

CANADA – CORPORATION OF THE CITY OF KAWARTHA LAKES

CANADA PUBLIC TRANSIT FUND – BASELINE FUNDING

CONTRIBUTION AGREEMENT FOR CP-001051 CAPITAL PLAN FOR THE CORPORATION OF THE CITY OF KAWARTHA LAKES

This Agreement is made as of the date of last signature.

BETWEEN: **HIS MAJESTY THE KING IN RIGHT OF CANADA**, as represented by the Minister of Infrastructure and Communities, hereinafter referred to as the Minister of Housing and Infrastructure and Minister responsible for Pacific Economic Development Canada (“Canada”)

AND

THE CORPORATION OF THE CITY OF KAWARTHA LAKES, continued or incorporated pursuant to the City of Kawartha Lakes Act, 2000, S.O. 2000, c. 43 (the “Recipient”),

Individually referred to as a “Party” and collectively referred to as the “Parties”.

RECITALS

WHEREAS in 2021, the Government of Canada announced long-term, predictable federal funding for public transit which will be available to support for investments in reliable, fast, affordable, and clean public transit beginning in 2026/27;

WHEREAS the Government of Canada announced that the Canada Public Transit Fund would include the Baseline Funding stream;

WHEREAS the Baseline Funding stream focuses on enhancing routine capital and non-capital investment, ensuring the continual growth, rehabilitation, and replacement of public transit and active transportation infrastructure as well as increasing capacity for planning;

WHEREAS the Minister of Housing and Infrastructure and Minister responsible for Pacific Economic Development Canada is responsible for the Canada Public Transit Fund (“the Program”) and wishes to provide financial support for capital plans that will advance the targets and objectives under this Agreement;

WHEREAS the Recipient has submitted to Canada a proposal for the funding of the CP-001051 CAPITAL PLAN FOR THE CORPORATION OF THE CITY OF KAWARTHA LAKES which qualifies for support under the Program;

WHEREAS Canada provided a letter on January 29, 2026, to the Recipient indicating an approval-in-principle of funding of the Capital Plan proposal enabling the Recipient to begin undertaking project activities eligible for funding and subject to finalizing a contribution agreement with Canada;

WHEREAS transit entities are key economic enablers, Canada would like to emphasize the importance of maximizing economic benefits for Canadian industries. This includes considering prioritizing Canadian materials when undertaking infrastructure investments, including procurement processes, subject to legal obligations and Canada’s obligations under trade and investment agreements.

WHEREAS the Recipient is responsible for carrying out the Capital Plan through the Capital Plan Components and Canada wishes to provide financial support for the Capital Plan and its objectives

WHEREAS Canada intends to provide Baseline Funding on the basis of approved Capital Plan Components;

NOW THEREFORE, in accordance with the mutual covenants and agreements herein, the Parties hereby agree as follows:

1. INTERPRETATION

1.1 DEFINITIONS

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

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

“**Agreement End Date**” means March 31st, 2036, unless terminated earlier in accordance with this Agreement.

“**Annual Report**” means the report described in Schedule C.1 (Annual Report).

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

“**Asset Disposal Period**” means, with respect to a Capital Plan Component, the period commencing from the Effective Date and ending 5 years after a Component Substantial Completion Date, except in the case of non rail-based rolling stock where the Asset Disposal Period ends 5 years after the Delivery Date of an individual asset.

“**Baseline Funds**” means the contributions provided by Canada to the Recipient to be used in accordance with the terms and conditions of this Agreement.

“**Business Day**” means any day other than a Saturday, a Sunday, a statutory or civic holiday in the Province of Ontario or federally in Canada, or a day on which banks are not open for business in the Province of Ontario.

“**Capital Plan**” means the Capital Plan as described in Schedule B (The Capital Plan).

“**Capital Plan Approval Date**” means January 29, 2026, which is the date indicated by Canada in writing to the Recipient of Canada’s approval-in-principle of the Capital Plan.

“**Capital Plan Component**” means a sub-project that forms part of the overall Capital Plan.

“**Capital Plan Component Cost**” means the total estimated cost to the Recipient to complete the Capital Plan Component as proposed by the Recipient and accepted by Canada.

“**Capital Plan Cost**” means the total estimated cost to the Recipient to complete the Capital Plan as described in Schedule B (Capital Plan).

“**Capital Plan 5-year Progress Report**” means the report described in Schedule C.2 (Capital Plan 5-year Progress Report).

“**Committee**” means the Agreement Monitoring Committee established pursuant to Section 5 (Agreement Monitoring Committee).

“**Communications Activity**” or “**Communications Activities**” means, but is not limited to, public or media events or ceremonies including key milestone events, news releases, reports, web and social media products or postings, blogs, news conferences, public notices, physical and digital signs, publications, success stories and vignettes, photos, videos, multi-media content, advertising campaigns, awareness campaigns, editorials, multi-media products and all related communication materials. Communications Protocols are outlined in Schedule D (Communication Protocols).

“**Component Substantial Completion Date**” means the date at which a Capital Plan Component can be used for its intended use.

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

“**Declaration of Substantial Completion**” means a declaration, with respect to a Capital Plan Component, in the form substantially prescribed in Schedule E (Declaration of Substantial Completion).

“**Delivery Date**” means the date at which an Asset is received and can be used for its intended purpose.

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

“**Eligible Expenditures**” means those costs incurred by the Recipient that are directly related to the Capital Plan and which are considered eligible by Canada as set out in

Schedule A (Eligible and Ineligible Expenditures).

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

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

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

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

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

“**Program**” means the Canada Public Transit Fund.

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

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

1.2 ENTIRE AGREEMENT

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

1.3 DURATION OF AGREEMENT

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

1.4 SCHEDULES

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

Schedule A – Eligible and Ineligible Expenditures

Schedule B – The Capital Plan

Schedule C – Reporting Requirements

Schedule D – Communications Protocol

Schedule E – Declaration of Substantial Completion

Schedule F – Federal Requirement Definitions

2. PURPOSE OF AGREEMENT

The purpose of this Agreement is to establish the terms and conditions whereby funding is made available by Canada to the Recipient for its Capital Plan.

3. OBLIGATION OF THE PARTIES

3.1 CONTRIBUTION BY CANADA

- a) Canada agrees to make Baseline Funds available to the Recipient in a total amount not to exceed \$1,323,750 as set out in the Capital Plan Budget in Schedule B.2.
- b) Notwithstanding paragraph 3.1(a) above, the funding for fiscal years 2031-32 to 2035-36 set out in Schedule B.2 shall only be made available after the Recipient has submitted and Canada has accepted a 5-year capital plan for the aforementioned fiscal years.
- c) The Parties agree that the funding made available in Subsection 3.1(a) shall only be committed to and payable by Canada in relation to approved Capital Plan

Components.

- d) Canada agrees to pay contributions to the Recipient of not more than forty percent (40%) of the total Eligible Expenditures for capital infrastructure Capital Plan Components; and not more than eighty percent (80%) of the total Eligible Expenditures for non-capital Capital Plan Components, but only up to a maximum of six hundred sixty-one thousand, eight hundred seventy-five dollars (\$661,875) for the 5 year Capital Plan.
- e) Canada may recover the excess from the Recipient or reduce its contribution by an amount equal to the excess of:
 - I. Canada's total contribution towards capital infrastructure Capital Plan Components exceeding forty percent (40%) of Eligible Expenditures for capital infrastructure Capital Plan Components; or
 - II. Canada's total contribution towards non-capital Capital Plan Components exceeding eighty percent (80%) of Eligible Expenditures for non-capital Capital Plan Components; or
 - III. the Total Financial Assistance received or due in respect of the Capital Plan's Eligible Expenditures exceeding one hundred percent (100%) thereof.
- f) The Parties acknowledge that Canada's role in the Capital Plan is limited to making a financial contribution to the Recipient for the Capital Plan and that Canada will have no involvement in the implementation of the Capital Plan. Canada is neither a decision-maker nor an administrator to the Capital Plan.

