



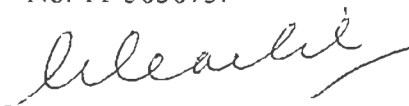
City of Richmond

Report to Committee

To: Planning Committee **Date:** January 31, 2012
From: Cathryn Volkering Carlile **File:** 08-4057-05/2011
 General Manager
Re: **Housing Agreement (Legacy Park Lands Limited) Bylaw No. 8853 -
 To Secure Market Rental Housing Units located in 14000 and 14088 Riverport
 Way**

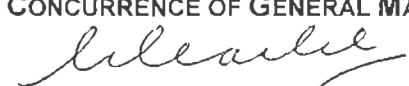


Staff Recommendation

That Bylaw No. 8853 be introduced and given first, second, and third readings to permit the City, once Bylaw No. 8853 has been adopted, to enter into a Housing Agreement substantially in the form attached hereto, in accordance with the requirements of s. 905 of the Local Government Act, to secure the market rental housing units required by Zoning Text Amendment Application No. 11-565675.



Cathryn Volkering Carlile
 General Manager
 (604-276-4068)

Att. 3

FOR ORIGINATING DEPARTMENT USE ONLY			
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER	
Law	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Development Applications	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
REVIEWED BY TAG	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	REVIEWED BY CAO	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
			

Staff Report

Origin

The purpose of this report is to recommend Council adoption of a Housing Agreement Bylaw (Bylaw No. 8853, **Attachment 1**) to secure 135 market rental housing units in a proposed development at 14000 and 14088 Riverport Way (Map 1, **Attachment 3**).

The report and bylaw are consistent with Council's adopted term goal:

Improve the effectiveness of the delivery of social services in the City through the development and implementation of a Social and Community Services Strategy that includes.....increased social housing, implementation of the campus of care concept and an emergency shelter for women...

Patrick Cotter Architect Inc. has applied for a zoning text amendment for 14000 and 14088 Riverport Way from Low Rise Apartment (ZLR14) – Riverport in order to permit a medium-density mid-rise, mixed-use rental residential development. The development will include:

- A 6-storey mixed use building with 55 market rental housing units, ground level commercial and community meeting space at 14000 Riverport Way, and
- A previously approved 4-storey building with 80 market rental housing units at 14088 Riverport Way.

This zoning text amendment application received second and third reading at the Public Hearing on October 17, 2011. Execution of the Housing Agreement is a rezoning consideration of the Legacy Park Lands Limited application.

The *Local Government Act*, Section 905, states that a local government may, by bylaw, enter into a Housing Agreement to secure affordable housing units. The proposed Housing Agreement Bylaw for the subject Legacy Park Lands Limited development (Bylaw 8853) is presented in **Attachment 1**. It is recommended that the Bylaw be introduced and given first, second, and third readings. Following adoption of the Bylaw, the City will be able to execute the Housing Agreement and arrange for notice of the agreement to be filed in the Land Title Office.

Analysis

Since the time of the rezoning application approval, further refinement of the design has been completed by the applicants. This has resulted in a slight decrease in the number of market rental housing units contemplated in the Zoning Text Amendment from 140 to 135. The 135 market rental housing units shall be distributed as follows:

- Approximately 4,137 m² constituting 55 market rental housing units at 14000 Riverport Way, and
- Approximately 4,489.5 m² constituting 80 market rental housing units at 14088 Riverport Way.

The 80-unit building at 14088 Riverport Way is now constructed. There are 20 rental units with anticipated move in dates set from February 1 to March 1, 2012. The property owner has received over 150 inquiries from individuals interested in renting the remaining units.

The applicant has agreed to register notice of the Housing Agreement on title to secure the 135 market rental housing units in perpetuity. The applicant has agreed to the terms and conditions of the attached Housing Agreement (**Attachment 2**).

Financial Impact

Administration of this Housing Agreement will be covered by existing City resources.

