EXPLANATION

Authorization to enter into a Housing Agreement Re: 706-774 West 13th Avenue and 755-799 West 14th Avenue (Heather Place)

Following public hearing on April 15, 2014, in a Regular Council meeting on April 29, 2014, Council approved the rezoning of the referenced lands subject to a number of conditions, including a condition that the owner of these lands execute a Housing Agreement for a term of 60 years or the life of the building, whichever is longer, in respect of all dwelling units in the development on both sites combined, requiring, among other things, that all such units be used for social housing.

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

Director of Legal Services December 13, 2016 706-774 West 13th Avenue 755-799 West 14th Avenue



A By-law to enact a Housing Agreement for 706-774 West 13th Avenue and 755-799 West 14th Avenue (Heather Place)

		Mayor
ENACTED by Council this da	ay of	, 2016
2. This By-law is to come into for	ce and take effect on the date of its enactment.	
Schedule A, and also authorizes the Dir	nce of the Housing Agreement attached to this By- rector of Legal Services to execute the agreement on wher on such terms and conditions as the Director o	behalf
007-043-881 007-043-899	Lot B, Block 438, District Lot 526, Plan 19390 Lot C, Block 438, District Lot 526, Plan 19390	
PID Nos:	Legal Description:	
1. Council authorizes the City to elands described as:	enter into a Housing Agreement with the owner of o	certain
THE COUNCIL OF THE CITY OF VANCOU	JVER, in public meeting, enacts as follows:	

City Clerk

FORM_C_V21 (Charge)

FO	ND TITLE ACT RM C (Section 233) CHARGE NERAL INSTRUMENT - PART I Province	of British	Columbia		1481234184 PAGE 1 OF 28 PAGES
	Your electronic signature is a representation that Title Act, RSBC 1996 c.250, and that yin accordance with Section 168.3, and a true your possession.	ou ĥave ap	plied your ele	ctronic signati	ire
1.	APPLICATION: (Name, address, phone num METRO VANCOUVER HOUSI				agent)
	4330 KINGSWAY BURNABY	ВС	V5H 4G		Attention: Tim Collins Phone: 604-432-6487 North Lot - Building Use Covenant / Tenant Relocation South Lot - Building Use Covenant / Tenant Relocation
	BOITIAND	ЪС	V3(14G)	J	Deduct LTSA Fees? Yes
2.	PARCEL IDENTIFIER AND LEGAL DESC [PID] [LEGAL]	RIPTION L		-	5,0,1,100, 10
	SEE SCHEDU		TION		
	STC? YES [
3,	NATURE OF INTEREST		CHA	RGE NO.	ADDITIONAL INFORMATION
	SEE SCHEDULE				ABBITIONAL IN CIMIA HON
4.	TERMS: Part 2 of this instrument consists of (a) Filed Standard Charge Terms D.F. No A selection of (a) includes any additional or m		• -	(b) ✓ Exp	ress Charge Terms Annexed as Part 2
5.	TRANSFEROR(S):				
	METRO VANCOUVER HOUSE	NG CO	RPORAT	ION (INC	ORPORATION NO. 129319)
6.	TRANSFEREE(S): (including postal address	(es) and po	ostal code(s))		
	CITY OF VANCOUVER				
	453 WEST 12TH AVENUE				•
	VANCOUVER		BF	ITISH CO	DLUMBIA
	V5	Y 1V4	CA	NADA	
7.	ADDITIONAL OR MODIFIED TERMS: N/A				
8.	EXECUTION(S): This instrument creates, as the Transferor(s) and every other signatory ag charge terms, if any. Officer Signature(s)	signs, mod ree to be b	ound by this in	discharges or strument, and ution Date M D	governs the priority of the interest(s) described in Item 3 and acknowledge(s) receipt of a true copy of the filed standard Transferor(s) Signature(s) METRO VANCOUVER HOUSING
	KIMBERLY HO Commissioner for taking Affidavits For British Columbia to July 31, 2018.		16	12 09	CORPORATION, by its authorized
-	GVRD, GVWD, GVS&DB (Metro Vencouv 4330 Kingsway, Burnaby, BC V5H 4G6				Name: CAROL MASON Commissioner/Chief Administrative Officer
OEE	(as to both signatures)			L	Name:

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.

FORM	01	V21

· LAND TITLE ACT FORM D

EXECUTIONS CONTINUED				PAGE 2 of 28 PAGES
Officer Signature(s)	Execution Date			Transferor / Borrower / Party Signature(s)
<u></u>	Y 16	М	D	CITY OF VANCOUVER, by its authorized signatory:
				Name:
				•
•				

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.

)]	R AND LEGAL DESCRIPTION OF LAND: [LEGAL DESCRIPTION]					
7-043-881	LOT B BLOCK 438 DISTRICT LOT 526 PLAN 19390					
?7 YES 🗔						
CEL IDENTIFIER	AND LEGAL DESCRIPTION OF LAND: [LEGAL DESCRIPTION]					_
7-043-899	LOT C, BLOCK 438, DISTRICT LOT 526, PLAN 19390					
? YES 🗀						
· 153 []						
	CEL IDENTIFIER 7-043-899	CEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND: [LEGAL DESCRIPTION] [LOT C, BLOCK 438, DISTRICT LOT 526, PLAN 19390	CEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND: [LEGAL DESCRIPTION] [LOT C, BLOCK 438, DISTRICT LOT 526, PLAN 19390	CEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND: [LEGAL DESCRIPTION] [LOT C, BLOCK 438, DISTRICT LOT 526, PLAN 19390	CEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND: [LEGAL DESCRIPTION] [LOT C, BLOCK 438, DISTRICT LOT 526, PLAN 19390	CEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND: [LEGAL DESCRIPTION] [LOT C, BLOCK 438, DISTRICT LOT 526, PLAN 19390

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

YES 🔲

STC?

