

CANADA-QUEBEC HOUSING AGREEMENT

BETWEEN: **CANADA MORTGAGE AND HOUSING CORPORATION (CMHC)**

AND: **SOCIÉTÉ D'HABITATION DU QUÉBEC (SHQ)**

(each a "Party" and collectively the "Parties")

WHEREAS CMHC enters into this *Housing Agreement* (the "Agreement") in accordance with *the National Housing Act*, R.S.C. 1985, c. N-11, as amended;

WHEREAS the SHQ, a legal person established in the public interest, is authorized to enter into this Agreement under section 89.1 of the *Act respecting the Société d'habitation du Québec* (R.S.Q. c. S-8);

NOW, THEREFORE, the Parties hereby agree as follows:

1. INTERPRETATION

Definitions

"Acceptability" means housing that is adequate, suitable and affordable to households in Housing Need.

"Adequacy" means the condition of the housing does not require any major repairs.

"Administration Costs" means the SHQ's costs of carrying out this Agreement that are not assignable to individual projects or recipients, including to costs involving the staff required to implement the Agreement, receipt processes, the review of applications from projects, claims for reimbursement, project announcements and the installation of signage.

"Affordability" means the housing costs for a household are less than 30% of the total before-tax household income.

"Agreement End Date" means March 31, 2028.

"CMHC Funding" means any amount of funding provided by CMHC to the SHQ under this Agreement.

“Commitment” means an undertaking by the SHQ to provide funding for a project or to a recipient under this Agreement.

“Community Housing” (see also “Social Housing” below) means community-based housing that is owned and operated by non-profit housing corporations and housing co-operatives, or housing owned directly or indirectly by the Government of Quebec, a Municipal Organization or a district social services administration board, and includes Social Housing.

“Cost-Matched Funding” means Quebec Funding, Municipal Funding and Funding from Other Sources to be used in accordance with one or more Initiatives. In addition, spending by Quebec and its Municipal Organizations on social and affordable housing, including the Rent Supplement, that is not covered by cost-sharing provisions under any other agreement, will be recognized as Cost-Matched Funding as of April 1, 2018, for the Initiatives.

Cost-Matched Funding does not include: contributions from any Government of Canada source or from CMHC, whether in whole or in part; nor contributions that may receive credit under any arrangement with CMHC or the Government of Canada outside of this Agreement; nor contributions by the occupants of the housing; nor contributions associated with health care or the provision of services to residents/tenants of the housing, except for an amount not exceeding 20% of the total required Cost-Matched Funding for housing support services that are intended to ensure housing retention, greater self-reliance and social inclusion for tenants/occupants; nor contributions related to the operations of a project associated with the revenues of the project.

“Effective Date” means April 1, 2018, unless another date is specified in this Agreement for any Initiative.

“Federal Targets” means the targets that the federal government has set as part of its National Housing Strategy (see section 7).

“Fiscal Year” means the period starting on April 1 of one calendar year and ending on March 31 of the following calendar year.

“Funding from Other Sources” means cash or in-kind contributions from the private sector, the voluntary sector, charities and individual donors and forms part of Cost-Matched Funding.

“Housing” means residential accommodation, and facilities, common areas and services used directly with the residential accommodation in order to reduce Housing Need but may include up to 30% of total associated available space for non-residential purposes. Housing does not include commercial or institutional

premises, social or recreational services, and services or facilities related to mental or physical health care, education, correctional services, food services, social support or public recreation, except as may otherwise be expressly permitted under this Agreement.

“Housing Need” means a household whose housing falls below at least one of the standards of Affordability, Suitability and Adequacy, and the household would have to spend at least 30% of its before-tax income to access acceptable local housing.

“Initiative” means an initiative provided for in section 5a herein.

“Monitoring Committee” means the committee provided for in this Agreement.

“Municipal Funding” means cash or in-kind contributions from any Municipal Organization, within Quebec, and forms part of Cost-Matched Funding.

“Municipal Organization” means a municipality, a regional county municipality (RCM) or a metropolitan community and its agencies, or any organization that the Act designates as an agent of a municipality, including housing bureaus.

“Project” means housing that is eligible under an Initiative and for greater certainty may include a single Unit, but excludes the case of a Commitment to a Recipient.

“QIP” means the current *Québec Infrastructure Plan* of the Government of Quebec with respect specifically to the SHQ investments and types of investment related to Social and Community Housing.

“Quebec Funding” means cash or in-kind contributions from Quebec and forms part of Cost-Matched Funding.

“Quebec’s Plan” is defined in section 6 of this Agreement.

“Recipient” means a household in Housing Need, directly receiving a contribution under an Initiative.

“Social Housing” means housing that, at the time of the commitment and use of the CMHC Funding, is part of one of the following programs created under the *National Housing Act* and for which an operating agreement is in force:

“Section 82 – regular public housing,” “Section 95 (pre-1986) – non-profit public housing, for which the SHQ is the ‘active party’,” “Section 95 (post-1985) – non-profit, co-operative and urban native housing,” Sections 95/92 – Rural and Native Housing (RNH).”

“Suitability” means the housing has enough bedrooms for the size and composition of households.