Conclusion

In accordance with the Local Government Act (Section 905), adoption of Bylaw No. 8853 is required to permit the City to enter into a Housing Agreement to secure 135 market rental housing units that are proposed in association with Zoning Text Amendment Application No. 11-565675.

It is thus recommended that first, second, and third reading be given to Bylaw No. 8853.



Dena Kae Beno
Affordable Housing Coordinator
(604-247-4946)

DKB:dkb

Attachment 1	Bylaw No. 8853	REDMS 3424778
Attachment 2	Schedule A and Housing Agreement	REDMS 3466426
Attachment 3	14000 & 14008 Riverport Way Map	REDMS 3425018



City of Richmond

Bylaw 8853

Housing Agreement (14000 and 14088 Riverport Way) Bylaw No. 8853

The Council of the City of Richmond enacts as follows:

1. The Mayor and City Clerk for the City of Richmond are authorized to execute and deliver a housing agreement, substantially in the form set out as Schedule A to this Bylaw, with the owner of the land legally described as:

PID 026 215 365
 Lot 2 Section 33 Block 4 North Range 5 West New Westminster District Plan
 BCP 16162

PID 026 215 357
 Lot 1 Section 33 Block 4 North Range 5 West New Westminster District Plan
 BCP 16162

(the "Lands").

2. The General Manager of Community Services for the City of Richmond is authorized to cause notice of the housing agreement to be registered in the Land Title Office.
3. This Bylaw may be cited as "**Housing Agreement (14000 And 14088 Riverport Way) Bylaw No. 8853**".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept.
APPROVED for legality by Solicitor

MAYOR

CORPORATE OFFICER

Schedule A

To Housing Agreement (Legacy Park Lands Limited) Bylaw No. 8853

HOUSING AGREEMENT BETWEEN LEGACY PARK LANDS LIMITED AND CITY OF
RICHMOND IN RELATION TO 14000 AND 14088 RIVERPORT WAY

HOUSING AGREEMENT
(Section 905 Local Government Act)

THIS AGREEMENT is dated for reference the 6th day of January, 2012.

BETWEEN:

LEGACY PARK LANDS LIMITED

(Inc. No. BC0360137)

a company duly incorporated under the laws of the Province of British Columbia and having its offices at 4540 Agar Drive, Richmond, B.C. V7B 1A3

(the "Owner" as more fully defined in section 1.1 of this Agreement)

AND:

CITY OF RICHMOND

a municipal corporation pursuant to the *Local Government Act* and having its offices at 6911 No. 3 Road, Richmond, British Columbia, V6Y 2C1

(the "City" as more fully defined in section 1.1 of this Agreement)

WHEREAS:

- A. Section 905 of the *Local Government Act* permits the City to enter into and, by legal notation on title, note on title to lands, housing agreements which may include, without limitation, conditions in respect to the form of tenure of housing units;
- B. The Owner is the registered owner of the Lands (as hereinafter defined);
- C. As a condition of approving Zoning Text Amendment 11-565675 (the "Text Amendment"), the Owner is required to register the City's Housing Agreement to secure at least one hundred and thirty-five (135) Dwelling Units, (as hereinafter defined), being constructed on the Lands for market rental purposes in perpetuity and to also provide that the Owner shall not apply for subdivision including stratification (subdivision by way of strata plan, whether by conversion or otherwise) of all or any portion of the Lands, provided that consolidation of the Lands is permitted; and
- D. The Owner and the City wish to enter into this Agreement (as hereinafter defined) to provide the Dwelling Units (as hereinafter defined) on the terms and conditions set out in this Agreement.