FORM_E_V21 · LAND TITLE ACT FORM E

SCHEDULE		PAGE	4	OF	28	PAGES
NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION				
Covenant		Section 219 Covenant				
NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION				
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NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION				
NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION			-	
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NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION				
NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION				
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TERMS OF INSTRUMENT - PART 2

HOUSING AGREEMENT AND BUILDING USE COVENANT 706-774 WEST 13TH AVENUE AND 725-799 WEST 14TH AVENUE HEATHER PLACE

WHEREAS:

- A. It is understood and agreed that this instrument and Agreement will be read as follows:
 - the Transferor, Metro Vancouver Housing Corporation, is called the "Owner" as more particularly defined in Section 1.1(v); and
 - (ii) the Transferee, City of Vancouver, is called the "City" or the "City of Vancouver" when referring to corporate entity and "Vancouver" when referring to geographic location;
- B. The Owner is the registered and beneficial owner of the Lands;
- C. The Owner made an application to rezone the Lands from CD-1 (Comprehensive Development) District 147 to two new CD-1 (Comprehensive Development) Districts to allow for development of a seven-storey residential building ("Building B") and a 10-storey residential building ("Building C") containing a total of 163 units of Social Housing on the portion of the defined herein as the North Lot and development of a five-storey residential building ("Building A") containing a total of 67 units of Social Housing on the portion of the Lands defined herein as the South Lot, and after a public hearing to consider the rezoning application, the rezoning application was approved by City Council in principle, subject to, among other things, fulfilment of the condition that, prior to enactment of the rezoning bylaw (the "Rezoning"), the owner execute an agreement in respect of all dwelling units on the Lands requiring that all such units be used for Social Housing, as such term is defined herein, and subject to such other terms and conditions as were set forth in the minutes of that public hearing (the "Social Housing Condition"); and
- D. The Owner and the City are now entering into this Agreement to satisfy the Social 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, pursuant to Section 565.2 of the *Vancouver Charter* and to Section 219 of the *Land Title Act*, agree as follows in respect of the use of the Lands and the Building:

ARTICLE 1 DEFINITIONS AND INTERPRETATIONS

- 1.1 <u>Definitions</u>. In this Agreement the following terms have the definitions now given:
 - (a) "Agreement" means this housing agreement and building use covenant, including the foregoing Recitals;

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Housing Agreement and Building Use Covenant 706-774 West 13th and 725-799 West 14th Avenue (Heather Place)

- (b) "Building A" has the meaning ascribed to that term in Recital C;
- (c) "Building B" has the meaning ascribed to that term in Recital C;
- (d) "Building C" has the meaning ascribed to that term in Recital C;
- (e) "Buildings" means all new, renovated or reconstructed buildings or structures to be built on the Lands, including Building A, Building B and Building C, 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, and "Building" means any one of the Buildings;
- (f) "City Manager" means the chief administrator from time to time of the City and 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) "Commencement Date" means the date as of which this Agreement has been executed by all parties to it;
- "Development Permit" means the development permit issued in respect of the Development and the Buildings contemplated by the Rezoning By-law;
- "Director of Legal Services" means the chief administrator from time to time of the Legal Services Department of the City and her/his successors in function and their respective nominees;
- (k) "Disabled Housing" has the meaning ascribed to such term in the Building Bylaw (2014) No. 10908, as may be amended from time to time;
- (I) "Eligible Tenants" means the tenants who are resident in the Existing Buildings as of the date on which the Owner made an application for the Development Permit, and are identified in the Tenant Relocation Plan as eligible for the benefits set out therein, and "Eligible Tenant" means any one of them;
- (m) "Existing Building" means any building or structure on the Lands as of the Commencement Date and "Existing Buildings" means more than one of them;
- (n) "Existing Building" means any building or structure on the Lands as of the Commencement Date;
- (o) "HiLs" means household income limits as set out in the current "Housing Income Limits" table published by the British Columbia Housing Management Commission, or equivalent publication;
- (p) "Land Title Act" means the Land Title Act, R.S.B.C. 1996, c. 250;

