

## EXPLANATION

**A By-law to amend the Subdivision By-law  
Re: 2016 fee increases and housekeeping**

On June 28, 2016 Council resolved to amend the Subdivision By-law to further increase 2016 fees, to be effective September 1<sup>st</sup>, 2016. There were several errors in the enacted by-law which do not reflect the instructions given by Council. Enactment of the attached housekeeping by-law will correct those errors.

Director of Legal Services  
September 20, 2016

BY-LAW NO. \_\_\_\_\_

*ABF*

**A By-law to amend  
Subdivision By-law No. 5208 regarding 2016 fee increases and housekeeping**

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

1. In Schedule F of the Subdivision By-law, Council strikes out sections 5 and 6 and substitutes:

- “5           **CLASS V (Air Space)** - For an application to subdivide made pursuant to Part 9 (Air Space Titles) of the Land Title Act
  - (a) for developments having a Floor Space Ratio (FSR) greater than 3.0 \$73,200.00
  - (b) for developments having a Floor Space Ratio (FSR) of 3.0 or smaller, or where the application is solely for the purpose of creating air space parcels to secure separate tenure for public benefits such as libraries, theatres and other cultural amenities; for-profit affordable rental housing; social housing; and day care \$38,300.00
  
- 6           **CLASS VI (Freehold Rowhouses)** - For an application to subdivide pursuant to Section 223.2 of the Land Title Act \$8,770.00,  
 Plus, per freehold lot, \$1,150.00.”

2. A decision by a court that any part of this By-law is illegal, void, or unenforceable severs that part from this By-law, and is not to affect the balance of this By-law.

3. This By-law is to come into force and take effect on the date of enactment.

ENACTED by Council this \_\_\_\_\_ day of \_\_\_\_\_, 2016

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

## EXPLANATION

**Authorization to enter into a Housing Agreement****Re: 1184 Comox Street**

The owner of these lands has applied for a Development Permit under Development Permit Application Number DE418701 to enable it to develop on the lands a three-storey, multiple dwelling building containing six Dwelling Units for secured market rental with parking at grade, having vehicular access from the lane, and the Development Permit Application was approved by the Director of Planning in principle subject to a number of conditions, including a condition that the owner execute a Housing Agreement (to thereafter be entered into by the City by by-law enacted pursuant to Section 565.2 of the *Vancouver Charter*) in respect of all dwelling units in the development on the terms and conditions set forth in the prior-to development permit issuance letter dated May 11, 2016 to the applicant:

A Housing Agreement has been accepted and signed by the owner applicant and its mortgagees. Enactment of the attached By-law, as required by section 565.2 of the *Vancouver Charter*, will complete the process to implement the Director of Planning's condition regarding a Housing Agreement.

Director of Legal Services  
September 20, 2016

1184 Comox Street

ABF

BY-LAW NO. \_\_\_\_\_

**A By-law to enact a Housing Agreement  
for 1184 Comox Street**

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

1. Council authorizes the City to enter into a Housing Agreement with the owner of certain lands described as:

PID: 006-800-939  
PID: 006-800-912

West ½ of Lot 9 Block 23 District Lot 185 Plan 92  
Lot 10 Block 23 District Lot 185 Plan 92

in substantially the form and substance of the Housing Agreement attached to this By-law as Schedule A, and also authorizes the Director of Legal Services to execute the agreement on behalf of the City, and to deliver it to the owner on such terms and conditions as the Director of Legal Services deems fit.

2. This By-law is to come into force and take effect on the date of its enactment.

ENACTED by Council this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

SCHEDULE A

FORM\_C\_V21 (Charge)

LAND TITLE ACT  
FORM C (Section 233) CHARGE  
GENERAL INSTRUMENT - PART 1 Province of British Columbia

PAGE 1 OF 18 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.



1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

PLLR LAWYERS

Barristers and Solicitors

Suite 500 - North Tower, 5811 Cooney Road

Richmond

BC V6X 3M1

Applicant: Brian J.P. Corcoran

Tel: 604-276-2765

File No. 72160

Deduct LTSA Fees? Yes

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

SEE SCHEDULE

STC? YES

3. NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

SEE SCHEDULE

4. TERMS: Part 2 of this instrument consists of (select one only)

(a)  Filled Standard Charge Terms D.F. No.