In consideration of \$10.00 and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by both parties), and in consideration of the promises exchanged below, the Owner and the City covenant and agree as follows:

**ARTICLE 1
DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement the following words have the following meanings:

- (a) **"Agreement"** means this agreement together with all schedules, attachments and priority agreements attached hereto;
- (b) **"Building 1"** means the building to be constructed on PID: 026-215-365 Lot 2 Section 33 Block 4 North Range 5 West NWD Plan BCP16162;
- (c) **"Building 2"** means the building to be constructed on PID: 026-215-357 Lot 1 Section 33 Block 4 North Range 5 West NWD Plan BCP16162
- (d) **"City"** means the City of Richmond;
- (e) **"Dwelling Unit"** means a residential dwelling unit or units located or to be located on the Lands;
- (f) **"Housing Covenant"** means the agreements, covenants and charges granted by the Owner to the City (which includes covenants pursuant to section 219 of the *Land Title Act*) charging the Lands registered on the ___ day of ____, 2011 under number _____;
- (g) **"Interpretation Act"** means the *Interpretation Act*, R.S.B.C. 1996, Chapter 238;
- (h) **"Land Title Act"** means the *Land Title Act*, R.S.B.C. 1996, Chapter 250;
- (i) **"Lands"** means the following lands and premises situate in the City of Richmond and any part, including a building or a portion of a building, into which said land is Subdivided:

PID: 026 215 365
Lot 2 Section 33 Block 4 North Range 5 West NWD Plan BCP16162

PID: 026 215 357
Lot 1 Section 33 Block 4 North Range 5 West NWD Plan BCP16162
- (j) **"Local Government Act"** means the *Local Government Act*, R.S.B.C. 1996, Chapter 323;
- (k) **"LTO"** means the New Westminster Land Title Office or its successor;

- (l) **"Market Rent"** means the amount of rent that a willing tenant would pay to a willing landlord for the rental of a comparable unit with comparable amenities in a comparable location for a comparable period of time;
- (m) **"Owner"** means the party described on page 1 of this Agreement as the Owner and any subsequent owner of the Lands or of any part into which the Lands are Subdivided, and includes any person who is a registered owner in fee simple of a Dwelling Unit from time to time;
- (n) **"Real Estate Development Marketing Act"** means the *Real Estate Development Marketing Act*, S.B.C. 2004, Chapter 41;
- (o) **"Residential Tenancy Act"** means the *Residential Tenancy Act*, S.B.C. 2002, Chapter 78;
- (p) **"Strata Property Act"** means *Strata Property Act* S.B.C. 1998, Chapter 43;
- (q) **"Subdivide"** means to divide, apportion, or subdivide the Lands, or the ownership or right to possession or occupation of the Lands into two or more lots, strata lots, parcels, parts, portions or shares, whether by plan, descriptive words or otherwise, under the *Land Title Act*, the *Strata Property Act*, or otherwise, and includes the creation, conversion, organization or development of "cooperative interests" or "shared interest in land" as defined in the *Real Estate Development Marketing Act*;
- (r) **"Tenancy Agreement"** means a written tenancy agreement, lease, license or other agreement granting rights to occupy a Dwelling Unit for a term of not more than five years; and
- (s) **"Tenant"** means an occupant or occupants of a Dwelling Unit by way of a Tenancy Agreement. A Tenant does not include the Owner or the Owner's family members or any guest of the Owner.

1.2 In this Agreement:

- (a) reference to the singular includes a reference to the plural, and *vice versa*, unless the context requires otherwise;
- (b) article and section headings have been inserted for ease of reference only and are not to be used in interpreting this Agreement;
- (c) if a word or expression is defined in this Agreement, other parts of speech and grammatical forms of the same word or expression have corresponding meanings;
- (d) reference to any enactment includes any regulations, orders or directives made under the authority of that enactment;

- (e) reference to any enactment is a reference to that enactment as consolidated, revised, amended, re-enacted or replaced, unless otherwise expressly provided;
- (f) the provisions of section 25 of the *Interpretation Act* with respect to the calculation of time apply;
- (g) time is of the essence;
- (h) all provisions are to be interpreted as always speaking;
- (i) reference to a "party" is a reference to a party to this Agreement and to that party's respective successors, assigns, trustees, administrators and receivers. Wherever the context so requires, reference to a "party" also includes an Eligible Tenant, agent, officer and invitee of the party;
- (j) reference to a "day", "month", "quarter" or "year" is a reference to a calendar day, calendar month, calendar quarter or calendar year, as the case may be, unless otherwise expressly provided; and
- (k) where the word "including" is followed by a list, the contents of the list are not intended to circumscribe the generality of the expression preceding the word "including".