- (q) "Lands" means the lands described in Item 2 in the Form C attached hereto and for clarity, includes both the North Lot and the South Lot;
- (r) "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, 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;
- (s) "Managing Director of Social Development" means the chief administrator from time to time of the City's Social Development Department and his/her successors in function and their respective nominees;
- (t) "North Lot" means that portion of the Lands having a civic address of 706-774 West 13th Avenue, legally described as PID: 007-043-881; Lot B, Block 438, District Lot 526, Plan 19390 (the "North Lot");
- "Occupancy Permit" means a permit issued by the City authorizing the use and occupation of any building (including the Buildings), development or partial development on the Lands;
- "Owner" means Metro Vancouver Housing Corporation and all of its assigns, successors and successors in title to the Lands;
- (w) "Replacement Social Housing Unit" has the meaning ascribed to that term in Section 2.1(p), and "Replacement Social Housing Units" means more than one or all of such units, as the context requires;
- (x) "Residential Tenancy Act" means the *Residential Tenancy Act* S.B.C. 2002, c. 78;
- (y) "Returning Tenants" means the tenants identified in the Tenant Relocation Plan who wish to return to reside in one of the Buildings upon its completion, and "Returning Tenant" means any one of them;
- (z) "Social Housing" means rental housing:
 - in which at least 30% of the dwelling units are occupied by households with incomes below HILs;
 - (ii) which is owned by a non-profit corporation, by a non-profit co-operative association, or by or on behalf of the city, the Province of British Columbia, or Canada; and
 - (iii) in respect of which the registered owner or ground lessee of the freehold or leasehold title to the land on which the housing is situate has granted to the city a section 219 covenant, housing agreement, or other security for the housing commitments required by the City, registered against the freehold or leasehold title, with such priority of registration as the City may require;

- (aa) "Social Housing Condition" has the meaning ascribed to that term in Recital C;
- (bb) "Social Housing Units" means all dwelling units to be constructed on the Lands in accordance with the Development Permit, which units will comply with the terms hereof applicable to the same, and "Social Housing Unit" means any one of them, and those terms include each and all Replacement Social Housing Units constructed in a replacement building on the Lands, in the event of the destruction of the Buildings, or any part thereof, during the Term;
- (cc) "South Lot" means that portion of the Lands having a civic address of 755-799 West 14th Avenue, legally described as PID: 007-043-899; Lot C, Block 438, District Lot 526, Plan 19390 (the "South Lot");
- (dd) "Tenant" means a tenant of an Existing Building as of the date on which the Owner made an application for the Development Permit;
- (ee) "Tenant Relocation Plan" means the Owner's final Tenant Relocation Plan dated July 24, 2015, a copy of which is attached hereto as Schedule A;
- (ff) "Term" means the term of this Agreement, which will commence on the Commencement Date and will end on the later of:
 - the date as of which the Buildings are demolished or substantially destroyed; and
 - (ii) 60 years from the date when the final Occupancy Permit is issued for the Buildings; and
- (gg) "Vancouver Charter" means the Vancouver Charter S.B.C. 1953, c. 55.

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) <u>Singular; Gender.</u> 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) <u>Captions and Headings</u>. 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 date the Form C General Instrument - Part 1 is fully executed and to subsequent amendments to or replacements of the statute or regulations.
- (f) <u>Legislation</u>. Any reference to a statute includes and is a reference to such statute and to the regulations made pursuant thereto, with all amendments made thereto and as in force from time to time, and to any statute and regulations that may be passed which have the effect of supplementing or superseding such statutes and regulations.
- (g) <u>Time</u>. Time shall 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 shall be local Vancouver, British Columbia time.

ARTICLE 2 RESTRICTIONS ON USE AND SUBDIVISION

- 2.1 Pursuant to Section 219 of the Land Title Act, the Owner covenants and agrees with the City in respect of the use of the Lands and the Buildings that:
 - throughout the Term, the Lands and the Buildings will not be used in any way that is inconsistent with the terms of this Agreement;
 - (b) it will construct or cause to be constructed, and throughout the Term will maintain or cause to be maintained, the Buildings and the Social Housing Units in accordance with the Development Permit, any building permit issued pursuant thereto and the requirements of this Agreement;
 - (c) after completion of construction of the Buildings and the Social Housing Units and thereafter throughout the Term, the Social Housing Units will be used only for Social Housing;
 - (d) after completion of construction of the Buildings and the Social Housing Units and thereafter throughout the Term, no less than fifty-one percent (51%) of the total number of Social Housing Units on the Lands be suitable for families as per the City's High-Density Housing for Families with Children Guidelines, as may be amended from time to time;
 - (e) after completion of construction of the Buildings and the Social Housing Units and thereafter throughout the Term, no less than five percent (5%) of the total number of Social Housing Units on the Lands be suitable for Disabled Housing;

- (f) throughout the Term, all Social Housing Units will be made available for rental for a term of not less than one month;
- (g) the Owner will comply with the Tenant Relocation Plan which will meet the requirements of the Residential Tenancy Act and the City's Rate of Change Guidelines, including, without limitation, the following requirements:
 - (i) provide each Tenant with two months free rent;
 - (ii) provide Tenants with \$750 (per unit) for moving expenses;
 - (iii) provide either a first-right-of-refusal for Eligible Tenants to relocate into a replacement rental unit in the Buildings on the Lands after each has been constructed and an Occupancy Permit has been issued, or the opportunity to move to another rental unit off site or other form of agreed affordable housing;
- (h) provided that Section 2.1(c) is complied with at all times, at the time of initial occupancy of the first Building, a minimum of 23 percent (23%) of the Social Housing Units will be subsidized under the Owner's rent-geared-to-income program and an additional minimum of eleven and a half percent (11.5%) of the Social Housing Units will be rented at rates where the maximum occupancy charges are affordable to households with an income at or below HiLs;
- (i) within five (5) years of the issuance of an Occupancy Permit for the last to be constructed of Building A and Building B and thereafter throughout the Term, a minimum of thirty percent (30%) of the Social Housing Units will be rented at rates where the maximum occupancy charges are affordable to households with an income at or below HILs;
- (j) if the Owner is unable to achieve the requirements of Section 2.1(i) within five
 (5) years of the issuance of an Occupancy Permit for the last to be constructed of Building A and Building B, that this Agreement will be subject to a review by Vancouver City Council;
- (k) the Owner will undertake an annual review of the operating budget for the development on the Lands (including reasonable operating costs for the Buildings), in order to secure reinvestment of any surplus rental revenue from this development, back into deepening and/or widening the affordability of the Social Housing Units on site;
- (I) throughout the Term, 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 Social Housing Unit or any other part of the Lands or the Buildings to be sold or otherwise transferred unless title to the Lands (including the Building and every Social Housing Unit) is sold or otherwise transferred together and as a block to the same beneficial and legal owner, and unless such transferee concurrently enters into an assumption agreement satisfactory to the City whereby it agrees to be and thereafter remain bound by each and every term and condition of this Agreement applicable to the Owner; for clarity, the North Lot and the South Lot will be owned by the same owner at all times;