3.2 COMMITMENTS BY THE RECIPIENT

- a) The Recipient will complete the Capital Plan in a diligent and timely manner, as per the Capital Plan details outlined in Schedule B (The Capital Plan), within the costs and deadlines specified in this Agreement and in accordance with the terms and conditions of this Agreement.
- b) The Recipient will submit a new Capital Plan for approval by March 31, 2030, in order for Baseline Funds to be available for fiscal years 2031-32 to 2035-36. The total amount payable by Canada across the two Capital Plans shall not exceed the amount outlined in Subsection 3.1(a).
- c) The Recipient will submit Capital Plan Components to Canada for approval as per Subsection 3.5 .
- d) The Recipient will be responsible for all costs of the Capital Plan including cost overruns, if any.
- e) The Recipient will inform Canada promptly of the Total Financial Assistance received or due for the Capital Plan, or of any change thereof.
- f) The Recipient will be responsible for any and all costs associated with the Capital Plan should the Capital Plan or Capital Plan Components be cancelled, and the Recipient will repay to Canada any payment received for disallowed costs, unexpended contributions and overpayments made under and according to the terms and conditions of this Agreement.
- g) The Recipient will ensure the implementation of, and report on, housing conditions, environmental assessment and Indigenous consultation requirements, climate resilience requirements, and greenhouse gas mitigation requirements when required under the agreement.
- h) The Recipient will ensure that all necessary rights, interests, permits, licences, approvals, registrations, and any other authorizations required to complete the Capital Plan Component are obtained.
- i) Based on the definitions of "disability" and "barrier" per the [Accessible Canada Act](#), the Recipient will ensure that the Capital Plan Components will meet or exceed the requirement of the highest published accessibility standard in a jurisdiction, as defined in the Canadian Standards Association's Technical Standard Accessible Design for the Built Environment (CAN/CSA B652:23) in addition to applicable provincial building

codes and relevant municipal by-laws.

- j) The Recipient will ensure the ongoing operation, maintenance, and repair of any Asset in relation to the Capital Plan Component as per appropriate standards, during the Asset Disposal Period.
- k) Canada may request that the Recipient declare to Canada any amounts owing to the federal Crown, under legislation or contribution agreements that constitute an overdue debt. The Recipient recognizes that any such amount owing is a debt due to the federal Crown and may be set-off by Canada in accordance with Subsection 18.6 (Set-off by Canada).
- l) The Recipient will inform Canada immediately of any fact or event that could compromise wholly or in part the Capital Plan.

3.3 APPROPRIATIONS AND FUNDING LEVELS

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

3.4 FISCAL YEAR BUDGETING

- a) The amount of Baseline Funds provided by Canada for each Fiscal Year of the Capital Plan is calculated as the aggregate of the estimated eligible expenditures for all approved Capital Plan Component Cost for the fiscal year less, at Canada's discretion, an amount not exceeding any unexpended Baseline Funds provided in the previous fiscal year. The amount of Baseline Funds provided each fiscal year is capped at the annual amount for Baseline Funds set out in Schedule B.2 (Capital Plan Budget) .
- b) If the amount of Baseline Funds provided by Canada in respect of any Fiscal Year of the Capital Plan is determined to be less than the amount allocated in Schedule B.2 (Capital Plan Budget), the Recipient may request that Canada re-allocate the difference between the two amounts to a subsequent Fiscal Year. Subject to Subsection 3.3 (Appropriations and Funding Levels), Canada agrees to make reasonable efforts to accommodate the Recipient's request. The Recipient acknowledges that requests for re-allocation of funding may require appropriation adjustments or federal Crown approvals.
- c) In the event that any requested re-allocation of Baseline Funds is not approved, the amount of Canada's contribution made available pursuant to Subsection 3.1 (Contribution by Canada) may be reduced by the amount of the requested re-allocation. If the contribution payable by Canada pursuant to Subsection 3.1 (Contribution by Canada) is so reduced, the Parties agree to review the effects of such reduction on the overall implementation of the Capital Plan and to adjust the terms and conditions of this Agreement as appropriate.

3.5 CAPITAL PLAN COMPONENT PROPOSALS

Submissions and Approval

- a) The Recipient will be responsible for submitting Capital Plan Components to Canada for approval. In order for Baseline Funds to be payable in a fiscal year in relation to a Capital Plan Component, the Recipient must submit a proposed Capital Plan Component to Canada for consideration on a date determined by Canada.
- b) Each Capital Plan Component submission must be provided in a format acceptable to Canada and must include all information required by and to the satisfaction of Canada. Each submission must also be attested to by the Recipient as being accurate and true.
- c) The Recipient will provide, at Canada's request and to Canada's satisfaction, any

additional information related to Capital Plan Components submitted for approval.

- d) Canada will inform the Recipient in writing once Capital Plan Components have been approved or rejected.
- e) The Parties agree that the approved Capital Plan Component and approval letter shall form part of and be governed by this Agreement.
- f) For every Capital Plan Component, Canada will set a maximum on Canada's contribution funding in dollars and as a percentage of total Eligible Expenditures.
- g) The Recipient will promptly inform Canada of any cancelled or withdrawn Capital Plan Components.

Changes to a Capital Plan Component

- h) The Recipient agrees that changes to an approved Capital Plan Component will require Canada's approval. When requesting a change to a Capital Plan Component, the Recipient will promptly submit updated Capital Plan Component information to Canada's satisfaction.
- i) The Recipient will provide, at Canada's request and to Canada's satisfaction, additional information related to changes to a Capital Plan Component.

3.6 CHANGES DURING THE LIFE OF THE AGREEMENT

- a) Where a change to this Agreement is contemplated, the Recipient will submit to Canada a request for a change.
- b) Where the change is approved by Canada, the Parties will execute the corresponding amendment to the Agreement in accordance with Subsection 19.14 (Amendments).
- c) The Recipient will provide, at Canada's request and to Canada's satisfaction, any additional information related to changes to this Agreement.
- d) This Agreement will be reviewed by Canada and the Recipient by January 31, 2031, and may be amended to incorporate changes, if any, agreed to by Canada and the Recipient.

3.7 INABILITY TO COMPLETE THE CAPITAL PLAN

If, at any time during the term of this Agreement, one or all of the Parties determine that it will not be possible to complete the Capital Plan for any reason, the Party will immediately notify the other Party of that determination and Canada may suspend its funding obligation. The Recipient will, within thirty (30) Business Days of a request from Canada, provide a summary of the measures that it proposes to remedy the situation. If Canada is not satisfied that the measures proposed will be adequate to remedy the situation, then this will constitute an event of default under Section 16 (Default) and Canada may declare a default pursuant to Section 16 (Default).