ARTICLE 2 USE AND OCCUPANCY OF DWELLING UNITS

- 2.1 Notwithstanding that the Owner may be otherwise entitled, the Owner agrees that each of the one hundred and thirty five (135) Dwelling Units being constructed on the Lands may only be:
- (a) occupied by a Tenant pursuant to a Tenancy Agreement and that no Dwelling Unit may be occupied by the Owner, the Owner's family members or any guest of the Owner; and
 - (b) used for the provision of housing at Market Rent in perpetuity in accordance with this Agreement.
- 2.2 Notwithstanding that the Owner may be otherwise entitled, the Owner shall not apply for subdivision including stratification (subdivision by way of strata plan, whether by conversion or otherwise) of all or any portion of the Lands, provided that consolidation of the Lands shall be permitted.
- 2.3 The Owner will not cause or permit the beneficial or registered title to any of the Dwelling Units to be sold or otherwise transferred, other than pursuant to a Tenancy Agreement, unless title to every one of the Dwelling Units is sold or otherwise transferred together and as a block to the same beneficial and legal owner, provided that the Owner shall be permitted to transfer as a block all of the Dwelling Units located in

Building 1 and all of the Dwelling Units located in Building 2 to different owners, each as a respective block.

- 2.4 Within 30 days after receiving a request in writing from the City, the Owner or its property manager shall provide the City with a statutory declaration in the form attached as Appendix A confirming that all Dwelling Units are being used for the provision of housing at Market Rent in accordance with this Agreement.
- 2.5 The Owner will not permit a Tenancy Agreement to be subleased or assigned unless the proposed Tenant enters into a new Tenancy Agreement with the Owner.
- 2.6 The Owner shall not rent, lease, license or otherwise permit occupancy of any Dwelling Unit except to a Tenant and the Dwelling Unit will be used or occupied only pursuant to a Tenancy Agreement.

ARTICLE 3 DEMOLITION OF A DWELLING UNIT

- 3.1 The Owner will not demolish a Dwelling Unit unless:
 - (a) the Owner has obtained the written opinion of a professional engineer or architect who is at arm's length to the Owner that it is no longer reasonable or practical to repair or replace any structural component of the Dwelling Unit, and the Owner has delivered to the City a copy of the engineer's or architect's report; or
 - (b) the Dwelling Unit is damaged or destroyed, to the extent of 40% or more of its value above its foundations, as determined by the City in its sole discretion,

and, in each case, a demolition permit for the Dwelling Unit has been issued by the City and the Dwelling Unit has been demolished under that permit.

Following demolition, the Owner will use and occupy any replacement Dwelling Unit in compliance with this Agreement and the Housing Covenant both of which will apply to any replacement Dwelling Unit to the same extent and in the same manner as those agreements apply to the original Dwelling Unit, and the Dwelling Unit must be approved by the City as a Dwelling Unit in accordance with this Agreement.

ARTICLE 4 DEFAULT AND REMEDIES

- 4.1 The Owner acknowledges and agrees that a default by the Owner of any of its promises, covenants, representations or warranties set-out in the Housing Covenant shall also constitute a default under this Agreement.

- 4.2 The Owner agrees that damages may be an inadequate remedy for the City for any breach by the Owner of its obligations under this Agreement and the Owner agrees that the City is entitled to seek and obtain an order for specific performance, or a prohibitory or mandatory injunction, in order to compel performance by the Owner of its obligations under this Agreement.

