

**HOUSING AGREEMENT (710 CALEDONIA AVENUE AND 1961 DOUGLAS STREET – AFFORDABLE RENTAL) BYLAW**  
A BYLAW OF THE CITY OF VICTORIA

The purpose of this Bylaw is to authorize an agreement for affordable housing for the lands known as 710 Caledonia Avenue and 1961 Douglas Street, 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 (710 CALEDONIA AVENUE AND 1961 DOUGLAS STREET – AFFORDABLE RENTAL) BYLAW (2023)".

**Agreement authorized**

- 2 The Director of Sustainable Planning and Community Development is authorized to execute the Housing Agreement:
- (a) substantially in the form attached to this Bylaw as Schedule A;
  - (b) between the City, Caledonia Equity Holdings Ltd (Inc. No. BC1308422) and Provincial Rental Housing Corporation (Inc. No. BC0052129) or other registered owners from time to time of the lands described in subsection (c); and
  - (c) that applies to the lands known as:
    - i. 710 Caledonia Avenue, Victoria, BC, legally described as:  
PID: 003-107-329, LOT 1 OF LOTS 732, 733, 734 AND 735, VICTORIA CITY, PLAN 23509; and
    - ii. 1961 Douglas Street, Victoria BC, legally described as:  
PID: 003-017-575, LOT A OF LOTS 736, 747, 748, 749 AND 751, VICTORIA CITY, PLAN 24557

READ A FIRST TIME the **16<sup>th</sup>** day of **November** 2023

READ A SECOND TIME the **16<sup>th</sup>** day of **November** 2023

READ A THIRD TIME the **16<sup>th</sup>** day of **November** 2023

ADOPTED on the \_\_\_\_\_ day of \_\_\_\_\_ 2023

CITY CLERK

MAYOR

# SCHEDULE A

**HOUSING AGREEMENT**  
**Below Market or Affordable Rental**  
(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:

**CALEDONIA EQUITY HOLDINGS LTD., (Inc. No. BC1308422)**  
1400-510 Burrard Street  
Vancouver, B.C. V6C 3A8  
  
(the "Lot 1 Owner")

AND:

**PROVINCIAL RENTAL HOUSING CORPORATION, (Inc. No. BC0052129)**  
1701-4555 Kingsway  
Burnaby, B.C. V5H 4V8  
  
(the "Lot A Owner" and together with the Lot 1 Owner, the "Owner")

AND:

**ROYAL BANK OF CANADA**  
4<sup>th</sup> Floor, 1055 West Georgia Street  
Vancouver, B.C. V6E 3S5  
  
(the "Existing Chargeholder")

**WHEREAS:**

- A. 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*.
- B. The Lot 1 Owner is the registered owner in fee simple of lands in the City of Victoria, British Columbia, with a civic address of 710 Caledonia Avenue, Victoria, B.C. and legally described as:

PID: 003-107-329,  
Lot 1 of Lots 732, 733, 734 and 735, Victoria City, Plan 23509



(the "Lot 1 Lands");

- C. The Lot A Owner is the registered owner in fee simple of lands in the City of Victoria, British Columbia, with a civic address of 1961 Douglas Street, Victoria, B.C. and legally described as:

PID: 003-017-575  
 Lot A of Lots 736, 747, 748, 749 and 751, Victoria City, Plan 24557;

(the "Lot A Lands" and together with the Lot 1 Lands, the "Lands").

- D. The Owner has applied to the City for an amendment to the City's Official Community Plan Bylaw and Zoning Regulation Bylaw No. 80-159 in relation to the Lands and for a development permit with variances to permit the Development.
- 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 to provide below-market rental housing.

**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 Capitalized terms used herein will have the respective meanings ascribed to them in section 1.2 of this Agreement, unless the context otherwise clearly requires or they are elsewhere defined herein.

