



City of Richmond

Report to Committee

To: Planning Committee **Date:** September 12, 2022
From: Kim Somerville **File:** 08-4057-20-023/Vol 01
 Director, Community Social Development
Re: **Housing Agreement Bylaw No. 10135 to Permit the City of Richmond to Secure Affordable Housing Units at 5491 No. 2 Road**

Staff Recommendation

That Housing Agreement (5491 No. 2 Road) Bylaw No. 10135 be introduced and given first, second and third readings to permit the City to enter into a Housing Agreement substantially in the form attached hereto, in accordance with the requirements of section 483 of the *Local Government Act*, to secure the Affordable Housing Units required by Development Permit DP 19-866690.

Kim Somerville
 Director, Community Social Development
 (604-247-4671)

Att. 1

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Law	<input checked="" type="checkbox"/>	
Development Applications	<input checked="" type="checkbox"/>	
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

The purpose of this report is to recommend that City Council adopt Housing Agreement Bylaw No. 10135 to secure approximately 5,273 m² (56,762 ft²) of total floor area comprised of 80 affordable housing units in the proposed development located at 5491 No. 2 Road (Attachment 1).

This report supports Council's Strategic Plan 2018–2022 Strategy #6 Strategic and Well-Planned Growth:

6.5 Ensure diverse housing options are available and accessible across the housing continuum.

The report also supports several actions described in the City's Affordable Housing Strategy (2017–2027), including:

Action 2.1: Continue to seek opportunities to allocate City-owned land specifically for the use of affordable housing development; and

Action 2.2: Continue to use the Affordable Housing Reserve Fund for capital contributions towards innovate non-market housing projects that involve partnerships.

This report also supports Social Development Strategy Goal #1: Enhance Social Equity and Inclusion:

Strategic Direction #1: Expand Housing Choices

The proposed 80 unit affordable housing project is the result of a partnership between the City of Richmond, BC Housing, and Pathways Clubhouse Society of Richmond (Pathways). Through this project, the City will provide the vacant City-owned land through a long-term ground lease and BC Housing will provide financing and funding for the housing development. The building will be constructed and operated by Pathways, a reputable non-profit housing operator and service provider that has provided services in Richmond since 1984.

Analysis

The proposed Pathways Affordable Housing project consists of 80 affordable housing units in a six storey stand-alone building. These affordable units will be built and operated in accordance with the BC Housing Community Housing Fund requirements and in alignment with the Development Permit conditions.

The project includes three housing affordability levels: deep subsidy, rent-geared-to-income and affordable market rental units. Tenants of the deep subsidy and rent-geared-to-income units will be selected from the BC Housing Registry, and affordable market rental tenants will be selected from either the BC Housing Registry or Pathways' housing waitlist. Priority for tenancy will be given to Richmond residents. The three affordability levels, rental rates and maximum household income limits are set pursuant to the BC Housing Community Housing Fund program, as outlined in Table 1.

Table 1: Maximum Household Income thresholds and Maximum Rental Rates permitted

Affordability Type	Deep Subsidy	Rent-Geared-to-Income	Affordable Market
Number of Units	16	40	24
Maximum Household Income	Based on BC Housing Deep Subsidy Income Limits. These units are intended for households receiving income assistance.	Incomes that are between Deep Subsidy Income Limits and BC Housing's Household Income Limits.	Based on median household income levels in BC. Income limits are set according to the Low and Moderate Income Limits, as determined by BC Housing
Maximum Rental Rates	Based on current Income Assistance Shelter Allowances.	Rent-Geared-to-Income (RGI) rates as determined by BC Housing's Rent Scale.	As approved by BC Housing with annual Residential Tenancy Act (RTA) increases. Must be maintained at no less than Canada Mortgage and Housing Corporation Average Market Rent.

It is anticipated that 20 (or 25%) of the 80 affordable housing units will be family-friendly two and three bedroom units and that the remaining 60 units will be studio and one bedroom units (as outlined in Table 2 below).

Table 2: Anticipated Mix of Unit Types and Sizes

Unit Type	Min. Unit Area	No. of Units
Studio	37 m ² (400 ft ²)	24
1 Bedroom	48 m ² (535 ft ²)*	36
2 Bedrooms	69 m ² (741 ft ²)	15
3 Bedrooms	91m ² (980 ft ²)	5
TOTAL	Varies	80

*One 1-bedroom unit on the ground floor is anticipated to have a unit size of 521 ft² to accommodate an elevator shaft.

The Housing Agreement restricts the monthly rental rates, ensures tenants do not exceed maximum annual household income limits, and ensures that the units will remain available at affordable rental rates in perpetuity so they are accessible to eligible Richmond residents. The maximum annual housing income limits and rental rates for the three affordability levels are determined in accordance with BC Housing Community Housing Fund requirements.

