

# **Report to Committee**

To: Planning Committee

Date: September 7, 2023

From:

Kim Somerville

File: 08-4057-05/2023-Vol 01

Director, Community Social Development

Re: Housing Agreement Bylaw No. 10484 to Permit the City of Richmond to Secure

Affordable Units on City-owned land at 4831 Steveston Highway as part of the

Rapid Housing Initiative partnership

#### Staff Recommendation

That Housing Agreement (4831 Steveston Highway) Bylaw No. 10484 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 Rezoning Application RZ 23-018081, be introduced and given first, second, and third readings.

Kim Somerville

Director, Community Social Development

(604-247-4671)

Att. 1

REPORT CONCURRENCE					
ROUTED TO:	Concurri	ENCE	CONCURRENCE OF GENERAL MANAGER		
Law Development Applications	<u> </u>		be Erceg		
SENIOR STAFF REPORT REVIEW	INI	IITIALS:	APPROVED BY CAO		
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### **Staff Report**

### Origin

The purpose of this report is to recommend that City Council adopt Housing Agreement Bylaw No. 10484 to secure the 25 housing units being proposed at 4831 Steveston Highway (Attachment 1) on City-owned land as affordable housing in perpetuity. The proposed 25 unit affordable housing development is the result of the Rapid Housing Initiative partnership between the City of Richmond, the Canada Mortgage and Housing Corporation (CMHC), BC Housing, and Turning Point Housing Society. As part of the partnership, the City of Richmond is providing City-owned land through a long-term ground lease, and CMHC and BC Housing are providing funding. The building will be operated by Turning Point Housing Society, an experienced non-profit organization with a long-standing connection to Richmond.

The applicant, Anthony Boni (Boni Maddison Architects) has applied to the City for a Rezoning Application (RZ 23-018081) to develop a three-storey affordable housing building with 25 units on City-owned land as part of the Rapid Housing Initiative partnership. The rezoning bylaw associated with the proposed development received third reading following the public hearing held on September 5, 2023. The adoption of Housing Agreement Bylaw No. 10484 is required in order to secure the units associated with the subject development as affordable housing units in perpetuity.

This report supports Council's Strategic Plan 2022–2026 Focus Area #2 Strategic and Sustainable Community Growth:

Strategic and sustainable growth that supports long-term community needs and a well-planned and prosperous city.

2.2 Develop and implement innovative and proactive solutions that encourage a range of housing options and prioritize affordability.

This report is also consistent with the City of Richmond's Affordable Housing Strategy 2017–2027, including:

Strategic Direction #2: Maximize the use of City resources and financial tools

#### **Analysis**

The subject development proposes the construction of a 100% affordable rental housing building that consists of 25 units in a three-storey building on City-owned land, as part of the Rapid Housing Initiative partnership between the City, CMHC, BC Housing, and Turning Point Housing Society. The proposed rental dwelling units will provide a source of affordable housing to low-and-moderate income individuals and households who otherwise would be experiencing a high degree of housing need. The target tenant demographic for the development is women, and women with children. Turning Point Housing Society will be responsible for managing the tenant application process, and priority access will be provided to Richmond residents.

The maximum household income of tenants will be set according to BC Housing's Housing Income Limit Report. BC Housing's Housing Income Limit Report is an annual publication that includes

the household income for eligibility in many affordable housing programs. In accordance with the CMHC Rapid Housing Initiative Agreement, rental rates will be based on rent-geared-to-income affordability where tenants pay less than 30 per cent of their monthly household income toward rent. This is consistent with the City's Affordable Housing Strategy, which defines affordable housing as housing whereby tenants pay no more than 30 per cent of their gross income towards all housing costs. The affordable housing units are proposed to be delivered as shown in Table 1.