- 1.2 In this Agreement:

"**Affordable Rent**" means a rent amount (including utilities) that does not exceed 30% of the respective Housing Income Limit applicable for each Dwelling Unit;

"**Applicable Tower**" means the north-eastern residential tower of the Development;

"**Below-Market Rent**" means a rent amount higher than Affordable Rent but below Market Rent;

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

"**Development**" means the new mixed-used development consisting of three residential towers (including the Applicable Tower) situated above a commercial podium and related facilities on the Lands;

"**Director**" means the City's Director of Sustainable Planning and Community Development or their designate;

"**Dwelling Units**" means the 133 self-contained residential dwelling units located within the Applicable Tower, and "**Dwelling Unit**" means any of such residential dwelling units located on the Lands;

"**Housing Income Limits**" means the annual "Housing Income Limits" that are determined from time to time by BC Housing and that apply to a particular Dwelling Unit. The parties agree that for 2023, the Housing Income Limits for Victoria are: 1 bedroom or less = \$50,000, 2 bedroom = \$65,000, 3 bedroom = \$82,000 and 4+ bedroom = \$95,500;

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

"**Market Rent**" means the rent (as determined by a professional appraiser acceptable to the City in the City's sole and absolute discretion) that a willing tenant would pay to a willing landlord to rent the Dwelling Unit in question pursuant to a Tenancy Agreement, on the open market in Victoria, British Columbia, having regard to any utility or other services or amenities available to the tenant or provided by the Owner as landlord;

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

"**Owner**" means the Lot 1 Owner and the Lot A Owner together, and includes a person who acquires a registered or beneficial 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 11.3;

"**Public Housing Body**" means a public housing body as prescribed in the *Residential Tenancy Act*;

"**Related Person**" means, in relation to the Owner, the following:

- (a) if the Owner is a corporation or society, then:
  - (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) an Immediate Family of a person to whom paragraph (i) applies, or
- (b) if the Owner is an individual, then an Immediate Family of the Owner;

"**Strata Plan**" means a strata plan filed in respect of the Lands or any subdivide portion thereof pursuant to the *Strata Property Act*;

"**Subdivided Parcel**" has the meaning ascribed to that term in section 7.3;

"**Tenancy Agreement**" means an agreement, lease, licence or other right of a Non-owner to occupy a residential unit. and

## 2.0 TERM

2.1 The term of this Agreement shall be for a period of 60 years beginning on the date the

City issues a final occupancy permit for the Development.

### **3.0 DWELLING UNITS TO BE USED AND OCCUPIED ONLY AS RENTAL UNITS**

- 3.1** The Owner covenants and agrees that the Dwelling Units shall only be used as rental housing, and for that purpose shall only be occupied by a Non-owner under the terms of a Tenancy Agreement between the Owner and the Non-owner who occupies the Dwelling Unit.

### **4.0 AFFORDABLE OR BELOW-MARKET HOUSING**

- 4.1** The Owner covenants and agrees that the Dwelling Units shall only be rented at Affordable Rent levels or Below-Market Rent levels in accordance with this Agreement.
- 4.2** The Owner further covenants and agrees that the Dwelling Units shall be operated by the Owner or a Public Housing Body.

### **5.0 APPRAISED MARKET RENT**

- 5.1** The Owners will determine, and inform the City of, the appraised Market Rent for each Dwelling Unit
- (a) prior to the City issuing a final occupancy permit for the Development; and
  - (b) thereafter, at any other time that the City may reasonably request, provided that without reasonable cause, the City will not request an appraisal less than 12 months after the date of the last previous such appraisal.

### **6.0 SUBDIVISION**

- 6.1 Subdivision Generally.** If the Lands are subdivided at any time hereafter either under the provisions of the *Land Title Act* or under the *Strata Property Act*, or under other similar legislation enacted from time to time, then upon the deposit of a plan of subdivision, a Strata Plan, or similar plan as the case may be, subject to section 6.2:
- (a) the rights and benefits of this Agreement herein granted will be annexed to and run with each of the new parcels, lots or other subdivided parcels and areas so created; and
  - (b) the burdens, obligations, agreements and covenants contained in this Agreement will continue to be noted on each of the new parcels, lots or other subdivided parcels and areas so created.
- 6.2 Subdivision by Strata Plan.** If the Lands, or any portion thereof, are subdivided by a Strata Plan:
- (a) the existence of this Agreement and the City bylaw authorizing and enacting it will be noted on the title of each individual strata lot and noted on the common property sheet;

- (b) the Owner will cause the strata corporation or the strata corporations created by the deposit of a Strata Plan to be obliged to perform and observe the Owner's applicable covenants in this Agreement, solely at the expense of the strata lot owners; and
- (c) the liability of each strata lot owner for the performance and observance of the Owner's covenants herein will be in proportion to the unit entitlement of their or its strata lot as established by the Strata Plan,

provided that, if the Lands are first subdivided by air space plan and then one or more of these parcels are further subdivided by Strata Plan, the easements and covenants registered concurrently with the air space plan may designate the air space parcel or the remainder, and therefore each strata lot owner and/or the strata corporation, responsible to perform and observe the Owner's covenants in this Agreement.