The Housing Agreement specifies that occupants of the affordable housing units shall have unlimited access to dedicated indoor and outdoor amenity space. Affordable housing tenants will not be charged any additional costs over and above their rent (i.e. move in/move out or parking fees). In order to ensure that Pathways manages the affordable housing units according to the terms outlined in the Housing Agreement, the Housing Agreement permits the City to conduct a statutory declaration process no more than once a year. Through the statutory declaration process, City staff work with property managers to request and review current tenants' household incomes and other information.

Pathways has agreed to the terms and conditions of the Housing Agreement and to register notice of the Housing Agreement on title to secure the 80 affordable housing units in perpetuity.

Financial Impact

None.

Conclusion

In accordance with the *Local Government Act* (Section 483), adoption of Bylaw No. 10135 is required to permit the City to enter into a Housing Agreement. Together with a Housing Covenant, the Housing Agreement will act to secure the 80 affordable housing units that are proposed in association with Development Permit Application DP 19-866690 on title in perpetuity.

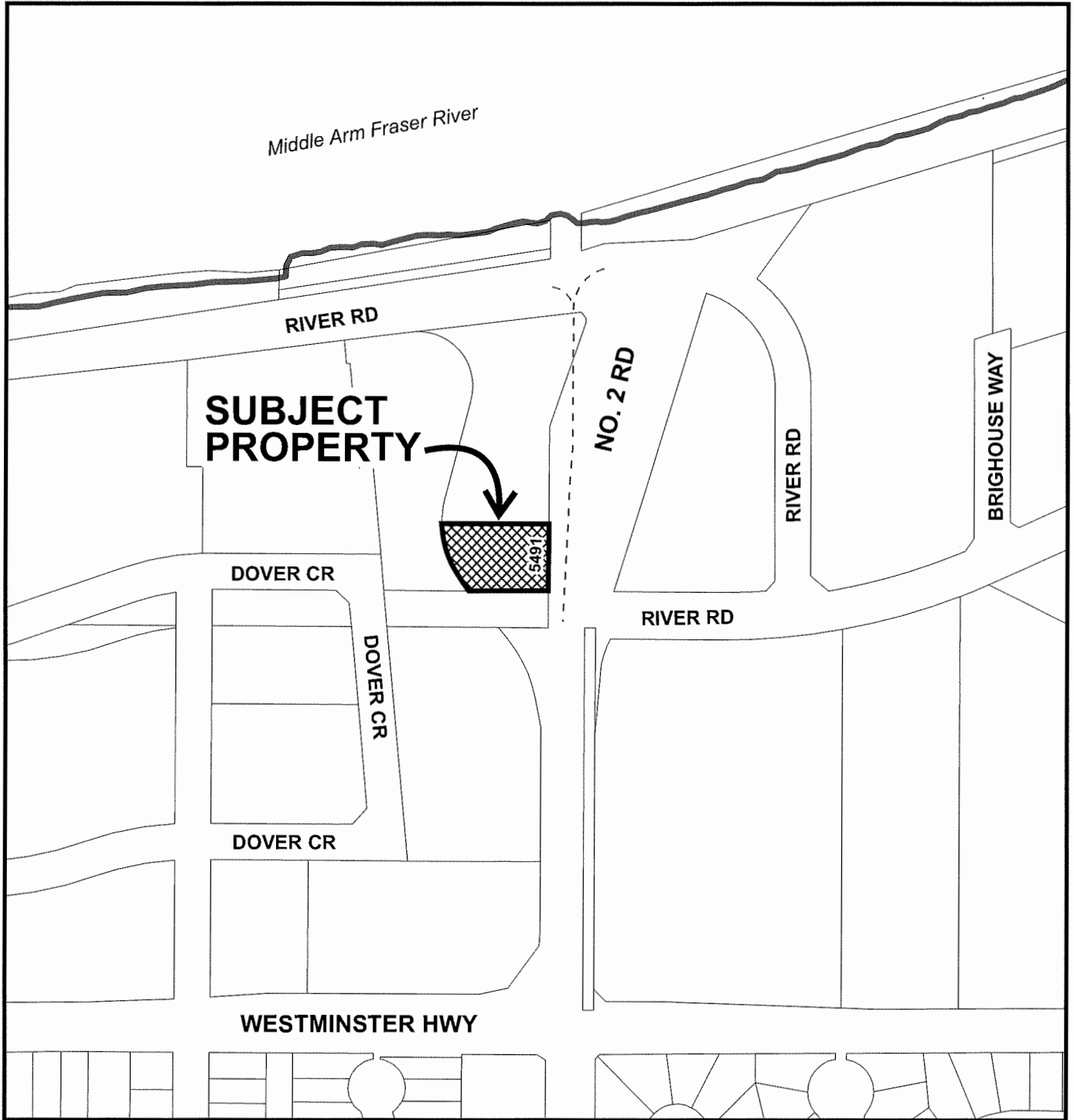


Kim Somerville
Director, Community Social Development
(604-247-4671)

Att. 1: Map of 5491 No. 2 Road



City of Richmond



5491 No. 2 Road

Original Date: 06/01/22

Revision Date:

Note: Dimensions are in METRES



Housing Agreement (5491 No. 2 Road) Bylaw No. 10135

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 lands legally described as:

PID: 027-020-983 Lot B, Section 1, Block 4 North, Range 7 West, New Westminster District, Plan BCP29277

- 2. This Bylaw is cited as "Housing Agreement (5491 No. 2 Road) Bylaw No. 10135".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

Four horizontal lines for signatures.

