyle,

By: _____
Name:
Title:

Date

Name:
Title:

Date

DEPARTMENT OF MUNICIPAL AFFAIRS AND HOUSING



By: _____
Honourable John A. Lohr
Minister of Municipal Affairs and
Housing

October 23, 2024

Date

In the presence of:



Witness: Marilyn Devlin

October 23, 2024

Date

ANNEX A – DEFINITIONS

“Administrative Agreement” means the Administrative Agreement on the Canada Community-Building Fund in Nova Scotia which came into effect as of April 1, 2024.

“Affordable Housing” means a dwelling unit where the cost of shelter, including rent and utilities, is a maximum of 30% of before-tax household income. The household income is defined as 80% or less of the Area Median Household Income (AMHI) for the metropolitan area or rural region of the Ultimate Recipient.

“Annual Expenditure Report” means the duly completed annual report to be prepared and delivered by the Municipality to Nova Scotia, as described in Schedule D (Reporting).

“Asset Management” is a principle/practice that includes planning processes, approaches, plans, or related documents that support an integrated lifecycle approach to the effective stewardship of infrastructure assets in order to maximize benefits and effectively manage risk.

“Asset Management Plan” means documents that support integrated, lifecycle approaches to effective stewardship of infrastructure assets to maximize benefits and manage risk. An Asset Management Plan may include:

- A Capital Investment Plan;
- An inventory of assets;
- Assessment of the condition of infrastructure;
- Level of service or risk assessment;
- A cost analysis;
- Community priority setting;
- Financial planning.

“Canada Community-Building Fund (CCBF)” means the program established under section 161 of the *Keeping Canada’s Economy and Jobs Growing Act*, S.C. 2011, c. 24 as amended by section 233 of the *Economic Action Plan 2013 Act, No. 1*, S.C. 2013, c. 33, as the Gas Tax Fund and renamed the Canada Community-Building Fund in section 199 of *Budget Implementation Act, 2021, No. 1*.

“Capital Investment Plan” means a template created by Nova Scotia to be used by a Municipality through a public process, providing a detailed understanding of anticipated investments into tangible capital assets that are considered priorities.

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

“Eligible Expenditures” means those expenditures described as eligible in Schedule C (Eligible and Ineligible Expenditures).

“Eligible Projects” means projects as described in Schedule B (Eligible Project Categories).

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

“Funds” mean the funds made available to the Municipality through the CCBF, a program established by the Government of Canada under Section 161 of the Keeping Canada’s Economy and Jobs Growing Act, S.C. 2011, c. 24 as amended by Section 233 of the Economic Action Plan 2013 Act, No. 1, S.C. 2013, C. 33 or any other source of funding as determined by Canada. Funds are made available pursuant to this Agreement and include any interest earned on said Funds.

“Gender Based Analysis Plus (GBA Plus or GBA+)” is an analytical process that provides a rigorous method for the assessment of systemic inequalities, as well as a means to assess how diverse groups of women, men, and gender diverse people may experience policies, programs and initiatives. The “plus” in GBA Plus acknowledges that GBA Plus is not just about differences between biological (sexes) and socio-cultural (genders). GBA Plus considers many other identity factors such as race, ethnicity, religion, age, and mental or physical disability, and how the interaction between these factors influences the way we might experience government policies and initiatives. Conducting a GBA Plus analysis involves considering all intersecting identity factors as part of GBA Plus, not only sex and gender. GBA+ is a priority for the Government of Canada.

“Housing Needs Assessment (HNA)” means a report informed by data and research describing the current and future housing needs of a Municipality or community according to guidance provided by Canada.

“Ineligible Expenditures” means those expenditures described as ineligible in Schedule C (Eligible and Ineligible Expenditures).

“Infrastructure” means municipal or regional, publicly or privately owned tangible capital assets in Nova Scotia primarily for public use or benefit.

“Municipal Funding Agreement (MFA)” means this Municipal Canada Community Building Fund Agreement entered into by Nova Scotia and the Municipality which sets out the roles and responsibilities of Nova Scotia and the Municipality for administration of the CCBF, including Annexes and Schedules attached hereto.

