

Schedule "A"
HOUSING AGREEMENT

(Pursuant to Section 905 of the *Local Government Act*)

THIS AGREEMENT is made the ____ day of _____, 2008.

BETWEEN:

CITY OF PARKSVILLE

P.O. Box 1390
100 E. Jensen Avenue
Parksville, B.C. V9P 2H3

(the "**City**")

OF THE FIRST PART

AND:

CAREL PROPERTIES LTD.

2595 McCullough Road
Nanaimo, BC V9S 4M9

(the "**Owner**")

OF THE SECOND PART

WHEREAS

- A. Under section 905 of the *Local Government Act* the City may, by bylaw, enter into a Housing Agreement with an owner respecting the occupancy of the housing units identified in the Agreement, including but not limited to terms and conditions referred to in section 905(2) of the *Local Government Act*;
- B. The Owner is the registered owner in fee simple of lands in the City of Parksville, British Columbia, and legally described as:

PID 005-109-612
Lot 5, District Lot 14, Nanoose District, Plan 5797

(the "**Lands**");

- C. The provisions of the City of Parksville Zoning and Development Bylaw, 1994, No. 2000, section 204.2(b), entitle the Owner to an increase in the permitted density of development on the Lands, subject to the provision of certain amenities, including the Owner's entry into a section 905 Housing Agreement over the Lands;
- D. The City and the Owner wish to enter into this Agreement, as a Housing Agreement pursuant to section 905 of the *Local Government Act*, to secure the obligation of the Owner to provide rental housing units to persons of qualified income on the Lands.

NOW THIS AGREEMENT WITNESSES that pursuant to section 905 of the *Local Government Act*, and in consideration of the premises and covenants contained in this Agreement, the parties agree each with the other as follows:

1.0 DEFINITIONS

1.1 In this Agreement:

"Affordable Housing Unit" means a dwelling unit to which this Agreement applies.

"Commencement Date" means the date on which the term of this Agreement commences under section 2.1.

"Daily Amount" means Two Hundred (\$200.00) Dollars per day.

"Development" means the construction of a development on the Lands to which section 204.2(b) of the City of Parksville Zoning and Development Bylaw, 1994, No. 2000 applies.

"Household" means all persons residing together in an Affordable Housing Unit.

"Owner" includes a person who acquires an interest in the Lands and is thereby bound by this Agreement, as referred to in section 14.1

"Rent" means the amount of rent that may be charged by the Owner to a Tenant under this Agreement.

"Strata Corporation" means, for the portions of the Lands or a building on the Lands (including the Development) that are subdivided under the *Strata Property Act*, a strata corporation as defined in that Act.

"Tenant" means a person or persons to whom an Affordable Housing Unit has been rented or leased.

"Total Household Income" means the total income of a Tenant's Household, from all sources.

2.0 TERM

- 2.1 The term of this Agreement is fifteen (15) years (the "**Term**"), commencing on the earlier of July 1, 2009 or the issuance of an occupancy permit for the Development by the City of Parksville.
- 2.2 This Agreement shall be automatically renewed for a renewal term of fifteen (15) years (the "**Renewal Term**"), upon the expiry of the Term or a Renewal Term as the case may be, and on the same terms and conditions including this provision for automatic renewal, unless written notice has been given by the City or the Owner, at least six (6) months before the expiry of the Term or Renewal Term in question, that the City, or Owner, does not intend to renew this Agreement.

3.0 AFFORDABLE HOUSING UNITS

- 3.1 The Owner covenants and agrees that four (4) residential housing units within the Development, each with a floor area of not less than fifty (50m²) square metres, will be developed, and will thereafter be held and occupied throughout the Term, and any Renewal Term, as Affordable Housing Units under the terms of this Agreement.

4.0 FORM OF TENURE

- 4.1 The Owner covenants and agrees that for the Term of this Agreement and any Renewal Term, each Affordable Housing Unit shall be occupied only by a Tenant and the other members of the Tenant's Household, under the terms of a residential tenancy agreement that complies with this Agreement.