Table 1: Proposed Unit Details

Unit Type	Minimum Unit Area	Max. Monthly Unit Rent	Total Max. Household Income	# of Units	Basic Universal Housing Features
Studio	30.7 m <sup>2</sup> (330.5 ft <sup>2</sup> )	Rent-Geared-to-	\$58,000**	15 (60%)	4
2-BR	76.6 m <sup>2</sup> (824.5 ft <sup>2</sup> )	Income*	\$72,000**	10 (40%)	10
TOTAL				25	14 (56%)

<sup>\*</sup>Whereby tenants pay less than 30% of their gross monthly income toward rent.

The proposed unit mix includes 15 studio units and 10 two-bedroom units. Two of the two-bedroom units are proposed to be fully wheelchair accessible units.

The Housing Agreement restricts monthly rental rates based on tenant incomes, ensures tenants do not exceed maximum annual household income limits, and secures the units as affordable housing in perpetuity.

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 the units are being managed 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 review current tenants' household incomes and other information.

BC Housing, as the future leaseholder of the land, and Turning Point Housing Society, as the future housing operator, have agreed to the terms and conditions of the Housing Agreement.

### **Financial Impact**

None.

#### Conclusion

In accordance with the *Local Government Act* (Section 483), adoption of Bylaw No. 10484 is required to permit the City to enter into a Housing Agreement. Together with a Housing Covenant,

<sup>\*\*</sup>Based on BC Housing's Housing Income Limit Report, to be updated annually. Amounts shown based on 2023 Housing Income Limit Report.

the Housing Agreement will act to secure the proposed 25 affordable housing units in association with Rezoning Application RZ 23-018081 on title in perpetuity.

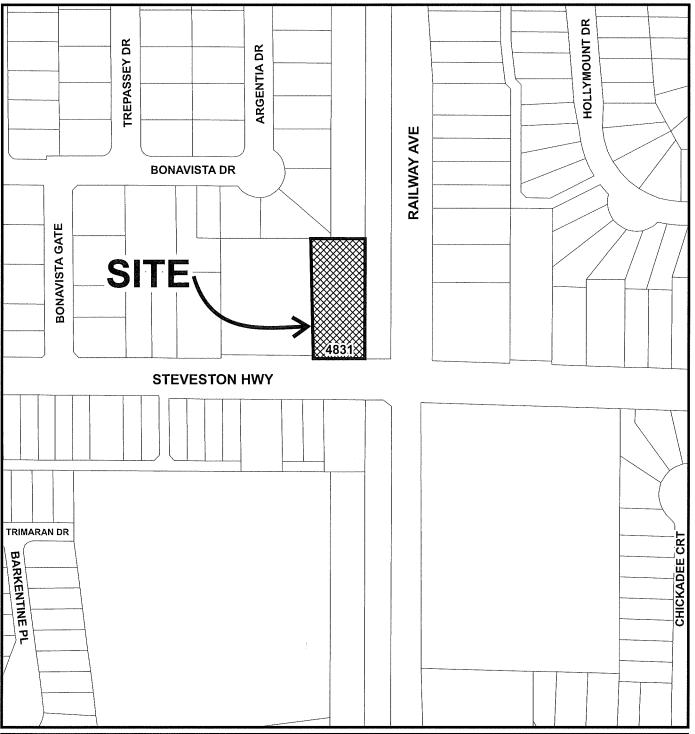
Kim Somerville

Director, Community Social Development

(604-247-4671)

Att. 1: Map of 4831 Steveston Highway







4831 Steveston Hwy

Revision Date:

Note: Dimensions are in METRES

Original Date: 07/31/23

**PLN - 116** 



## Housing Agreement (4831 Steveston Highway) Bylaw No. 10484

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: 003-639-771, LOT 65 EXCEPT: PART SUBDIVIDED BY PLAN 47349, SECTIONS 35 AND 36 BLOCK 4 NORTH RANGE 7 WEST NWD PLAN 24405

2. This Bylaw is cited as "Housing Agreement (4831 Steveston Highway) Bylaw No. 10484".

FIRST READING	CITY OF RICHMOND
SECOND READING	APPROVED for content by originating dept.
THIRD READING	APPROVED
ADOPTED	for legality by Solicitor
MAYOR	CORPORATE OFFICER