Approval stamp: CITY OF RICHMOND, APPROVED for content by originating dept. (Signature: DV), APPROVED for legality by Solicitor (Signature: [illegible]).

MAYOR

CORPORATE OFFICER

Schedule A

To Housing Agreement (5491 No. 2 Road) Bylaw No. 10135

HOUSING AGREEMENT BETWEEN PATHWAYS CLUBHOUSE SOCIETY OF
RICHMOND AND CITY OF RICHMOND

HOUSING AGREEMENT
(Section 483 *Local Government Act*)

THIS AGREEMENT is dated for reference the 7th day of July, 2022.

BETWEEN:

PATHWAYS CLUBHOUSE SOCIETY OF RICHMOND, a society incorporated pursuant to the *Societies Act* (Inc. No. S-0026088) having an office at 315-8111 Granville Avenue, Richmond, BC V6Y 1P5

(the “Operator”)

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”)

WHEREAS:

- A. Section 483 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, availability of housing units to classes of persons, administration of housing units and rent which may be charged for housing units;
- B. The City is the registered owner of the Lands (as hereinafter defined) and the City has leased the Lands (as hereinafter defined) to the Operator pursuant to the Ground Lease (as hereinafter defined); and
- C. The Operator and the City wish to enter into this Agreement (as hereinafter defined) to provide for affordable housing on the terms and conditions set out in this Agreement,

NOW THEREFORE in consideration of \$10.00 now paid by the City to the Operator 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 Operator 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) **“Affordable Housing Strategy”** means the Richmond Affordable Housing Strategy approved by the City on March 12, 2018, and containing a number of recommendations, policies, directions, priorities, definitions and annual targets for affordable housing, as may be amended or replaced from time to time;
- (b) **“Affordable Housing Unit”** means a Dwelling Unit or Dwelling Units designated as such in accordance with a building permit and/or development permit issued by the City and/or, if applicable, in accordance with any rezoning consideration applicable to the development on the Lands and includes, without limiting the generality of the foregoing, the Dwelling Unit charged by this Agreement;
- (c) **“Agreement”** means this agreement together with all schedules, attachments and priority agreements attached hereto;
- (d) **“Building”** means any building constructed, or to be constructed, on the Lands, or a portion thereof;
- (e) **“Building Permit”** means the building permit authorizing construction on the Lands, or any portion(s) thereof;
- (f) **“City”** means the City of Richmond;
- (g) **“City Solicitor”** means the individual appointed from time to time to be the City Solicitor of the Law Division of the City, or his or her designate;
- (h) **“Commission”** means the British Columbia Housing Management Commission or its successors in function;
- (i) **“Common Amenities”** means all indoor and outdoor areas, recreational facilities and amenities that are designated for common use of all residential occupants of the Development, or all Tenants of Affordable Housing Units in the Development, through the Development Permit process, including without limitation visitor parking, the required affordable housing parking and electric vehicle charging stations, loading bays, bicycle storage, fitness facilities, outdoor recreation facilities, and related access routes;
- (j) **“CPI”** means the All-Items Consumer Price Index for Vancouver, B.C. published from time to time by Statistics Canada, or its successor in function;
- (k) **“Daily Amount”** means \$100.00 per day as of January 1, 2009 adjusted annually thereafter by adding thereto an amount calculated by multiplying \$100.00 by the percentage change in the CPI since January 1, 2009, to January 1 of the year that a written notice is delivered to the Operator by the City pursuant to section 5.1 of this

Agreement. In the absence of obvious error or mistake, any calculation by the City of the Daily Amount in any particular year shall be final and conclusive;

- (l) **“Development”** means the residential development to be constructed on the Lands;
- (m) **“Development Permit”** means the development permit authorizing development on the Lands, or any portion(s) thereof;
- (n) **“Director, Community Social Development”** means the individual appointed to be the Director, Community Social Development from time to time of the Community Services Department of the City and his or her designate;
- (o) **“Director of Development”** means the individual appointed to be the chief administrator from time to time of the Development Applications Division of the City and his or her designate;
- (p) **“Dwelling Unit”** means a residential dwelling unit or units located or to be located on the Lands whether those dwelling units are lots, strata lots or parcels, or parts or portions thereof, and includes single family detached dwellings, duplexes, townhouses, auxiliary residential dwelling units, rental apartments and strata lots in a building strata plan and includes, where the context permits, an Affordable Housing Unit;
- (q) **“Eligible Tenant”** means a Family having a cumulative annual income in an amount equal to or less than the amount determined in accordance with Appendix A hereto as may be adjusted from time to time;
- (r) **“Family”** means:
 - (i) a person;
 - (ii) two or more persons related by blood, marriage or adoption; or
 - (iii) a group of not more than 6 persons who are not related by blood, marriage or adoption;
- (s) **“Ground Lease”** means the lease dated July 7, 2022 entered into among the City, the Operator, the Commission and Provincial Rental Housing Corporation pursuant to which the Operator leases the Lands from the City, as may be amended, restated or replaced from time to time;
- (t) **“GST”** means the Goods and Services Tax levied pursuant to the Excise Tax Act, R.S.C., 1985, c. E-15, as may be replaced or amended from time to time;
- (u) **“Housing Covenant”** means the agreements, covenants and charges granted by the Operator to the City (which includes covenants pursuant to section 219 of the Land Title Act) charging the Lands from time to time, in respect to the use and transfer