“Unit” means a self-contained dwelling.

2. PURPOSE OF AGREEMENT

The purpose of this Agreement is to establish the terms and conditions of Canada’s payment of its financial contribution to Quebec for its housing system.

3. TERM AND PUBLICATION OF THE AGREEMENT

a. Term of the Agreement

The Agreement becomes effective (the “Effective Date”) at the time of the last signature and covers the period from April 1, 2018, to the Agreement End Date.

b. Effect on prior housing agreements

This Agreement constitutes the entire agreement, provisions and commitments agreed to by the Parties relating to its content. Notwithstanding the foregoing and for greater clarity, it is understood that this Agreement is separate from any other housing agreement entered into between Canada and Quebec still in force, and consequently, it does not amend the provisions that are still in force of these other agreements.

c. Publication of the Agreement

The Parties will make the Agreement available to the public, including by posting it on their respective websites.

4. RESPECTIVE OBLIGATIONS OF THE PARTIES

On November 22, 2017, the Government of Canada unveiled the “National Housing Strategy”, to which Quebec did not subscribe, and based on which it established a housing partnership framework with the provinces and territories, with the exception of Quebec.

Quebec has had, for more than 50 years, its own housing system that it administers by supporting the initiatives of partners from the municipal sector, non-profits and the private sector through the SHQ's programs and actions.

The Government of Canada and the Government of Quebec share common objectives of reducing the number of Quebec households in Housing Need,

including Indigenous people, seniors, families, victims of violence and persons with disabilities, in particular by increasing the Housing supply, preserving Housing and supporting Affordability. Canada's financial contribution in this context is acknowledged; it is, however, made with respect for Quebec's jurisdiction.

a. Obligations and role of the SHQ

The SHQ undertakes to fulfil its obligations under this Agreement.

b. Obligations and role of CMHC

CMHC agrees, in accordance with this Agreement, to provide CMHC Funding to Quebec under the *Quebec's Priorities* component, for a total amount not exceeding \$272,249,200, including the amount of \$60,747,700 planned for 2019/2020.

CMHC agrees, in accordance with this Agreement, to provide CMHC Funding to Quebec for the *Canada Community Housing Initiative* component, for a total amount not exceeding \$1,115,954,600, including the amount of \$9,960,000 planned for the year 2019/2020.

CMHC agrees to provide CMHC Funding to Quebec for the *Canada Housing Benefit* component, for a total amount not exceeding \$454,297,400, to be paid in accordance with this Agreement.

Notwithstanding any other provision of this Agreement, the amounts of CMHC Funding provided for in this Agreement for 2019/2020 (\$70,707,700) are subject to the acceptance by the Treasury Board of Canada Secretariat of the reprofiling of funds for these amounts, as well as any terms and conditions that may be attached to them.

5. INITIATIVES, FINANCIAL PROVISIONS AND FUNDING

a. Initiatives under this Agreement

The following Initiatives are eligible to receive CMHC Funding and Cost-Matched Funding under this Agreement:

Initiative 1: Quebec's Housing Priorities initiative

The purpose of this Initiative is to support Quebec's housing priorities and reduce the number of households in Housing Need. The proponent types include, without limitation, the Government of Quebec, a Municipal Organization, non-profits, co-operatives, Indigenous housing providers, for-

profit landlords, tenants and homeowners, as determined by the SHQ. Its term is specified in this section.

Initiative 2: Canada Community Housing Initiative

The Parties agree that the funding must be used solely for Social Housing and Community Housing in order to preserve, regenerate and increase Social Housing and Community Housing Units and reduce the Social Housing and Community Housing Need. The Parties also agree that this Initiative requires the preservation of Social Housing Units for urban Indigenous people to ensure that there is no net loss of Units and that its purpose is to conserve or improve the Units through repair, capital replacement and adequate affordability support, as determined by the SHQ. The funding will be used in accordance with the terms and conditions of the Agreement. The proponents include the Government of Quebec, a Municipal Organization, non-profits, co-operatives, Indigenous housing providers and tenants, as determined by the SHQ. Its term is specified in this section.

Initiative 3: Canada Housing Benefit

The Parties agree that the contributions for the *Canada Housing Benefit* must be used, starting in Fiscal Year 2020/2021, in any Quebec program intended to provide Affordability support directly to households, in particular by exploring scenarios for enhancing the *Quebec Shelter Allowance*. The coverage rate and/or monthly assistance per household will thus be enhanced under the *Canada Housing Benefit*, for as many Quebec households as possible, until the maximum amount of contributions under this Agreement has been used. The Parties will draw up the specifics of the *Canada Housing Benefit*, including the Parties' visibility, in an addendum. The Parties agree that this addendum will be finalized within ninety (90) days following the signing of this Agreement.

b. National Housing Co-investment Fund

The Parties intend, through the NHCF Prioritization Protocol set out in Schedule D, to confirm their agreement of collaboration, partnership and information exchange under the CMHC *National Housing Co-investment Fund* ("NHCF") program.