(b)  Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

STRATHMORE LODGE LTD., INC. NO. BC0320109

CANADIAN WESTERN BANK (AS TO PRIORITY)

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

CITY OF VANCOUVER

453 WEST 12TH AVENUE

VANCOUVER

V5Y 1V4

BRITISH COLUMBIA

CANADA

7. ADDITIONAL OR MODIFIED TERMS:

N/A

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)

Brian J.P. Corcoran

Barrister & Solicitor

Suite 500 - North Tower

5811 Cooney Road

Richmond, BC

V6X 3M1

Execution Date

Y	M	D
16	08	09

Transferor(s) Signature(s)

STRATHMORE LODGE LTD., by its authorized signatory(ies):

Print Name: Andrew Rennison

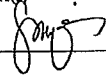
OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

LAND TITLE ACT  
FORM D

EXECUTIONS CONTINUED

Officer Signature(s)



**LEILANI P. SANQUI**  
A Commissioner for taking  
Affidavits for British Columbia  
#2200, 666 Burrard Street  
Vancouver, B.C. V6C 2X8  
Expires: January 31, 2017

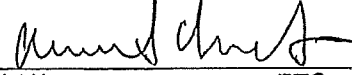
(As to all signatures)

Execution Date

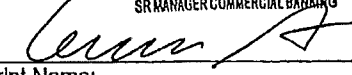
Y	M	D
16	08	18
16		

Transferor / Borrower / Party Signature(s)

CANADIAN WESTERN BANK, by its  
authorized signatory(les):



Print Name: **DANIEL PRETO**  
SR MANAGER COMMERCIAL BANKING



Print Name: **Lawrence Robinson**  
AVP Commercial Banking

CITY OF VANCOUVER, by its  
authorized signatory:

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

LAND TITLE ACT  
FORM E

SCHEDULE

---

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

**006-800-939 WEST 1/2 OF LOT 9 BLOCK 23 DISTRICT LOT 185 PLAN 92**

STC? YES

---

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

**006-800-912 LOT 10 BLOCK 23 DISTRICT LOT 185 PLAN 92**

STC? YES

---

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

STC? YES

---

LAND TITLE ACT  
FORM E  
SCHEDULE

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Covenant		Section 219 Covenant Entire Agreement

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Priority Agreement		granting above Covenant priority over Mortgage CA4438570 and Assignment of Rents CA4438571  Page 18

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
--------------------	------------	------------------------

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
--------------------	------------	------------------------

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
--------------------	------------	------------------------

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
--------------------	------------	------------------------



TERMS OF INSTRUMENT - PART 2  
HOUSING AGREEMENT AND BUILDING USE COVENANT  
1184 Comox Street

WHEREAS:

- A. It is understood and agreed that this instrument and Agreement will be read as follows:
- (i) the Transferor, **Strathmore Lodge Ltd. (Inc. No. BC0320109)**, is called the "Owner", as more particularly defined in Section 1.1; and
  - (ii) the Transferee, **City of Vancouver**, is called the "City" or the "City of Vancouver" when referring to corporate entity continued under the *Vancouver Charter*, and "Vancouver" when referring to geographic location;
- B. The Owner is the registered and beneficial owner of the Lands;
- C. By Development Permit Application Number DE418701 (the "Development Permit Application"), the Owner made an application to develop on the Lands a three-storey, multiple dwelling building containing six Dwelling Units for secured market rental with parking at grade, having vehicular access from the lane, and the Development Permit Application was approved by the Director of Planning in principle, subject to, among other things, fulfilment of the condition that, prior to issuance of the development permit (upon issuance, the "Development Permit"), the Owner enter into a Housing Agreement by by-law enacted pursuant to Section 565.2 of the *Vancouver Charter* securing as rental housing all of the Dwelling Units on the Lands for the longer of 60 years and life of the New Building, and subject to other conditions set forth in the prior-to development permit issuance letter of May 11, 2016 addressed to Mr. James Tod of JTA Development Consultants (the "Rental Housing Condition"); and
- D. The Owner and the City are now entering into this Agreement to satisfy the Rental Housing Condition.