- of the Affordable Housing Units, as may be amended, restated or replaced from time to time;
- (v) **“*Interpretation Act*”** means the *Interpretation Act*, R.S.B.C. 1996, Chapter 238, together with all amendments thereto and replacements thereof;
 - (w) **“*Land Title Act*”** means the *Land Title Act*, R.S.B.C. 1996, Chapter 250, together with all amendments thereto and replacements thereof;
 - (x) **“*Lands*”** means certain lands and premises legally described as PID: 027-020-983 Lot B Section 1 Block 4 North, Range 7 West, New Westminster District, Plan BCP27277;
 - (y) **“*Local Government Act*”** means the *Local Government Act*, R.S.B.C. 2015, Chapter 1, together with all amendments thereto and replacements thereof;
 - (z) **“*LTO*”** means the New Westminster Land Title Office or its successor;
 - (aa) **“*Operating Agreement*”** means the Community Housing Fund Operating Agreement, the term of which shall expire a day prior to the final day of the term of the Ground Lease, entered into between the Commission and the Operator, which provides, among other things, for the Commission to provide assistance to the Operator in relation to the Operator’s cost of acquiring, developing or operating the Lands , as may be amended from time to time;
 - (bb) **“*Operations Management Plan*”** means all policies, procedures and manuals adopted and used by the Operator, as appropriate depending on the Affordable Housing Unit, for the operation and management of the Affordable Housing Units, including without limitation, resident eligibility criteria and waiting lists, application procedures and guidelines, tenancy agreements and addenda, tenant regulations and manuals and tenant’s insurance requirements;
 - (cc) **“*Operator*”** means the party described on page 1 of this Agreement as the Operator and any subsequent leasehold tenant of the Lands, and includes any person who is a leasehold tenant of an Affordable Housing Unit from time to time, but excludes an Eligible Tenant;
 - (dd) **“*Permitted Rent*”** means the rent determined in accordance with Appendix B hereto as may be adjusted from time to time;
 - (ee) **“*Real Estate Development Marketing Act*”** means the *Real Estate Development Marketing Act*, S.B.C. 2004, Chapter 41, together with all amendments thereto and replacements thereof;
 - (ff) **“*Related Agreements*”** means the Housing Covenant, the Ground Lease, and the Operations Management Plan, as such agreements may be amended from time to time, together with any other agreements that may be entered into between the City

and the Operator with respect to the Lands or the affordable housing project located thereon;

- (gg) “**Residential Tenancy Act**” means the *Residential Tenancy Act*, S.B.C. 2002, Chapter 78, together with all amendments thereto and replacements thereof;
- (hh) “**Strata Property Act**” means the *Strata Property Act* S.B.C. 1998, Chapter 43, together with all amendments thereto and replacements thereof;
- (ii) “**Subdivide**” means to divide, apportion, consolidate or subdivide the Lands including any Building thereon, or any portion thereof, or the ownership or right to possession or occupation of the Lands including any Building thereon, or any portion thereof, 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* and “**Subdivision**” will have a like meaning;
- (jj) “**Tenancy Agreement**” means a tenancy agreement, lease, sublease, license or other agreement granting rights to occupy an Affordable Housing Unit; and
- (kk) “**Tenant**” means an occupant of an Affordable Housing Unit by way of a Tenancy Agreement.

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) any reference to any enactment is to the enactment in force on the date the Operator signs this Agreement, and to subsequent amendments to or replacements of the enactment;
- (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;
 - (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"; and
 - (l) the terms "shall" and "will" are used interchangeably and both will be interpreted to express an obligation. The term "may" will be interpreted to express a permissible action.
- 1.3 The obligations of the Operator to the City in this Agreement are in addition to and not in substitution of the obligations of the Operator to the City set out in the Related Agreements. In the event that there is a conflict between the terms and conditions of this Agreement and the terms and conditions of any of the Related Agreements, the terms and conditions of this Agreement shall, so far as is necessary to resolve such conflict, prevail.
- 1.4 The following Appendices are attached hereto and form part of this Agreement:
- Appendix A - Eligible Tenants
 - Appendix B - Permitted Rents
 - Appendix C - Statutory Declaration form
 - Appendix D - Tenant selection

Terms used in Appendices A, B and D that are not defined in this Agreement will have the meanings given by the Commission, as such terms may be amended or replaced by the Commission from time to time.