4. RECIPIENT REPRESENTATIONS AND WARRANTIES

The Recipient represents and warrants to Canada that:

- a) the Recipient has the capacity and authority to enter into and execute this Agreement [Instruction: INSERT EITHER "as duly authorized by [BY-LAW OR RESOLUTION REFERENCE], dated [DATE]" OR "by resolution of its Board of Directors, dated [DATE]"];
- b) the Recipient has the capacity and authority to carry out the Capital Plan;
- c) the Recipient has the requisite power to own the Assets or it has or will have secured all necessary rights, interests, and permissions in respect of the Assets, during the Asset Disposal Period;
- d) this Agreement constitutes a legally binding obligation of the Recipient, enforceable against it in accordance with its terms and conditions;
- e) all information submitted to Canada in regards to this Agreement is true, accurate, and was prepared in good faith to the best of its ability, skill, and judgment;
- f) any individual, corporation or organization that the Recipient has hired, for payment, who undertakes to speak to or correspond with any employee or other person representing Canada on the Recipient's behalf, concerning any matter relating to the contribution under this Agreement or any benefit hereunder and who is required to be registered pursuant to the federal *Lobbying Act*, is registered pursuant to that *Act*;
- g) the Recipient has not made, and will not make, a payment or provide other

compensation that is contingent upon, or is calculated upon, the contribution hereunder or the negotiation of the whole or any part of the terms and conditions of this Agreement to any individual, corporation or organization with which that individual is engaged in doing business with, who is registered pursuant to the federal *Lobbying Act*,

- h) there are no actions, suits, investigations or other proceedings pending or, to the knowledge of the Recipient, threatened and there is no order, judgment or decree of any court or governmental agency which could materially and adversely affect the Recipient's ability to carry out the activities contemplated by this Agreement. The Recipient will inform Canada immediately if any such action or proceedings are threatened or brought during the term of this Agreement; and
- i) the Recipient is in good standing under the laws of the jurisdiction in which it is required to be registered.

5. AGREEMENT MONITORING COMMITTEE

If deemed required by Canada, the Parties will establish a Committee, identify one federal co-chair and one Recipient co-chair, and establish Terms of Reference. The Committee will:

- a) Monitor compliance with the terms and conditions of this Agreement;
- b) Act as a forum to resolve potential issues and address concerns.

6. CONTRACT PROCEDURES

6.1 AWARDING OF CONTRACTS

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

6.2 CONTRACT PROVISIONS

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

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

7. FEDERAL REQUIREMENTS

The Recipient agrees:

- a) to meet the following housing commitments that directly unlock housing supply where it is needed most:

- i. Complete a Housing Needs Assessment if not already completed as part of another federal program including Housing Accelerator Fund or Canada Community Building Fund
- b) that by May 15, 2027, or as agreed to by Canada, provide to Canada confirmation that the above housing commitments have been met and will continue to be met for the duration of this agreement.
- c) Accessibility: A Capital Plan Component must meet or exceed the requirements of the highest published accessibility standard in the jurisdiction in addition to applicable provincial building codes and relevant municipal by-laws.
- d) Each Capital Plan Component will be required to meet the following climate requirements related to greenhouse gas mitigation, according to timelines outlined in Canada's guidance:
 - i. For applicable Capital Plan Components, as identified by Canada, complete a greenhouse gas assessment.
 - ii. For applicable Capital Plan Components, as identified by Canada, use low-carbon ready-mix concrete that meets carbon emissions reduction requirements, and report on emissions from ready-mix concrete.
 - iii. Purchase zero emission vehicles, unless otherwise deemed acceptable to Canada.
 - iv. Climate resilience: Capital Plan Components must be implemented through taking actions to reduce climate risks. The Recipient will report on which risk-reduction measures were implemented to reduce significant climate risks, according to timelines outlined in Canada's guidance.

8. ENVIRONMENTAL AND IMPACT ASSESSMENT

8.1 REQUIREMENTS UNDER APPLICABLE FEDERAL ENVIRONMENTAL OR IMPACT ASSESSMENT LEGISLATION

- a) The Recipient agrees that:
 - i. Canada will assess Capital Plan Component information, when submitted, to determine whether there are requirements under applicable federal environmental or impact assessment legislation, and communicate any such requirements in writing to the Recipient;
 - ii. No construction or any other physical activity, including site preparation or vegetation removal, may be carried out in relation to the Capital Plan Component, unless and until the requirements under the applicable federal environmental or impact assessment legislation are met and continue to be met. If the Recipient fails to respect this provision, Canada reserves the right to withhold further payments to the Recipient; and
 - iii. Baseline Funds can only be used in relation to a Capital Plan Component after Canada is satisfied that environmental assessment requirements for that Capital Plan Component have been met.
- b) Canada may consent in writing that construction or any other physical activity, including site preparation or vegetation removal, be carried out for the portion of the Capital Plan Component not subject to federal environmental or impact assessment, and that related expenditures will be eligible for the portion of the Capital Plan Component not subject to federal environmental or impact assessment.

8.2 COMPLIANCE WITH ENVIRONMENTAL OR IMPACT ASSESSMENT REQUIREMENTS

The Recipient will comply with, to the satisfaction of Canada and at the Recipient's own expense, any conditions related to the Capital Plan Component and will ensure access to project sites, facilities, and documentation in accordance with Subsection 12.5 (Access).

8.3 CHANGES TO CAPITAL PLAN COMPONENT OR OTHERWISE

- a) If, as a result of changes to the Capital Plan Component or otherwise, Canada is of the opinion that the Capital Plan Component is subject to federal environmental or impact assessment legislation, the Recipient agrees that construction or any other physical activity to be carried out in relation to the Capital Plan Component, including site preparation or vegetation removal, will not be undertaken or will be suspended unless and until the legislative requirements are met and continue to be met.
- b) In relation to changes to a Capital Plan Component, Canada may consent in writing that construction or any other physical activity, including site preparation or vegetation removal, be carried out for the portion of the Capital Plan Component not subject to federal environmental or impact assessment and that related expenditures will be eligible for the portion of the Capital Plan Component not subject to federal environmental or impact assessment.

9. INDIGENOUS CONSULTATION

9.1 INDIGENOUS CONSULTATION REQUIREMENTS

- a) The Recipient agrees that:
 - i. Canada will assess Capital Plan Component information, when submitted, to determine whether there is a duty to consult and, where appropriate, accommodate Indigenous peoples whose rights and related interests may be impacted by a particular Capital Plan Component under the Capital Plan, and communicate any consultation requirements in writing to the Recipient;
 - ii. For Capital Plan Components where there is a duty to consult and, where appropriate, accommodate, Indigenous peoples,
 1. The Recipient will consult with Indigenous peoples that might be affected. Specifically, it will:
 - a. Explain the Capital Plan Component to the potentially impacted Indigenous peoples, including Canada's funding role.
 - b. Provide a report to Canada which will include:
 - i. A list of all Indigenous peoples and/or organizations contacted;
 - ii. A summary of all communications with the potentially impacted Indigenous peoples;
 - iii. A summary of any issues or concerns that the potentially impacted Indigenous peoples have raised, how they were addressed, and any outstanding concerns; and
 - iv. Any other information Canada may consider appropriate.
 - c. Carry out accommodation measures, where appropriate, the costs of which may be considered Eligible Expenditures.
 2. Where applicable, Canada may communicate further consultation requirements.
 - iii. No construction or any other physical activity, including site preparation or vegetation removal, may be carried out in relation to a Capital Plan Component unless and until Canada is satisfied that its legal duty to

consult and, where appropriate, accommodate Indigenous people has been met and continues to be met. If the Recipient fails to respect this provision, Canada reserves the right to withhold further payments to the Recipient.