ARTICLE 5 MISCELLANEOUS

5.1 Housing Agreement

The Owner acknowledges and agrees that:

- (a) this Agreement includes a housing agreement entered into under section 905 of the *Local Government Act*;
- (b) where a Dwelling Unit is a separate legal parcel the City may file notice of this Agreement in the LTO against title to the Dwelling Unit and, in the case of a strata corporation, may note this Agreement on the common property sheet; and
- (c) where the Lands have not yet been Subdivided to create the separate parcels to be charged by this Agreement, the City may file a notice of this Agreement in the LTO against the title to the Lands. If this Agreement is filed in the LTO as a notice under section 905 of the *Local Government Act* prior to the Lands having been Subdivided, and it is the intention that this Agreement is, once separate legal parcels are created and/or the Lands are subdivided, to charge and secure only the legal parcels or Subdivided Lands which contain the Dwelling Units then City Solicitor shall be entitled, without further City Council approval, authorization or bylaw, to partially discharge this Agreement accordingly. The Owner acknowledges and agrees that notwithstanding a partial discharge of this Agreement, this Agreement shall be and remain in full force and effect and, but for the partial discharge, otherwise unamended.

5.2 Modification

This Agreement may be modified or amended from time to time, by consent of the Owner and a bylaw duly passed by the Council of the City and thereafter if it is signed by the City and the Owner.

5.3 Management

The Owner covenants and agrees that it will furnish good and efficient management of the Dwelling Units. The Owner further covenants and agrees that it will maintain or cause to be maintained the Dwelling Units in a good state of repair and fit for habitation and will comply with all laws, including health and safety standards applicable to the Lands. Notwithstanding the foregoing, the Owner acknowledges and agrees that the

City, in its absolute discretion, may require the Owner, at the Owner's expense, to hire a person or company with the skill and expertise to manage the Dwelling Units.

5.4 Indemnity

The Owner will indemnify, protect and save harmless the City and each of its elected officials, officers, directors, and agents, and their heirs, executors, administrators, personal representatives, successors and assigns, from and against all claims, demands, actions, loss, damage, costs and liabilities, which all or any of them will or may be liable for or suffer or incur or be put to by reason of or arising out of:

- (a) any negligent act or omission of the Owner, or its officers, directors, agents, contractors or other persons for whom at law the Owner is responsible relating to this Agreement;
- (b) the construction, maintenance, repair, ownership, lease, license, operation, management or financing of the Lands or any Dwelling Unit or the enforcement of any Tenancy Agreement; and/or
- (c) without limitation, any legal or equitable wrong on the part of the Owner or any breach of this Agreement by the Owner.

5.5 Release

The Owner hereby releases and forever discharges the City and each of its elected officials, officers, directors, and agents, and its and their heirs, executors, administrators, personal representatives, successors and assigns, from and against all claims, demands, damages, actions, or causes of action by reason of or arising out of or which would or could not occur but for the:

- (a) construction, maintenance, repair, ownership, lease, license, operation or management of the Lands or any Dwelling Unit under this Agreement; and/or
- (b) the exercise by the City of any of its rights under this Agreement or an enactment.

5.6 Survival

The obligations of the Owner set out in this Agreement will survive termination or discharge of this Agreement.

5.7 Priority

The Owner will do everything necessary, at the Owner's expense, to ensure that this Agreement, if required by the City Solicitor, will be noted against title to the Lands in priority to all financial charges and encumbrances which may have been registered or are pending registration against title to the Lands save and except those specifically approved in advance in writing by the City Solicitor or in favour of the City, and that a notice under section 905(5) of the *Local Government Act* will be filed on the title to the Lands;

5.8 City's Powers Unaffected

This Agreement does not:

- (a) affect or limit the discretion, rights, duties or powers of the City under any enactment or at common law, including in relation to the use or subdivision of the Lands;
- (b) impose on the City any legal duty or obligation, including any duty of care or contractual or other legal duty or obligation, to enforce this Agreement;
- (c) affect or limit any enactment relating to the use or subdivision of the Lands; or
- (d) relieve the Owner from complying with any enactment, including in relation to the use or subdivision of the Lands.