ARTICLE 2 USE AND OCCUPANCY OF AFFORDABLE HOUSING UNITS

- 2.1 The Operator agrees that each Affordable Housing Unit may only be used as a permanent residence occupied by one Eligible Tenant. An Affordable Housing Unit must not be occupied by the Operator, the directors, officers, or employees of the Operator or their family members (unless such persons qualify as Eligible Tenants), or any tenant or guest of the Operator, other than an Eligible Tenant. For the purposes of this Article, "permanent

residence” means that the Affordable Housing Unit is used as the usual, main, regular, habitual, principal residence, abode or home of the Eligible Tenant.

- 2.2 Within 30 days after receiving notice from the City, the Operator must, in respect of each Affordable Housing Unit, provide to the City a statutory declaration, substantially in the form (with, in the City Solicitor’s discretion, such further amendments or additions as deemed necessary) attached as Appendix C, sworn by a director or officer of the Operator, containing all of the information required to complete the statutory declaration, provided that for greater certainty income verification for those Affordable Housing Units constituting Affordable Market Units will only be required at the time of a Tenant’s move in and thereafter no income verification will be required to be completed for that Tenant of an Affordable Market Unit. The City may request such statutory declaration in respect to each Affordable Housing Unit no more than once in any calendar year; provided, however, notwithstanding that the Operator may have already provided such statutory declaration in the particular calendar year, the City may request and the Operator shall provide to the City such further statutory declarations as requested by the City in respect to an Affordable Housing Unit if, in the City’s absolute determination, the City believes that the Operator is in breach of any of its obligations under this Agreement.
- 2.3 The Operator hereby irrevocably authorizes the City to make such inquiries as it considers necessary in order to confirm that the Operator is complying with this Agreement.
- 2.4 The Operator agrees that notwithstanding that the Operator may otherwise be entitled, the Operator will not:
 - (a) be issued with a Development Permit unless the Development Permit includes the Affordable Housing Units;
 - (b) be issued with a Building Permit unless the Building Permit includes the Affordable Housing Units; and
 - (c) occupy, nor permit any person to occupy any Dwelling Unit or any portion of any building, in part or in whole, constructed on the Lands and the City will not be obligated to permit occupancy of any Dwelling Unit or building constructed on the Lands until all of the following conditions are satisfied:
 - (i) the Affordable Housing Units and related uses and areas have been constructed to the satisfaction of the City;
 - (ii) the Affordable Housing Units have received final building permit inspection granting occupancy; and
 - (iii) the Operator is not otherwise in breach of any of its obligations under this Agreement or any other agreement between the City and the Operator in connection with the development of the Lands.

**ARTICLE 3
MANAGEMENT, DISPOSITION AND ACQUISITION OF AFFORDABLE
HOUSING UNITS**

- 3.1 The Operator will operate and manage each Affordable Housing Unit in accordance with the Affordable Housing Strategy and Related Agreements, unless otherwise agreed to by the Operator, the Director of Development and the Director, Community Social Development.
- 3.2 The Operator will not permit an Affordable Housing Unit to be subleased (other than the sublease by the Operator to the Eligible Tenant) nor an Affordable Housing Unit Tenancy Agreement to be assigned.
- 3.3 If this Housing Agreement encumbers more than one Affordable Housing Unit, then the Operator may not, without the prior written consent of the City Solicitor, sublease (except under a Tenancy Agreement with an Eligible Tenant), sell or transfer less than all Affordable Housing Units located in the Development in a single or related series of transactions with the result that when such sublease, sale or transfer of the Affordable Housing Units occurs, the subtenant, purchaser or transferee will be the legal and beneficial owner of a leasehold interest of not less than all the Affordable Housing Units located in the Development.
- 3.4 Subject to the requirements of the *Residential Tenancy Act*, the Operator will ensure that each Tenancy Agreement:
- (a) includes the following provision:

“By entering into this Tenancy Agreement, the Tenant hereby consents and agrees to the collection of the below-listed personal information by the Landlord and/or any operator or manager engaged by the Landlord and the disclosure by the Landlord and/or any operator or manager engaged by the Landlord to the City and/or the Landlord, as the case may be, of the following personal information which information will be used by the City to verify and ensure compliance by the Landlord with the City’s strategy, policies and requirements with respect to the provision and administration of affordable housing within the municipality and for no other purpose, each month during the Tenant’s occupation of the Affordable Housing Unit:

 - (i) a statement of gross annual income from all sources (including employment, disability, retirement, investment, and other) of all members of the Tenant’s household who are 18 years of age and over and who reside in the Affordable Housing Unit (for Affordable Market Units as determined by British Columbia Housing Management Commission such information is only required at the time the Tenant takes occupancy);
 - (ii) number of occupants of the Affordable Housing Unit;

- (iii) number of occupants of the Affordable Housing Unit under 18 years of age and under; and
 - (iv) number of occupants of the Affordable Housing Unit over 55 years of age and over;
 - (b) defines the term “Landlord” as the Operator of the Affordable Housing Unit; and
 - (c) includes a provision requiring the Tenant and each permitted occupant of the Affordable Housing Unit to comply with this Agreement.
- 3.5 At all times that this Agreement encumbers the Lands, the Operator shall retain and maintain in place a non-profit organization acceptable to the City to operate and manage all of the Affordable Housing Units in accordance with this Agreement and in accordance with the Housing Covenant. The City acknowledges and agrees that the Operator is a non-profit organization acceptable to the City to operate and manage the Affordable Housing Units. All Affordable Housing Units must be managed and operated by one non-profit organization.