c. Financial provisions

The maximum amount of CMHC Funding is available by Initiative and by Fiscal Year as follows:

| | <i>Quebec's Priorities (\$)</i> | <i>Canada Community Housing Initiative (\$)</i> | <i>Canada Housing Benefit¹ (\$)</i> |
|--------------|-------------------------------------|-----------------------------------------------------|----------------------------------------------------|
| 2019-2020 | 60,747,700 | 9,960,000 | 0 |
| 2020-2021 | 38,949,000 | 28,269,000 | 21,401,000 |
| 2021-2022 | 32,947,400 | 46,717,100 | 27,441,600 |
| 2022-2023 | 32,778,900 | 77,057,200 | 36,178,100 |
| 2023-2024 | 32,774,500 | 104,968,400 | 47,817,200 |
| 2024-2025 | 30,303,900 | 153,265,500 | 55,946,400 |
| 2025-2026 | 27,918,100 | 186,800,600 | 75,688,500 |
| 2026-2027 | 15,829,700 | 236,446,700 | 87,300,600 |
| 2027-2028 | 0 | 272,470,100 | 102,524,000 |
| Total | 272,249,200 | 1,115,954,600 | 454,297,400 |

CMHC Funding cannot be reallocated by the SHQ from one Fiscal Year to another without the prior approval of CMHC. In addition, the funding for one Initiative cannot be reallocated to another Initiative.

Any CMHC Funding that is cancelled or reduced or that is not subject to a Commitment at the end of the Fiscal Year may be reallocated to other Fiscal Years subject to the prior approval of CMHC. It is understood that, at all times, CMHC Funding that has been cancelled or reduced will remain available for funding in Quebec under this Agreement.

CMHC Funding under the Agreement, including funding provided for under the Canada Community Housing Initiative, will be used so that the same number of Social Housing and Community Housing Units under the social housing

agreements existing and still in effect on March 31, 2019, will continue to be offered during the term of this Agreement.

For the purposes of this Agreement, the Parties agree that the following baseline figures represent the numbers of Social Housing and Community Housing Units under the existing social housing agreements as at March 31, 2019: 63,630 Community Housing Units, of which 60,502 are for low-income people, and of the total number of Social Housing Units, 1,128 are Social Housing Units for urban Indigenous people.

For Cost-Matched Funding the value of in-kind contributions will be the fair market value of the contributions. The value of ongoing CMHC Funding will be the present value of the projected stream of ongoing contributions, for the period of the ongoing contributions (up to a maximum of 20 years from the date of Commitment, but not beyond March 31, 2042), discounted at the appropriate Government of Canada benchmark bond yield rate. "Appropriate" means at the closing market price for bonds with a remaining term equal to or nearest to the period, on or most recently before the Commitment is made, as published by the Bank of Canada. Where there is no such remaining term nearer to the period than all the others, the nearest longer remaining term will apply.

Any financial contribution under the Agreement is dependent on the appropriations voted on by the Parliament of Canada and the National Assembly of Quebec. The Parties undertake to make the necessary efforts to have the appropriations needed to implement this Agreement adopted. However, if these appropriations are not granted or if they are insufficient, the Parties will not assume the associated responsibilities under this Agreement.

d. Details of the funding payments

The payment of CMHC Funding is subject to the terms and conditions of this Agreement and will be made when, at the same time:

- CMHC receives the duly completed "Claims Form" in Schedule A;
- Quebec's Plans (as defined in section 6) are available as described below;
- the total amount of CMHC Funding requested during the Fiscal Year for each applicable Initiative does not exceed the maximum available amount for this Fiscal Year as set out in the table in section 5c.

e. Commitments

The SHQ is responsible for making all Commitments to a Project or Recipient.

Commitments of CMHC Funding may be made only from and after April 1, 2019, to not later than March 31, 2028. Commitments of Cost-Matched Funding may be made only from and after April 1, 2018, to not later than March 31, 2029.

Appropriate agreements will be established for each Project or Recipient, as applicable, providing for terms and conditions that meet the requirements of this Agreement. These agreements will ensure that the housing meets the Affordability criteria and allow for monitoring to ensure compliance with this Agreement. Contributions must not be structured as loans other than to secure correction or recovery in the case of non-compliance.

Where a Commitment is cancelled or reduced, or a Project or Recipient is non-compliant in whole or in part, but substantially, then the affected funding (CMHC Funding, Cost-Matched Funding or both) will be considered to remain committed, provided that the SHQ reallocates the funding to another Commitment within the same Fiscal Year in which the cancellation, reduction, or Project or Recipient non-compliance occurred, but not later than March 31, 2029.

The SHQ may enter into arrangements with a Municipal Organization, service managers, Indigenous program administrators or other persons or bodies to perform functions that are the responsibility of the SHQ under the Agreement. Notwithstanding any such arrangements, the SHQ remains directly responsible, and CMHC will have a relationship with and deal with the SHQ alone in regard to the implementation of the Agreement.

f. Claims

The SHQ will use the Claims Form attached as Schedule A to request payments of CMHC Funding on a quarterly basis, as described in section 5, where the SHQ has Commitments in place.