NOW THEREFORE THIS AGREEMENT WITNESSES that for good and valuable consideration (the receipt and sufficiency of which the parties hereby acknowledge and agree to) the Owner and the City, and pursuant to Section 565.2 of the *Vancouver Charter* and Section 219 of the *Land Title Act*, agree as follows, in respect of the use of the Lands and the New Building:

ARTICLE 1  
DEFINITIONS AND INTERPRETATION

- 1.1 **Definitions.** Terms defined in this Section 1.1, unless specifically otherwise provided in this Agreement, will have the following meanings:
- (a) "Agreement" means this housing agreement and building use covenant, including the foregoing recitals and all schedules hereto;

- (b) "Application Date" means the date as of which the Development Permit Application is issued;
- (c) "Building Permit" means any building permit issued by the City authorizing the building of the New Building as contemplated by the Development Permit;
- (d) "Chief Housing Officer" means the person appointed as such from time to time by the City, and his/her successors in function and their respective nominees;
- (e) "City" and "City of Vancouver" have the meaning ascribed to those terms in Recital A(ii);
- (f) "City Manager" means the chief administrator from time to time of the City and his/her successors in function and their respective nominees;
- (g) "City Personnel" means any and all of the elected and appointed officials, and officers, employees, agents, nominees, delegates, permittees, contractors, subcontractors and volunteers of the City;
- (h) "Development Permit" means any development permit issued by the City authorizing the development of the Lands contemplated by the Development Permit Application as described in Recital C;
- (i) "Development Permit Application" has the meaning ascribed to that term in Recital C;
- (j) "Director of Legal Services" means the chief administrator from time to time of the City's Legal Services Department and her/his successors in function and their respective nominees;
- (k) "Dwelling Unit" means a self-contained dwelling unit, comprised of two or more rooms, including toilet, bathing and cooking facilities;
- (l) "Effective Date" means the date as of which this Agreement has been executed by all parties to it;
- (m) "Eligible Tenants" means the tenants who are residents of the Old Building as of the Application Date, and are identified in the Tenant Relocation Plan as eligible for the benefits set out therein, and "Eligible Tenant" means any one of them;
- (n) "Land Title Act" means the *Land Title Act* (British Columbia);
- (o) "Lands" means the parcel of land situate in Vancouver, British Columbia, and legally described in Item 2 of the Form C - General Instrument - Part 1, and includes any parcels into which such land is consolidated or further subdivided;
- (p) "Losses" means any and all damages, losses, fines, penalties, costs (including legal costs on a solicitor and own client basis), actions, causes of action, claims, demands, judgements, builders liens, liabilities, indirect or consequential

damages (including loss of profit and loss of use and damages arising out of delays) and expenses of every nature or kind whatsoever;

- (q) "New Building" means any new building or structure to be built on the Lands as contemplated by the Development Permit, and includes any portion of any such building or structure, but does not include temporary buildings or structures on the Lands during the period of, and required for the purposes of, any construction contemplated by the Development Permit;
- (r) "Occupancy Permit" means a permit issued by the City authorizing the use and occupation of any New Building, development or partial development on the Lands issued after the Effective Date;
- (s) "Old Building" means any building or structure on the Lands as of the Application Date;
- (t) "Owner" means the registered owner of the Lands as of the Effective Date, namely Strathmore Lodge Ltd. (Inc. No. BC0320109), and its successors and permitted assigns;
- (u) "Rate of Change Guidelines" means the Rate of Change Guidelines for Certain RM, FM, and CD-1 Zoning Districts adopted by City Council on May 24, 2007;
- (v) "Related Person" means, where the registered or beneficial owner of the Rental Housing Units is:
  - (i) a corporation (as that term is defined in the *Business Corporations Act* (British Columbia)), then a Related Person is:
    - (A) an officer, director or shareholder of such Owner or of another entity which is a shareholder of such Owner; or
    - (B) the spouse, parent, child, sibling, niece or nephew of any such officer, director or shareholder; and
  - (ii) an individual, then a Related Person is the spouse, parent, child, sibling, niece or nephew of such individual;
- (w) "Rental Housing" means a Dwelling Unit which is not occupied by the registered or beneficial owner of the same or by a Related Person, but which is made available by such owner to the general public, at arm's length, for use as rental accommodation on a month-to-month basis or longer in accordance with this Agreement, reasonably prudent landlord-tenant practices for rental residential accommodation and any and all laws applicable thereto, including, without limitation, residential tenancy and human rights legislation in British Columbia;
- (x) "Rental Housing Condition" has the meaning ascribed to that term in Recital C;
- (y) "Rental Housing Units" has the meaning ascribed to that term in Section 2.1(c) and "Rental Housing Unit" means any one such Dwelling Unit;