- iv. Baseline Funds can only be used for a Capital Plan Component once Canada is satisfied that its legal duty to consult and, where appropriate, accommodate Indigenous peoples has been met.

9.2 CHANGES TO CAPITAL PLAN COMPONENT OR OTHERWISE

- a) If, as a result of changes to the Capital Plan Component or otherwise, Canada determines that further Indigenous consultation is required, the Recipient will work with Canada to satisfy its legal duty to consult and where appropriate, accommodate Indigenous peoples and agrees that Subsection 9.1 will be applicable.
- b) In relation to changes to a Capital Plan Component, Canada may consent in writing that construction or any other physical activity, including site preparation or vegetation removal, be carried out for the portion of that Capital Plan Component not subject to the duty to consult and, where appropriate, accommodate Indigenous peoples and that related expenditures will be eligible for that portion of that Capital Plan Component.

10. PAYMENTS

10.1 PAYMENT CONDITIONS

- a) Canada will not pay interest for failing to make a payment under this Agreement.
- b) Canada will not make payments until the requirements under Section 11 (Reporting) and any audit requirements as required in Section 12 (Audit, Evaluation and Monitoring for Compliance) are, in Canada's opinion, satisfied to the extent possible.
- c) Canada may delay making a payment to the Recipient in any given Fiscal Year until a sufficient appropriation has been provided by Parliament of Canada.
- d) Expenditures associated with an Asset will not be considered eligible until the Recipient secures and confirms in writing to Canada, and to Canada's satisfaction, the necessary rights or interests with respect to land required in respect of that Asset.
- e) Canada will not make a payment until the requirements under Section 7 (Federal Requirements), Section 8 (Environmental and Impact Assessment) and Section 9 (Indigenous Consultation), if applicable, are, in Canada's opinion, satisfied to the extent possible at the date the payment is to be made by Canada.

10.2 PAYMENTS

- a) Baseline Funds will be provided on an annual basis, either by June 30th or 30 Business Days after acceptance of a duly completed Annual Report, whichever is later. Baseline Funds will be provided in alignment with Schedule B.2 (Capital Plan Budget) and confirmation of eligible costs incurred.
- b) Notwithstanding Subsection 10.2(a) above, Baseline Funds for 2026 will be paid by June 30th, 2026, without requiring a duly completed Annual Report.
- c) In addition to the annual payment, Canada may make payments at any time.
- d) Canada reserves the right to withhold a portion of the amount payable under Subsection 10.2(a) where Canada is not satisfied that the amount payable will be expended in the same fiscal year.

10.3 FINAL ADJUSTMENT AND RECONCILIATION

Before the Agreement End Date, the Parties will jointly carry out a final reconciliation of all eligible expenditures incurred and payments made in respect of the Capital Plan and

make any adjustments required in the circumstances.

11. REPORTING

Any Project and performance reporting requirements will be undertaken and completed in accordance with Schedule C (Reporting Requirements).

12. AUDIT, EVALUATION AND MONITORING FOR COMPLIANCE

12.1 AUDITS INITIATED BY CANADA

- a) Canada may, at its discretion, conduct an audit related to this Agreement in accordance with the Canadian Auditing Standards and Subsection 19.3 (Accounting Principles). The Recipient agrees to cooperate with Canada in the conduct of any audits. Audits will be conducted at Canada's own cost. Canada will not compensate the Recipient for costs incurred by the Recipient to respond to the audits, such as staff time.
- b) Canada uses a risk-based approach to determine whether audit(s) under this agreement are necessary. If this agreement is selected to be audited, the Recipient will be informed in advance of the scope and nature of the audit

12.2 INTENTIONALLY OMITTED

12.3 REPORTS OF REVIEWS OR AUDITS CARRIED OUT BY, OR ON BEHALF OF, THE RECIPIENT

The Recipient agrees to provide Canada with any reports of reviews or audits that have been conducted on the use of contribution funding under this Agreement as soon as possible, but no later than sixty (60) Business Days following receipt.

12.4 EVALUATION

Canada will conduct an evaluation of the Canada Public Transit Fund. The Recipient agrees to collaborate with Canada in the conduct of any evaluation of the Program during and after the term of this Agreement, including but not limited to, the provision of Capital Plan-related information and data. All evaluation results will be made available to the public, subject to all applicable laws and policy requirements.

12.5 RECORD KEEPING

The Recipient will keep proper and accurate financial accounts and records, including but not limited to its Contracts, invoices, statements, receipts, and vouchers, in respect of a Capital Plan Component, for at least six (6) years after a Component Substantial Completion Date.

12.6 ACCESS

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

12.7 CORRECTIVE ACTION

The Recipient will submit to Canada in writing a report on follow-up actions to address recommendations and results of any audit, inquiry or evaluation findings as soon as possible, but no later than sixty (60) Business Days following receipt, and will ensure that prompt and timely corrective action is taken.

13. COMMUNICATIONS

13.1 COMMUNICATIONS PROTOCOL

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

13.2 RECOGNITION OF CANADA’S CONTRIBUTION

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

13.3 PUBLIC INFORMATION

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

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

13.4 PROGRAM PROMOTION

In compliance with the Privacy Act and relevant privacy regulations, Canada may:

- a) film or photograph the Recipient, its officers, servants, employees, or agents during visits, activities, and events for the purpose of promoting the Program.
- b) use or publish any such film or photograph internally or externally, in whole or in part, in any form and by any medium for the purposes of promoting the Program.

13.5 OFFICIAL LANGUAGES

- a) The Recipient will ensure that information on the Capital Plan is developed and is available in both official languages when it is intended for the information of, or use by, the public.
- b) The Recipient will communicate in such a manner as to address the needs of both official language communities.
- c) The Recipient shall encourage members of both official languages communities to participate in the implementation of the Capital Plan.

14. INTELLECTUAL PROPERTY

- a) All intellectual property that arises in the course of the Capital Plan will vest in the Recipient with the exception of media taken by Canada for the purposes of Subsection 13.4 Program Promotion.
- b) The Recipient will obtain the necessary authorizations, as needed, for the implementation of the Capital Plan, from third parties who may own the intellectual property rights or other rights in respect of the Capital Plan. Canada will assume no liability in respect of claims from any third party in relation to such rights and to the Agreement.

15. DISPUTE RESOLUTION

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

Canada to terminate this Agreement.

16. DEFAULT

16.1 EVENTS OF DEFAULT

The following events constitute events of default under this Agreement:

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

16.2 DECLARATION OF DEFAULT

- a) Canada may declare a default if:
 - i. In Canada's opinion, one or more of the events of default occurs;
 - ii. Canada gave notice to the Recipient of the event which constitutes an event of default; and
 - iii. the Recipient has failed, within thirty (30) Business Days of receipt of the notice from Canada, either to remedy the event of default or to notify Canada and demonstrate, to the satisfaction of Canada, that it has taken such steps as are necessary to remedy the event of default.

16.3 REMEDIES ON DEFAULT

In the event that Canada declares a default under Subsection 16.2 (Declaration of Default), Canada may exercise one or more of the following remedies, without limiting any remedy available to it by law:

- a) Terminate any obligation of Canada to contribute or continue to contribute funding to the Capital Plan, including any obligation to pay any amount owing prior to the date of such termination;
- b) Require the Recipient to reimburse Canada all or part of the contribution paid by Canada to the Recipient; and,
- c) Terminate the Agreement.