Without limiting the foregoing, the non-profit organization retained pursuant to this section 3.5 must have as one of its prime objectives the operation of affordable housing within the City of Richmond. At the request of the City, from time to time, the Operator shall deliver to the City a copy the agreement (fully signed and current) with the non-profit organization, to evidence the Operator’s compliance with this Section 3.5.
- 3.6 If the Operator sells or transfers any Affordable Housing Units with the prior written consent of the City in accordance with the Ground Lease, the Operator will notify the City Solicitor of the sale or transfer within three (3) days of the effective date of sale or transfer.
- 3.7 The Operator must not rent, lease, license or otherwise permit occupancy of any Affordable Housing Unit except to an Eligible Tenant and except in accordance with the following additional conditions:
 - (a) the Affordable Housing Unit will be used or occupied only pursuant to a Tenancy Agreement;
 - (b) the monthly rent payable for the Affordable Housing Unit will not exceed the Permitted Rent applicable to that class of Affordable Housing Unit;
 - (c) the Operator will allow the Tenant and any permitted occupant and visitor to have full access to and use and enjoy all Common Amenities in the Development;
 - (d) the Operator will not require the Tenant or any permitted occupant to pay any of the following:
 - (i) move-in/move-out fees;
 - (ii) strata fees;

- (iii) strata property contingency reserve fees;
 - (iv) extra charges or fees for use of any Common Amenities, common property, limited common property, or other common areas, facilities or amenities, including without limitation parking, bicycle storage, electric vehicle charging stations or related facilities;
 - (v) extra charges for the use of sanitary sewer, storm sewer, or water; or
 - (vi) property or similar tax;
- (e) the Operator will attach a copy of this Agreement to every Tenancy Agreement;
 - (f) the Operator will include in the Tenancy Agreement a clause requiring the Tenant and each permitted occupant of the Affordable Housing Unit to comply with this Agreement;
 - (g) the Operator will include in the Tenancy Agreement a clause entitling the Operator to terminate the Tenancy Agreement if:
 - (i) an Affordable Housing Unit is occupied by a person or persons other than an Eligible Tenant;
 - (ii) the annual income of an Eligible Tenant rises above the applicable maximum amount determined in accordance with Appendix A of this Agreement as may be adjusted from time to time;
 - (iii) the Affordable Housing Unit is occupied by more than the number of people the City's building inspector determines can reside in the Affordable Housing Unit given the number and size of bedrooms in the Affordable Housing Unit and in light of any relevant standards set by the City in any bylaws of the City;
 - (iv) the Affordable Housing Unit remains vacant for three (3) consecutive months or longer, notwithstanding the timely payment of rent; and/or
 - (v) the Tenant subleases the Affordable Housing Unit or assigns the Tenancy Agreement in whole or in part,

and in the case of each breach, the Operator hereby agrees with the City to forthwith provide to the Tenant a notice of termination.

The notice of termination shall provide that the termination of the tenancy shall be effective 30 days following the date of the notice of termination, except that in respect to section 3.7(g)(ii) of this Agreement, termination shall be effective on the day that is six (6) months following the date that the Operator provided the notice of termination to the Tenant, subject to such alternative periods of notification as may be determined by the Commission;

- (h) the Tenancy Agreement will identify all occupants of the Affordable Housing Unit and will stipulate that anyone not identified in the Tenancy Agreement will be prohibited from residing at the Affordable Housing Unit for more than 30 consecutive days or more than 45 days total in any calendar year; and
 - (i) the Operator will forthwith deliver a certified true copy of the Tenancy Agreement to the City upon demand.
- 3.8 If the Operator has terminated the Tenancy Agreement, then the Operator shall use best efforts to cause the Tenant and all other persons that may be in occupation of the Affordable Housing Unit to vacate the Affordable Housing Unit on or before the effective date of termination.
- 3.9 The Operator shall not impose any age-based restrictions on Tenants of Affordable Housing Units, unless expressly permitted by the City in writing in advance.
- 3.10 Tenant selection will be made in accordance with Appendix D.

**ARTICLE 4
DEMOLITION OF AFFORDABLE HOUSING UNIT**

- 4.1 The Operator will not demolish an Affordable Housing Unit other than in accordance with the provisions of the Ground Lease. Following demolition, the Operator will use and occupy any replacement Dwelling Unit in compliance with this Agreement, the Related Agreements and the Operating Agreement, and this Agreement, the Related Agreements and the Operating Agreement will apply to any replacement Dwelling Unit to the same extent and in the same manner as the provisions of this Agreement, the Related Agreements and the Operating Agreement apply to the original Dwelling Unit, and the Dwelling Unit must be approved by the City as an Affordable Housing Unit in accordance with this Agreement and the Related Agreements.