“Municipality” means a municipality in Nova Scotia incorporated or continued pursuant to the Nova Scotia *Municipal Government Act* or the *Halifax Regional Municipality Charter*, and includes a regional municipality, town, county, or district municipality.

“Non-Municipal Entity” means an entity that is a not-for-profit, for profit, or non-governmental organization.

“Parties” means Nova Scotia and the Municipality.

“Previous Agreements” means any agreements between Canada and Nova Scotia for the purposes of administering the Gas Tax Fund or Canada Community-Building Fund (CCBF).

“Third Party” means any person or legal entity, other than Canada, Nova Scotia or an Ultimate Recipient, who participates in the implementation of an Eligible Project by means of a Contract.

“Ultimate Recipient” means:

- (i) a Municipality or its agent (including its wholly owned corporation);
- (ii) a non-municipal entity, including Indigenous recipients, non-governmental and not-for-profit organizations, on the condition that (a) the Municipality(ies) has (have) indicated support for the project through a formal resolution of its (their) council(s) or board(s).

“Units Enabled” means the number of new housing units enabled and, refers to the increased housing capacity resulting from the CCBF infrastructure investment, whether directly or indirectly.

“Unspent Funds” means funds that have not been spent towards an Eligible Project (as defined under the Previous Agreements) prior to the effective date of this Agreement.

“Village” means an incorporated village in Nova Scotia.

ANNEX B - TERMS AND CONDITIONS

1. ALLOCATION OF FUNDS

- 1.1. Nova Scotia agrees to allocate any CCBF funding that may be received by Nova Scotia from Canada to Municipalities solely for Eligible Projects as detailed in Schedule B (Eligible Project Categories) and solely for the purpose of Eligible Expenditures as detailed in Schedule C (Eligible and Ineligible Expenditures). Municipal allocations will be based upon a formula as recommended by the Nova Scotia Federation of Municipalities as per the Administrative Agreement.

2. DELIVERY MECHANISM

- 2.1. Payments to the Municipality shall not be made unless Nova Scotia is in receipt of CCBF funds from Canada.
- 2.2. If Canada does not provide sufficient Funds for any Fiscal Year during which this MFA is in effect, Nova Scotia may terminate this MFA and is not liable for any effects this action may cause Municipalities nor is Nova Scotia obligated to compensate the Municipality for the loss of funding.
- 2.3. Nova Scotia will distribute CCBF funding received from Canada to the Municipality, in accordance with this MFA and the Administrative Agreement. The distribution of said CCBF funds to the Municipality will be subject to the Municipality meeting terms and conditions of this MFA.
- 2.4. The Municipality agrees that CCBF funding shall be used only for Eligible Projects as identified in Schedule B of this MFA, and Eligible Expenditures as identified in Schedule C of this MFA.
- 2.5. Any CCBF allocation will be treated as federal funds with respect to other federal Infrastructure programs. CCBF funding may be used to pay up to 100 per cent of Eligible Expenditures of an Eligible Project.

SCHEDULE A – Municipal Requirements

The Municipality agrees to:

1. Records and Audit

- 1.1. Keep proper and accurate accounts and records in respect of all Eligible Projects for at least six (6) years after completion of the Eligible Project and, upon reasonable notice, make them available to Canada or Nova Scotia.
- 1.2. Record, separately and distinctly, any CCBF funding, including any interest earned, that it receives from Nova Scotia in advance of paying Eligible Expenditures.
- 1.3. Allow Canada or Nova Scotia reasonable and timely access to all of its documents, project sites, records and accounts and those of their respective agents, Villages, Non-Municipal Entities or Third Parties related to the use of CCBF funding and Unspent Funds, and any interest earned thereon, and all other relevant information and documentation requested by Canada or Nova Scotia, or their designated representatives, for the purposes of audit, evaluation, and ensuring compliance with this MFA.