### Schedule A

## To Housing Agreement (4831 Steveston Highway) Bylaw No. 10484

HOUSING AGREEMENT BETWEEN CITY OF RICHMOND AND BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION AND PROVINCIAL RENTAL HOUSING CORPORATION AND CITY OF RICHMOND

# HOUSING AGREEMENT (Section 483 Local Government Act)

THIS TESTERATION IS GARCET TO TOTAL	THIS AGREEMENT	is dated for reference	day of Se	ptember, 2023
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#### BETWEEN:

**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 "Owner")

#### AND:

**BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION**, having its offices at 1701 - 455 Kingsway,
Burnaby, BC V5H 4V8

(the "Commission")

#### AND:

**PROVINCIAL RENTAL HOUSING CORPORATION**, having its offices at 1701 - 455 Kingsway, Burnaby, BC V5H 4V8

("PRHC")

#### 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. Capitalized terms used in these Recitals and in this Agreement shall have the meanings ascribed in Section 1.1;
- B. 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 Agreement (Section 483 Local Government Act)
4831 Steveston Hwy
Application No. RZ 23-018081 Bylaw No. 10478
RZ Consideration #5,6,7

housing units to classes of persons, administration of housing units and rent which may be charged for housing units;

- C. The Owner is the owner of the Lands (as hereinafter defined);
- D. The parties intend that the Owner and PRHC will enter into a ground lease (the "Lease") pursuant to which the Owner will lease the Lands to PRHC for the construction, maintenance, and operation of the Development. PHRC will in turn enter into an operating agreement for the Development with the Commission and a non-profit operator; and
- E. The Owner and the City wish to enter into this Agreement (as herein defined) to provide for affordable housing on the terms and conditions set out in this Agreement,

**NOW THEREFORE** 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) "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, including each air space parcel into which the Lands may be Subdivided from time to time. For greater certainty, each air space parcel will be a Building for the purpose of this Agreement;
  - (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) "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;
- (i) "CPI" means the All-Items Consumer Price Index for Vancouver, British Columbia, published from time to time by Statistics Canada, or its successor in function:
- (j) "Daily Amount" means \$100.00 per day as of January 1, 2019 adjusted annually thereafter by adding thereto an amount calculated by multiplying \$100.00 by the percentage change in the CPI since January 1, 2019, to January 1 of the year that a written notice is delivered to the Owner by the City pursuant to section 6.1 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;
- (k) "Development" means the affordable residential development to be constructed on the Lands;
- (l) "Development Permit" means the development permit authorizing development on the Lands, or any portion(s) thereof;
- (m) "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;
- (n) "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;
- (o) "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;
- (p) "Eligible Tenant" means a Family having a cumulative annual income at or below the rates for studio and 2-bedroom units, as applicable, established by the Commission for the Housing Income Limits ("HILs"), which for the year 2023 are as follows:

- (i) in respect to a studio unit, \$58,000.00 or less; and
- (ii) in respect to a two-bedroom unit, \$72,000.00 or less;

provided that, commencing February 1, 2024 the annual incomes rates shall be adjusted annually on February 1st of each year this Agreement is in force and effect:

- (iii) in a year for which the Commission has issued updated HILS (for example the 2023 Report was issued in December 2022), by increasing the annual incomes to be equal to those set out in the applicable HILS for Richmond, and if Richmond is not listed, for Vancouver; or
- (iv) if the HILS for the year have not been released, by applying a percentage increase equal to the CPI for the period January 1 to December 31 of the immediately preceding calendar year (for example CPI for January 1 thru December 31, 2023 will apply to 2024).

