

**HOUSING AGREEMENT (605-629 SPEED AVENUE
AND 606-618 FRANCES AVENUE) BYLAW**
A BYLAW OF THE CITY OF VICTORIA

The purpose of this Bylaw is to authorize an agreement for rental housing for the lands known as 605, 607, 609, 615 and 629 Speed Avenue, and 606 and 612/618 Frances Avenue, Victoria, BC.

Under its statutory powers, including section 483 of the *Local Government Act*, the Council of The Corporation of the City of Victoria in an open meeting enacts the following provisions:

Title

- 1 This Bylaw may be cited as the "HOUSING AGREEMENT (605-629 SPEED AVENUE AND 606-618 FRANCES AVENUE) BYLAW (2019)".**

Agreement authorized

- 2 The Mayor and the City Clerk are authorized to execute the Housing Agreement**
- (a) substantially in the form attached to this Bylaw as Schedule A;
 - (b) between the City and 1172873 B.C. Ltd. (Inc. No. BC1172873), or other registered owners from time to time of the lands described in subsection (c); and
 - (c) that applies to the lands known as 605, 607, 609, 615 and 629 Speed Avenue, and 606 and 612/618 Frances Avenue, Victoria, BC, legally described as:
PID: 009-152-245 Lot 19, Section 4, Victoria District, Plan 358;
PID: 009-152-261 Lot 20, Section 4, Victoria District, Plan 358;
PID: 009-152-288 Lot 21, Section 4, Victoria District, Plan 358;
PID: 009-152-326 Lot 22, Section 4, Victoria District, Plan 358, except the westerly 10 feet;
PID: 009-152-369 Lot 23, Section 4, Victoria District, Plan 358;
PID: 009-152-211 Lot 18, Section 4, Victoria District, Plan 358;
PID: 009-152-181 Lot 17, Section 4, Victoria District, Plan 358; and
PID: 000-202-720 Lot 16, Section 4, Victoria District, Plan 358.

READ A FIRST TIME the **14th** day of **November** 2019

READ A SECOND TIME the **14th** day of **November** 2019

READ A THIRD TIME the **14th** day of **November** 2019

ADOPTED on the day of 2019

CITY CLERK

MAYOR

HOUSING AGREEMENT

(Pursuant to section 483 of the *Local Government Act*)

BETWEEN:

THE CORPORATION OF THE CITY OF VICTORIA
#1 Centennial Square
Victoria, B.C. V8W 1P6

(the "City")

AND:

1172873 B.C. LTD. (INC. NO. BC1172873)
4250 West Saanich Road
Victoria, B.C. V8Z 3G4

(the "Owner")

AND:

COAST CAPITAL SAVINGS FEDERAL CREDIT UNION
800 – 9900 King George Boulevard
Surrey, B.C. V3T 0K7

(the "Existing Chargeholder")

WHEREAS:

- A. Capitalized terms used herein will have the respective meanings ascribed to them in section 1.1 of this Agreement, unless the context otherwise clearly requires or they are elsewhere defined herein.
- B. Under section 483 of the *Local Government Act* the City may, by bylaw, enter into a housing agreement with an owner regarding the occupancy of the housing units identified in the agreement, including but not limited to terms and conditions referred to in section 483(2) of the *Local Government Act*.
- C. The Owner is the registered owner in fee simple of lands in the City of Victoria, British Columbia, with civic addresses of 605, 607, 609, 615 and 629 Speed Avenue, and 606 and 612/18 Frances Avenue, Victoria, B.C. and legally described as:
 - (a) PID: 000-202-720, Lot 16, Section 4, Victoria District, Plan 358,
 - (b) PID: 009-152-211, Lot 18, Section 4, Victoria District, Plan 358,
 - (c) PID: 009-152-245, Lot 19, Section 4, Victoria District, Plan 358,
 - (d) PID: 009-152-261, Lot 20, Section 4, Victoria District, Plan 358,
 - (e) PID: 009-152-288, Lot 21, Section 4, Victoria District, Plan 358,
 - (f) PID: 009-152-326, Lot 22, Section 4, Victoria District, Plan 358, except the westerly 10 feet, and

(g) PID: 009-152-369, Lot 23, Section 4, Victoria District, Plan 358

(collectively, the "Lands").

- D. The Owner has applied to the City for a development permit with variances with respect to the Lands, to permit the construction of 247 residential housing units within the Development in accordance with this Agreement.
- E. The City and the Owner wish to enter into this Agreement, as a housing agreement pursuant to section 483 of the *Local Government Act*, to secure the agreement of the Owner that ten (10) of the residential units within the Development will be attainable for ten (10) years and used and held only as rental housing in perpetuity.

