

**DEPARTMENT OF NATURAL RESOURCES
2 BILLION TREES PROGRAM**

GRANT AGREEMENT

THIS AGREEMENT is made in duplicate

BETWEEN:

HIS MAJESTY THE KING IN RIGHT OF CANADA ("Canada"), represented by the Minister of Natural Resources,

AND:

CITY OF FREDERICTON, a Municipal Corporation, incorporated under the laws of Province of New Brunswick (the "Proponent").

WHEREAS Canada wishes to encourage the adoption of the 2 Billion Trees Program ("the Program");

WHEREAS the Proponent has submitted to the Minister a Proposal for the funding of a Project called "**GREENING THE CITY OF FREDERICTON'S STREET TREE PLANTING PROGRAM**" which qualifies for support under the Program;

WHEREAS Canada and the Proponent agree that in order for the Proponent to develop and implement the Project as described in Schedule A (Description of the Project and Budget), the Proponent will require financial assistance from Canada;

AND WHEREAS Canada is willing to provide financial assistance toward the Eligible Expenditures of the Project in the manner and upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, Canada and the Proponent agree as follows:

1: INTERPRETATION

1.1 In this Agreement:

"Agreement" means this Agreement and the attached Schedule A (Description of the Project and Budget);

"**Completion Date**" means the date that the Proponent shall complete the Project as specified in Paragraph 4.2;

"**Fiscal Year**" means the period beginning on April 1st of any year and ending on March 31st in the next year;

"**Grant**" means the funding provided by the Minister under this Agreement;

“Intellectual Property” means any Intellectual Property right recognized by the law, including any intellectual property right protected through legislation (such as that governing patents, copyright, trade-marks, and industrial designs);

“Minister” means the Minister of Natural Resources and includes any duly authorized officers or representatives;

“Party” means either the Proponent or Canada;

“Project” means the Project described in Schedule A (Description of the Project and Budget);

“Proposal” means a written Proposal signed by the Proponent on **February 15, 2022**, which is accepted by the Minister for the Project;

1.2 In case of conflict between provisions of this Agreement, the order of precedence shall be the following:

- a) these Articles of Agreement; and
- b) Schedule A (Description of the Project and Budget);

1.3 Grammatical variations of the above terms have similar meanings. Words importing the singular number only shall include the plural and vice versa.

2: REPRESENTATIONS AND WARRANTIES

2.1 The Proponent represents and warrants that all factual matters contained in the Proposal and all supporting material submitted are true and accurate in all material respects, and that all estimates, forecasts and other related matters involving judgement were prepared in good faith and to the best of its ability, skill and judgement.

2.2 The Proponent represents and warrants that the Project is not a "designated project" under the *Canadian Environmental Assessment Act, 2012* nor a "project" under the *Impact Assessment Act* and that it is under no obligation or prohibition, nor is it subject to or threatened by any actions, suits or proceedings, including those arising out of the *Canadian Environmental Assessment Act, 2012* or *Impact Assessment Act* which could or would prevent compliance with this Agreement and undertakes to advise the Minister forthwith of any such occurrence during the term of this Agreement.

3: DURATION OF THE AGREEMENT

3.1 This Agreement comes into force when signed by the Parties.

3.2 This Agreement will expire on the latest of:

- a) the Completion Date;
- b) the completion of the Project to the satisfaction of the Minister; or,
- c) the date on which all amounts owed by the Proponent to the Minister under this Agreement have been paid in full.

3.3 The following clauses shall survive the expiration of this Agreement for an additional three (3) years:

- a) Article 6 (Method of Payment);
- b) Article 7 (Intellectual Property);
- c) Article 8 (Indemnity);
- d) Article 9 (Default); and
- e) Article 18 (Dispute Resolution).

4: CONDUCT OF PROJECT

4.1 The Proponent shall carry out the Project promptly, diligently and in a professional manner and in accordance with the terms and conditions of this Agreement.

4.2 The Proponent shall complete the Project by **March 31, 2024**, unless terminated earlier pursuant to the provisions of this Agreement.

4.3 The Proponent shall comply with all applicable federal, provincial and municipal laws in relation to the Project.

5: FUNDING

5.1 Notwithstanding any other provision of this Agreement, the Grant shall not in any circumstances exceed **One Hundred Sixty Two Thousand Dollars (\$162,000)**.

5.2 The Fiscal Year allocations from the Grant are as follows:

2022-2023 Thirty One Thousand (\$31,000)

2023-2024 One Hundred Thirty One Thousand (\$131,000)

Total: One Hundred Sixty Two Thousand Canadian Dollars (\$ 162,000)

5.3 The Proponent acknowledges that the amounts allocated by Fiscal Year of the Grant may not be treated as estimates and that a reallocation of a portion of the Grant from one Fiscal Year to another shall not be permitted. Any portion of the Grant that is not disbursed as advances or otherwise expended in any Fiscal Year shall not be available to complete the Project.