2. Projects and Costs

- 2.1. Use funds only for the purpose of paying for Eligible Expenditures incurred with respect to Eligible Projects in accordance with Schedule B (Eligible Project Categories) and Schedule C (Eligible and Ineligible Expenditures).
- 2.2. Be responsible for the completion of each Eligible Project in accordance with Schedule B (Eligible Project Categories) and Schedule C (Eligible and Ineligible Expenditures).
- 2.3. Complete all projects by December 31, 2034, without exception, and acknowledge that any costs incurred after that date are not Eligible Expenditures.
- 2.4. Acknowledge that any funds received by the Municipality that are not used for the purpose of paying for Eligible Expenditures incurred by December 31, 2034, with respect to Eligible Projects, shall be a debt owed and payable to Nova Scotia by the Municipality.
- 2.5. Agree that any CCBF Funds received will be treated as federal funds for the purpose of other federal Infrastructure programs.
- 2.6. Consider Gender Based Analysis Plus (“GBA+”) lenses when undertaking a project.
- 2.7. Consider Eligible Projects proposed by Villages. A Village in the Municipality may submit a list of Eligible Projects to the Municipality. The Municipality shall, in the same fashion as for its projects, evaluate the list, prioritize the projects on it, and include any on the Municipality's list of Eligible Projects included in its Capital Investment Plan.

- 2.8. Consider Eligible Projects that may be undertaken by a Non-Municipal Entity. A Municipality can choose to use CCBF Funds to support an Eligible Project that is to be undertaken by a Non-Municipal Entity, provided that the project is for public use or benefit in Nova Scotia and is subject to the following:
- a) The provision of such support shall be authorized by a formal resolution of Council.
 - b) The resolution is to be submitted to Nova Scotia as soon as practicable thereafter. The resolution of Council shall identify the Eligible Project, the Non-Municipal Entity, and the amount of Funds they are to receive for that Eligible Project.
 - c) The Municipality shall continue to be bound by all of the provisions of this MFA notwithstanding any such transfer.
 - d) No transfer of Funds pursuant to this Section 2.8 shall be in effect unless and until the Non-Municipal Entity receiving the Funds has executed and delivered to Nova Scotia (if requested) a written undertaking to abide by the Municipality's obligations under this MFA with respect to the Funds transferred, in a form satisfactory to Nova Scotia.

3. Non-Compliance

- 3.1. Acknowledge that Nova Scotia may, without limiting any of the remedies available to Nova Scotia under this MFA, applicable legislation, or the common law, withhold payment to the Municipality, reduce payments to the Municipality, or demand the return of any payment or part thereof, if the Municipality does not comply with the terms and conditions of this MFA. Any payment or part thereof demanded by Nova Scotia and not returned by the Municipality shall be a debt due and payable to Nova Scotia.

4. Reporting

- 4.1. Comply with all requirements outlined in Schedule D (Reporting) and Schedule G (Housing)

5. Communications

- 5.1. Comply with all requests for communications reporting and follow all Municipal Communications requirements as outlined in Schedule E (Communications Protocol).

6. Legislative/Environmental Compliance and Licensing

- 6.1. Comply with all legislated environmental assessment requirements and commit that no funds will be expended on Eligible Projects until all environmental assessment and legislative requirements have been met.
- a) Agree that all certificates, consents, permits, licenses and approvals required for compliance with applicable legislation have been or will be obtained; that the Municipality will otherwise comply with the requirements of such legislation; and

- will comply with any mitigating measures identified through the environmental assessment process.
- b) Agree that failure to implement any mitigating measures identified through the environmental assessment process shall constitute a default of this MFA.
- 6.2. Obtain all necessary licenses, permits, and approvals required to undertake Eligible Projects by applicable legislation, regulations and by-laws.
- 6.3. Comply with all applicable legislation, including, but not limited to labour, employment, and human rights legislation.

7. Ownership

- 7.1. If at any time within five (5) years from the date of completion of the Eligible Project, the Municipality, Village, or Non-Municipal Entity sells, leases, encumbers or otherwise disposes of, directly or indirectly, any asset constructed, rehabilitated or improved, in whole or in part, with Funds contributed by Canada under the terms of this MFA, the Municipality must notify Nova Scotia of its intent in advance. The Municipality must invest into Eligible Projects any revenue that is generated from the sale, lease, encumbrance or other disposal of an asset resulting from an Eligible Project where such disposal takes place within five (5) years of the date of completion of the Eligible Project.
- 7.2. Agree that failure to notify Nova Scotia of this intent in advance or to invest the revenue generated shall constitute a default of this MFA.