- (z) "Replacement Rental Housing Unit" has the meaning ascribed to that term in Section 2.1(c) and "Replacement Rental Housing Units" means some or all of such Dwelling Units, as the context implies;
- (aa) "*Residential Tenancy Act*" means the *Residential Tenancy Act* (British Columbia);
- (bb) "Returning Tenants" means the Eligible Tenants who accept the Owner's offer to relocate to the New Building, and exercise their right of first refusal, to move into the New Building after its completion and an Occupancy Permit has been issued, and "Returning Tenant" means any one of them;
- (cc) "Tenant Relocation Plan" means the Owner's Tenant Relocation Plan, which is prepared in compliance with Section 2 of the Rate of Change Guidelines, that has been approved by the Chief Housing Officer;
- (dd) "Term" means the term of this Agreement, which will commence on the Effective Date and will end on the later of:
  - (i) the 60 year anniversary of the Issuance of the final Occupancy Permit for the New Building; or
  - (ii) the date as of which the New Building is demolished or substantially destroyed;
- (ee) "Vancouver" has the meaning ascribed to that term in Recital A(ii); and
- (ff) "*Vancouver Charter*" means the *Vancouver Charter* (British Columbia).

1.2 Interpretation. In this Agreement:

- (a) Party. Any reference to a party herein will be deemed to include the heirs, executors, administrators, successors, assigns, employees, servants, agents, officers, contractors, licensees and invitees of such parties wherever the context so permits or requires.
- (b) Singular; Gender. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed to mean the plural or the feminine or body corporate or politic, and vice versa, as the context or the parties so require.
- (c) Captions and Headings. The captions and headings appearing in this Agreement have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or any of the provisions hereof.
- (d) References. References to the or this "Agreement" and the words "hereof" "herein" and similar words refer to this Agreement as a whole and not to any section or subsection or other subdivision hereof and any reference in this Agreement to a designated Recital, Section, subsection or other subdivision is a reference to the designated Recital, Section, subsection or subdivision hereof.
- (e) Governing Law. This Agreement will be governed by and construed in accordance

with the laws of the Province of British Columbia and the laws of Canada applicable in British Columbia. Any reference to a statute is to the statute and its regulations in force on the Effective Date and to subsequent amendments to or replacements of the statute or regulations.

- (f) Legislation. Any reference to a statute or by-law includes and is a reference to such statute or by-law and to the regulations made pursuant thereto, with all amendments made thereto and as in force from time to time, and to any statute, by-law and regulations that may be passed which have the effect of supplementing or superseding such statutes, by-laws and regulations.
- (g) Time. Time will be of the essence of this Agreement and each part of it. If any party expressly or impliedly waives this requirement, that party may reinstate it by delivering notice to the other party(ies). If a time is specified in this Agreement for observing or performing any obligation, such time will be local Vancouver, British Columbia time.

## ARTICLE 2 RESTRICTIONS ON USE OF LANDS AND SUBDIVISION

- 2.1 The Owner covenants and agrees with the City, in respect of the use of the Lands and the construction and use of the New Building, that, during the Term:
- (a) the Lands and the New Building will not be used in any way that is inconsistent with the terms of this Agreement;
  - (b) at its sole cost and expense, it will construct, fit and finish the New Building containing six Dwelling Units for secured market rental with parking at grade, in accordance with this Agreement, the conditions of enactment of the Development Permit, the Building Permit and all applicable City by-laws and policies, all to the satisfaction of the City;
  - (c) as of issuance of the Occupancy Permit for the New Building, all Dwelling Units in the New Building will be used only for the purpose of providing Rental Housing (the "Rental Housing Units") in accordance with the terms of this Agreement, and if the New Building is destroyed or demolished before the end of the Term, then any replacement building(s) built on the Lands (together with any remaining undestroyed or undemolished building) will also contain not less than the same number and type of replacement Dwelling Units as the New Building formerly contained, which replacement Dwelling Units will also be used only for the purpose of providing Rental Housing (each such replacement Dwelling Unit hereinafter referred to as a "Replacement Rental Housing Unit"), in accordance with the terms of this Agreement and the applicable by-laws of the City;
  - (d) it will not rent, licence to use or sublet, nor will it allow to be rented, licenced to use or sublet, any Rental Housing Unit (or Replacement Rental Housing Unit, as applicable) for a term of less than one month at a time nor to a Related Person;
  - (e) except by way of a tenancy agreement to which the *Residential Tenancy Act* applies, it will not suffer, cause or permit, beneficial or registered title to any