5.4 The payment of monies by Canada under this Agreement is subject to there being an appropriation by Parliament for the Fiscal Year in which the payment of monies is to be made.

5.5 Notwithstanding any other provision of this Agreement, Canada may reduce or cancel the Grant upon written notice to the Proponent in the event that the funding levels for the Department of Natural Resources are changed by Parliament during the term of this Agreement. In the event that Canada reduces or cancels the Grant, the Parties agree to amend the Project, namely this Agreement, to take into account the reduction or cancellation of the Grant.

6: METHOD OF PAYMENT

6.1 Subject to Paragraph 6.2, upon the execution of this Agreement by both parties, the Minister shall make **Two (2)** annual payments to the Proponent in the total amount of **One Hundred Sixty Two Thousand Dollars (\$162,000)**.

6.2 Prior to releasing any payment, the Proponent must remain eligible and continue to meet the eligibility criteria defined below, Canada may require the Proponent to provide supporting documentation.

6.3 Eligibility criteria and supporting documentation that may be requested by Canada are as follows:

Type of organization or documentation requirement:

a not-for-profit organization legally incorporated and registered in Canada

Type of projects:

Capacity building related to management, protection and monitoring of trees and forests, including knowledge building and transfer, training and outreach.

6.4 In accordance with Schedule A (Description of the Project and Budget), the Proponent will, for information purposes, provide Canada with a copy of the final reports by **May 31, 2024**.

7: INTELLECTUAL PROPERTY

7.1 All Intellectual Property that arises in the course of the Project shall vest in, or be licensed to, the Proponent.

7.2 The Proponent shall supply to Canada the reports and documents described in Schedule A (Description of the Project and Budget) or as otherwise required by the Minister, and the Proponent hereby grants to Canada a non-exclusive, irrevocable, world-wide, free and royalty-free licence in perpetuity to use, modify, and make publically available such reports and documents for non-commercial governmental purposes.

8: INDEMNITY

8.1 Neither Canada, nor its employees, officers and agents, will have any liability in respect of claims of any nature, including claims for injury or damages, made by any person involved in the activities of the Project or as a result of or arising out of this Agreement, and the Proponent will indemnify and save harmless Canada, its employees, officers and agents, in respect of such claims.

9: DEFAULT

9.1 The Minister may, by giving written notice to the Proponent, terminate this Agreement in whole or in part, and require the repayment of all or any part of the Grant if the Proponent has breached any warranty or obligation under the Agreement, has made any misrepresentation in its Proposal for funding, or no longer meets eligibility requirements, and any such breach has not been cured by or remedied by the Proponent within **thirty (30)** days of written notice of such defect having been provided to the Proponent.

9.2 The Proponent shall inform Canada in writing if the Proponent no longer meets eligibility requirements and shall provide Canada with access to records to verify eligibility or continued eligibility.

10: LEGAL RELATIONSHIP

10.1 Nothing contained in this Agreement shall create the relationship of principal and agent, employer and employee, partnership or joint venture between the Parties.

10.2 The Proponent shall not make any representation that:

- a) the Proponent is an agent of Canada; or,
- b) could reasonably lead any member of the public to believe that the Proponent or its contractors are agents of Canada.

11: ACKNOWLEDGEMENT

11.1 The Proponent shall acknowledge the financial support of Canada in all public information produced as part of the Project.

11.2 The Proponent will seek prior written consent of the Minister for any public acknowledgement of the financial support of Canada to this Project through news releases, public displays, and public and media events.

11.3 Except for releases of information required to comply with securities regulations or other laws, where media announcements and public events relating to this Project are to be made by a Party, the Party shall use commercially reasonable efforts to give to the other a **three (3)** weeks prior written notice of any media announcement or public event and a reasonable opportunity to review and comment thereon.

11.4 The Proponent acknowledges that the Proponent's name, the amount awarded, and the general nature of the activities supported under this Agreement may be made publicly available by the Government of Canada.

12: MEMBERS OF PARLIAMENT

12.1 No Member of the House of Commons or Senate shall be admitted to any share or part of this Agreement or to any benefit arising therefrom that is not otherwise available to the general public.

13: CONFLICT OF INTEREST

13.1 It is a term of this Agreement that all current or former public servants to whom the federal Values and Ethics Code for the Public Sector, federal Policy on Conflict of Interest and Post-Employment, or NRCan Values and Ethics Code applies shall comply with the Codes or Policy, as applicable.

13.2 If any individual working for the Proponent formerly provided consultancy services to the Minister that are related to this Agreement, particularly any services associated with developing the Agreement or developing the Project which is the subject of this Agreement, the Proponent is considered to be in a real, perceived, or potential conflict of interest situation.