If there is a decrease in the incomes set out in the HILS, or the CPI for the period January 1 to December 31 of the immediately preceding calendar year, as applicable pursuant to the above, the annual incomes set-out above for the subsequent year shall remain unchanged from the previous year. In the absence of obvious error or mistake, any calculation by the City of an Eligible Tenant's permitted income in any particular year shall be final and conclusive;

- (q) "Family" means:
  - (i) a person;
  - (ii) two or more persons related by blood, marriage or adoption; or
  - (iii) a group of not more than 4 persons who are not related by blood, marriage or adoption.
- (r) "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;
- (s) "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 from time to time, in respect to the use and transfer of the Affordable Housing Units;
- (t) "Interpretation Act" means the Interpretation Act, R.S.B.C. 1996, Chapter 238, together with all amendments thereto and replacements thereof;
- (u) "Land Title Act" means the Land Title Act, R.S.B.C. 1996, Chapter 250, together with all amendments thereto and replacements thereof;

- (v) "Lands" means certain lands and premises legally described as PID: 003-639-771, LOT 65 EXCEPT: PART SUBDIVIDED BY PLAN 47349, SECTIONS 35 AND 36 BLOCK 4 NORTH RANGE 7 WEST NEW WESTMINSTER DISTRICT PLAN 24405, as may be Subdivided from time to time, and including a Building or a portion of a Building;
- (w) "Local Government Act" means the Local Government Act, R.S.B.C. 2015, Chapter 1, together with all amendments thereto and replacements thereof;
- (x) "LTO" means the New Westminster Land Title Office or its successor;
- (y) "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 an Affordable Housing Unit from time to time;
- (z) "Permitted Rent" means an amount equal to (i) less than thirty (30%) percent of the Eligible Tenant's cumulative annual income, divided by 12 to calculate the monthly rent, or (ii) if the Tenant receives a shelter allowance as a portion of their provincial income assistance, the amount of the shelter allowance. This rent may be adjusted annually in relation to the Tenant's then current cumulative annual income or any updated value of the received shelter allowance, as applicable. N the absence of obvious error or mistake, any calculation by the City of the Permitted Rent in any particular year shall be final and conclusive;
- (aa) "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;
- (bb) "Residential Tenancy Act" means the Residential Tenancy Act, S.B.C. 2002, Chapter 78, together with all amendments thereto and replacements thereof;
- (cc) "Residential Tenancy Regulation" means the Residential Tenancy Regulation, B.C. Reg. 477/2003, together with all amendments thereto and replacements thereof;
- (dd) "Strata Property Act" means the Strata Property Act S.B.C. 1998, Chapter 43, together with all amendments thereto and replacements thereof;
- (ee) "Subdivide" means to divide, apportion, consolidate 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;

- (ff) "Tenancy Agreement" means a tenancy agreement, lease, license or other agreement granting rights to occupy an Affordable Housing Unit; and
- (gg) "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 Owner 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

# ARTICLE 2 USE AND OCCUPANCY OF AFFORDABLE HOUSING UNITS

- 2.1 The Owner 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 Owner, the Owner's family members (unless the Owner's family members qualify as Eligible Tenants), or any tenant or guest of the Owner, 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 Owner 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 A, sworn by the Owner, containing all of the information required to complete the statutory declaration. 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 Owner may have already provided such statutory declaration in the particular calendar year, the City may request and the Owner 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 Owner is in breach of any of its obligations under this Agreement.
- 2.3 The Owner hereby irrevocably authorizes the City to make such inquiries as it considers necessary in order to confirm that the Owner is complying with this Agreement.
- 2.4 The Owner agrees that notwithstanding that the Owner may otherwise be entitled, the Owner 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 final or provisional 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 in accordance with this Agreement, the Housing Covenant, the Development Permit, the Building Permit, and any applicable City bylaws, rules or policies, to the satisfaction of the City;

- (ii) the Affordable Housing Units have received final building permit inspection granting provisional or final occupancy of the Affordable Housing Units; and
- (iii) the Owner is not otherwise in breach of any of its obligations under this Agreement or any other agreement between the City and the Owner in connection with the Affordable Housing Units, any facilities for the use of the Affordable Housing units, including parking, and any shared indoor or outdoor amenities.
- 2.5 Notwithstanding anything to the contrary contained in the *Residential Tenancy Act* or the *Residential Tenancy Regulation*, the Owner will, for so long as the Affordable Housing Units remain located on the Lands, comply with sections 41 [Rent increases], 42 [Timing and notice of rent increases] and 43 [Amount of rent increase] of the *Residential Tenancy Act*, as such sections may be amended or replaced from time to time, with respect to rent increases for Tenants.