**ARTICLE 5
DEFAULT AND REMEDIES**

- 5.1 The Operator agrees that, in addition to any other remedies available to the City under this Agreement, the Related Agreements or at law or in equity, if:
- (a) an Affordable Housing Unit is used or occupied in breach of this Agreement;
 - (b) an Affordable Housing Unit is rented at a rate in excess of the Permitted Rent;
 - (c) an Affordable Housing Unit is operated and maintained by an entity that is not a non-profit organization acceptable to the City (as contemplated in Section 3.5); or
 - (d) the Operator is otherwise in breach of any of its obligations under this Agreement or the Housing Covenant,

and if the Operator fails to rectify such breach within 30 days of notice by the City, or if any such breach because of its nature would reasonably require more than 30 days to rectify, and the Operator fails to commence rectification within the 30 day notice period and thereafter to promptly, effectively, and continuously proceed with the rectification of the breach to completion, then such breach will constitute an Event of Default under the Ground Lease and the City will be entitled to exercise all of its rights and remedies in respect of an Event of Default under the Ground Lease. Notwithstanding the foregoing or any other provision of this Agreement, the Operator shall not be in default hereunder if the Operator's breach does not constitute a default under the Ground Lease pursuant to Section 1.17 of the Ground Lease.

- 5.2 The Operator acknowledges and agrees that a default by the Operator of any of its promises, covenants, representations or warranties set-out in any of the Related Agreements or the Operating Agreement shall also constitute a default under this Agreement.

ARTICLE 6 MISCELLANEOUS

6.1 Housing Agreement

The Operator acknowledges and agrees that:

- (a) this Agreement includes a housing agreement entered into under section 483 of the *Local Government Act*; and
- (b) where an Affordable Housing Unit is a separate legal parcel the City may file notice of this Agreement in the LTO against the title to the Affordable Housing Unit and, in the case of a strata corporation, may note this Agreement on the common property sheet.

6.2 No Compensation

The Operator acknowledges and agrees that no compensation is payable, and the Operator is not entitled to and will not claim any compensation from the City, for any decrease in the market value of the Lands or for any obligations on the part of the Operator and its successors in title which at any time may result directly or indirectly from the operation of this Agreement.

6.3 Modification

Subject to section 6.1 of this Agreement, this Agreement may be modified or amended from time to time, by consent of the Operator and a bylaw duly passed by the Council of the City and thereafter if it is signed by the City and the Operator. This Agreement will not be materially modified or amended so as to conflict with the Operating Agreement without the consent of the Commission, such consent not to be unreasonably withheld.

6.4 Management

The Operator covenants and agrees that it will furnish good and efficient management of the Affordable Housing Units and in accordance with the terms of the Related Agreements and the Operating Agreement and will permit representatives of the City to inspect the Affordable Housing Units at any reasonable time, subject to the notice provisions in the *Residential Tenancy Act*. The Operator further covenants and agrees that it will maintain the Affordable Housing 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.

6.5 Indemnity

The Operator will indemnify 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 Operator, or its officers, directors, agents, contractors or other persons for whom at law the Operator is responsible relating to this Agreement;
- (b) the City refusing to issue a development permit, building permit or refusing to permit occupancy of any building, or any portion thereof, constructed on the Lands;
- (c) the construction, maintenance, repair, ownership, lease, license, operation, management or financing of the Lands or any Affordable Housing Unit or the enforcement of any Tenancy Agreement; and/or
- (d) without limitation, any legal or equitable wrong on the part of the Operator or any breach of this Agreement by the Operator.

6.6 Release

The Operator 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 Affordable Housing Unit under this Agreement;
- (b) the City refusing to issue a development permit, building permit or refusing to permit occupancy of any building, or any portion thereof, constructed on the Lands; and/or
- (c) the exercise by the City of any of its rights under this Agreement or an enactment.

6.7 Survival

The obligations of the Operator set out in this Agreement, including but not limited to Sections 6.5 and 6.6 above, will survive termination or discharge of this Agreement.

6.8 Priority

The Operator will do everything necessary, at the Operator's expense, to ensure that this Agreement, if required by the City Solicitor, will be noted against the Operator's leasehold interest in 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 483(5) of the *Local Government Act* will be filed on the title to the Lands.

6.9 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 Operator from complying with any enactment, including in relation to the use or Subdivision of the Lands.

6.10 Agreement for Benefit of City Only

The Operator 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 Operator, any Tenant, or any future owner, lessee, occupier or user of the Lands or the Building or any portion thereof, including any Affordable Housing 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 Operator.

6.11 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 Operator agrees that the City is under no public law duty of fairness or natural justice in that regard

Housing Agreement (Section 483 *Local Government Act*)

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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.

6.12 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 Operator 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.

6.13 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.

6.14 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.

6.15 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.