Rental Housing Unit (or Replacement Rental Housing Unit, as applicable) to be sold or otherwise transferred unless title to every one of the Rental Housing Units (or Replacement Rental Housing Units, as applicable) is sold or otherwise transferred together and as a block to the same legal and beneficial owner, as applicable, and subject to Section 8.8;

- (f) it will not suffer, cause or permit, the Lands or the New Building (or any replacement building(s) on the Lands, as applicable) or any part thereof, to be subdivided, whether by subdivision plan, strata plan or otherwise, without the prior written consent of the City which consent may be arbitrarily withheld;
- (g) that any sale of any Rental Housing Unit (or Replacement Rental Housing Unit, as applicable) in contravention of the covenant in Section 2.1(e), and any subdivision of the Lands or the New Building (or any replacement building(s) on the Lands, as applicable) or any part thereof, in contravention of the covenant in Section 2.1(f), will in each case be of no force or effect, and the City will be entitled to the cancellation of the registration of any offending transfer of title or plan, as the case may be, at the Owner's expense;
- (h) it will keep and maintain the New Building and all parts thereof in good repair and in a safe, clean, neat and tidy condition, to the standard of a reasonable and prudent owner of similar buildings;
- (i) if the New Building or any part thereof, is damaged it will promptly restore and repair the same whenever and as often as damage occurs, to at least as good a state and condition as existed before such damage occurred;
- (j) it will insure, or cause to be insured, the New Building and all parts thereof to the full replacement cost against perils normally insured against in Vancouver by reasonable and prudent owners of similar buildings and lands;
- (k) in the event of the substantial or complete destruction of the New Building (by cause or causes beyond the reasonable control of the Owner) prior to the 60 year anniversary of the issuance of the final Occupancy Permit, it will promptly take all steps reasonably necessary to enable it to build a replacement building or buildings on the Lands, which building(s) will be subject to the same use restrictions as the New Building pursuant to this Agreement for the duration of the Term.

### ARTICLE 3 RETURNING TENANTS

3.1 The Owner covenants and agrees with the City in respect of the use of the Lands and the New Building, that:

- (a) It will provide all Eligible Tenants with a right of first refusal to occupy a Rental Housing Unit in the New Building following issuance of the Occupancy Permit, based on length of occupancy of a Dwelling Unit in the Old Building and at a discounted rent as described in Section 3.1(d) and as is set forth in the Tenant Relocation Plan;

- (b) as of the Effective Date, it will provide the City with the rents agreed to be charged by the Owner to the Returning Tenants;
- (c) it will provide all Eligible Tenants with the notice, rent allowance, moving expenses and assistance and other benefits and assistance set out in the Tenant Relocation Plan;
- (d) the starting rent payable by each Returning Tenant will be 20% less than the starting rent that would have been payable by a tenant other than a Returning Tenant as of the time of occupancy in the New Building;
- (e) it will in all other respects comply with and fulfill the terms and conditions set out in the Tenant Relocation Plan; and
- (b) without limiting the general scope of Article 6, the Owner does hereby waive, remise and release absolutely any and all claims against the City and City Personnel for any Losses that may derive from the withholding of a Development Permit until there is compliance with the provisions of this Article 3.