# ARTICLE 3 DISPOSITION AND ACQUISITION OF AFFORDABLE HOUSING UNITS

- 3.1 The Owner will not permit an Affordable Housing Unit to be subleased, or the Affordable Housing Unit Tenancy Agreement to be assigned, except as required under the *Residential Tenancy Act*.
- 3.2 The Owner will not permit an Affordable Housing Unit to be used for short term rental purposes (being rentals for periods shorter than 30 days), or any other purposes that do not constitute a "permanent residence" of a Tenant or an Eligible Tenant.
- 3.3 Sale and Subdivision. If this Housing Agreement encumbers more than one Affordable Housing Unit, the following will apply:
  - (a) the Owner will not, without the prior written consent of the City, sell or transfer less than all of the Affordable Housing Units located in one building in a single or related series of transactions, with the result that when the purchaser or transferee of the Affordable Housing Units becomes the owner, the purchaser or transferee will be the legal and beneficial owner of not less than all of the Affordable Housing Units in one building;
  - (b) if the Development contains one or more air space parcels, each air space parcel and the remainder will be a "building" for the purpose of this section 3.3; and
  - (c) the Lands will not be Subdivided such that one or more Affordable Housing Units form their own strata lot or air space parcel, separate from other Dwelling Units, without the prior written consent of the City.

- 3.4 Notice of Sale or Transfer. If the Owner sells or transfers the Lands or any Affordable Housing Units, the Owner will notify the City Solicitor of the sale or transfer within three (3) days of the effective date of sale or transfer.
- 3.5 Tenant Acknowledgement of Information Collection. Subject to the requirements of the Residential Tenancy Act, the Owner 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 of Richmond (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 Owner 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 the Tenant's annual income once per calendar year;
- (ii) the number of occupants of the Affordable Housing Unit;
- (iii) the number of occupants of the Affordable Housing Unit under 18 years of age;
- (iv) the number of occupants of the Affordable Housing Unit who are "seniors" as that term is currently defined by the City;
- (v) a statement of before tax employment income for all occupants over 18 years of age; and
- (vi) the total income for all occupants of the Affordable Housing Unit;"
- (b) defines the term "Landlord" as the Owner 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.
- 3.6 Non-Profit Management. At all times that this Agreement encumbers the Lands, (a) the Owner 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 or (b) during the term of the Lease, the Affordable Housing Units may be operated and managed directly by the Commission. All Affordable Housing Units owned by the Owner must be managed and operated by one non-profit organization, unless directly managed by the Commission.

Without limiting the foregoing, the non-profit organization retained pursuant to this section 3.6 must have as one of its prime objectives the operation of affordable housing. At the request of the City, from time to time, the Owner shall deliver to the City a copy the agreement (fully signed and current) with the non-profit organization, to evidence the Owner's compliance with this Section 3.6.

The parties acknowledge that as of the date of this Agreement it is their intention that PRHC and the Commission will retain Turning Point Recovery Society as the operator following the execution of the Lease by which the Owner will lease the Lands to the Commission for the construction, maintenance, and operation of the Development.