8. Indemnity and Insurance

- 8.1. Indemnify and hold harmless Canada and Nova Scotia, its Ministers, employees, servants and agents from and against all damages, costs, losses, expenses (including legal fees), claims, demands, actions, suits or other proceedings of any kind or nature, in relation to the use of CCBF Funding, Eligible Expenditures, or Eligible Projects, or any matter related to this MFA.
- 8.2. Acknowledge that neither Canada nor Nova Scotia will be liable for any loan, lease, or other obligation in relation to the CCBF Funding, Eligible Expenditures, or Eligible Projects.
- 8.3. Without limiting the Municipality's obligations or liabilities, and at the Municipality's own expense, the Municipality shall provide, maintain, and pay for all necessary insurance, including Workers' Compensation coverage as required by law.
- 8.4. Purchase and maintain Commercial General Liability with a per occurrence limit deemed appropriate in consideration of the scale and scope of Eligible Project(s), covering bodily injury, personal injury and property damage and including liability assumed under this MFA arising out of all operations of the Recipient or any of its officers, employees, or agents who are involved in completing Eligible Project(s). This policy must include "His Majesty the King in Right of the Province of Nova Scotia" as an additional insured.

9. Best Practices

- 9.1. Ensure that, on any Eligible Project, the work shall be carried out in accordance with the rules, regulations and legislation governing such works and in accordance with the best general practices then current at the time of construction of the project.

10. Tenders and Contracts

- 10.1. With respect to Contracts, award and manage all Contracts in accordance with their relevant policies and procedures and, if applicable, in accordance with the Canadian Free Trade Agreement and applicable international and interprovincial trade agreements, and all other applicable laws.
- 10.2. Act in accordance with the requirements of Section 1.2 of Schedule C (Eligible and Ineligible Expenditures) if the Municipality chooses to utilize its employees and equipment for the project.

11. Asset Management

- 11.1. Submit to Nova Scotia, annually, a 5-year Capital Investment Plan using a template provided by Nova Scotia, as part of its Asset Management program.
- 11.2. Demonstrate, to the satisfaction of Nova Scotia, progress on creating or updating data that is commonly incorporated into an Asset Management Plan, such as describing the condition of, long-term cost of, levels of service provided by, and risks associated with infrastructure assets.
- 11.3. Demonstrate, to the satisfaction of Nova Scotia, progress on adopting and integrating Asset Management practices within the Municipality. This could include developing and updating asset inventories, conducting condition assessments, implementing lifecycle management strategies, and aligning financial planning with asset needs.
- 11.4. Participate in surveys related to Asset Management practices, needs, and progress.

12. Housing Needs Assessments

- 12.1. Where possible, prioritize projects that support growth of the housing supply. HNAs can be used by the Municipality to prioritize Infrastructure or capacity building projects that support increased housing supply where it makes sense to do so.

13. General

- 13.1. Ensure its actions do not establish or are not 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 Municipality, Nova Scotia and the Municipality, between Canada and a Third Party, or between Nova Scotia and a Third Party.

- 13.2. Ensure that they do not represent themselves as a partner, employee or agent of Canada or Nova Scotia, including in any agreement with a Third Party.
- 13.3. Ensure that 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 CCBF funding, Unspent Funds, and interest earned thereon, unless the provision or receipt of such benefits is in compliance with such legislation, guidelines, policies or codes.