The Claims information provided by the SHQ may be used by CMHC to describe Quebec's involvement in achieving the targets established by CMHC in section 7.

g. Claim submission deadline

The "Claims Form" in Schedule A must be received by CMHC on a quarterly basis, in the following manner:

- not later than thirty (30) days after the first quarter ending on June 30 of the applicable Fiscal Year;

- not later than thirty (30) days after the second quarter ending on September 30 of the applicable Fiscal Year;
- not later than thirty (30) days after the third quarter ending on December 31 of the applicable Fiscal Year; and
- not later than the last business day of the fourth quarter ending on March 31 of the applicable Fiscal Year.

h. Use of Funding

The CMHC Funding and Cost-Matched Funding must be used for: (i) Housing, in accordance with the Initiatives, and (ii) the Administration Costs, up to a maximum of 10%. They must also comply with at least one of the following eligible uses, except as otherwise may be set out in the Agreement:

(i) Increase in supply, which may include new construction of or conversion to Housing; (ii) Preservation, which may include repair, renovation or adaptation of Housing as well as regeneration of Housing; (iii) Affordability support, which may include rent supplements, shelter allowances or other tenant support measures; or (iv) Homeownership assistance, which may include initiatives targeting first-time homebuyers. The CMHC Funding and SHQ Funding for Initiatives 1, 2 and 3 described in section 5a of this Agreement will not replace or displace any level of spending by Quebec or Municipal Organizations.

Spending by Quebec related to the Social Housing and Community Housing sector (including the QIP) from and after April 1, 2018, will be recognized as Cost-Matched Funding in accordance with this Agreement.

i. Disbursements

The SHQ is responsible for the disbursement of CMHC Funding and Cost-Matched Funding for each Project and to each Recipient. CMHC Funding and Cost-Matched Funding must be disbursed to Projects or Recipients in accordance with this Agreement and not later than four (4) years following the date of Commitment, but in any event not later than March 31, 2033, or, in the case of ongoing contributions, within twenty (20) years following the date of Commitment but not later than March 31, 2049. Upon request, the Parties may agree to an extension specific to a Project or Recipient. The “Annual Audited Statement of Disbursements” form in Schedule B must be used and submitted to CMHC within six (6) months following the end of the Fiscal Year.

The SHQ will refund to CMHC any CMHC Funding that is not disbursed in accordance with the Agreement or that exceeds the total of Cost-Matched Funding disbursed in accordance with the preceding section.

j. Cost-Matched Funding

The required Cost-Matched Funding must at least match the CMHC Funding for Initiatives 1, 2 and 3 described in section 5a. The sum of the Quebec Funding and the Municipal Funding that is committed and disbursed must not be less than 50% of the total Cost-Matched Funding required.

By March 31, 2029, concerning Initiatives 1, 2 and 3, the total amount of the SHQ Commitments to a Project or Recipient as Cost-Matched Funding must be at least equal to the total amount of CMHC Funding paid under this Agreement for the Fiscal Years ending on March 31, 2020, March 31, 2021, March 31, 2022, March 31, 2023, March 31, 2024, March 31, 2025, March 31, 2026, March 31, 2027, and March 31, 2028.

The SHQ will refund to CMHC any amount of the CMHC Funding paid that exceeds the total amounts of the Commitments set out in this Agreement as Cost-Matched Funding.

k. Refunds and adjustments

The SHQ will refund to CMHC any amount from the CMHC Funding that the SHQ has committed or disbursed in a manner that does not comply with this Agreement and any amounts disbursed that exceed the total amounts of Cost-Matched Funding.

For situations where the amount of CMHC Funding should be refunded by the SHQ, the Parties may discuss with each other to find mutually acceptable solutions.

However, CMHC and the SHQ may agree that the amount of CMHC Funding that should be refunded by the SHQ should instead be carried forward to the next Fiscal Year, thereby increasing the Cost-Matched Funding for that Fiscal Year by the same amount.

In case of no or insufficient appropriations, the obligation to refund CMHC Funding under this Agreement still applies.

The SHQ will provide CMHC annually with written notice, by not later than January 15 of each Fiscal Year, of its intention to claim the maximum amount of CMHC Funding available for that Fiscal Year. Where some or all of the available CMHC Funding will not be claimed by the SHQ by the end of the Fiscal Year, the Parties must consult each other to find mutually acceptable solutions.

I. Administration Costs

The SHQ may allocate up to 10% of CMHC Funding and Cost-Matched Funding to Administration Costs in accordance with the terms and conditions of this Agreement.

m. Indemnification

The SHQ will at all times indemnify and save harmless CMHC, its officers, servants, employees, contractors or agents, from and against all actions, whether in contract, tort or otherwise, claims and demands, losses, costs, damages, suits or other proceedings by whomsoever brought or prosecuted or from and against all actions occasioned by any injury to persons, damage to or loss or destruction of assets, economic loss or infringement of rights caused by, in connection with or arising directly or indirectly from this Agreement, from a contribution agreement with a Recipient or from a Project, except to the extent where such actions, claims, demands, losses, costs, damages, suits or other proceedings relate to the negligence or breach of the Agreement by an agent, servant or employee of CMHC in the performance of his or her duties.