- 3.7 Lease Requirements. The Owner 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 Owner 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 and will not Subdivide the Lands unless all easements and rights of way are in place to secure such use;
  - (d) the Owner 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;

provided, however, that if the Affordable Housing Unit is a strata unit and the following costs are not part of strata or similar fees, an Owner may charge the Tenant the Owner's cost, if any, of:

- (vii) providing cable television, telephone, other telecommunications, or electricity fees (including electricity fees and charges associated with the Tenant's use of electrical vehicle charging infrastructure); and
- (viii) installing electric vehicle charging infrastructure (in excess of that preinstalled by the Owner at the time of construction of the Development), by or on behalf of the Tenant;
- (e) the Owner will attach a copy of this Agreement to every Tenancy Agreement;
- (f) the Owner 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 Owner will include in the Tenancy Agreement a clause entitling the Owner 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 specified in section 1.1(p) of this Agreement;
  - (iii) the Affordable Housing Unit is occupied by more than the number of people the City 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 Owner hereby agrees with the City to forthwith provide to the Tenant a notice of termination. Except for section 3.7(g)(ii) of this Agreement [Termination of Tenancy Agreement if Annual Income of Tenant rises above amount prescribed in section 1.1(p) of this Agreement], 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. 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 Owner provided the notice of termination to the Tenant;

(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 Owner will forthwith deliver a certified true copy of the Tenancy Agreement to the City upon demand.
- 3.8 If the Owner has terminated the Tenancy Agreement, then the Owner 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 *Age Restrictions*. The Owner 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 Discrimination. The Owner acknowledges its duties not to discriminate with respect to tenancies and agrees to comply with the Human Rights Code (BC) with respect to tenancy matters, including tenant selection for the Affordable Housing Units. The parties acknowledge that the Affordable Housing Units are intended to serve as designated accommodation for women and children and thus the forgoing obligation does not apply with respect to sex or gender identity.
- 3.11 Ground Lease. Notwithstanding anything to the contrary herein, the City consents to the Lease pursuant to which the Owner will lease the Lands, including all Affordable Housing Units there on, to PRHC. PRHC and the Commission agree that, pursuant to the terms of the Lease, they will agree to be bound to all the terms and conditions of this Agreement as if they were the Owner, and to cause any operator of the Development to comply with the terms and conditions of this Agreement.

# ARTICLE 4 DEMOLITION OF AFFORDABLE HOUSING UNIT

4.1 The Owner will not demolish an Affordable Housing Unit other than in accordance with the provisions of the Lease. 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 an Affordable Housing Unit in accordance with this Agreement.

## ARTICLE 5 STRATA CORPORATION BYLAWS

- 5.1 This Agreement will be binding upon all strata corporations created upon the strata title Subdivision of the Lands or any Subdivided parcel of the Lands.
- 5.2 Any strata corporation bylaw which prevents, restricts or abridges the right to use the Affordable Housing Units as rental accommodation, or imposes age-based restrictions on Tenants of Affordable Housing Units, will have no force and effect, unless expressly approved by the City in writing in advance.

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- 5.3 No strata corporation shall pass any bylaws preventing, restricting or abridging the use of the Affordable Housing Units as rental accommodation.
- No strata corporation shall pass any bylaw or approve any levies which would result in only the Owner or the Tenant or any other permitted occupant of an Affordable Housing Unit (and not include all the owners, tenants, or any other permitted occupants of all the strata lots in the applicable strata plan which are not Affordable Housing Units) paying any extra charges or fees for the use of any Common Amenities, common property, limited common property or other common areas, facilities, or indoor or outdoor amenities of the strata corporation.
- No strata corporation shall pass any bylaws or approve any levies, charges or fees which would result in the Owner or the Tenant or any other permitted occupant of an Affordable Housing Unit paying for the use of parking, bicycle storage, electric vehicle charging stations or related facilities contrary to section 3.7(d). Notwithstanding the foregoing, the strata corporation may levy such parking, bicycle storage, electric vehicle charging stations or other related facilities charges or fees on all the other owners, tenants, any other permitted occupants or visitors of all the strata lots in the applicable strata plan which are not Affordable Housing Units; Units; provided, however, that the electricity fees, charges or rates for use of electric vehicle charging stations are excluded from this provision
- 5.6 The strata corporation shall not pass any bylaw or make any rule which would restrict the Owner or the Tenant or any other permitted occupant of an Affordable Housing Unit from using and enjoying any Common Amenities, common property, limited common property or other common areas, facilities or amenities of the strata corporation except on the same basis that governs the use and enjoyment of these facilities by all the owners, tenants, or any other permitted occupants of all the strata lots in the applicable strata plan which are not Affordable Housing Units.