6.16 Sole Agreement

This Agreement, and any documents signed by the Operator contemplated by this Agreement (including, without limitation, the Related Agreements), represent the whole agreement between the City and the Operator respecting the use and occupation of the Affordable Housing Units, and there are no warranties, representations, conditions or

collateral agreements made by the City except as set forth in this Agreement and the Related Agreements.

6.17 Further Assurance

Upon request by the City the Operator 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.

6.18 Covenant Runs with the Lands

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

6.19 Equitable Remedies

The Operator 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.

6.20 No Joint Venture

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

6.21 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.

6.22 Deed and Contract

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

6.23 Joint and Several

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

6.24 Limitation on Operator's Obligations

The Operator is only liable for breaches of this Agreement that occur while the Operator is the registered tenant under the Ground Lease of the Lands provided however that notwithstanding that the Operator is no longer the registered tenant under the Ground Lease

Housing Agreement (Section 483 *Local Government Act*)

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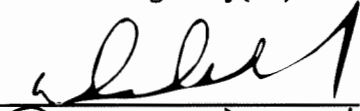
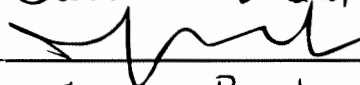
of the Lands, the Operator will remain liable for breaches of this Agreement that occurred while the Operator was the registered tenant under the Ground Lease of the Lands.

[The Remainder of This Page is Intentionally Blank]

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

**PATHWAYS CLUBHOUSE SOCIETY OF RICHMOND
(INC. NO. S-0026088)**

by its authorized signatory(ies):

Per: 
Name: Dave MacDonald
Per: 
Name: Jessica Berglund

CITY OF RICHMOND

by its authorized signatory(ies):

Per: _____
Malcolm D. Brodie, Mayor

Per: _____
Claudia Jesson, Corporate Officer

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

**Appendix A to Housing Agreement
ELIGIBLE TENANTS**

Unit Type	Deep Subsidy Unit	Rent Geared to Income Unit	Below Market
Studio	Based on the Commission's Deep Subsidy Income Limits	Incomes falling between Deep Subsidy Income limits and Housing Income Limits	Based on Low Income and Moderate Income, as determined by the Commission
1BR			
2BR			
3BR			

**Appendix B to Housing Agreement
PERMITTED RENTS**

Unit Type	Deep Subsidy	Rent Geared to Income	Below Market
Studio	Rent Geared to Income (RGI)	Rent Geared to Income (RGI)	As approved by the Commission with annual increases as permitted under the <i>Residential Tenancy Act</i> . Must be maintained at no less than Canada Mortgage and Housing Corporation Average Market Rent
1BR			
2BR			
3BR			

Appendix C to Housing Agreement

**STATUTORY DECLARATION
(Affordable Housing Units)**

CANADA)	IN THE MATTER OF Unit Nos. _____ - _____
)	(collectively, the " Affordable Housing Units ") located
)	at 5491 No. 2 Road, Richmond, British Columbia (the
PROVINCE OF)	" Property ", and Housing Agreement dated
BRITISH COLUMBIA)	_____, 20____ (the " Housing
)	Agreement ") between
TO WIT:)	Pathways Society Clubhouse of Richmond and the City
)	of Richmond (the " City ")
)	

I, _____ (full name),

of _____ (address) in the Province

of British Columbia, DO SOLEMNLY DECLARE that:

I am a director, officer, or an authorized signatory of the Operator and I have personal knowledge of the matters set out herein;

This declaration is made pursuant to the terms of the Housing Agreement in respect of the Affordable Housing Units for each of the 12 months for the period from January 1, 20____ to December 31, 20____ (the "**Period**");

Continuously throughout the Period:

- a) the Affordable Housing Units, if occupied, were occupied only by Eligible Tenants (as defined in the Housing Agreement); and
- b) the Operator of the Affordable Housing Units complied with the Operator's obligations under the Housing Agreement and any housing covenant(s) registered against title to the Affordable Housing Units;

Example Development Name, Address, Property Manager, Phone #, E-mail

Unit #	Unit Type	# of Units	Number of Units	# of Units in Year 1	# of Units in Year 2	Estimated Construction Cost (Per Unit)	Other Charges (Per Unit)	Income (Per Unit)	Market Rent (Per Unit)	Length of Lease (Per Unit)	Property Tax (Per Unit)	Operating Expenses (Per Unit)	Net Income (Per Unit)	Other Income (Per Unit)	Other Expenses (Per Unit)	Other Income (Per Unit)	Other Expenses (Per Unit)		
1	305	2br	3	N	1	0	\$25,000	NA	Y	\$40,000	2 years, 1 mo.	\$1,218	1.40%	No	No	No	No		
				N			NA	Y											
				N			NA	NA											
2																			
3																			

**Appendix D to Housing Agreement
TENANT SELECTION**

Deep Subsidy	Rent Geared to Income	Below Market
Tenants selected from the Commission's Registry	Tenants selected from the Commission's Registry	Tenants selected from the Commission's Registry or Operator's own waitlist

CAN: 35464356.5