5.9 Agreement for Benefit of City Only

The Owner and the City agree that:

- (a) this Agreement is entered into only for the benefit of the City;
- (b) this Agreement is not intended to protect the interests of the Owner, any Tenant, or any future owner, lessee, occupier or user of the Lands or the building or any portion thereof, including any Dwelling Unit; and
- (c) the City may at any time execute a release and discharge of this Agreement, without liability to anyone for doing so, and without obtaining the consent of the Owner.

5.10 No Public Law Duty

Where the City is required or permitted by this Agreement to form an opinion, exercise a discretion, express satisfaction, make a determination or give its consent, the Owner agrees that the City is under no public law duty of fairness or natural justice in that regard and agrees that the City may do any of those things in the same manner as if it were a private party and not a public body.

5.11 Notice

Any notice required to be served or given to a party herein pursuant to this Agreement will be sufficiently served or given if delivered, to the postal address of the Owner set out in the records at the LTO, and in the case of the City addressed:

To: Clerk, City of Richmond
6911 No. 3 Road
Richmond, BC V6Y 2C1

And to: City Solicitor
 City of Richmond
 6911 No. 3 Road
 Richmond, BC V6Y 2C1

or to the most recent postal address provided in a written notice given by each of the parties to the other. Any notice which is delivered is to be considered to have been given on the first day after it is dispatched for delivery.

5.12 **Enuring Effect**

This Agreement will extend to and be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.

5.13 **Severability**

If any provision of this Agreement is found to be invalid or unenforceable such provision or any part thereof will be severed from this Agreement and the resultant remainder of this Agreement will remain in full force and effect.

5.14 **Waiver**

All remedies of the City will be cumulative and may be exercised by the City in any order or concurrently in case of any breach and each remedy may be exercised any number of times with respect to each breach. Waiver of or delay in the City exercising any or all remedies will not prevent the later exercise of any remedy for the same breach or any similar or different breach.

5.15 **Sole Agreement**

This Agreement, and any documents signed by the Owners contemplated by this Agreement (including, without limitation, the Housing Covenant), represent the whole agreement between the City and the Owner respecting the use and occupation of the Dwelling Units, and there are no warranties, representations, conditions or collateral agreements made by the City except as set forth in this Agreement. In the event of any conflict between this Agreement and the Housing Covenant, this Agreement shall, to the extent necessary to resolve such conflict, prevail.

5.16 **Further Assurance**

Upon request by the City the Owner will forthwith do such acts and execute such documents as may be reasonably necessary in the opinion of the City to give effect to this Agreement.

5.17 **Covenant Runs with the Lands**

This Agreement burdens and runs with the Lands and every parcel into which it is Subdivided in perpetuity. All of the covenants and agreements contained in this Agreement are made by the Owner for itself, its personal administrators, successors and assigns, and all persons who after the date of this Agreement, acquire an interest in the Lands.

5.18 **Equitable Remedies**

The Owner acknowledges and agrees that damages would be an inadequate remedy for the City for any breach of this Agreement and that the public interest strongly favours specific performance, injunctive relief (mandatory or otherwise), or other equitable relief, as the only adequate remedy for a default under this Agreement.

5.19 **Limitation on Owner's Obligations**

The Owner is only liable for breaches of this Agreement that occur while the Owner is the registered owner of the Lands provided however that notwithstanding that the Owner is no longer the registered owner of the Lands, the Owner will remain liable for breaches of this Agreement that occurred while the Owner was the registered owner of the Lands.