# ARTICLE 6 DEFAULT AND REMEDIES

- 6.1 The Owner agrees that, in addition to any other remedies available to the City under this Agreement or the Housing Covenant 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 3.6); or
  - (d) the Owner is otherwise in breach of any of its obligations under this Agreement or the Housing Covenant,

and if the Owner fails to rectify such breach within forty-five (45) days of notice by the City, or if any such breach because of its nature would reasonably require more than forty-five (45) days to rectify, and the Owner fails to commence rectification within the forty-

- five (45) day notice period and thereafter to promptly, effectively, and continuously proceed with the rectification of the breach to completion, then such breach will constitute a default under the Lease and the City will be entitled to exercise all of its rights and remedies in respect of default under the Lease.
- 6.2 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.

# ARTICLE 7 MISCELLANEOUS

#### 7.1 Housing Agreement

The Owner acknowledges and agrees that:

- (a) this Agreement includes a housing agreement entered into under section 483 of the *Local Government Act*;
- (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; 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 483 of the *Local Government Act* prior to the Lands having been Subdivided, then after the Lands are Subdivided, this Agreement will secure only the legal parcels which contain the Affordable Housing Units.

The City will partially discharge this Agreement accordingly, provided however that:

- (i) the City has no obligation to execute such discharge until a written request therefor from the Owners is received by the City, which request includes the registrable form of discharge;
- (ii) the cost of the preparation of the aforesaid discharge, and the cost of registration of the same in the Land Title Office is paid by the Owners;
- (iii) the City has a reasonable time within which to execute the discharge and return the same to the Owners for registration; and
- (iv) the Owners acknowledge that such discharge is without prejudice to the indemnity and release set forth in Section 7.5.

The Owner acknowledges and agrees that notwithstanding a partial discharge of this Agreement, this Agreement will be and remain in full force and effect and, but for the partial discharge, otherwise unamended.

## 7.2 No Compensation

The Owner acknowledges and agrees that no compensation is payable, and the Owner 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 Owner and its successors in title which at any time may result directly or indirectly from the operation of this Agreement.

#### 7.3 Modification

Subject to section 7.1 of this Agreement, 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. This Agreement will not be materially modified or amended so as to conflict with any Operating Agreement, without the consent of the Commission, such consent not to be unreasonably withheld.

### 7.4 Management

The Owner covenants and agrees that it will furnish good and efficient management of the Affordable Housing Units 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 Owner 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.

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 Affordable Housing Units.

### 7.5 **Indemnity**

The Owner 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:

- 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 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,

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arising out of or in connection, directly or indirectly, or that would not or could not have occurred "but for" this Agreement;

- (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 Owner or any breach of this Agreement by the Owner.

#### 7.6 **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 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 arising out of or in connection, directly or indirectly, or that would not or could not have occurred "but for" this Agreement; and/or
- (c) the exercise by the City of any of its rights under this Agreement or an enactment.

#### 7.7 Survival

The obligations of the Owner set out in this Agreement, including but not limited to Sections 7.5 and 7.6 above, will survive termination or discharge of this Agreement.

### 7.8 **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 483(5) of the *Local Government Act* will be filed on the title to the Lands.

### 7.9 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 Owner from complying with any enactment, including in relation to the use or subdivision of the Lands.

#### 7.10 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 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 Owner.

#### 7.11 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 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.

#### **7.12 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 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

Copy to:

City Solicitor, and the Director, Community Social Development

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.

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#### 7.13 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.

## 7.14 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.

#### 7.15 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.

### 7.16 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 Affordable Housing 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.

#### 7.17 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.

#### 7.18 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.

#### 7.19 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.

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#### 7.20 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.