**6.3 Release of Notice.** Notwithstanding sections 6.1 and 6.2, if the portion of the Lands containing the Development is subdivided by air space plan or strata plan and any of the parcels created as a result of such subdivision do not contain any of the Dwelling Units (the "**Subdivided Parcel**"), the owner of such Subdivided Parcel may apply to the City to release the Notice (as defined in section 8.1) from title to the Subdivided Parcel. The City agrees to execute and deliver a release of this Agreement from title to the Subdivided Parcel, provided that:

- (a) the City will have no obligation to execute any such release until a written request therefor from the owner of the Subdivided Parcel has been received by the City, which request will include the form of release in registerable form;
- (b) the cost of preparation of such release and the cost of registration of same in the Land Title Office will be paid by the Owner; and
- (c) the City will have a reasonable time within which to execute such release and return the same to the Owner for registration.

## **7.0 REPORTING**

**7.1** The Owner covenants and agrees to provide to the Director, within thirty (30) days of the Director's written request, a report in writing confirming that:

- (a) all Dwelling Units are being rented to Non-owners or are vacant;
- (b) rent levels for the Dwelling Units are in accordance with this Agreement; and
- (c) all other requirements of this Agreement are being complied with, along with such other information as may be reasonably requested by the Director from time to time.

**7.2** 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.

**7.3** The City acknowledges that any report delivered by the Owner pursuant to Section 7.1 or

responses by the Owner to inquiries made under Section 7.2 may include a rent roll of the Dwelling Units with all personal information redacted for confidentiality purposes.

- 7.4 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.

#### **8.0 NOTICE TO BE REGISTERED IN LAND TITLE OFFICE**

- 8.1 Notice of this Agreement (the "Notice") will be registered in the Land Title Office by the City 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.

#### **9.0 LIABILITY**

- 9.1 The Owner agrees to indemnify and save 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.

- 9.2 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.

#### **10.0 PRIORITY AGREEMENT**

- 10.1 The Existing Chargeholder as the registered holder of a charge by way of mortgage and assignment of rents registered against title to the Lot 1 Lands, which said charges are registered in the Land Title Office at Victoria, British Columbia, under numbers CA9188273, as modified by CA430508 and CA9188274, as modified by CA430509, respectively (collectively, the "Existing Charges"), 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 Lot 1 Lands are subject to this Agreement, pursuant to section 483(5) of the *Local Government Act*, this Agreement shall be an encumbrance upon the Lot 1 Lands in priority to the Existing Charges in the same manner and to the same effect as if Notice had been filed prior to the Existing Charges.



## 11.0 GENERAL PROVISIONS

11.1 **NOTICE.** Any notice to be given under this Agreement shall be delivered to the parties via mail, email, facsimile or hand delivery as follows:

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  
Email: khoese@victoria.ca  
Fax: 250-361-0386

in the case of the Lot 1 Owner, addressed to:

Caledonia Equity Holdings Ltd.  
1400-510 Burrard Street  
Vancouver, BC V6C 3A8

Attention: Byron Chard, President  
Email: BChard@charddevelopment.com  
Fax: 236-259-4678

in the case of the Lot A Owner, addressed to:

Provincial Rental Housing Corporation  
1701-4555 Kingsway  
Burnaby, BC V5H 4V8

Attention: Director Regional Development Vancouver Island Region  
Email: jmceown@bchousing.org  
Fax: 250-475-7551

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

If a notice under this Agreement is delivered as aforesaid, then such notice 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.

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

- (a) notice sent by the impaired service is considered to be received on the date of delivery, and
- (b) 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.

- 11.2 TIME.** Time is of the essence of this Agreement.
- 11.3 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.
- 11.4 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.
- 11.5 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.
- 11.6 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.
- 11.7 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.
- 11.8 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.
- 11.9 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.
- 11.10 ENTIRE AGREEMENT.** This Agreement when executed will set forth the entire agreement and understanding of the parties as at the date it is made.
- 11.11 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.
- 11.12 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.

- 11.13 LAW APPLICABLE.** This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia.
- 11.14 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.
- 11.15 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.
- 11.16 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.
- 11.17 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.
- 11.18 EFFECTIVE DATE.** This Agreement is effective as of the date of the signature of the last party to sign.