NOW THIS AGREEMENT WITNESSES that pursuant to section 483 of the *Local Government Act*, and in consideration of the premises and covenants contained in this agreement (the "Agreement"), the parties agree each with the other as follows:

1.0 DEFINITIONS

1.1 In this Agreement:

"**Business Day**" means Monday to Friday, other than any such day which is a statutory holiday in Victoria, British Columbia;

"**Development**" means the new six (6) storey and fourteen (14) storey residential buildings consisting of 247 residential housing units and related facilities on the Lands;

"**Dwelling Units**" means any or all, as the context may require, of the self-contained residential dwelling units on the Development, and includes any dwelling unit that is developed on the Lands in future, whether as part of the Development or otherwise, and "**Dwelling Unit**" means any of such residential dwelling units located on the Lands;

"**Immediate Family**" includes a person's spouse, child, grandchild, parent, grandparent, sibling, niece and nephew, and includes the Immediate Family of the person's spouse;

"**Low to Moderate Household Income Limit**" means the maximum annual collective household income for Victoria, British Columbia which the City identifies as "low to moderate", which for 2019, is \$35,000 to \$55,000 for occupants of a studio Dwelling Unit and a one-bedroom Dwelling Unit;

"**Low to Moderate Income Unit**" means a Dwelling Unit that is designated as a Low to Moderate Income Unit in accordance with Article 4.0 of this Agreement;

"**Maximum Rent**" means the maximum monthly rent that can be charged by an Owner pursuant to a Tenancy Agreement for a Rental Unit designated as a Low to Moderate Income Unit or a Moderate Income Unit, which for 2019 is:

- (a) for Studios, \$1,000.00,
- (b) for One-Bedrooms, 1,375.00, and
- (c) for the Two Bedroom, \$2,125.00,

increased in each subsequent calendar year by the amount permitted under Part 3 of the RTA, provided that notwithstanding Part 3 of the RTA, in no case will the Maximum Rent for a Rental Unit in any calendar year exceed the Maximum Rent for the preceding calendar year multiplied by a fraction, the numerator of which is the Consumer Price Index for the City of Victoria published by Statistics Canada for January in the calendar year of the proposed increase divided by the Consumer Price Index for the City of Victoria published by Statistics Canada for January of the immediately preceding calendar year.

"Moderate Household Income Limit" means the maximum annual collective household income for Victoria, British Columbia which the City identifies as "moderate", which for 2019, is \$55,000 to \$85,000 for occupants of a two-bedroom Dwelling Unit;

"Moderate Income Unit" means a Dwelling Unit that is designated as a Moderate Income Unit in accordance with Article 5.0 of this Agreement;

"Non-owner" means a person other than a Related Person or the Owner;

"Owner" includes a person who acquires an interest in the Lands or any part of the Lands or the Development and is thereby bound by this Agreement, as referred to in section 10.3;

"Related Person" includes, where the registered or beneficial owner of the Lands or Dwelling Unit, as applicable, is:

- (a) a corporation or society:
 - (i) an officer, director, shareholder, or member of such corporation or society, or of another entity which is a shareholder or member of such corporation or society; or
 - (ii) the Immediate Family of a person listed in paragraph (i), or
- (b) an individual, the Immediate Family of that individual;

"Rental Units" has the meaning set out in section 2.1;

"RTA" means the *Residential Tenancy Act*, S.B.C. 2002, c.78, as amended or replaced, from time to time; and

"Tenancy Agreement" means a tenancy agreement pursuant to the RTA that is regulated by that Act.

2.0 TEN DWELLING UNITS TO BE USED AND OCCUPIED ONLY AS RENTAL UNITS

2.1 The Owner covenants and agree to designate ten (10) Dwelling Units (the **"Rental Units"**) as Dwelling Units to which section 2.2 will apply and for greater certainty, the Owner covenants and agrees that the Rental Units must include:

- (a) seven (7) studio units (the **"Studios"**);

- (b) two (2) one-bedroom units (the "**One-Bedrooms**"); and
- (c) one (1) two-bedroom unit (the "**Two-Bedroom**").

- 2.2 The Owner covenants and agrees that each Rental Unit shall only be used as rental housing in perpetuity, and shall only be occupied by a Non-owner (and, if applicable, the Non-Owner's Immediate Family) under the terms of a Tenancy Agreement between the Owner and the Non-owner who occupies that Rental Unit.

3.0 NO RESTRICTIONS ON RENTALS

- 3.1 The Owner covenants and agrees, in perpetuity, to refrain from taking any steps, entering into any agreements, or imposing any rules or regulations whatsoever, the effect of which would be to prevent or restrict the Owner of a Rental Unit from renting that Rental Unit to a Non-owner under the terms of a Tenancy Agreement.
- 3.2 Without limiting the generality of section 3.1, the Owner covenants and agrees that it will not make application to deposit a strata plan for or in respect of the Lands or a building on the Lands unless the strata bylaws in no way restrict rental of any Rental Unit to a Non-owner under the terms of a Tenancy Agreement.