### 7.21 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.

#### 7.22 **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.

#### 7.23 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.

#### 7.23 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.

[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.

# BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION

by its authorized signatory(ies): Associate Vice President, Development Strategies Per: Name: Michael Vice President Development & Asset Strategies Name: PROVINCIAL RENTAL HOUSING CORPORATION by its authorized signatory(ies): John McEown, Director Provincial Rental Housing Corporation Per: Name: Michael Pistrin Director Per: Provincial Rental Housing Corporation Name: CITY OF RICHMOND CITY OF by its authorized signatory(ies): RICHMOND APPROVED for content by originating dept Per: Legal Advice Malcolm D. Brodie, Mayor DATE OF COUNCIL

Claudia Jesson, Corporate Officer

APPROVAL (if applicable)

Per:

# Appendix A to Housing Agreement

# STATUTORY DECLARATION (Affordable Housing Units)

	)	IN THE MATTER OF Unit Nos				
CANADA )		(collectively, the "Affordable Housing Units") located				
PRC	OVINC )	at				
COL	F ) FISH ) .UMBI )	_, (street address), British Columbia, and Housing Agreement dated, 20				
А	)	(the "Housing Agreement") between				
TO \	WIT: )	and the City of Richmond (the "City")				
l,		(ful				
name	),					
of		(address) in the				
Provii	nce					
of Bri	tish Columbia, DO SO	LEMNLY DECLARE that:				
	I am the registered ov	wner (the " <b>Owner</b> ") of the Affordable Housing Units;				
	I am a director, officer knowledge of the ma	r, or an authorized signatory of the Owner and I have personal tters set out herein;				
	respect of the Afforda	nade pursuant to the terms of the Housing Agreement in able Housing Units for each of the 12 months for the period to December 31, 20 (the "Period");				
	Continuously through	out the Period:				
a)		ng Units, if occupied, were occupied only by Eligible Tenants using Agreement); and				
b)		ordable Housing Units complied with the Owner's obligations agreement and any housing covenant(s) registered against Housing Units;				

The information set out in the table attached as Appendix A hereto (the "Information Table") in respect of each of the Affordable Housing Units is current and accurate as of the date of this declaration; and

I obtained the prior written consent from each of the occupants of the Affordable Housing Units named in the Information Table to: (i) collect the information set out in the Information Table, as such information relates to the Affordable Housing Unit occupied by such occupant/resident; and (ii) disclose such information to the City, for purposes of complying with the terms of the Housing Agreement.

And 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 by virtue of the *Canada Evidence Act*.

DECLARED BEFORE ME at	) )
in the Province of British Columbia,	)
Canada, this day of	)
, 20	
	) ————————————————————————————————————
A Notary Public and a Commissioner for taking Affidavits in and for the Province of British Columbia	) )

Declarations should be signed, stamped, and dated and witnessed by a lawyer, notary public, or commissioner for taking affidavits.

Property Manager Name: Property Manager Phone Number: Building Address: Property Manager Email: Property Management Company: Building Name:

Note: All capitalized terms in the column headers of the table below have definitions as set out in the Glossary.

					1		
	Other Tenan						
	Amenity Usage Fees						
Fees Collected	Storage fees						
4	Move- Parting fees in/Move-out Storage fees fees						
	Parking fees						
	Rent (5/Month)						
ind Rent	Before-tax Total Income of All Occupants 18+						
Income and Rent	Income Verification Received (Yes/No)						
	Before-tax Total Income(s) (if Occupant is 18+Years)						
	Starting Year of Tenancy						
	Number of Occupants 55 Years and Over (#)						
ormation	Number of Occupants 18 Years and Under (#)						
Unit and Household Information	Related to Owner (Yes/No)						
Unit and H	Number of Occupants (#)						
	Unit Type (Studio, 1 Bed, 2 Bed, 3 Bed)						
	Unit#						
	Row	-	8	ю	4	ıs	9

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