- (m) throughout the Term, it will not suffer, cause or permit the Lands or the Building to be subdivided by strata plan or air space plan without the prior written consent of the City, which consent may be arbitrarily withheld, except that the City will not unreasonably withhold consent to a subdivision by air space plan in connection with the construction of Building C;
- (n) throughout the Term, any sale of a Social Housing Unit in contravention of the covenant in Section 2.1(l), and any subdivision in contravention of Section 2.1(m), 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;
- (o) it will insure, or cause to be insured, the Building, the Social Housing Units 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 and, at the request of the City, will provide the City with evidence of insurance prior to the issuance of any Occupancy Permits; and
- (p) after completion of construction of the Buildings and thereafter throughout the Term, it will keep and maintain, or cause to be kept and maintained, the Buildings and all parts thereof in good repair and in a safe, clean, neat and tidy condition, reasonable wear and tear excepted. If any Social Housing Unit is damaged or destroyed before the end of the Term, the Owner will promptly restore and repair or replace the same (each such replacement Social Housing Unit hereinafter referred to as a "Replacement Social Housing Unit") whenever and as often as damage occurs, to at least as good a state and condition as existed before such damage occurred.

ARTICLE 3 RETURNING TENANTS

- 3.1 Without derogating from the covenant in Section 2.1(g), the Owner covenants and agrees with the City in respect of the use of the Lands and the Buildings, that:
 - (a) prior to issuance of a building permit for the first Building to be constructed, it will provide the City with a notarized declaration which demonstrates that each Eligible Tenant has been given written notice of the intent to re-develop the Lands; that indicates the number of units occupied in the Existing Building on the date of the notice; includes information on posting of notice regarding the intent to re-develop as per Section 3 of the Rate of Change Guidelines; and includes copies of a letter addressed to each Eligible Tenant summarizing the Tenant Relocation Plan offer;
 - 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;
 - it will in all other respects comply with and fulfil the terms and conditions set out in the Tenant Relocation Plan; and

(d) prior to issuance of an Occupancy Permit for the last Building to be constructed, it will provide the City with a final Tenant Relocation Plan report.

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 Buildings, that:
 - (a) the Lands and the Buildings 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 any Building and will take no action, directly or indirectly, to compel the issuance of any Occupancy Permit for the Lands or any Building; and
 - (ii) the City will be under no obligation to issue any Occupancy Permit permitting the use and occupation of the Lands or any Building, notwithstanding completion of construction of any Building,

until such time as the Owner provides the City with:

- (iii) confirmation that the Social Housing Units will be used as Social Housing as of Occupancy Permit issuance, in form and substance satisfactory to the City;
- (iv) confirmation that the Tenant Relocation Plan has been complied with, in form and substance satisfactory to the City; and
- (v) particulars regarding Returning Tenants including the unit number and type to be occupied by each and the starting rent that will be payable for the same, together with evidence substantiating the agreed rent discount, if any; and
- (b) without limiting the general scope of Article 7, 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 and occupancy of, and the rates charged for, the Social Housing Units, satisfaction of the steps indicated to be taken in the Tenant Relocation Plan, the relocation of Returning Tenants in the Buildings and such other matters as the City may request, such records to be to the

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Housing Agreement and Building Use Covenant 706-774 West 13th and 725-799 West 14th Avenue (Heather Place) satisfaction of the City. At the request of the City, from time to time, the Owner will make such records available for inspection and copying by the City. The City will comply with the Owner's statutory obligations with respect to privacy of such information.

ARTICLE 6 ENFORCEMENT

6.1 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 shall be entitled to court costs on a solicitor and own client basis.

ARTICLE 7 RELEASE AND INDEMNITY

- 7.1 Release and Indemnity. Subject to Section 7.2, 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. withholding any permit pursuant to this Agreement; or
 - B. exercising any of its rights under any Section 219 covenant or other right granted to the City pursuant to this Agreement; or
 - that otherwise arise out of, or would not have been incurred but for this Agreement;

except to the extent that such Losses are the result of, or relate in any way to any negligent act or omission or wilful misconduct 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 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.

The indemnities in this Article 7 will be both personal covenants of the Owner and integral parts of the Section 219 covenants granted in this Agreement.