**ARTICLE 4  
OCCUPANCY RESTRICTION ON THE LANDS**

- 4.1 The Owner covenants and agrees with the City in respect of the use of the Lands and the New Building, that:
- (a) the Lands and the New Building will not be used or occupied except as follows:
    - (i) the Owner will not apply for any Occupancy Permit in respect of, and will not suffer or permit the occupation of, the Lands or the New Building and will take no action, directly or indirectly, to compel the issuance of any Occupancy Permit until such time as the Owner has delivered, to the satisfaction of the Chief Housing Officer:
      - (A) proof of the insurance, consistent with the requirements of Section 2.1(j), is in force and effect as of the date of Occupancy Permit issuance, in form and substance satisfactory to the City;
      - (B) confirmation that the Rental Housing Units will be used only as Rental Housing as of Occupancy Permit issuance, in form and substance satisfactory to the City;
      - (C) confirmation that the Tenant Relocation Plan has been complied with, in form and substance satisfactory to the City;
      - (D) a final tenant relocation report which outlines the names of the Eligible Tenants; indicates the outcome of their search for alternate accommodation; summarizes the total

monetary value given to each Eligible Tenant (moving costs, rent, any other compensation); and includes a summary of all communication provided to the Eligible Tenants; and

- (E) particulars regarding each Returning Tenant including the unit number and type to be occupied by each and the starting rent that will be payable for same, together with evidence substantiating the rent discount;
- (ii) the City will be under no obligation to issue any Occupancy Permit, notwithstanding completion of construction of the New Building until such time as the Owner has complied with Section 4.1(a)(i); and
- (b) without limiting the general scope of Article 6, the Owner does hereby waive, remise and release absolutely any and all claims against the City and City Personnel for any Losses that may derive from the withholding of an Occupancy Permit until there is compliance with the provisions of this Article 4.

#### ARTICLE 5 RECORD KEEPING

- 5.1 The Owner will keep accurate records pertaining to the use, occupancy and rental rates charged of/for the Rental Housing Units (or Replacement Rental Housing Units, as applicable) such records to be to the satisfaction of the Chief Housing Officer. At the request of the Chief Housing Officer, from time to time, the Owner will:
- (a) make such records available for inspection and copying by City staff, subject to applicable restrictions in any tenancy, privacy and other laws which place limitations on such disclosure; and
  - (b) provide evidence of the insurance required to be taken out pursuant to Section 2.1(j).

#### ARTICLE 6 RELEASE AND INDEMNITY

- 6.1 Release and Indemnity. Subject to Section 6.2, the Owner hereby:
- (a) releases and discharges the City and all City Personnel from and against all Losses which may arise or accrue to the Owner and covenants and agrees to indemnify and save harmless the City and all City Personnel from and against all Losses which may arise, accrue or be incurred by the City or any City Personnel or which are made by any person, firm or corporation against the City or any City Personnel or which the City or any City Personnel may pay, incur, sustain or be put to:
    - (i) by reason of the City or City Personnel:
      - A. reviewing, accepting or approving the design, specifications, materials and methods for construction of the New Building or any part thereof;



- B. withholding any permit pursuant to this Agreement; or
  - C. exercising any of its rights under any Section 219 covenant, *Vancouver Charter* Section 562.2 housing agreement or other right granted to the City pursuant to this Agreement; or
- (ii) that otherwise arise out of, or would not have been incurred but for this Agreement;

whether or not such Losses are the result of, or relate in any way to any negligent acts or omissions on the part of the City or the City Personnel; and

- (b) covenants and agrees to indemnify and save harmless the City and City Personnel, from and against all Losses which may arise or accrue to any person, firm or corporation against the City or any City Personnel or which the City or any City Personnel may pay, incur, sustain or be put to, by reason of:
  - (i) any negligent act or omission or wilful misconduct of the Owner or any of the Owner's Personnel in connection with the observance and performance of the obligations of the Owner under this Agreement; or
  - (ii) any default in the due observance and performance of the obligations and responsibilities of the Owner under this Agreement.
- (c) The indemnities in this Article 6 will be both personal covenants of the Owner and integral parts of the Section 219 covenants granted in this Agreement.