SCHEDULE B – Eligible Project Categories

Eligible Projects include investments in Infrastructure for its construction, renewal or material enhancement in each of the following categories:

1. Local roads and bridges – roads, bridges and active transportation infrastructure
2. Highways – highway infrastructure
3. Short-sea shipping – infrastructure related to the movement of cargo and passengers around the coast and on inland waterways, without directly crossing an ocean
4. Short-line rail – railway related infrastructure for carriage of passengers or freight
5. Regional and local airports – airport-related infrastructure (excludes the National Airport System)
6. Broadband connectivity – infrastructure that provides internet access to residents, businesses, and/or institutions in Canadian communities
7. Public transit – infrastructure which supports a shared passenger transport system which is available for public use
8. Drinking water – infrastructure that supports drinking water conservation, collection, treatment and distribution systems
9. Wastewater – infrastructure that supports wastewater and storm water collection, treatment and management systems
10. Solid waste – infrastructure that supports solid waste management systems including the collection, diversion and disposal of recyclables, compostable materials and garbage
11. Community energy systems – infrastructure that generates or increases the efficient usage of energy
12. Brownfield Redevelopment - remediation or decontamination and redevelopment of a brownfield site within municipal boundaries, where the redevelopment includes:
 - i. the construction of public infrastructure as identified in the context of any other category under the Canada Community-Building Fund, and/or;
 - ii. the construction of municipal use public parks and publicly-owned social housing.
13. Sport Infrastructure – amateur sport infrastructure (excludes facilities, including arenas, which would be used as the home of professional sports teams or major junior hockey teams)

14. Recreational Infrastructure – recreational facilities or networks
15. Cultural Infrastructure – infrastructure that supports arts, humanities, and heritage
16. Tourism Infrastructure – infrastructure that attract travelers for recreation, leisure, business or other purposes
17. Resilience – built and natural infrastructure assets and systems that protect and strengthen the resilience of communities and withstand and sustain service in the face of climate change, natural disasters and extreme weather events.
18. Capacity building - includes investments related to strengthening the ability of municipalities to develop long-term planning practices including: capital investment plans, integrated community sustainability plans, integrated regional plans, housing needs assessments, and/or asset management plans, related to strengthening the ability of recipients to develop long-term planning practices.
19. Fire Halls – fire halls and fire station infrastructure.

Note: Investments in health infrastructure (hospitals, convalescent and senior centres) are not eligible.

SCHEDULE C – Eligible and Ineligible Expenditures

1. Eligible Expenditures

1.1. Eligible Expenditures of the Municipality will be limited to the following:

- a) the expenditures associated with acquiring, planning, designing, constructing, renewing or rehabilitating a tangible capital asset and any related debt financing charges specifically identified with that asset;
- b) for capacity building category only, the expenditures related to strengthening the ability of Municipalities to improve local and regional planning including capital investment plans, integrated community sustainability plans, integrated regional plans, housing needs assessments, and/or asset management plans. The expenditures could include developing and implementing:
 - i. studies, strategies, or systems related to asset management, which may include software acquisition and implementation;
 - ii. studies, strategies, or systems related to housing or land use, including Housing Needs Assessments; and
 - iii. training directly related to asset management planning.
- c) the expenditures directly associated with joint federal communication activities and with federal project signage.

1.2. Employee and Equipment Costs: The incremental costs of the Municipality's employees or leasing of equipment may be included as Eligible Expenditures under the following conditions:

- a) the Municipality is able to demonstrate that it is not economically feasible to tender a Contract;
- b) the employee or equipment is engaged directly in respect of the work that would have been the subject of the Contract; and,
- c) the arrangement is approved in advance and in writing by Nova Scotia.

2. Ineligible Expenditures

2.1. The following are deemed Ineligible Expenditures:

- a) project expenditures incurred before April 1, 2005;
- b) project expenditures incurred before April 1, 2014 for the following investment categories:
 - i highways;
 - ii regional and local airports;
 - iii short-line rail;
 - iv short-sea shipping;
 - v disaster mitigation;
 - vi broadband connectivity;
 - vii brownfield redevelopment;
 - viii cultural infrastructure;
 - ix tourism infrastructure;
 - x sport infrastructure; and
 - xi recreational infrastructure.
- c) project expenditures incurred before April 1, 2021 for the following investment category:
 - i fire halls
- d) the cost of leasing of equipment by the Municipality, any overhead costs, including salaries and other employment benefits of any employees of the Municipality, its direct or indirect operating or administrative costs of the Municipality, and more specifically its costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by its staff, except in accordance with Eligible Expenditures above;
- e) taxes for which the Municipality is eligible for a tax rebate and all other costs eligible for rebates;
- f) purchase of land or any interest therein, and related costs;
- g) legal fees;
- h) routine repair or preventative maintenance costs not designed to ensure that an asset reaches its planned life; and
- i) costs associated with healthcare infrastructure or assets.