7.2 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 7.2(b), the Owner will have the right, upon written notice to the City, to conduct the proceedings in defence of the claim.
- (b) Section 7.2(a) will not apply and the City will have the right to conduct the defence of any claim described in Section 7.2(a) in the following circumstances:
 - 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
 - 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 7.2(b); and

- (c) Regardless of whether the claim is being defended under Section 7.2(a) or Section 7.2(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.
- 7.3 Survival of Release and Indemnities. The release and indemnities in this Article 7 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 8 NOTICES

- 8.1 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, shall be in writing and shall be given by registered mail or personal delivery, addressed as follows:
 - (a) If to the City:

City of Vancouver 453 West 12th Avenue Vancouver, British Columbia V5Y IV4

<u>Attention</u>: City Clerk With concurrent copies to the Managing Director of Social Development and the Director of Legal Services

(b) If to the Owner:

Metro Vancouver Housing Corporation 4330 Kingsway Burnaby, British Columbia V5H 4G8

Attention: Director, Housing

and any such notice, demand or request will be deemed given:

- (c) 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
- (d) if personally delivered, on the date when delivered,

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 9 MISCELLANEOUS

9.1 <u>Agreement Runs With the Lands</u>. The covenants and agreements set forth herein on the part of the Owner shall be covenants the burden of which shall run with and shall

[00240599v5]

Housing Agreement and Building Use Covenant 706-774 West 13th and 725-799 West 14th Avenue (Heather Place)

- bind the Lands and shall attach thereto and run with each and every part into which the same may be subdivided or consolidated, subject to Section 2.1(m).
- 9.2 <u>Enurement</u>. This Agreement shall enure to the benefit of and be binding upon the City and its successors and assigns, and this Agreement shall enure to the benefit of and be binding upon the Owner and its successors and assigns.
- 9.3 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.
- 9.4 <u>Vancouver Charter</u>. 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 Roads and the Lands as if this Agreement had not been executed and delivered by the Owner and the City.
- <u>Waiver</u>. 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.
- 9.6 Perfection of Intention. The Owner shall, after execution hereof, do or cause to be done at its own cost and expense all things and 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 and also registered as a charge pursuant to Section 219 of the Land Title Act against title to the Lands with priority over all other encumbrances except those in favour of the City.
- 9.7 <u>Priority of Registration</u>. The Owner agrees to cause 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:
 - 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 the 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.
- 9.8 Further Assurances. Each party shall 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.
- 9.9 Owner's Representations and Warranties. 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;
 - 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 registered and beneficial owners of the Lands in accordance with its terms, and the Owner will perform all of the Owner's 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.

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

SCHEDULE A TENANT RELOCATION PLAN

END OF DOCUMENT

(00Z40599v5)

Housing Agreement and Bullding Use Covenant 706-774 West 13th and 725-799 West 14th Avenue (Heather Place)

Heather Place Tenant Relocation Plan

Conditions of Approval of Form of Development - Item 28 North Lot/Item 32 South Lot

This update is in reference to

A. Tenant Relocation Plan in Preparation for 'Building A' Construction

only.

All other provisions remain as attached to this document, and initially submitted March 23, 2015.

MVHC confirmed staged construction and outlined a compensation package to long term subsidized tenants on West 14th Avenue by way of a letter dated May 15, 2013 and to long term market tenants living on West 14th Avenue by way of a letter dated June 28, 2013. At that time, tenants were presented with a compensation package and promised one month free rent in the New Heather Place.

In order to fully meet the Rate of Change requirements MVHC will refund two months rent to tenants living on West 14th Avenue of Heather Place as of May 2013. Cheques will be Issued and forwarded to all tenants no later than mid September 2015. MVHC will not be offering free rent in the New Heather Place.

In Phase 2, we will provide relocation compensation when West 13th Avenue side is ready for demolition. A detailed listing of the tenants is attached as well as a history of each unit on West 14th Avenue from May 2013 to present.

Of the three remaining market tenant referred to in our initial submission, one has relocated from West 14th Avenue to West 13th Avenue. MVHC is holding open 3 three bedroom units for the remaining two households. The Rate of Change requirement to offer three alternate accommodations (two within the immediate neighbourhood) will be satisfied.

All tenants who relocated (either to West 13th Avenue other MVHC properties or to a private rental) will have the right of first refusal in the new Heather Place.

Heather Place Tenant Relocation Plan

Conditions of Approval of Form of Development - Item 28 North Lot/Item 32 South Lot

Introduction

Tenants at Heather Place first heard about a potential redevelopment of Heather Place when the MVHC met with them on April 15, 2010. The MVHC anticipated the impact of the redevelopment on existing tenants knowing it would be significant and unsettling. However, it could also be highly rewarding. By opening the door early to connection and dialogue, sharing of Information and working collaboratively with tenants on issues and opportunities, we could collectively manage through the change.

Since 2010, the MVHC has been working and connecting with all Heather Place tenants directly and through the Heather Place Tenant Association. The Tenant Relocation Plan outlines the actions taken to date, and what is planned for the future.

B. Tenant Relocation Plan in Preparation for 'Building A' Construction

Project Staging and Schedule

Fundamental to tenant relocation was a decision made in May 2013 to do the redevelopment of Heather Place in stages. Following meetings it was clear that this was the number one request of the Heather Place tenants. Willingness by the MVHC to design a staged approach demonstrated flexibility to accommodate tenant needs and helped form a foundation for trust between MVHC staff and tenants.