4.0 LOW TO MODERATE INCOME HOUSING

- 4.1 The Owner covenants and agrees that, for a period of ten (10) years commencing from the date the Development Permit has been granted by the City (the "**Restricted Period**"), a total of not less than nine (9) Rental Units, comprised of the Studios and the One-Bedrooms, shall be designated as Low to Moderate Income Units and shall only be occupied and used as Low to Moderate Income Units.
- 4.2 Each of the Studios shall only be occupied by one or more tenants with a combined annual income that is equal to or less than the Low to Moderate Household Income Limit, and the monthly rent payable shall be no more than the Maximum Rent for Studios.
- 4.3 Each of the One-Bedrooms shall only be occupied by one or more tenants with a combined annual income that is equal to or less than the Low to Moderate Household Income Limit, and the monthly rent payable shall be no more than the Maximum Rent for One-Bedrooms.

5.0 MODERATE INCOME HOUSING

- 5.1 The Owner covenants and agrees that for the Restricted Period, the Two-Bedroom shall be designated as a Moderate Income Unit and shall only be occupied and used as a Moderate Income Unit.
- 5.2 The Two-Bedroom shall only be occupied by one or more tenants with a combined annual income that is equal to or less than the Moderate Household Income Limit, and the monthly rent payable shall be no more than the Maximum Rent for the Two-Bedroom.

6.0 REPORTING

- 6.1 The Owner covenants and agrees to provide to the City's Director of Sustainable

Planning and Development, within thirty (30) days of the Director's written request, a report in writing confirming the following:

- (a) that all Rental Units are being rented to Non-owners, and
- (b) for the Restricted Period only, that all Rental Units are being rented in accordance with Articles 4.0 and 5.0,

along with such other information as may be requested by the Director from time to time.

6.2 The Owner hereby authorizes the City to make such inquiries as it considers necessary in order to confirm that the Owner is complying with this Agreement.

6.3 The Owner acknowledges that it is within the City's sole discretion to consent or not to consent to modifications of this Agreement and that such consent may be withheld for any reason.

7.0 NOTICE TO BE REGISTERED IN LAND TITLE OFFICE

7.1 Notice of this Agreement (the "**Notice**") will be registered in the Land Title Office by the City at the cost of the Owner in accordance with section 483 of the *Local Government Act*, and this Agreement is binding on the parties to this Agreement as well as all persons who acquire an interest in the Lands after registration of the Notice.

8.0 LIABILITY

8.1 The Owner agrees to indemnify and saves harmless the City and each of its elected and appointed officials, employees and agents and their respective administrators, successors and permitted assigns, of and from all claims, demands, actions, damages, costs and liabilities, which all or any of them shall or may be liable for or suffer or incur or be put to by reason of or arising out of failure of the Owner to comply with the terms and conditions of this Agreement, or otherwise that would not have arisen "but for" this Agreement.

8.2 The Owner hereby releases and forever discharges the City and each of its elected and appointed officials, employees and agents and their respective administrators, successors and permitted assigns, of and from any and all claims, demands, actions, damages, economic loss, costs and liabilities which the Owner now has or hereafter may have with respect to or by reason of or arising out of the fact that the Lands are encumbered by and affected by this Agreement, or otherwise that would not have arisen "but for" this Agreement.

9.0 PRIORITY AGREEMENT

9.1 The Existing Chargeholder, as the registered holder of a charge by way of Mortgage and Assignment of Rents against the Lands, which said charges are registered in the Land Title Office at Victoria, British Columbia, under numbers CA7018184 and CA7018185, respectively, for and in consideration of the sum of One Dollar (\$1.00) paid by the City (the receipt whereof is hereby acknowledged), agrees with the City that upon filing of a Notice with the Land Title Office that the Lands are subject to this Agreement, pursuant to section 483(5) of the *Local Government Act*, this Agreement shall be an encumbrance

upon the Lands in priority to the said charges in the same manner and to the same effect as if Notice had been filed prior to the said charges.