13.3 If a conflict of interest situation arises during the Agreement the Proponent shall notify the Minister, in the manner prescribed in Article 16 (Notices). Upon request, the Proponent shall notify the Minister of all reasonable steps taken to identify, avoid, prevent, and where it exists, resolve any conflict of interest situation.

13.4 The Minister may investigate a real, perceived, or potential conflict of interest and take such steps and measures as the Minister considers appropriate, including without limitation: informing the Proponent that it is in a conflict of interest situation; requesting specific actions be taken to correct the situation; requiring the Proponent to withdraw any individual from participation in the Project for reasons of conflict of interest; suspending payments under the Agreement; or terminating the Agreement.

14: GOVERNING LAW

14.1 This Agreement shall be interpreted in accordance with the applicable federal laws and the laws in force in the Province of New Brunswick.

15: ASSIGNMENT

15.1 No benefit arising from this Agreement shall be assigned in whole or in part by the Proponent without the prior written consent of the Minister and any assignment made without that consent is void and of no effect.

16: NOTICES

16.1 Requests, notices, and information referred to in this Agreement shall be sent in writing or by any method of telecommunication and, unless notice to the contrary is given, shall be addressed to the Party concerned at the following address:

To Canada:

Anne-Hélène Mathey
Executive Director
Natural Climate Solutions Division
Natural Resources Canada
580 Booth Street, 7th Floor
Ottawa, Ontario
K1A 0E4
Telephone: (343) 292-8466
E-mail: anne-helene.mathey@NRCan-RNCan.gc.ca

To the Proponent:

Jillian Hudgins
Environmental Strategist
City of Fredericton
397 Queen St
Fredericton, New Brunswick
E3B 1B5
Telephone: (506) 292-8407
E-mail: jillian.hudgins@fredericton.ca

16.2 Requests, notices and documents are deemed to have been received, if sent by registered mail, when the postal receipt is acknowledged by the other Party; by facsimile or electronic mail, when transmitted and receipt is confirmed; and by messenger or specialized courier agency, when delivered.

16.3 The Minister and the Proponent agree to notify each other in writing if the above contact information changes. This requirement will not cause an Amendment.

17: AMENDMENTS

17.1 No amendment of this Agreement or waiver of any of its terms and conditions shall be deemed valid unless effected by a written amendment signed by the Parties.

18: DISPUTE RESOLUTION

18.1 If a dispute arises concerning the application or interpretation of this Agreement, the Parties will attempt to resolve the matter through good faith negotiation, and may, if necessary and the Parties consent in writing, resolve the matter through mediation by a mutually acceptable mediator.

19: LOBBYING ACT

19.1 The Proponent shall ensure that any person lobbying on behalf of the Proponent is registered pursuant to the *Lobbying Act* and that the fees paid to the lobbyist are not to be related to the value of the Grant.

20: SUCCESSORS AND ASSIGNS

20.1 This Agreement shall inure to the benefit of and be binding on the Parties and their respective representatives, successors and assigns.

21: OFFICIAL LANGUAGES/LANGUES OFFICIELLES

21.1 This Agreement is drawn in English at the request of the Parties. Les Parties ont convenu que le présent Accord soit rédigé en anglais.

21.2 All public information documents related to the Project prepared or paid for in whole or in part by Canada must be made available in both official languages, when the Department of Natural Resources judges that this is required under the *Official Languages Act*. Tout document d'information publique préparé ou payé en tout ou en partie par le Canada ayant trait au Projet doit être offert dans les deux langues officielles, lorsque le Ministère des ressources naturelles le juge pertinent, conformément à la *Loi sur les langues officielles*.

22: COUNTERPART SIGNATURE

22.1 This Agreement (and any amendments) may be signed in counterparts including facsimile, PDF and other electronic copies, each of which when taken together, will constitute one instrument.

23: ENTIRE AGREEMENT

23.1 This Agreement constitutes the entire Agreement between the Parties with respect to the subject matter of this Agreement and supersedes all previous negotiations, communications, and other agreements, whether written or verbal between the Parties.

IN WITNESS THEREOF, this Agreement is duly executed on behalf of **His Majesty the King Right of Canada** by an officer duly authorized by the Minister of Natural Resources and on behalf of the **Proponent**, by an officer duly authorized on its behalf.