The existing Heather Place site has 86 townhouse units divided between 32 units on the South side of the lane (bisecting the site) and 54 units on the North side. To minimize the initial displacement of tenants it was decided to demolish and redevelop the South side first.

The 32 units of existing townhouse rental accommodation on the 'South' side of the lane would be replaced by 67 units of new multi-family housing in Phase 1 according to the following schedule:

Phase 1: Demolition of South Side ('West 14th Ave.'): late 2015 Construction of new South side 'Building A': 2016 and 2017 Move-in to new South side units: end of 2017/early 2018

The staging of the project greatly reduces the number of tenants that need to be moved at any one time.

Phase 2: Demolition of North Side: late 2018

Construction of new North Side: 2019 and 2020

Move-in to new South Side units: end of 2020/beginning of 2021

Importance of the Summer 2015 Deadline

During tenant consultation meetings, tenants emphasized that NOT moving during a school year was paramount and moving in the summer was strongly preferred. The summer of 2015 was agreed to be the sensible goal.

This was set based on a cascade of City of Vancouver approvals that decide when construction can begin, hence when tenants must move by. Each permit milestone depends on the preceding one:

- Rezoning approval in the Spring of 2014 (complete), as a precedent to:
- Development Permit approval by June 2015 (submitted early March), as a precedent to:
- Building Permit approval by July 2015, as a precedent to:
- Demolition Permit approval by August 2015, as a precedent to:
- Landlord's legal authority under the Residential Tenancy Act to issue two full months notice for any remaining tenants to vacate

Consequently, in preparation for demolition of the existing townhouses and construction of the new Building 'A' the MVHC would make it a priority to relocate existing tenants to the West 13th side of the complex, or to help find other alternative accommodation off site, prior to, but no later than the summer of 2015.

Right-of-First-Refusal for Relocation to Other MVHC Complexes

For a consideration time, the MVHC has reserved all new vacancies at any of the MVHC's 49 properties for Heather Place tenants on the South side who wish to move. As well, also for years now, the MVHC reserved any new vacancy on the Heather Place North side exclusively for South Side tenants wishing to relocate across the lane. Heather Place tenants were notified of this exclusive right and this has proven to assist many tenants who have taken advantage of the preferred status to relocate.

Tenant Move Outs - Success to Date

It is important to note that, at the time of writing, 31 of 34 tenants on the South side of the lane at Heather Place have already been relocated in preparation for Phase 1 (Building A) demolition and construction.

We are on, or ahead of schedule in tenant relocations.

Compensation and Consideration - Subsidized Tenants

Current Heather Place tenants with subsidized rents on the South (West 14th Ave.) side were identified as the priority to assist with moving costs. Tenants on subsidized rent typically have limited financial capacity to tolerate impacts such as moving costs and utility hook-up fees. They would require special consideration.

In May 2013 the 11 subsidized tenants on the West 14th (South) side were advised that they would be provided with assistance related to, and compensation for the displacement. This includes:

- Immediate priority to any vacancies on the West 13th Ave. side
- holding any new West 13th Ave. side vacancles for West 14th Ave. tenant transfers only
- priority for West 14th Ave. subsidized tenants to transfer to any other MVHC site ahead of BC Registry waitlist applicants
- cash compensation in accordance with BC Housing practice for all West 14th. Ave. side tenants in the amount of \$1000 plus an additional \$250 for each family member on the tenancy agreement
- a \$300 flat fee for utilities hook-ups and incidentals relating to moving
- last month's rent free if they stay until the end at the old Heather Place (in accordance with the Residential Tenancy Act)
- right of first refusal for a suite in the new Heather Place
- a flat amount of \$750 in consideration of moving expenses when it is time to move back into the new Heather Place
- 2 months free rent (tenant rent contribution for subsidized tenants) in the new Heather Place

The MVHC committed to work with each and every subsidized tenant family to find new accommodation and has done so.

Working over the last 18 months, the MVHC can confirm that all of the subsidized tenants on the West 14th Ave. side have now been successfully transferred to the West 13th Ave. side or to other MVHC properties.

Compensation and Consideration - Market Tenants

The MVHC has also provided that West 14th Ave. market tenants would receive assistance and compensation as follows:

- · Flat amount of \$750 per household
- priority to move to the West 13th Ave. side of Heather Place after all West 14th Ave. subsidized tenant transfer requests have been satisfied
- priority to transfer to any of the MVHC's 49 other sites after subsidized tenant transfer requests have been satisfied
- last month's rent free if they stay until the end at the old Heather Place (which is in accordance with the Residential Tenancy Act)
- right of first refusal for a suite in the new Heather Place
- 2 months free rent in the new Heather Place
- Identifying other purpose-built rental accommodation within a specified distance of Heather Place and making this and other assistance available to any market tenant requesting assistance

Working over the last 18 months, the MVHC can confirm that 20 of 23 market tenants on the West 14th Ave. side have now been transferred to the West 13th Ave. side or have found other accommodation.