Schedule D – Reporting

1. Pre-Construction Report

- 1.1 A pre-construction report is due to Nova Scotia by November 30, 2024 and June 15th of each year thereafter and will include a list of planned (current fiscal year) CCBF capital and capacity building projects along with required project-specific information including outputs and outcomes. Template to be provided by Nova Scotia.

2. Capital Investment Plan

- 2.1 The Municipality will provide to Nova Scotia a Capital Investment Plan using an online template to be provided by Nova Scotia. The Capital Investment Plan is due to Nova Scotia by November 30, 2024 and September 1st of each year thereafter and will include a list of planned capital projects along with required project-specific information over a minimum of five (5) years. CCBF Eligible Projects are to be identified along with the funding sources for each. Projects proposed for funding by CCBF must be approved by the Municipal Council.

3. Annual Expenditure Report

- 3.1 Due by June 15th of each year, the Municipality will submit an Annual Expenditure Report in respect of the prior Fiscal Year, which includes information on projects undertaken by the Municipality, by Villages within the Municipality and projects undertaken by other Non-Municipal Entities, using the online reporting template as provided by Nova Scotia. The Annual Expenditure Report will include:
- a) the amounts received from Nova Scotia under this MFA in respect of the previous Fiscal Year;
 - b) the amounts received from another Municipality (if applicable);
 - c) the amounts transferred to another Municipality (if applicable);
 - d) amounts paid by the Municipality in aggregate for Eligible Projects;
 - e) amounts held at year end by the Municipality in aggregate, including interest, to pay for Eligible Projects;
 - f) a listing of all Eligible Projects that have been funded, indicating the location, project start and end dates, investment category, investment amount and identity of all sources of funding;
 - g) the nature of the investment and the outputs and outcomes achieved, as identified within the online reporting template.
 - h) certification by an authorized senior official of the Municipality that it is in compliance with the terms and conditions of this MFA.

3.2 If it makes sense to do so, the following are encouraged to be included in Annual Expenditure report:

- a) housing outcomes
- b) list housing pressures tied to infrastructure gaps (e.g. affordability pressures, core housing need, lack of specific types of housing, limited serviced land for expansion, planning policies / zoning bylaws, etc.) and explain the impact of the CCBF on addressing those pressures.
- c) description of:
 - i) how infrastructure investments are being prioritized to increase housing supply
 - ii) steps taken to preserve and/or increase the supply and mix of affordable housing (e.g. minimizing displacement, making land available for non-market housing, minimum affordability requirements for private developers, etc.)
 - iii) how CCBF funding is being used to build local capacity for sound land use and development planning (e.g. through the capacity building category)

4. Communications Reporting

4.1. Municipalities must comply with any requests made to gather information for communication purposes. This may include, but is not limited to, annual CCBF project information (planned and actual expenditures) that will be used for event planning, project outcomes information, and signage installation updates.

5. Other Reports

5.1. All reporting that is due to the Department of Municipal Affairs and Housing from the Municipality must be received in a form satisfactory to Nova Scotia prior to their CCBF allocations being sent. These reports include, but are not limited to, all reports mentioned in Schedule D of this MFA, as well as Audited Financial Statements, Statements of Estimates (Forms A and B), Financial Information Return(s), and any other reporting required by the Minister of Municipal Affairs and Housing.

5.2. Reporting required to update the Housing Needs Assessment completed by Nova Scotia for the Municipality. If required by Nova Scotia, this includes information needed to fulfill the requirements of the HNA template published by Canada.

6. General

- 6.1. Reports must be in a format and include the content as determined by Nova Scotia consistent with the requirements of the Administrative Agreement.
- 6.2. The Administrative Agreement refers to guidance documents maintained by the federal government. Nova Scotia will make these documents available to Municipalities.
- 6.3. Supplementary reporting guidelines with respect to Asset Management may be issued by Nova Scotia and provided to the Municipality.