17. LIMITATION OF LIABILITY AND INDEMNIFICATION

17.1 DEFINITION OF PERSON

In Section 17, "Person" includes, without limitation, a person, the Recipient, a Third Party, a corporation, or any other legal entity, and their officers, servants, employees or agents.

17.2 LIMITATION OF LIABILITY

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

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

in relation to this Agreement or the Capital Plan.

17.3 INDEMNIFICATION

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

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

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

18. ASSETS

18.1 DISPOSAL OF ASSETS

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

18.2 REVENUES FROM ASSETS

Canada may require the Recipient to notify Canada in writing within ninety (90) Business Days of the end of a Fiscal Year if any Asset is used in such a way that, in the Fiscal Year, revenues are generated from it which exceed its operating expenses. Canada may require the Recipient to pay to Canada immediately a portion of the excess which would be calculated, at the same contribution rate as the program contribution percentage in the same proportion as the total cost of the Asset. This obligation will only apply during the Asset Disposal Period.

19. GENERAL

19.1 PUBLIC BENEFIT

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

19.2 SURVIVAL

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

19.3 ACCOUNTING PRINCIPLES

All accounting terms will have the meanings assigned to them, all calculations will be made and all financial data to be submitted will be prepared, in accordance with the accounting standards that govern the recipients financial reporting or the Public Sector Accounting Standards in effect in Canada.

19.4 DEBTS DUE TO THE FEDERAL CROWN

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

19.5 INTEREST ON DEBTS DUE TO THE FEDERAL CROWN

Any debts due to the federal Crown by the Recipient after the repayment due date will constitute an overdue repayment and will accrue interest in accordance with the federal Interest and Administrative Charges Regulations.

19.6 SET-OFF BY CANADA

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

19.7 MEMBERS OF THE HOUSE OF COMMONS AND SENATE

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

19.8 CONFLICT OF INTEREST

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

19.9 NO AGENCY, PARTNERSHIP, JOINT VENTURE, ETC.

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

19.10 NO AUTHORITY TO REPRESENT

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

19.11 ASSIGNMENT

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

19.12 COUNTERPART SIGNATURE

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

19.13 SEVERABILITY

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

19.14 AMENDMENTS

This Agreement, including its schedules, can only be amended in writing by the Parties. Notwithstanding the aforementioned, amendments to Schedule B.2 (Capital Plan Budget) made pursuant to Subsection 3.4 (Fiscal Year Budgeting) that do not result in an increase to the maximum amount of Canada's contribution under Subsection 3.1 (Contribution by Canada) do not require a formal amendment agreement between the Parties and may be made administratively through an exchange of written correspondence between the Parties.

19.15 WAIVER

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

19.16 NOTICE

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

Canada:

Assistant Deputy Minister
Infrastructure Programs Sector
1100 - 180 Kent Street,
Ottawa, Ontario,
K1P 0B6

baselinefunding-financementdebase@infcc.gc.ca

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

Recipient:

Asset Management Coordinator
322 Kent Street West, Lindsay
Dhorvath@kawarthalakes.ca

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

b) Such notice will be deemed to have been received:

- i. in person, when delivered;
- ii. if sent by mail or email, when receipt is acknowledged by the other Party; or
- iii. if sent by registered mail, when the receiving Party has signed the acknowledgment of reception.

c) If a Party changes its representative or the coordinates for that representative, it will advise the other Party as soon as possible.

19.17 COMPLIANCE WITH LAWS

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

19.18 GOVERNING LAW

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

19.19 SUCCESSORS AND ASSIGNS

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

SIGNATURES

This Agreement has been executed on behalf of HIS MAJESTY THE KING in right of Canada by the Minister of Housing and Infrastructure and Minister responsible for Pacific Economic Development Canada and on behalf of [INSTRUCTION: INSERT NAME OF RECIPIENT] by [INSERT TITLE] on the date below each Party's respective signature.

HIS MAJESTY THE KING IN RIGHT OF CANADA

[INSERT NAME OF RECIPIENT]

Per: Mark Matz
Director-General
Public Transit
Housing, Infrastructure and Communities
Canada

Per: [INSERT NAME]
[INSERT TITLE]

Signed for and on behalf of the
Minister of Housing and Infrastructure
and Minister responsible for Pacific
Economic Development Canada.

Date of Canada Signature

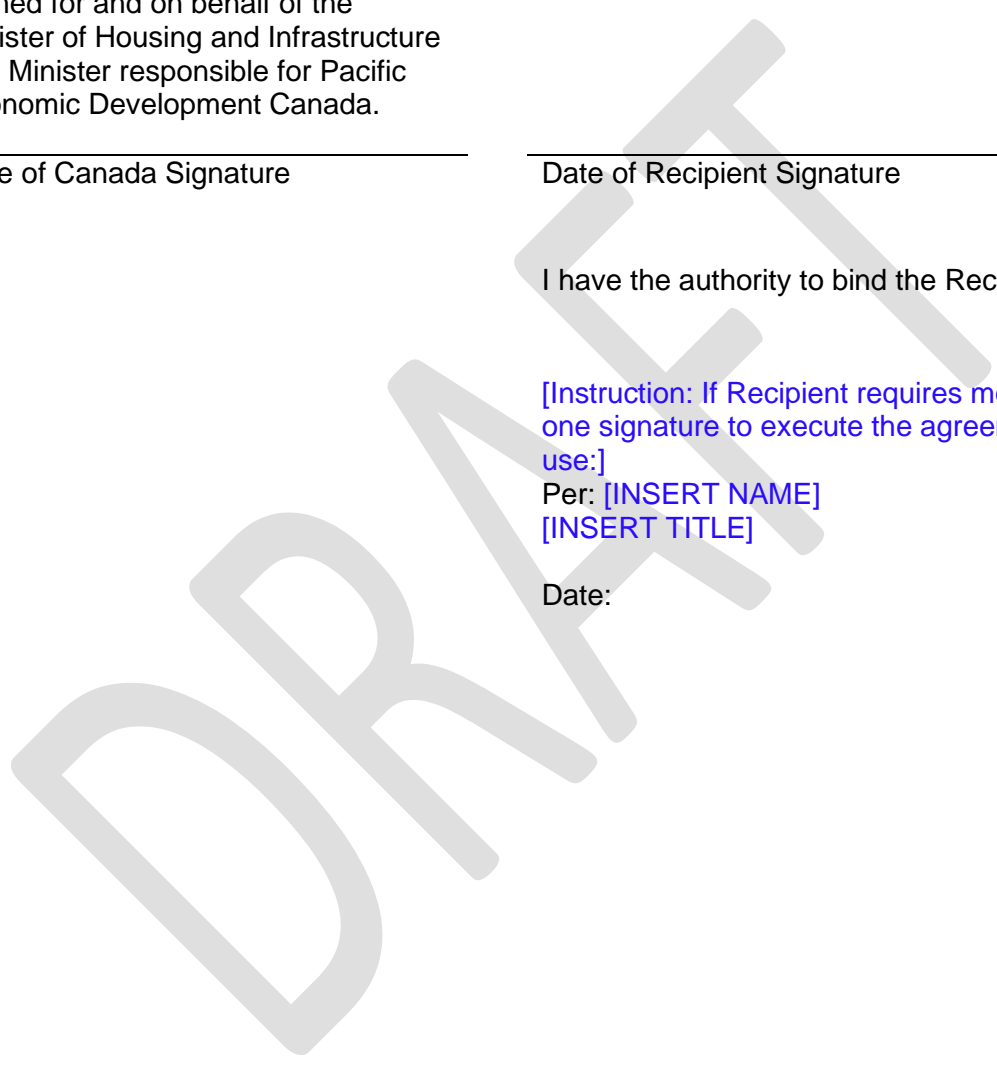
Date of Recipient Signature

I have the authority to bind the Recipient.