HIS MAJESTY THE KING IN RIGHT OF CANADA

Date Monique Frison
 Director General
 Canadian Forest Service

CITY OF FREDERICTON

Date Jennifer Lawson
 City Clerk

Date Her Worship Kate Rogers
 Mayor of Fredericton

SCHEDULE A

To the Agreement between

HIS MAJESTY THE KING IN RIGHT OF CANADA

And

THE CITY OF FREDERICTON

DESCRIPTION OF THE PROJECT

PROJECT TITLE:	Greening the City of Fredericton's Street Tree Planting Program
PROJECT OBJECTIVE:	Build the City of Fredericton's capacity to undertake tree planting in a changing climate and decrease the carbon emissions required to access climate-suitable planting stock.
PROJECT SUMMARY:	For this project, the Proponent will increase capacity to plant trees that are genetically best-suited to their growing environment in Fredericton. They will design and build a greenhouse built to zero-carbon standards, as well as receiving training from the National Tree Seed Centre to collect local seed & grow their own seedlings. This will result in a significant reduction in emissions.
BENEFITS:	<p><u>Benefits to Canada / Canadians:</u></p> <ul style="list-style-type: none">• The greenhouse built for this project will cause a decrease in GHG emissions, as planting stock will no longer need to be trucked in from out of province.• This project will create one or two new jobs for students, as well as providing relevant skill-building opportunities for students and staff. <p><u>Benefits to Stakeholders:</u></p> <ul style="list-style-type: none">• This project will significantly lower costs of planting stock when restoring the city's urban forest.• This project will enable the Proponent to expand Fredericton's urban forest, as well as replacing trees that have been affected by Emerald Ash Borers or that were damaged by Hurricane Fiona.

	<ul style="list-style-type: none"> Increasing the Proponent’s capacity to plant trees will also increase the myriad environmental benefits and ecosystem services that come from trees, including carbon sequestration, wildlife habitat, and stormwater management, as well as the mental and physical health benefits of access to greenspace.
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PROJECT TASKS:

Task Number	Task	Description	Outputs
1	Greenhouse Design March 31, 2023	Under this Task, the Proponent will: <ul style="list-style-type: none"> Hire a consultant to design zero carbon greenhouse with Earth Battery heat retention system. Tender construction documents in January 2023 	<ul style="list-style-type: none"> Final design & construction package for zero carbon greenhouse
2	Greenhouse Build July 31, 2023	Under this task the Proponent will: <ul style="list-style-type: none"> Hire a contractor to build greenhouse according to design 	<ul style="list-style-type: none"> Zero carbon greenhouse is constructed & ready to house seedlings
3	Knowledge and capacity building for seed collection and germination, seedling care March 31, 2024	Under this Task, the Proponent will: <ul style="list-style-type: none"> Receive training for staff & students on seed collection & germination & seedling care from the National Tree Seed Centre & elsewhere Collect & germinate seeds from local sources, care for seedlings as they grow 	<ul style="list-style-type: none"> Staff & summer students are educated on seed collection & germination techniques as well as seedling care. The first batch of trees have germinated from local seed & are growing in our greenhouse in 2023
4	Knowledge transfer March 31, 2024	Under this Task, the Proponent will: <ul style="list-style-type: none"> Disseminate knowledge gained from the National Tree Seed Centre to local university & college students (& other members of the public pending COVID restrictions) through presentations, labs, school field trips, & site visits. 	<ul style="list-style-type: none"> Local students & members of the public are more educated about seed collection, germination, seedling care, & the importance of native & rare species. Students have an opportunity to participate in hands-on

Task Number	Task	Description	Outputs
			projects at the greenhouse.

PERFORMANCE INFORMATION:

Key Performance Indicators:
1. Number of aggregate direct, indirect and induced jobs created.
2. Number of communities supported.

SCHEDULE B

To the Agreement between

HIS MAJESTY THE KING IN RIGHT OF CANADA

And

THE CITY OF FREDERICTON

BUDGET:

Approved Budget	2022-23	2023-24	Total
Eligible Expenditures			
Salaries and Benefits	\$ -	\$ -	\$ -
Management, professional, technical, capacity building and research services	\$ 10,000	\$ 5,000	\$ 15,000
Materials and supplies	\$ -	\$ -	\$ -
Facilities	\$ 20,000	\$ 125,000	\$ 145,000
Honoraria and ceremonial costs where Indigenous recipients or Indigenous partners of recipients are involved	\$ 1,000	\$ 1,000	\$ 2,000
Overhead (up to 15%)	\$ -	\$ -	\$ -
Total by Fiscal Year	\$ 31,000	\$ 131,000	\$ 162,000
Non Eligible Expenditures	\$ 27,000	\$ 136,000	\$ 163,000

Source of Contributions	%	Cash	In-Kind	Total
Canada (NRCan)	50%	\$ 162,000	N/A	\$ 162,000
The Proponent	49%	\$ 145,000	\$ 13,000	\$ 158,000
NTSC	1%	\$ -	\$ 5,000	\$ 5,000
Total	100%	\$ 307,000	\$ 18,000	\$ 325,000

FINAL REPORTS:

For information purposes, the Proponent will provide the Minister with a final report by **May 31, 2024**, as per the template that will be provided by Canada.