Of the remaining three market tenants:

• two are actively working with the MVHC and considering offers of housing

 one refuses to accept that the project will proceed but nonetheless says he will move once legal Notice to Vacate is issued

Right of First Refusal for New Heather Place Units Following Construction

All existing tenants at Heather Place have been given a right of first refusal for units in the new Heather Place, subject to certain conditions. These are:

- If a tenant refuses to leave the West 14th Ave. side after they have been given formal RTA notice in the latter part of 2015, they will lose the right to return to Heather Place
- The right of first refusal offer is for Heather Place tenants in good standing only, i.e. no poor rental payment history or other issues actionable under the Residential Tenancy Act, whether the MVHC has prosecuted such action, or not.
- Subsidized units will be designated and allocated by lottery subject to MVHC policies and practices
- 4. Market units will be based on a lottery subject to MVHC policies and practices

Tenants that have moved away from Heather Place also have first right of refusal to return to the new Heather Place once the buildings are constructed. A list of those who have moved off-site in the last few years has been maintained to ensure that they can be contacted. As well, this list serves to enable the MVHC to provide ongoing communication regarding the project, including notification of upcoming tenant meetings.

Residential Tenancy Act

Under the provisions of the Residential Tenancy Act, the landlord may give notice under a section on "Eviction for Landlord Use of Property". This says that landlords must:

- Have all permits in place, including the demolition permit according to the City of Vancouver, prior to giving tenants a Notice to End Tenancy
- · Provide at least two months notice, and provide the last month's rent free
- · Accept short notice by the tenant, if requested, and only charge for the days used following notice.

Pets - Relocation Provision

The MVHC is a pet-friendly landlord and will continue to allow pets in any tenant transfers to other MVHC complex, as well as into the new Heather Place complex, in accordance with the existing Pet Policy.

A few tenants that had a pet prior to the introduction of the MVHC Pet Policy a few years ago reside at Heather Place. They were grandfathered at the time from having to comply with the policy. For example, they do not have to pay a pet deposit, nor must their pet necessarily conform to the pet policy. Following discussions the MVHC has agreed to continue the grandfathering of such pets in the new Heather Place providing they do pose a threat to people or property. This is mainly related to larger dogs that would otherwise not be allowed in the MVHC's housing complexes.

Fixed, Short Term Lease Tenants on West 14th Ave. Side

The MVHC is largely self-supported on tenant rental revenue. In addition, the construction of the new 230 unit Heather Place complex will be heavily supported by debt, have a significant subsidized tenant component, and will not generate revenue during a substantial construction period. These facts underscore the need to continue to generate as much rental revenue from Heather Place units as possible leading up to the demolition, and following the relocation of the permanent tenants.

With this in mind, the MVHC advertised and has filled temporary vacancies created by the relocation of permanent tenants as they have arisen. This has provided much needed short term tenancy opportunities, particularly for students. As a result, continued occupancy of Heather Place on the West 14th Ave. side generates much needed cash flow.

Working with Metro legal counsel, the MVHC created a short, fixed term tenancy lease that offered new tenants temporary accommodation up to July 1, 2015. Importantly, a letter was attached to, and forms part of the lease clearly establishing the temporary nature and purpose of the lease so that applicants have complete and unequivocal notice of the terms under which they are accepting the leasehold tenancy. This letter must be signed along with the lease document.

As such, temporary tenants on the West 14th Ave. side of Heather Place are not due, legally, morally or otherwise, any compensation at the end of their lease.

C. Tenant Relocation Into 'Building A' Following Construction

Tenant Entitlements

Subsidized and market tenants will be entitled to compensation upon their move-in to the new Heather Place:

- For subsidized tenants, cash compensation in accordance with BC Housing practice in the amount
 of \$1000 plus an additional \$250 for each family member on the tenancy agreement
- a flat amount of \$750 in consideration of moving expenses for market tenants
- 2 months free rent (tenant rent contribution for subsidized tenants) in the new Heather Place

To clarify tenant inquires, it has been confirmed that if tenants choose to later transfer to a Phase 2 suite following their initial occupancy of 'Building A', there will be no further compensation for subsequent transfers. The usual MVHC policy regarding tenant transfer requests will apply.

Affordable Rents - Special Existing Market Tenant Rent Subsidies

The MVHC has taken an extraordinary step in guaranteeing in writing to each existing Heather Place market tenant in residence prior to May 1, 2012 that, if on move in, their new Heather Place market rent exceeds 30% of their gross family income, they will get a rent subsidy providing they qualify in all other respects. This was covered in previous documentation provided to the City of Vancouver.

In order to qualify for this special subsidy, the usual subsidy qualification rules will apply. Tenants will have to make an application and be approved for assistance. This offer has been made available to all existing Heather Place tenants in a letter dated February 14, 2013, and was included in original documents submitted to the City of Vancouver at time of the rezoning application.

Existing subsidized tenants will continue to receive subsidies in accordance with the normal review and approval subsidy processes used by the MVHC.

Existing Heather Place Tenant Transfers from North Side to South Side

Following construction of the new 67 units on West 14th Ave. ('Building A'), tenants on the West 13th Ave. side will move across the lane into the new units on West 14th Ave. This process is expected to commence, likely in late 2017 or early 2018, following testing, commissioning and the occupancy permit.