[Instruction: If Recipient requires more than
one signature to execute the agreement,
use:]

Per: [INSERT NAME]
[INSERT TITLE]

Date:



SCHEDULE A – ELIGIBLE AND INELIGIBLE EXPENDITURES

SCHEDULE A.1: ELIGIBLE EXPENDITURES

Eligible expenditures are costs incurred by an eligible recipient that are considered by Canada to be direct and necessary for the successful implementation of the Capital Plan, excluding those explicitly defined as ineligible under Schedule A.2.

Eligible expenditures include capital costs, design and planning costs, as well as costs related to meeting specific program requirements, including federal requirements.

Expenditures will only be eligible as of Capital Plan approval in principle.

Funding for Eligible Expenditures, including site preparation and construction costs, can only be made available to the Recipient following the Effective Date of this Agreement. Approval conditions must be met as applicable, and any conditions outlined under the Payments section must be satisfied, including, where applicable, confirmation that environmental assessment, other applicable federal environmental legislation, and Indigenous consultation and accommodation obligations have been met and continue to be met.

SCHEDULE A.2: INELIGIBLE EXPENDITURES

- a. Capital Plan costs incurred before Capital Plan's approval in principle;
- b. Costs incurred for cancelled Capital Plan Components;
- c. Costs related to purchasing land, buildings, and associated real estate and other fees;
- d. Leasing land, buildings, and other facilities; leasing equipment other than equipment directly related to the construction of the Capital Plan Component; real estate fees and related costs;
- e. Any overhead costs, including salaries and other employment benefits of any employees of the eligible recipient or ultimate recipient, its direct or indirect operating or administrative costs and more specifically its costs related to planning, engineering, architecture, supervision, management, and other activities normally carried out by its staff, with the following exceptions:
 - i. There is a lack of private sector capacity to undertake the work; or
 - ii. The work involves project specific expertise, or proprietary or specialized infrastructure or equipment that requires specific knowledge or skill of the recipient's employees; or
 - iii. A collective agreement requires the recipient to use their own unionized employees for certain project work;
- f. Financing charges, and loan interest payments, including those related to easements (e.g. surveys);
- g. Legal fees;
- h. Principal and interest payments to the Canada Infrastructure Bank;
- i. Any goods and services costs which are received through donations or in kind;
- j. Provincial sales tax, goods and services tax, and harmonized sales tax for which the ultimate recipient is eligible for a rebate, and any other costs eligible for rebates;
- k. Costs associated with operating expenses and regularly scheduled maintenance work are ineligible;
- l. Costs related to furnishing and non-fixed assets which are not essential for the operation of the asset/project.

SCHEDULE B – THE CAPITAL PLAN

SCHEDULE B.1: CAPITAL PLAN DETAILS

Capital Plan Description:

The Capital Plan includes the following areas of investment:

- Rolling stock.

Capital Plan Component proposals form part of this agreement as outlined in Subsection 3.5(e), and shall contain the project specific details of Capital Plan Components that fall within the identified areas of investment of the Capital Plan.

Capital Plan Objective:

Baseline Funding will provide predictable, long-term funding to communities with existing transit systems to support routine capital and non-capital investments, including public transit and active transportation system expansions, improvements, and state of good repair. To be eligible for funding under Baseline, all Capital Plan Components concerning public transit and active transportation must align with at least one of the four following Program objectives:

- Increase the use of public transit and active transportation relative to car travel
- Increase the housing supply and affordability as part of complete, transit-oriented communities
- Help mitigate climate change and improve climate resilience
- Improve public transit and active transportation options for all, especially Indigenous People and equity-deserving groups.

Capital Plan Component Assets and Activities

Baseline Funding will support public infrastructure, which is defined as tangible capital assets primarily for public use and/or benefit. The Capital Plan Components that will make up the Capital Plan may include capital transit and active transportation components, as well as non-capital components. The Capital Plan Components must support Program objectives and expected results and must meet applicable federal requirements.

- For a capital infrastructure Capital Plan Component to be eligible for funding, it must include the acquisition, enhancement, modernization, rehabilitation, construction, expansion, restoration, renovation, refurbishment, or replacement of assets that fall under one of the following categories:
 - Public transit systems and related infrastructure; or,
 - Active transportation infrastructure or networks.
- Non-capital Capital Plan Components will support transit-related development, planning, or design, of public infrastructure projects. For a non-capital Capital Plan Component to be eligible for funding, it must support one of the following:
 - A potential future capital project that would be considered eligible under the program; or
 - Transit and active transportation projects related to planning, feasibility studies, stand-alone design work or other related capacity building, research or data projects. Projects that support the development of transit-oriented communities are also eligible; this would include projects like transit-related housing needs assessments.

Expected Capital Plan and Capital Plan Component Benefits and Outcomes

In order to illustrate how the Capital Plan and the Capital Plan Components will contribute to CPTF objectives, the Recipient will report on each Capital Plan Component on an annual basis, and provide a Final Report upon substantial completion of a Capital Plan Component. Recipients will also provide progress reporting and a Final Report at the Capital Plan level. The Recipient may also be required to share key data on the performance of their overall transit systems.

SCHEDULE B.2: CAPITAL PLAN FINANCIALS

Table B.2.1 Capital Plan Summary

Capital Plan Budget	Amount (\$)
Total Capital Plan Cost	\$2,622,000
Total Eligible Expenditures	\$2,622,000
Total Baseline Funds contribution	\$1,323,750

Table B.2.2 Available Baseline Funds per Fiscal Year

Fiscal Year	Maximum Baseline Funds Available per Fiscal Year (\$)
2026-2027	\$132,375
2027-2028	\$132,375
2028-2029	\$132,375
2029-2030	\$132,375
2030-2031	\$132,375
2031-2032	\$132,375
2032-2033	\$132,375
2033-2034	\$132,375
2034-2035	\$132,375
2035-2036	\$132,375
Total	\$1,323,750

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SCHEDULE C – REPORTING REQUIREMENTS

SCHEDULE C.1: ANNUAL REPORT

- a) The Recipient will submit progress reports, attested to by a delegated senior official, to Canada on an annual basis for the fiscal period ending on March 31st, or as required by Canada (“Annual Report”).
- b) The first Annual Report must cover the period commencing from the Capital Plan Approval Date to March 31st, 2027.
- c) The Recipient will be provided with an Annual Report template by Canada which will be completed to Canada’s satisfaction. Each report must include, at a minimum, the following information:

Capital Plan

- i. Capital Plan Title, Recipient name and Capital Plan identification number;
- ii. Reporting period dates;
- iii. Financials at the Capital Plan level;
- iv. Reporting on the progress of implementing housing conditions, if applicable;
- v. Summary of activities and progress achieved to date;
- vi. Reporting against transit system metrics.