SCHEDULE E – Communications Protocol

In support of transparency and accountability of the CCBF, the following communications protocol will apply to all communications activities undertaken regarding any CCBF funding and applies to the Municipality. Communicating to Nova Scotians and Canadians on the use of CCBF funding is clearly linked with our joint accountability to Nova Scotians and Canadians. Compliance with this protocol will inform the timing and flow of any CCBF funding and is critical to meeting our joint commitment to transparency.

1. Purpose

- 1.1. The provisions of this Communications Protocol apply to all communications activities related to any CCBF funding, including allocations, and Eligible Projects funded under this MFA. Communications activities may include, but are not limited to, public or media events, news releases, reports, digital and social media products, project signs, digital signs, publications, success stories and vignettes, photo compilations, videos, advertising campaigns, awareness campaigns, editorials, awards programs, and multi-media products.
- 1.2. Failure by the Municipality to adhere to this communication protocol may affect the timing and flow of CCBF Funds

2. Project signage

- 2.1. Canada, Nova Scotia and the Municipality may each have a sign recognizing their contribution to Eligible Projects.
- 2.2. The Municipality will install a federal sign to recognize federal funding at Eligible Project site(s). Federal sign design, content, and installation guidelines will be provided by Canada and included in the joint communications approach when available.
- 2.3. Where Nova Scotia or the Municipality decides to install a permanent plaque or other suitable marker with respect to an Eligible Project, it must recognize the federal contribution to the Eligible Project(s) and be approved by Canada.
- 2.4. The Municipality is responsible for the production and installation of Eligible Project signage, or as otherwise agreed upon.
- 2.5. The Municipality agrees to inform Nova Scotia of signage installations on a basis as provided for in the joint communications approach.

3. Media events and Announcements for Eligible Projects

- 3.1. Key milestones may be marked by public events, news releases and/or other mechanisms. Media events include, but are not limited to, news conferences, public announcements, official events or ceremonies, and news releases.
- 3.2. Canada, Nova Scotia or the Municipality may request a media event.

- 3.3. Media events related to Eligible Projects will not occur without the prior knowledge and agreement of Canada, Nova Scotia and the Municipality.
- 3.4. The requestor of a media event or an announcement will provide at least 15 working days notice to other parties of their intention to undertake such an event or announcement. An event will take place at a mutually agreed date and location. Canada, Nova Scotia and the Municipality will have the opportunity to participate in such events through a designated representative. Canada, Nova Scotia and the Municipality will choose their own designated representative. If communication is proposed through the issuing of a news release (with no supporting event), Canada requires at least 15 working days notice and 5 working days with the draft news release to secure approvals and confirm the federal representative's quote.
- 3.5. For media events, each participant will choose its own designated representative. Nova Scotia and the Municipality are responsible for coordinating all onsite logistics.
- 3.6. The conduct of all joint events and delivery of supporting communications materials (ex. News releases) that support program communications (ex. intake launches) will follow the [Table of Precedence for Canada \[https://www.canada.ca/en/canadian-heritage/services/protocol-guidelines-special-event/table-precedence-canada.html\]](https://www.canada.ca/en/canadian-heritage/services/protocol-guidelines-special-event/table-precedence-canada.html).
- 3.7. All joint communications material related to media events must be approved by Canada and recognize the funding of the parties.
- 3.8. All joint communications material must reflect Canada's policy on official languages and the federal identity program.
- 3.9. Nova Scotia and the Municipality agree to ensure equal visibility in all communications activities.

4. Program Communications

- 4.1. Canada, Nova Scotia and the Municipality may include messaging in their own communications products and activities with regard to the CCBF.
- 4.2. The party undertaking these activities will recognize the funding of all contributors.
- 4.3. Canada, Nova Scotia and the Municipality agree that they will not unreasonably restrict the other parties from using, for their own purposes, public communications products related to the CCBF prepared by Canada, Nova Scotia or the Municipality, or, if web-based, from linking to it.
- 4.4. Notwithstanding Section 3 of this schedule, Canada retains the right to meet its obligations to communicate to Canadians about the CCBF and the use of funding.