10.0 GENERAL PROVISIONS

10.1 NOTICE. If sent as follows, notice under this Agreement is considered to be received:

- (a) upon confirmation of delivery by Canada Post if sent by registered mail,
- (b) on the next Business Day if sent by facsimile or email with no notice of failure to deliver being received back by the sender, and
- (c) on the date of delivery if hand-delivered, and

in the case of the City, addressed to:

City of Victoria
#1 Centennial Square
Victoria, BC V8W 1P6

Attention: Director of Sustainable Planning and
Community Development
Fax: 250-361-0386
Email: Planning-CommunityPlanning@victoria.ca

and in the case of the Owner, addressed to:

1172873 B.C. LTD.

4250 West Saanich Road
Victoria, B.C. V8Z 3G4
Attention: Ed Geric
Fax: 250-590-3606

with a copy to:

Cox, Taylor, Barristers & Solicitors
Attention: R. K. Gandhi
Email: gandhi@coxtaylor.ca

If a party identifies alternate contact information in writing to another party, notice is to be given to that alternate address.

If normal mail, email or facsimile service is interrupted by strike, work slowdown, force majeure, or other cause,

- (d) notice sent by the impaired service is considered to be received on the date of delivery, and
- (e) the sending party must use its best efforts to ensure prompt receipt of a notice by using other uninterrupted services, or by hand-delivering the notice.

- 10.2 TIME.** Time is of the essence of this Agreement.
- 10.3 BINDING EFFECT.** This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors, and permitted assignees. In accordance with section 483(6) of the *Local Government Act*, this Agreement and all obligations hereunder is binding on all who acquire an interest in the Lands, and the Owner only during the Owner's ownership of any interest in the Lands, and with respect only to that portion of the Lands of which the Owner has an interest.
- 10.4 WAIVER.** The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.
- 10.5 HEADINGS.** The division of this Agreement into articles and sections and the insertion of headings are for the convenience of reference only and will not affect the construction or interpretation of this Agreement.
- 10.6 LANGUAGE.** Words importing the singular number only will include the plural and vice versa, words importing the masculine gender will include the feminine and neuter genders and vice versa, and words importing persons will include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa.
- 10.7 LEGISLATION.** Reference to any enactment includes any regulations, orders or directives made under the authority of that enactment, and is a reference to that enactment as consolidated, revised, amended, re-enacted or replaced, unless otherwise expressly provided.
- 10.8 EQUITABLE REMEDIES.** The Owner acknowledges and agrees that damages would be an inadequate remedy for the City for 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.
- 10.9 CUMULATIVE REMEDIES.** No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.
- 10.10 ENTIRE AGREEMENT.** This Agreement when executed will set forth the entire agreement and understanding of the parties as at the date it is made.
- 10.11 FURTHER ASSURANCES.** Each of the parties will do, execute, and deliver, or cause to be done, executed, and delivered all such further acts, documents and things as may be reasonably required from time to time to give effect to this Agreement.
- 10.12 AMENDMENT.** This Agreement may be 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.
- 10.13 LAW APPLICABLE.** This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia.

10.14 NO DEROGATION FROM STATUTORY AUTHORITY. Nothing in this Agreement shall:

- (a) limit, impair, fetter or derogate from the statutory powers of the City all of which powers may be exercised by the City from time to time and at any time to the fullest extent that the City is enabled and no permissive bylaw enacted by the City, or permit, licence or approval, granted, made or issued thereunder, or pursuant to statute, by the City shall estop, limit or impair the City from relying upon and enforcing this Agreement; or
- (b) relieve the Owner from complying with any enactment, including the City's bylaws, or any obligation of the Owner under any other agreement with the City.

10.15 SEVERABILITY. If any section, term or provision of this Agreement is found to be partially or wholly illegal or unenforceable, then such sections or parts will be considered to be separate and severable from this Agreement and the remaining sections or parts of this Agreement, as the case may be, will be unaffected thereby and will remain and be enforceable to the fullest extent permitted by law as though the illegal or unenforceable parts or sections had never been included in this Agreement.

10.16 JOINT AND SEVERAL. The Owner, if more than one, are jointly and severally obligated to perform and observe each and every of the covenants, warranties and agreements herein contained by the Owner to be observed and performed.

10.17 COUNTERPARTS. This Agreement may be executed in counterparts and delivered by emailed PDF file, each of which will have the same effect as if all parties had signed the same document. Each counterpart shall be deemed to be an original. All counterparts shall be construed together and shall constitute one and the same Agreement.

10.18 EFFECTIVE DATE. This Agreement is effective as of the date of the signature of the last party to sign.

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year last below written.

**THE CORPORATION OF THE CITY OF)
VICTORIA** by its authorized signatories:)

MAYOR)

CITY CLERK)

Date signed: _____)

)

1172873 B.C. LTD.

by its authorized signatory:

Print Name: Edward Geric

Date signed: Oct 21/19

COAST CAPITAL SAVINGS FEDERAL CREDIT
UNION

by its authorized signatory(ies):

Print Name: BRADLEY LEYSATH

Print Name: RAJ WIRK

Date signed: Oct 21, 2019