6. SHQ PRIORITIES

The SHQ will notify CMHC, at least once annually or at the time of their public announcement, not later than April 30 of the Fiscal Year beginning April 1, of its housing action priorities as set out in its five-year strategic planning or as part of any other strategy or action plan it puts forward.

The SHQ will use its existing planning mechanisms to publish one or more plans (“**Quebec’s Plan**”) that show how it intends to meet the housing needs of the Quebec population, ensuring that the information made available contains, at a minimum, for each Initiative, data on the number of Units and households, and describes how the CMHC Funding and the Cost-Matched Funding will be used to meet the housing needs of the Quebec population.

7. CMHC PRIORITIES

It is understood that CMHC may use Quebec public data or any other information shared by the SHQ. Based on this information, CMHC will be able to measure and report on the achievement of the Federal Targets, as required by the *National Housing Strategy Act*.

CMHC’s priorities included in the Federal Targets are as follows:

- Eliminate or considerably reduce the Housing Need for at least 490,000 households, which includes at least 300,000 households adequately supported by the Canada Housing Benefit.

- Based on the number of Units that continue to benefit from social housing agreements or federal-provincial agreements as at March 31, 2019:
 - (i) 330,000 Units continue to be offered as Social Housing, including no net loss of Social Housing Units for urban Indigenous people available to households in Housing Need;
 - (ii) at least 20% of existing Social Housing Units are repaired (approximately 60,000 units), including that retained Social Housing Units for urban Indigenous people are rehabilitated; and
 - (iii) there is a 15% increase in the number of subsidized Social Housing Units (approximately 50,000 units).

To the objectives regarding community employment benefits, following housing investments under this Agreement as described below²; to the commitments related to the most vulnerable populations under this Agreement; to the accessibility of Projects, to the projected achievement of energy consumption and greenhouse gas emission objectives.

8. REPORTS

In addition to the information contained in the Schedule A Claims Form, the SHQ will provide CMHC with reports that will include the objectives and indicators produced by the SHQ for the Quebec housing system. The SHQ consents to CMHC, for one thing, using public information and the information provided by the SHQ in any public report by CMHC and the Government of Canada and, for another, making this information available to other provincial and territorial governments. The SHQ reports will include information on:

- increase in supply;
- preservation of Housing;
- Affordability support; and
- homeownership assistance (such as support for first-time homebuyers).

² The planned community employment benefits are intended to promote the socio-economic benefits for traditionally underrepresented groups or priorities, through infrastructure investments. These benefits include job creation and training opportunities during the Project planning and construction phases or the creation of networks enabling small and medium-sized enterprises (SMEs) to participate in the Projects. The groups targeted for community Employment Benefits are apprentices, Indigenous people, women in construction, veterans and newcomers to Canada, as well as other target groups determined by Quebec.

For greater clarity, it is understood that CMHC may use, in its public reports, the information contained in Quebec's reports and the information submitted by the SHQ under this Agreement.

The SHQ will confirm the following information in its annual management report, as part of a specific section and broken down by type of Initiative, beginning in Fiscal Year 2020/2021:

- The amount of CMHC Funding provided to the SHQ under this Agreement for the Fiscal Year covered by the annual management report.
- The SHQ housing programs that were financially supported by the CMHC Funding and a breakdown of the amount of this funding and the Cost-Matched Funding for each of these programs for the Fiscal Year covered by the annual management report.
- Data on the number of Social Housing and Community Housing Units and households supported during the Fiscal Year.

For several years, the SHQ has been sharing its housing information, expertise and best practices with other governments in Canada and intends to continue this practice, which will contribute to the development of comparable indicators.

9. DISPUTE RESOLUTION

The Parties are committed to working together and avoiding disputes through information exchange, advance notice, consultation, discussion, clarification, and resolution of issues as they arise.

If, at any time, either Party is of the opinion that the other Party has failed to comply with any of its obligations or undertakings under this Agreement or is in breach of any term or condition of the Agreement, it may notify the other Party in writing. The Parties will endeavour to settle the dispute in the manner deemed appropriate by the Committee, within forty-five (45) days.

If a dispute cannot be settled by the designated public servants, it will first be referred to the President and Chief Executive Officer of Canada Mortgage and Housing Corporation and the President and Chief Executive Officer of the SHQ, and then to the Minister responsible for CMHC and the Quebec Minister of Municipal Affairs and Housing.

10. AMENDMENT TO THE AGREEMENT

The Agreement may be amended in writing, with the written consent of the Parties, subject to the required authorizations.

11. APPLICABLE LEGISLATION AND ENVIRONMENTAL ASSESSMENTS

The Agreement is governed by the laws and regulations in force in Quebec. Moreover, Projects must comply with energy efficiency and accessibility standards as well as the Building Code and municipal regulations of Quebec.

CMHC Funding is subject to compliance with all relevant and applicable federal environmental assessment legislation, regulations and policies.

12. COMMUNICATIONS AND OUTREACH

Schedule C sets out the terms and conditions applicable to public communications resulting from this Agreement.