#### 6.2 Conduct of Proceedings.

- (a) In the event that a claim is made against the City which, pursuant to the terms of this Agreement, requires the Owner to indemnify the City or City Personnel, then the City will give notice of such claim to the Owner and, subject to Section 6.2(b), the Owner will have the right, upon written notice to the City, to conduct the proceedings in defence of the claim.
- (b) Section 6.2(a) will not apply and the City will have the right to conduct the defence of any claim described in Section 6.2(a) in the following circumstances:
  - (i) where the City Manager determines that the proper administration of the municipal government requires that decisions with respect to the claim be made by the City;
  - (ii) where the City Manager determines that the public interest requires that the matter be resolved in an open and public way; or
  - (iii) where, in the opinion of the City Manager, the claim is of a nature where decisions with respect to settling or defending it would create a precedent with respect to other existing or potential claims affecting or involving the City;

provided however that if the City wishes to settle any claim, the City will not do so without the prior consent of the Owner, which consent will not be unreasonably withheld. In conducting any defence or making any settlement, the City will act in a manner reasonably consistent with the manner in which the City would act in connection with the defence or settlement of claims, suits, demands, actions or proceedings which would not be indemnified against under the provisions of this Section 6.2(b); and

- (c) Regardless of whether the claim is being defended under Section 6.2(a) or Section 6.2(b), the party having conduct of the proceedings will, upon written request of the other party, provide to the other party all information in its possession relating to the proceedings which may be properly disclosed at law. If the party not having conduct of the proceedings so requests in writing in a timely fashion, the party having conduct of the proceedings will join the other party as a third party to the proceedings.
- 6.3 Survival of Release and Indemnities. The release and indemnities in this Article 6 will remain effective, and survive any modification of, or partial release or release of the covenants created by this Agreement, and any termination of this Agreement, whether by fulfilment of the covenants contained in this Agreement or otherwise.

#### ARTICLE 7 NOTICES

- 7.1 All notices, demands or requests of any kind which one party may be required or permitted to give to the other in connection with this Agreement, will be in writing and will be given by registered mail or personal delivery, addressed as set forth below. Any such notice, demand or request will be deemed given:
- (a) if made by registered mail, on the earlier of the day receipt is acknowledged by the addressee or the third day after it was mailed, except when there is a postal service disruption during such period, in which case delivery will be deemed to be completed upon actual delivery of the notice, demand or request; and
- (b) if personally delivered, on the date when delivered.

If to the City, addressed to:

City of Vancouver  
453 West 12<sup>th</sup> Avenue  
Vancouver, British Columbia  
V5Y 1V4

Attention: City Clerk, with concurrent copies to the Chief Housing Officer and the Director of Legal Services

If to the Owner, addressed to:

Strathmore Lodge Ltd.  
#330 - 1639 West 2nd Avenue  
Vancouver, British Columbia  
V6J 1H3

Attention: Andrew Rennison

or to such other address in Canada as either party may specify in writing to the other party in the manner described above, provided that if and when the owner of the Land or any part thereof should change, in the absence of any such specification, then to the address as set out in the State of Title Certificate for that particular parcel of land.

#### ARTICLE 8 MISCELLANEOUS

- 8.1 Agreement Runs With the Lands. The covenants and agreements set forth herein on the part of the Owner will be covenants the burden of which will run with and will bind the Lands and will attach thereto, and run with each and every part into which the same may be subdivided or consolidated.
- 8.2 Agreement to be a First Charge. The Owner agrees to cause, at its sole cost and expense, the registrable Interests in land expressly agreed to be granted pursuant to this Agreement to be registered as first registered charges against the Lands, save only for any reservations, liens, charges or encumbrances:
- (a) contained in any grant from Her Majesty the Queen in Right of the Province of British Columbia respecting the Lands;
  - (b) registered against any of the titles to the Lands at the instance of the City, whether in favour of the City or otherwise, as a condition of any Development Permit; and
  - (c) which the Director of Legal Services has determined, in her sole discretion, may rank in priority to the registrable interests in land granted pursuant to this Agreement.
- 8.3 Enforcement. This Agreement may be enforced by mandatory and prohibitory orders of the court. In any action to enforce this Agreement if the City is entitled to court costs, it will be entitled to court costs on a solicitor and own client basis.
- 8.4 Severability. All the obligations and covenants contained in this Agreement are severable, so that if any one or more of the obligations or covenants are held by or declared by a court of competent jurisdiction to be void or unenforceable; the balance of the obligations and covenants will remain and be binding.
- 8.5 Vancouver Charter. Nothing contained or implied herein will derogate from the obligations of the Owner under any other agreement with the City or, if the City so elects, prejudice or affect the City's rights, powers, duties or obligations in the exercise

of its functions pursuant to the *Vancouver Charter*, and the rights, powers, duties and obligations of the City under all public and private statutes, by-laws, orders and regulations, which may be, if the City so elects, as fully and effectively exercised in relation to the Lands as if this Agreement had not been executed and delivered by the Owner and the City.