The existing buildings on West 14th Ave. and the new 'Building A' have the following suite mix:

	Studio	1 BR	2BR	3 BR	Total
Existing W 13 th .	.0	4	36	14	54
New 'Building A'	10	21	23	13	67
Difference	+10	+17	-13	1	+13

In total, there are currently 54 suites on the North side of Heather Place. Following completion of 'Building A', likely most, but not all of these tenants will want to move into the new suites in the new complex:

From the above table, it can be seen that there could be an issue with insufficient supply of two and three bedroom units (whereas there is no issue with studio or 1 BR suites). It would appear that the MVHC may be short of thirteen 2BR and one 3BR units.

This will not be the case. While the exact shortfall, if any, is impossible to forecast, the following will reduce demand by existing tenants for (particularly) 2 BR units in Building A:

- 1. 'Over-housing' of Current Tenants Now: Presently, as of March 2015, there are five of the thirteen tenant families in 2 BR units that are "over-housed" meaning their family size doesn't justify a 2-BR unit. This situation is tolerated now due to legal reasons relating to their current tenancy agreements. However, this will end with the new tenancy agreements for the new complex. From the outset, this reduces the ostensible shortfall of 2 BR units in the new 'Building A' to eight only.
- 2. Over-housing In the Future Family Composition Change Over 3 years: Knowledge about many of the existing families who occupy the current 2 BR units at Heather Place indicates that family composition changes will play a large role in determining future housing needs at the time that the new 'Building A' is ready for occupancy. Some children simply move out as they get to this age range and family size shrinks. The 'empty-nester' who used to qualify for a larger unit may not in 2018, especially if they are on subsidized rent. At least two families fall in this category. This leaves six or less two-BR units required.
- 3. Subsidized Tenants Income Increases as Children Start Work: Tenants who currently qualify for subsidy may, through increases in income, lose their qualification. Usually this happens when dependent children reaching the age of nineteen and begin to earn income, or are assumed to earn income if they are not in full time attendance at a post secondary institution. This income is included in subsidy eligibility. Certain families in this situation will find they are ineligible for continued subsidized tenancy with the MVHC by 2018. Even if a subsidy isn't lost altogether, even a modest increase in income that reduces a rent subsidy and increases the tenant rent contribution can be a catalyst for tenants to consider other housing.
- 4. MVHC Legal Authority: Some over-housed market tenants that currently occupy multi-bedroom units presently choose to stay as they enjoy the extra space available at a modest rent, especially if they have been long term tenants. They simply didn't move after their children moved out. The tenancy agreements were written long ago, and the MVHC has no legal right to 'downsize' the tenants into smaller units. However, all market tenants that move into the new 'Building A' will need to apply for and sign a new tenancy agreement. The MVHC will be very reluctant to re-house any tenant in this situation and have legal authority to prevent this.
- 5. Normal Attrition: Normal attrition will play a role in reducing the requirement for 2 and 3 BR units for tenants wanting to return to Heather Place between now and 2018. All rental complexes see regular turnover as individuals and families move for employment, family or other reasons. In the last few years, tenant move-outs from Heather Place have created a number of units available for transfers from the West 14th side. This is testament to the expectation that notices from tenants will arise in the coming years through 2018.
- 6. Evictions: Eligibility for continued tenancy will also play a role. It is likely over the next 3 years (until 'Building A' is ready), that one or two market or subsidized tenants will breach their

tenancy agreement for non-payment of rent, consistent late rent payments or other tenancy agreement violations that will lead to eviction.

7. Smoke-Free Requirement: At least three families in 2 BR units have at least one family member that smokes. All tenants have been notified, repeatedly, that the new Heather Place is 100% smoke-free. This includes that there is absolutely no smoking in or around any unit – in fact, anywhere within the legal property boundaries of the MVHC parcels. This is non-negotiable and a fundamental term of the new tenancy agreement that has been drafted by Metro's solicitors. It is believed that some tenants will rather switch accommodation than fight this requirement.

While the above will reduce the demand for two and three BR units from tenants currently residing at Heather Place, requirements may still exceed demand. It may be necessary to find alternative arrangements for suitable 2-BR housing if this situation arises until the second phase of Heather Place is completed. Working with tenants, this is not expected to be an issue. Normal attrition, even at the MVHC's highly desirable Strathearn Court and Habitat Villa locations, will create opportunities for relocation, as well as the many other MVHC complexes.

Tenants Who Have Moved Off Site:

There are three tenant families that have moved off site that have said that they may want to come back to Heather Place. However, at least one wants to hold out until Heather Place is finished completely to avoid noise and other construction disruptions.

Of the remaining two families now off-site, experience by others in a co-op housing project found that after only a one year period, the number of those living off-site that wanted to return dropped by 50%. The Heather Place development, from this point forward, is likely still 3 years to occupancy, so perhaps one of the remaining off-site families may want to return, if any.

If necessary, the tenant(s) may have to wait for Phase 2. If this arises, it is not expected that this would likely cause any hardship, given that the off-site tenant is, and will have been at that point, settled in other accommodation for a considerable period of time.

Conclusion

The MVHC will continue to maintain close contact with on and off-site tenants over the next few years and ensure that all tenants are well informed of the project schedule.

Should the situation arise in 2018 that any existing, long-term on-site Heather Place tenant family, or off-site family still wants 2 BR accommodation in the new Building A, and none is available, there will be ample time to recognize this issue and make alternative, suitable arrangements.

This may include housing at another MVHC housing complex or through another source until a suite is available in Heather Place Phase 2.

Please direct any questions regarding this submission to the author, Don Littleford.