13. GENERAL PROVISIONS

a. Assessment

CMHC will conduct, at its own expense, a Canada-wide assessment of its priorities. The SHQ will conduct its own assessment of the Initiatives put forward under this Agreement. The SHQ undertakes to make available all data it will hold on the CMHC Funding. The Parties understand that the conveyance and disclosure of any information will be in accordance with the provisions of their respective privacy laws.

b. Auditing

In accordance with Schedule B of this Agreement, the SHQ will continue to provide the audited annual statements of disbursements until all CMHC Funding and Cost-Matched Funding have been paid to the Projects and Recipients and they have been reconciled, including recoveries and refunds. The SHQ will provide an annual audit in accordance with Schedule B.

c. Monitoring Committee

The Parties will set up, within sixty (60) days following the signing of this Agreement, a committee consisting of senior managers of the Parties or their designated representatives for the monitoring of this Agreement, knowing that the Parties may also elect to mandate for these purposes the currently existing Joint Strategic Committee. The composition and functioning of the Monitoring Committee will be subsequently agreed to by both Parties, with the understanding that this is a committee that will ensure the monitoring of this Agreement and not a committee to co-plan or co-manage the actions that the SHQ will implement. The Monitoring Committee, which will meet at least twice a

year, will ensure the implementation and proper functioning of the Agreement, including the resolution of any issues or concerns.

d. No benefit

No member of the House of Commons or the Senate of Canada or of the National Assembly of Quebec may take part in the Agreement or draw any benefit whatsoever therefrom.

e. Notice

Any notice provided for in the Agreement may be delivered in person or by email, fax, or mail to the following individuals:

For CMHC:
Canada Mortgage and Housing Corporation
c/o Vice-President, Partnerships and Promotion, Client Solutions
700 Montreal Road
Ottawa, ON K1A 0P7
Fax: 613-748-2189

or any other contact information that CMHC may, from time to time, indicate in writing to the SHQ.

For the SHQ:
Société d'habitation du Québec
c/o President and Chief Executive Officer
1054 Louis-Alexandre-Taschereau Street, Jacques-Parizeau Wing,
3rd Floor
Québec, QC G1R 5E7
Fax: 418-646-5560

or any other contact information that the SHQ may, from time to time, indicate in writing to CMHC.

[SIGNATURE PAGES TO FOLLOW.]

IN WITNESS WHEREOF, each of the Parties has duly signed this Agreement.

CANADA MORTGAGE AND HOUSING
CORPORATION

By _____
Evan Siddall
President and Chief Executive Officer

[Signature page of the Housing Agreement between Canada Mortgage and Housing Corporation and the Société d'habitation du Québec]

INTERVENTION

In accordance with section 3.6.2 and the first paragraph of section 3.8 of the *Act respecting the Ministère du Conseil exécutif* (R.S.Q. c. M-30), this Agreement is a Canadian intergovernmental agreement that, in order to be valid, must be signed by the Minister responsible for Canadian Relations and the Canadian Francophonie, represented by the Associate Secretary General of Canadian Relations, who reviews the commitments set out in this Agreement and declares himself satisfied therewith.

SOCIÉTÉ D'HABITATION DU QUÉBEC

By: _____
Guylaine Marcoux
President and Chief Executive Officer

SECRÉTARIAT DU QUÉBEC AUX RELATIONS CANADIENNES

By: _____
Gilbert Charland
Associate Secretary General

[Signature page of the Housing Agreement between Canada Mortgage and Housing Corporation and the Société d'habitation du Québec]

Sample Drop-Down Menus – To Be Subsequently Defined by the Parties

Nota : Les choix offerts dans les menus déroulants sont susceptibles d'être modifiés lors de la mise en place.

| Initiative | Intervention liée au logement | Type de logement | Type de logement social | Groupes cibles | Amélioration prévue de l'efficacité énergétique | Réduction prévue des émissions de gaz à effet de serre (GES) |
|----------------------------------------------------------------|-----------------------------------------|----------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------|
| Initiative canadienne de logement communautaire | Nouvelle construction | Logements sociaux existants | Coopérative | Les femmes et les enfants qui fuient les situations de violence familiale | [Fourchettes à négocier bilatéralement] | [Fourchettes à négocier bilatéralement] |
| Initiative liée aux priorités du Québec en matière de logement | Nouvelle construction – Conversion | Logements sociaux neufs | Public | Personnes âgées | | |
| Allocation canadienne pour le logement | Réparations/rénovations | Logements locaux abordables | À but non lucratif | Personnes ayant une déficience développementale | | |
| | Réparations/rénovations – Conversion | Logements abordables pour propriétaires- occupants | Autochtones milieu urbain | Personnes ayant un handicap physique | | |
| | Revitalisation | Logements locaux du marché | | Personnes ayant des problèmes de santé mentale et de toxicomanie | | |
| | Subvention aux ensembles | Logements du marché pour propriétaires- occupants | | Nouveaux arrivants (y compris les réfugiés) | | |
| | Aide directe versée aux ménages | Logements de transition | | Sans-abri | | |
| | Aide à l'accèsion à la propriété | Refuges | | Anciens combattants | | |
| | Adaptations | Autres logements avec services de soutien | | Autochtones | | |
| Allocation canadienne pour le logement | Autres logements | | Femmes et leurs enfants | | | |
| Administration | Espaces non résidentiels (jusqu'à 30 %) | | Groupes racialisés Logements non ciblés Jeunes adultes | | | |