- 8.6 Waiver. The Owner acknowledges and agrees that no failure on the part of the City to exercise and no delay in exercising any right under this Agreement will operate as a waiver thereof nor will any single or partial exercise by the City of any right under this Agreement preclude any other or future exercise thereof or the exercise of any other right. The remedies herein provided will be cumulative and not exclusive of any other remedies provided by law and all remedies stipulated for the City herein will be deemed to be in addition to and not, except as herein expressly stated, restrictive of the remedies of the City at law or in equity.
- 8.7 Further Assurances. The Owner will execute such further and other documents and instruments and do such further and other acts as may be necessary to implement and carry out the provisions and intent of this Agreement including all acts necessary to ensure that this Agreement is noted on title to the Lands as a housing agreement pursuant to Section 565.2 of the *Vancouver Charter*.
- 8.8 Sale of Lands or New Building. Prior to the sale or transfer of any legal or beneficial interest in the Lands and/or the New Building or any part thereof (other than the transfer of an interest by way of mortgage, where the mortgagee has first granted the Section 219 Covenant contained herein priority, in form and substance satisfactory to the City, over its mortgage), subject always to Sections 2.1(e) and 2.1(f), the Owner will cause the purchaser/ transferee to enter into an assumption agreement with the City, in form and substance satisfactory to the Director of Legal Services, pursuant to which the purchaser/transferee will agree to be bound by all of the obligations, agreements and indemnities of the Owner under this Agreement. The provisions in this Section 8.8 will apply equally to all subsequent purchasers/transferees (other than a mortgagee that has first granted the Section 219 Covenant contained herein priority, in form and substance satisfactory to the City, over its mortgage).
- 8.9 Owner's Representations. The Owner represents and warrants to and covenants and agrees with the City that:
- (a) it has the full and complete power, authority and capacity to enter into, execute and deliver this Agreement and to bind all legal and beneficial interests in the title to the Lands with the interests in land created hereby;
  - (b) upon execution and delivery of this Agreement and registration thereof, the interests in land created hereby will encumber all legal and beneficial interests in the title to the Lands;
  - (c) this Agreement will be fully and completely binding upon the Owner in accordance with its terms and the Owner will perform all of its obligations under this Agreement in accordance with its terms; and
  - (d) the foregoing representations, warranties, covenants and agreement will have force and effect notwithstanding any knowledge on the part of the City whether

actual or constructive concerning the status of the Owner with regard to the Lands or any other matter whatsoever.

- 8.10 Enurement. This Agreement will enure to the benefit of and be binding upon the City and its successors and assigns, and this Agreement will enure to the benefit of and be binding upon the Owner and its successors and assigns.

IN WITNESS WHEREOF the parties have executed this Agreement on the Forms C or D which are a part hereof.

**CONSENT AND PRIORITY INSTRUMENT**

In this consent and priority instrument:

- (a) "Existing Charges" means the Mortgage registered under number CA4438570 and the Assignment of Rents registered under number CA4438571;
- (b) "Existing Chargeholder" means Canadian Western Bank;
- (c) "New Charges" means the Section 219 Covenants contained in the attached Terms of Instrument - Part 2; and
- (d) words capitalized in this instrument, not otherwise defined herein, have the respective meanings ascribed to them in the attached Terms of Instrument - Part 2.

For \$10 and other good and valuable consideration, the receipt and sufficiency of which the Existing Chargeholder acknowledges, the Existing Chargeholder:

- (a) consents to the Owner granting the New Charges to the City; and
- (b) agrees with the City that the New Charges charge the Lands in priority to the Existing Charges in the same manner and to the same effect as if the Owner had granted the New Charges, and they had been registered against title to the Lands, prior to the grant or registration of the Existing Charges or the advance of any money under the Existing Charges.

To witness this consent and priority instrument, the Existing Chargeholder has caused its duly authorized signatories to sign the attached General Instrument - Part 1.

**END OF DOCUMENT**