5.20 **No Joint Venture**

Nothing in this Agreement will constitute the Owner as the agent, joint venturer, or partner of the City or give the Owner any authority to bind the City in any way.

5.21 **Applicable Law**

Unless the context otherwise requires, the laws of British Columbia (including, without limitation, the *Residential Tenancy Act*) will apply to this Agreement and all statutes referred to herein are enactments of the Province of British Columbia.

5.22 **Deed and Contract**

By executing and delivering this Agreement the Owner intends to create both a contract and a deed executed and delivered under seal.

5.23 Joint and Several

If the Owner is comprised of more than one person, firm or body corporate, then the covenants, agreements and obligations of the Owner shall be joint and several.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

LEGACY PARK LANDS LIMITED

by its authorized signatories:

Per: _____

Per: _____

CITY OF RICHMOND

by its authorized signatories:

Per: _____

CITY OF RICHMOND
APPROVED for content by originating dept
APPROVED for legality by Solicitor
DATE OF COUNCIL APPROVAL.

Appendix A to the Housing Agreement

STATUTORY DECLARATION

CANADA)	IN THE MATTER OF A
)	HOUSING AGREEMENT WITH
PROVINCE OF BRITISH COLUMBIA)	THE CITY OF RICHMOND
)	("Housing Agreement")

TO WIT:

I, _____ of _____, British Columbia, do solemnly declare that:

1. I am the owner or authorized signatory of the owner, or authorized agent of the owner of _____ (the "Lands"), and make this declaration to the best of my personal knowledge.
2. This declaration is made pursuant to the Housing Agreement in respect of the Lands notice of which is registered on title to the Lands under registration number _____.
3. For the period from _____ to _____ all the Dwelling Units (as defined in the Housing Agreement) on the Lands were being used solely for the provision of housing for Tenants (as defined in the Housing Agreement) at Market Rent (as defined in the Housing Agreement).
4. I make this solemn declaration, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and pursuant to the *Canada Evidence Act*.

DECLARED BEFORE ME at the City of)	
Richmond, in the Province of British Columbia,)	
this _____ day of _____, 2012.)	
)	
)	
_____)	
A Commissioner for Taking Affidavits in the)	
Province of British Columbia)	_____
		DECLARANT

PRIORITY AGREEMENT

In respect to a Housing Agreement (the "Housing Agreement") made pursuant to section 905 of the of the *Local Government Act* between the City of Richmond and Legacy Park Lands Limited in respect to the lands and premises legally known and described as:

PID: 026 215 365
Lot 2 Section 33 Block 4 North Range 5 West NWD Plan BCP16162

PID: 026 215 357
Lot 1 Section 33 Block 4 North Range 5 West NWD Plan BCP16162

(the "Lands").