SCHEDULE B

**AUDITED ANNUAL STATEMENT OF
For the Fiscal Year ending on March 31, 20 (\$)**

| Part A – Annual ¹ Disbursements to Projects and Recipients | | | | | | |
|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------|-------------------|---------------|-------------------------------------------------|----------------------------|
| | Annual disbursements as Funding from CMH | Annual disbursements as Cost-Matched Funding | | | Disbursements annual totals as of Funding Cost- | Annual disbursements Total |
| Bilateral Housing Agreement | | Funding from Quebe | Funding Municipal | Other Funding | | |
| Initiatives implemented by Quebec (and funded by CMHC) (Schedule A) | | | | | | |
| Initiative involving Quebec's housing priorities – Projects and Recipients | | | | | | |
| Add: fees | | | | | | |
| Add: Housing support services | | | | | | |
| Partial total – Initiative involving Quebec's housing priorities | | | | | | |
| Canada Community Housing Initiative – Projects and Recipients | | | | | | |
| Add: fees | | | | | | |
| Add: Housing support services | | | | | | |
| Partial total – Canada Community Housing Initiative | | | | | | |
| Canada Housing Benefit – Projects and Recipients | | | | | | |
| Add: fees | | | | | | |
| Partial total – Canada Housing Benefit | | | | | | |
| Annual total for all Initiatives | | | | | | |
| Part B – Cumulative ¹ disbursements to Projects and Recipients (from one year to the next) | | | | | | |
| | Disbursements disbursements as Funding from CMH | Cumulative disbursements as Cost-Matched Funding | | | Disbursements annual totals as of Funding Cost- | Disbursements cumulative |
| Bilateral Housing Agreement | | Funding from Quebe | Funding Municipal | Other Funding | | |
| Initiatives implemented by Quebec (and funded by CMHC) (Schedule A) | | | | | | |
| Initiative involving Quebec's housing priorities – Projects and Recipients – Opening balance | | | | | | |
| Add: Annual partial total – Initiative involving Quebec's housing priorities | | | | | | |
| Partial total – Initiative involving Quebec's housing priorities | | | | | | |
| Canada Community Housing Initiative – Projects and Recipients – Opening balance | | | | | | |
| Add: Annual partial total – Canada Community Housing Initiative | | | | | | |
| Partial total – Canada Community Housing Initiative | | | | | | |
| [Canada Housing Benefit – Opening balance] | | | | | | |
| Add: Annual partial total for the Canada Housing Benefit | | | | | | |
| Partial total – Canada Housing Benefit | | | | | | |
| Cumulative total for all Initiatives | | | | | | |
| Note: ¹ Disbursements include funding in kind. | | | | | | |

SCHEDULE B (continued)

Annual Disbursement Audit

ANNUAL AUDIT

1. The audited annual statement of disbursements (Schedule B) must be audited by an auditor authorized to practise in Quebec, in accordance with the Canadian Standard on Assurance Engagements 3531. The auditor may base his or her work on the auditing work of other professionals.
2. The auditor is to provide an opinion indicating if the annual statement of disbursements has been prepared, in all material respects, in compliance with the standard set out above and the SHQ has complied with the terms and conditions of this Agreement. The auditor is also to provide details on any irregularities and non-compliance and state or estimate (when it cannot be stated) the dollar amounts involved.
3. The SHQ will provide the annual statement of disbursements and auditor's opinion to CMHC within six (6) months following the end of the Fiscal Year.
4. The SHQ will correct any deficiencies noted by the auditor within a reasonable period of time. CMHC Funding may be withheld if the deficiencies are not corrected within a reasonable period of time.
5. The SHQ must refund to CMHC any CMHC Funding that has not been disbursed in accordance with this Agreement.
6. CMHC is not responsible for the cost of the audit.

SCHEDULE C

Communications Protocol

1. The Parties agree to undertake joint Communications Activities that enhance opportunities for open, transparent, effective and timely communications with citizens through appropriate and continuous public information activities that recognize the contributions of the Parties and applicants in relation to this Agreement.
2. “Communications Activity” or “Communications Activities” means, but is not limited to, public or media events or ceremonies, news conferences and public notices relating to this Agreement.
3. The signing of this Agreement may be the subject of a joint news release and official ceremony, unless the Parties decide otherwise.
4. All public communication and information material (notices, posters, signs, etc.) resulting from this Agreement will equally reflect Canada, including CMHC, and Quebec, including the SHQ, all in a manner approved in advance by the Parties.
5. The Parties agree that the order of precedence of logos, of the presentation of representatives from Quebec and Canada and of quotes will be determined by the Party providing the most funding for a Project. Where the contributions of the Parties are equal, the order of precedence of the above-mentioned items will alternate.
6. The Parties will agree on the descriptions of their respective organizations to be included in joint news releases.
7. Quebec is responsible for communicating the requirements and responsibilities outlined in this Communications Protocol to Project proponents and for ensuring compliance with them.
8. The Parties will co-operate in organizing news conferences, announcements and official ceremonies. The Parties will mutually agree in advance on the messages and public statements at such events. The Parties may recommend that special ceremonies and events be held at an appropriate location and time. No public announcement of a Project under this Agreement may be made by either Party without the other Party being given at least ten (10) business days’ notice prior to the planned date of the event.
9. Each Party may request that Communications Activities be held, including the public announcement of a Project under this Agreement. In order for such request to be processed and approved by the Parties pursuant to this Communications Protocol, the requester will provide the other Party with at least ten (10) business days’ prior notice. If the Communications Activity is an event, it will take place at a mutually agreed date and location.