Capital Plan Component – in progress

- i. Capital Plan Component names and details;
- ii. Capital Plan Component financials;
- iii. Construction start and end dates (forecast/actual);
- iv. Progress against expected results as identified in the Capital Plan Component submission;
- v. An update on issues/risks, if any, and mitigation measures;
- vi. Update on any non-competitive contracting;
- vii. Reporting on progress against federal requirements which could include, but is not limited to, accessibility standards and climate requirements related to greenhouse gas mitigation, Buy Clean, zero emission vehicles, and climate resilience;
- viii. Update on Communication Activities to date and future communications plans;
- ix. Progress on Environmental Assessment and Indigenous Consultation activities;
- x. Confirmation of installed signage, if applicable.

Capital Plan Component – when complete

- i. Capital Plan Component names and details;
- ii. Construction start and end dates (actual);
- iii. The Capital Plan Component’s completed results compared to the baseline identified at the time of submission of the Capital Plan Component;
- iv. Alignment with the Capital Plan’s outcomes as identified at the time of submission of the Capital Plan Component;
- v. Total expenditures and Eligible Expenditures as well as federal contribution for the Capital Plan Component;
- vi. An attestation, signed by a delegated senior official, that the Capital Plan Component has been completed and that federal funding was spent on Eligible Expenditures in accordance with this Agreement;
- vii. The Declaration of Substantial Completion signed by an authorized official of the Recipient as deemed acceptable by Canada, and it must list all relevant documents as determined by Canada;
- viii. Demonstrating that all environmental conditions and Indigenous consultation and accommodation requirements have been met;
- ix. Reporting on progress against federal requirements which could include, but is not limited to, accessibility standards and climate requirements related to greenhouse gas mitigation, Buy Clean, zero emission vehicles, and climate resilience;
- x. Confirmation of the Total Financial Assistance in accordance with Subsection 3.2 (b) (Commitments by the Recipient) and Schedule B2 (Capital Plan Budget).

SCHEDULE C.2: CAPITAL PLAN 5-YEAR PROGRESS REPORT

The Recipient will submit a Capital Plan 5-year Progress Report to Canada every five years, starting in April 2031. The Capital Plan 5-year Progress Report will include at a minimum:

- a) All information required under Schedule C.1 (Annual Report), covering the period from the last progress report to the date of submitting the Capital Plan Progress Report; and
- b) A cumulative summary of the results and the financials for the Capital Plan, which will include the following information:
 - i. Alignment with the Capital Plan's completed results as identified at the time of submission of the Capital Plan;
 - ii. Total expenditures and Eligible Expenditures as well as federal contribution for the Capital Plan;
 - iii. Demonstrating that all environmental conditions and Indigenous consultation and accommodation requirements have been met;
 - iv. Reporting on the achievement of federal requirements;
 - v. Confirmation of the Total Financial Assistance in accordance with Subsection 3.2 (b) (Commitments by the Recipient) and Schedule B2 (Capital Plan Budget).

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SCHEDULE D – COMMUNICATIONS PROTOCOL

SCHEDULE D.1: PURPOSE

The communications protocol set out in this Schedule D (“Communications Protocol”) outlines the roles and responsibilities of each of the Parties to this Agreement with respect to Communications Activities related to the Capital Plan Components funded under this Agreement, including joint funding announcements and all subsequent milestone communication opportunities.

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

Communications Activities are defined in Subsection 1.1 of this Agreement.

SCHEDULE D.2: GUIDING PRINCIPLES

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

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

The Communication Activities undertaken jointly by Canada and the Recipient should recognize the funding of all contributors to the project(s) being highlighted.

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

SCHEDULE D.3: GOVERNANCE

The Parties will designate communications contacts that will be responsible for overseeing this Protocol’s implementation and reporting on its results.

SCHEDULE D.4: JOINT COMMUNICATIONS

- a) Canada and the Recipient will work together with respect to Joint Communications about the funding and progress of the activities under this Agreement.
- b) Joint Communications related to activities funded under this Agreement should not occur without the prior knowledge and agreement of each of the Parties.
- c) All Joint Communications material will be approved by Canada and the Recipient, and will recognize the funding of each of the Parties.
- d) Each of the Parties may request Joint Communications to communicate to Canadians about the progress or completion of Capital Plan Components. The requestor will provide at least fifteen (15) Business Days notice to the other Parties. If the Communications Activity is an event*, it will take place at a mutually agreed date and location.
- e) The requestor of the Joint Communications will provide an equal opportunity for the other Parties to participate and choose their own designated representative for events*, announcements by news release, joint statement, etc.
- f) As Canada has an obligation to communicate in English and French. Communications products issued by the Government of Canada must be bilingual and include the Canada wordmark and the other Party’s logo. In such cases, Canada will provide the translation services and final approval of products.
- g) The Recipient will be responsible for providing on-site communications and logistics support.
- h) The conduct of all Joint Communications will follow the [Table of Precedence for Canada](#).

**Events include, but are not limited to, in-person or virtual news conferences, public announcements, official events or ceremonies, and news releases.*

SCHEDULE D.5: INDIVIDUAL COMMUNICATIONS

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

Canada and the Recipient may include general program messaging and an overview of Capital Plan Components in their own communications products and activities. The Party undertaking these activities will recognize the funding of all Parties.

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

Digital Communications, Websites and Webpages

Canada or the Recipient may issue digital communications to communicate progress of activities funded under this Agreement.

The Recipient will ensure that:

- a) Where a website or webpage is created to promote or communicate progress on activities funded under this Agreement, it must recognize federal funding through the use of a digital sign or through the use of the Canada wordmark and the following wording, “This project is funded in part by the Government of Canada.” The Canada wordmark or digital sign must link to Housing, Infrastructure and Communities Canada’s website, at <https://housing-infrastructure.canada.ca>. The guidelines for how this recognition is to appear and language requirements are published on the Department’s Infrastructure Project Signage Guidelines webpage: <https://housing-infrastructure.canada.ca/pub/signage-panneaux/intro-eng.html>
- b) The Recipient will be requested to send to Canada a minimum of two high-resolution, good quality photographs per Capital Plan Component (where applicable); one of the construction in progress, and one of the completed Capital Plan Component, for use in Canada’s social media channels and other digital communications activities. Sending the photos will constitute permission to use and transfer of copyright. Photographs are to be sent to infphoto.inf@canada.ca along with the Capital Plan Component name and location.

Advertising campaigns

Recognizing that advertising can be an effective means of communicating with the public, Canada and the Recipient may, at their own cost, organize an advertising or public information campaign related to the Program or the activities funded under this Agreement. However, such a campaign must respect the provisions of this Agreement and the Government of Canada requirements for advertising;

<https://www.canada.ca/en/treasury-board-secretariat/services/government-communications/federal-identity-program/technical-specifications/advertising.html>.

In the event of such a campaign, each Party agrees to inform the other Party of its intention, no less than twenty one (21) Business Days prior to the campaign launch.

Success stories

Canada and/or the Recipient may issue communication activities and products, including but not limited to, project success stories, vignettes, and multi-media products, to promote the activities funded under this Agreement. The Recipient agrees to support Canada with content and visuals as required and where possible.

SCHEDULE D.6: OPERATIONAL COMMUNICATIONS

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

Canada does not need to be informed on operational communications. However, such products should include, where appropriate, the following statement, “This project is funded in part by the Government of Canada.”

SCHEDULE D.7: MEDIA RELATIONS, EVENTS AND PROJECT ANNOUNCEMENTS

Canada and the Recipient will share information promptly with the other Party should sensitive and/or a significant volume of media inquiries be received or if major stakeholder issues relating to the activities funded under this Agreement arise.

Recipients will be responsible for answering media questions related to the progress, construction timelines, contracting, etc., of the activities funded under this Agreement.