5. Operational Communications

- 5.1. The Municipality is solely responsible for operational communications with respect to Eligible Projects, including but not limited to, calls for tender, construction, and public

safety notices. Operational communications as described above are not subject to the federal official language policy.

- 5.2. Canada does not need to be informed on operations communications. However, such products should include, where appropriate, the following statement, “This project is funded in part by the Government of Canada” or “This project is funded by the Government of Canada”, as applicable.
- 5.3. The Municipality will share information promptly with Nova Scotia should significant emerging media or stakeholder issues relating to an Eligible Project arise. Canada and Nova Scotia will advise the Municipality, when appropriate, about media inquiries received concerning an Eligible Project.

6. Communicating Success Stories

- 6.1. Nova Scotia agrees to facilitate communications between Canada and the Municipality for the purposes of collaborating on communications activities and products including but not limited to Eligible Project success stories, including the positive impacts on housing, Eligible Project vignettes, and Eligible Project start-to-finish features.

7. Advertising Campaigns

- 7.1. Canada, Nova Scotia or the Municipality may, at their own cost, organize an advertising or public information campaign related to the CCBF or Eligible Projects. However, such a campaign must respect the provisions of this MFA and the Administrative Agreement. In the event of such a campaign, the sponsoring party or the Municipality agrees to inform the other parties of its intention, and to inform them no less than 21 working days prior to the campaign launch.

8. Digital Communications, Websites and webpages

- 8.1. Where the Municipality produces social media content to provide visibility to CCBF programs or projects, they shall @mention the relevant federal government official social media account.
- 8.2. Where a website or webpage is created to promote or communicate progress on an Eligible 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” or “This project is funded by the Government of Canada”, as applicable. The Canada wordmark or digital sign must link to Canada’s website, at www.infrastructure.gc.ca. The guidelines for how this recognition is to appear and language requirements are published on Canada’s website, at <http://www.infrastructure.gc.ca/pub/signage-panneaux/intro-eng.html>.

SCHEDULE F – Asset Management

Nova Scotia and its municipal sector agree that a significant municipal infrastructure deficit exists, and continued steps need to be taken by all levels of government to address the situation. Adoption of Asset Management practices are part of this work.

Advancement of the Nova Scotia Asset Management program will continue to incorporate a phased approach and promote opportunities for hands-on training that builds local Asset Management capacity and best practices within Nova Scotia’s Municipalities.

Existing tools will be leveraged to further support implementation of Asset Management practices within Municipalities. These include:

1. 5-year Capital Investment Plans in a format similar to Previous Agreements to encourage long-term planning activities and to support informed decisions at the municipal level.
2. Periodic surveys to be used as devices to measure the progress of Asset Management practices and advise of municipal needs related to implementation of Asset Management practices. Progress may be measured as activities leading to creation or update of an Asset Management strategy policy, roadmap, and or plan.

Survey outputs may be used to inform the future direction of the Nova Scotia Asset Management Program.

3. The Infrastructure Registry for Municipal Assets (IRMA) application, available to Municipalities to store Asset Management related information, map asset location, track asset performance, document and quantify risks, and support analysis of infrastructure needs.

SCHEDULE G - Housing

1. Housing Needs Assessments

- a) The Municipality agrees to work with Nova Scotia to complete Housing Needs Assessments (HNAs) updates if requested.
- b) It is encouraged that HNAs be used by the Municipality in preparation of the Pre-Construction report and the Annual Expenditure report to identify housing pressures related to infrastructure and capacity building pressures, to prioritize projects according to need, as well as to measure housing outcomes where it makes sense to do so. Housing Outcome Indicators include:
 - i) # of new housing units enabled
 - ii) # of existing units preserved
 - iii) # of affordable housing units enabled or preserved

2. Housing Reporting

Municipalities that have identified housing pressures that can be addressed through closing infrastructure gaps or capacity building are encouraged to provide project-level data and reporting on housing outcomes.