Canada and Quebec retain the right to highlight Projects receiving \$1 million or more in funding for the purposes of reporting publicly. In addition, each Party may include general program messaging and additional Communications Activities of Projects already announced in its own Communications Activities.

10. Where applicable and appropriate, the SHQ will ensure that the Project proponent provides and installs temporary signage posters at a prominent location. The signage will indicate the Government of Canada Funding, the Government of Quebec Funding, and the Municipal Funding (as applicable) and bear a message approved by both Parties. The signage must remain in place for the duration of the Project. The signage must remain in place until thirty (30) days after construction is completed and the infrastructure is fully operational or opened for public use. If erected, signage will be installed in a prominent and visible location that takes into consideration pedestrian and traffic safety and visibility.

For greater clarity, the Parties acknowledge that they may use the information resulting from this Agreement to send Recipients who have received funding under the Canada Community Housing Initiative communications recognizing the funding of the Parties under this Agreement.

11. Costs associated with the development and production of signage and joint public announcements are eligible costs under this Agreement, as agreed to by both Parties.

SCHEDULE D

NATIONAL HOUSING CO-INVESTMENT FUND

1. The *National Housing Co-investment Fund* (“NHCF”) is a CMHC program that provides low-cost loans and financial contributions to support affordable housing. Through this Schedule, the Parties seek to confirm their agreement of collaboration, partnership and information exchange for projects for the purposes of funding under the NHCF in Quebec, to enable the SHQ to direct this funding optimally, by choosing investments in line with its own priorities.
2. For the purposes of this Schedule, the Parties agree to the following terms and conditions:
 - (i) No CMHC Funding or Cost-Matched Funding arising from this *Housing Agreement* will be required for the purposes of the NHCF, which is a CMHC program separate from this *Housing Agreement*,
 - (ii) The Parties agree to work together to prioritize, insofar as possible, NHCF projects intended for Indigenous people;
 - (iii) A joint committee of senior managers of the Parties or their designated representatives (“NHCF Committee”)³ will be established within sixty (60) days of the signing of this *Housing Agreement* and will be responsible in particular for ensuring the implementation of this Schedule in Quebec and resolving any related issues or concerns between the Parties; and
 - (iv) Upon the Effective Date of this *Housing Agreement*, CMHC will submit to the NHCF Committee all projects currently under consideration, as well as any future projects.
3. All NHCF Projects in Quebec will be discussed by the NHCF Committee so that the SHQ can indicate its choice of projects to prioritize. As a reminder, these projects may be individual or bundled into a portfolio and come from the SHQ or Quebec housing partners (such as housing bureaus, non-profit organizations, housing co-operatives, community groups) or be supported by a Quebec program (for example, AccèsLogis Québec). Funding for these projects may be in addition to that under any other existing housing agreements between the Parties, provided these projects do not contravene them. No project can obtain funding in Quebec under the NHCF without the prior approval of the SHQ.
4. All projects for the purposes of funding under the NHCF in Quebec must allow for the construction, renovation and regeneration of housing units.
5. The Parties will collaborate to deliver projects for the purposes of funding under the NHCF in Quebec, recognizing that they share the common objectives of reducing the number of Quebec households in housing need.

³ The Parties may also choose to appoint the Monitoring Committee or any other existing committee of the Parties.

6. The Parties will agree on a communications protocol similar to the communications protocols established under recent agreements between them.⁴ It will describe the roles and responsibilities of each Party with respect to communications activities related to the projects funded under the NHCF in Quebec. It will provide, among other things, that, unless otherwise specified, all communications activities will be joint and agreed to in advance by the Parties, who will have the opportunity to participate in announcements and outreach activities.
7. The Parties will share with each other all mutually agreed-to information necessary for the purposes of funding NHCF projects in Quebec.
8. This Schedule will be in effect for the duration of the funding of NHCF projects in Quebec. It is understood that this Schedule applies to all NHCF projects located in Quebec. However, this Schedule does not apply to NHCF projects on federal reserves.
9. Except as specifically provided for in this Schedule, the NHCF will be implemented and administered by CMHC in accordance with all of the standard terms, conditions and criteria established by CMHC for the NHCF, including with respect to processing, preparing, disbursing and administering the loans and to the affordability, accessibility and energy efficiency criteria of the NHCF.
10. The terms and conditions related to the NHCF in Quebec described in this Schedule are independent of and therefore do not apply to this *Housing Agreement*, and this *Housing Agreement* does not govern this Schedule.

⁴ For the purposes of this section, the Parties may also elect to use the Communications Protocol set out in Schedule C of the Bilateral Agreement.