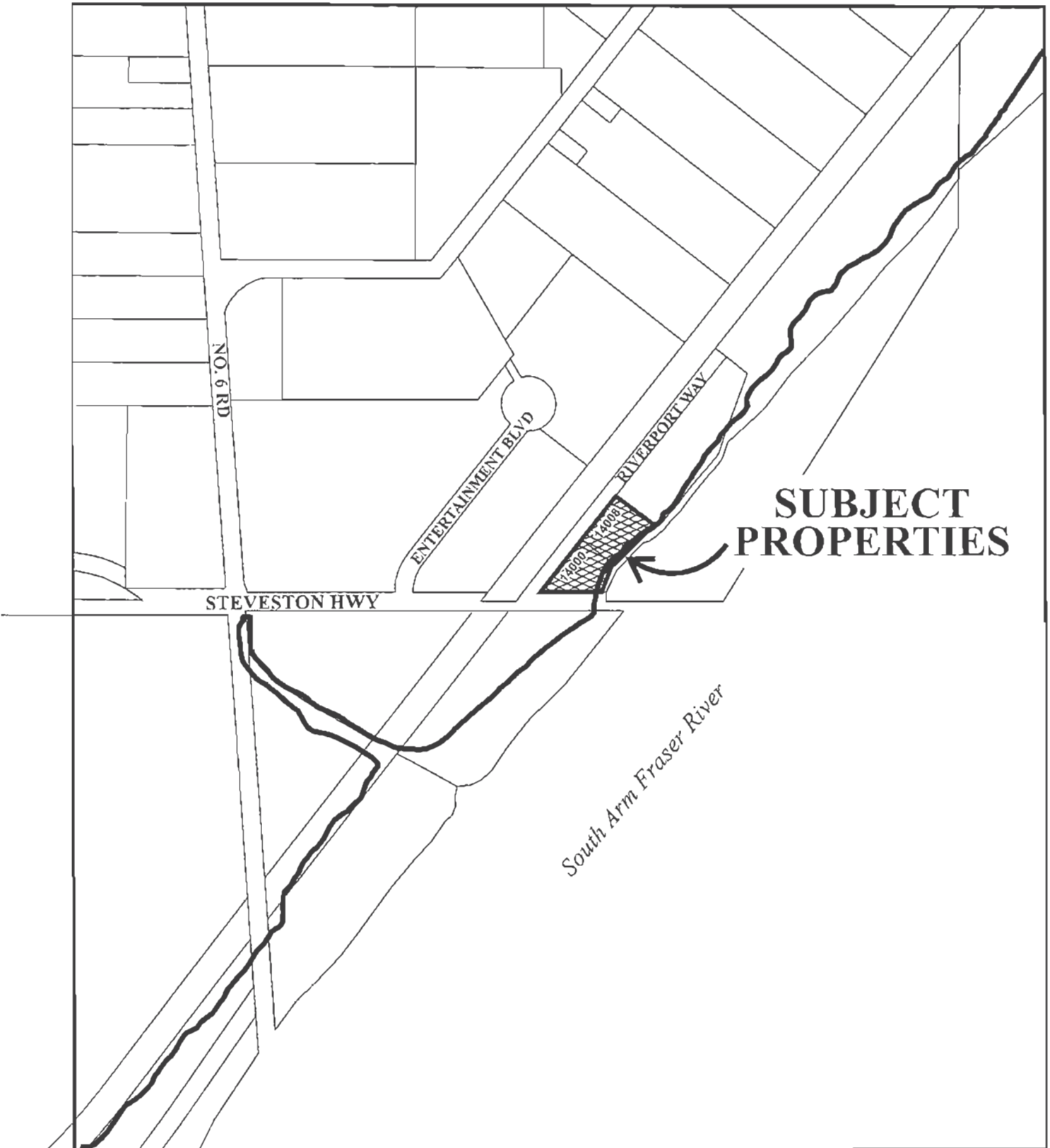
HSBC Bank Canada (the "Chargeholder") is the holder of Mortgages and Assignments of Rents encumbering the Lands which Mortgages and Assignments of Rents were registered in the Lower Mainland LTO under numbers BX156405, BB1290260 and BX156406, BB1290260A, respectively, (the "Bank Charges").

The Chargeholder, being the holder of the Bank Charges, by signing below, in consideration of the payment of Ten Dollars (\$10.00) and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged and agreed to by the Chargeholder) hereby consents to the granting of the Housing Agreement and hereby covenants that the Housing Agreement shall bind the Bank Charges in the Lands and shall rank in priority upon the Lands over the Bank Charges as if the Housing Agreement had been signed, sealed and delivered and noted on title to the Lands prior to the Bank Charges and prior to the advance of any monies pursuant to the Bank Charges. The grant of priority is irrevocable, unqualified and without reservation or limitation.

HSBC BANK CANADA
by its authorized signatories:

Per: _____

Per: _____



SUBJECT PROPERTIES



14000 & 14008 Riverport Way

Original Date: 12/05/11

Revision Date:

Note: Dimensions are in METRES