The Parties agree to have media events about the funding and status of the activities funded under this Agreement. Key milestones may be marked by public events, news releases, site visits, and/or other mechanisms. Either of the Parties or other funding contributors may request a media event. The requestor of a media event will provide at least fifteen (15) Business Days of notice to the other Party of their intention to undertake such an event. Both Parties will agree on the event location and date.

Media events related to the activities funded under this Agreement will not occur without the prior knowledge and agreement of both Parties.

SCHEDULE D.8: SIGNAGE

Canada, the Recipient and other funding contributors may each have a sign recognizing their funding contribution to a Capital Plan Component.

Unless otherwise agreed upon by Canada, the Recipient will produce and install a sign to recognize contributors' funding at the Capital Plan Component site(s) in accordance with current federal signage guidelines. Federal signage will be at least equivalent in size and prominence to signage for contributions made by other orders of government. The federal sign's design, content, printing and installation guidelines are provided by Canada through the Housing, Infrastructure and Communities Canada website at <https://housing-infrastructure.canada.ca/pub/signage-panneaux/intro-eng.html>.

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

Digital signage may also be used in addition or in place of a physical sign in cases where a physical sign would not be appropriate due to project type, scope, location or duration.

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

The Recipient may acknowledge Canada's funding on purchased vehicles. The acknowledgment, in the form of an image provided by Housing, Infrastructure and Communities Canada, recognizes the Government of Canada's contribution and support. Funding acknowledgement guidelines to ensure consistency and visibility of the acknowledgment are available at <https://housing-infrastructure.canada.ca/pub/signage-panneaux/intro-eng.html>.

SCHEDULE D.9: COMMUNICATIONS COSTS

The eligibility of costs related to joint communication activities that provide public information on the projects will be subject to Schedule A (Eligible and Ineligible Expenditures) and must be agreed to in advance by Canada.

SCHEDULE E – DECLARATION OF SUBSTANTIAL COMPLETION

In the matter of the Contribution Agreement for [ENTER NAME OF CAPITAL PLAN] under the Baseline Funding Stream of the Canada Public Transit Fund (“Agreement”) entered into between His Majesty The King in right of Canada, as represented by the Minister of Housing and Infrastructure and Minister responsible for Pacific Economic Development Canada, and [RECIPIENT] (the “Recipient”), represented by [insert name of signatory], concerning the [CAPITAL PLAN COMPONENT NAME].

I, [insert name of signatory], of the City/Town of [insert location], Province/Territory of [insert name of Province or Territory], declare as follows:

1. I hold the position of [insert position title] with the Recipient and as such have knowledge of the matters set forth in this declaration and believe this declaration to be true.
2.
 - a) I have received the following documents for the [CAPITAL PLAN COMPONENT NAME] project:
 - i. [LIST NAME OF RELEVANT DOCUMENTS, e.g. Certificate of Completion, Certificate of Performance, Occupancy Permit, etc.] [INSERT if applicable “signed by [insert name of person who signed relevant document], a [enter profession, e.g. professional engineer, professional architect or other applicable professional] for the project.”]
 - ii. ...
 - b) Based on the above documents and the representations made to me by the professionals identified in Subsection 2(a) above, I declare to the best of my knowledge and belief that the [CAPITAL PLAN COMPONENT NAME] project has been substantially completed, in that it can be used for its intended use, as described in Schedule B.1 (Project Description), as defined in the Agreement, on the [insert day] day of the [insert month] 20[insert year].
 - c) I have received the following documents and based on these documents and representations made to me by the professionals identified below, I declare to the best of my knowledge and belief that the Project conforms with, as applicable, the [List the applicable environmental review or assessment e.g. the Canadian Environmental Assessment Act, 2012, Impact Assessment Act, or Northern Regime]:
 - i. [List name of relevant document] signed by [insert name of person who signed relevant document], an [enter profession, e.g. professional engineer, professional architect or other applicable professional].
 - ii. ...
3. All terms and conditions of the Agreement that are required to be met as of the date of this declaration have been met.

Declared at [insert location] (City/Town), in [insert name of Province or Territory] (Province/Territory) this [insert day] of [insert month], 20[insert year].

Signature

SCHEDULE F – FEDERAL REQUIREMENT DEFINITIONS

1. POPULATION THRESHOLD (COMMUNITIES OVER 150,000)

- Conditions will apply to all municipalities with a population greater than 150,000, based on 2021 census data.
- In cases where a regional transit system serves multiple municipalities with a combined population exceeding 150,000, the conditions will apply to all municipalities as applicable (municipalities that have higher-order transit and/or post-secondary institutions).

2. HIGH-FREQUENCY (HIGHER-ORDER) TRANSIT

- High-frequency (higher-order) is defined as fixed-route, higher-order transit lines, including rail lines (heavy rail, commuter rail, subways, light rail), and Bus Rapid Transit lines.
 - To be considered Bus Rapid Transit, a line must have at least 3 of the following features:
 - Dedicated right of way;
 - Busway alignment (i.e., centre of roadway or curbside bus-only corridor);
 - Off-board fare collection;
 - Traffic signal priority
 - Intersection treatments (e.g., prohibiting turns across bus lanes);
 - Platform-level boarding.
- Measurement of 800 meters is based on lot perimeters of transit stations. The land within this prescribed distance may overlap with bodies of water, First Nations treaty lands, agricultural land reserves, public parks, heritage buildings, federally regulated lands such as ports and airports, heritage sites, and others. In these cases, certain parcels of land may be excluded from the density requirements. Additionally, the application of the requirement may take into account existing urban form (e.g., streets and blocks) so that zoning changes follow natural boundaries and does not change in the middle of block.

3. POST-SECONDARY INSTITUTIONS

- A post-secondary institution is defined as a public facility that is recognized on the Master List of designated educational institutions maintained by Employment and Social Development Canada as a University, College or Institute and has full-time enrollment equal to or greater than 10,000 students.
 - Only primary campuses will be included (satellite campuses, off-campus offices and individual buildings will not be included).
- Canada's officials will work with eligible recipients to identify the post-secondary institutions located in their respective communities that meet the criteria noted above.
- Measurement of 800 meters is based on the perimeter of the main campus. The land within this prescribed distance may overlap with bodies of water, First Nations treaty lands, agricultural land reserves, public parks, heritage buildings, federally regulated lands such as ports and airports, heritage sites, and others. In these cases, certain parcels of land may be excluded from the density requirements. Additionally, the application of the requirement may take into account existing urban form (e.g., streets and blocks) so that zoning changes follow natural boundaries and does not change in the middle of block.
- As Housing Needs Assessments are completed, commitments and requirements would be updated to reflect local issues and pressures related to student housing.

4. HIGH-DENSITY HOUSING

- Municipalities will be required to introduce zoning changes to support higher densities that contribute to transit ridership and promote higher levels of multi-unit housing within 800 metres of applicable transit stations and/or post-secondary institutions.
- Density standards and guidelines as indicated in the table below provide flexibility to municipalities and regions to choose between measures of floor area ratio (FAR) and units as-of-right.

Minimum Allowable Density Standards for Baseline Funding

Category	Prescribed Distance (Meters)	Floor Area Ratio	Units as-of-Right	Units / Hectare Guideline*
Higher-Order Transit & Post-Secondary Institutions	0-800	3 (required)	4 (required)	80-90

**Units/hectare illustrate what communities are expected to be able to achieve at a broader scale through adoption of either minimum allowable standard.*

DRAFT