5.0 TENANT QUALIFICATION

- 5.1 The Owner covenants and agrees that each Affordable Housing Unit shall only be rented or leased to a Tenant whose Total Household Income is equal to or less than a Moderate Income as determined under section 5.2
- 5.2 For the purposes of this Agreement, a "Moderate Income" means the total income from all sources of a Household that is equal to or less than eighty (80%) percent of the median household income of residents of the City of Parksville (or nearest metropolitan area for which Statistics Canada compiles such data, if that agency does not compile separate household income data for the City of Parksville), as determined from time to time by Statistics Canada under the most recent census conducted by that agency. In the event that Statistics Canada does not determine the median household income, as aforesaid, in a calendar year while this Agreement is in effect, then for such year (the "**Current Year**")

the Moderate Income as calculated for the previous year of this Agreement (the "Previous Year") shall be adjusted in an amount equal to the percentage change in the Consumer Price Index (All Items) maintained by Statistics Canada for the City of Parksville or closest metropolitan area, from January 1 of the Previous Year to January 1 of the Current Year

6.0 RENT

6.1 The Owner covenants and agrees that the Rent payable by a Tenant for an Affordable Housing Unit as at the Commencement Date and for twelve (12) months following the Commencement Date shall not exceed EIGHT HUNDRED, TWENTY (\$820.00) DOLLARS per month.

6.2 The Owner further covenants and agrees that the Rent payable by a Tenant for an Affordable Housing Unit shall be increased no more than once annually throughout the Term and any Renewal Term, on the anniversary of the Commencement Date, and shall be increased by no more than the lesser of:

(a) four (4%) percent of the Rent payable by a Tenant during the previous twelve (12) month period; or

(b) the maximum rental increase permitted under the provisions of the *Residential Tenancy Act*, as amended or replaced from time to time.

7.0 RENTING AND LEASING REQUIREMENTS

7.1 Subject to the terms of this Agreement, the Owner shall not rent or lease an Affordable Housing Unit except under the terms of a written agreement that complies with the *Residential Tenancy Act* and this Agreement.

7.2 A copy of this Agreement must be attached to each residential tenancy agreement respecting an Affordable Housing Unit, and each such residential tenancy agreement shall:

(c) require the Tenant to acknowledge in writing that the rental of the Affordable Housing Unit is subject to the terms and conditions of this Agreement; and

(d) provide that the Affordable Housing Unit must not be occupied in breach of the provisions of this Agreement.

8.0 ROLE OF CITY

8.1 Nothing in this Agreement shall make the City responsible to the Owner for any breach or failure on the part of a Tenant to observe any of the terms or

conditions of the Tenant's residential tenancy agreement, including the obligation to pay Rent.

- 8.2 Nothing in this Agreement shall make the City responsible for any costs, expenses, liabilities, damages, actions or causes of action related to or arising from the use or occupancy of an Affordable Housing Unit, or the maintenance or repair of an Affordable Housing Unit, or any damage, loss, destruction of or to an Affordable Housing Unit.

9.0 TERMINATION OF TENANCY

- 9.1 The Owner agrees to terminate the tenancy of a Tenant who occupies an Affordable Housing Unit in breach of the terms of this Agreement, such termination to be in accordance with the requirements of the *Residential Tenancy Act*.

10.0 REPORTING

- 10.1 The Owner covenants and agrees to provide to the City's Director of Administrative Services, within thirty (30) days following the Commencement Date and on the annual anniversary of the Commencement Date, a report in writing setting out the following:

(a) written confirmation that the Affordable Housing Units are occupied solely by Tenants who continue to meet the selection criteria set out in section 5.1 of this Agreement, and information confirming the Total Household Income of each Tenant's Household, and the Rent that is being charged that Tenant.

- 10.2 The Owner covenants and agrees

(a) that if a strata plan is deposited for the Development, that the Strata Corporation will not pass bylaws that would restrict the availability, contrary to this Agreement, or the number of Affordable Housing Units; and

(b) to notify the City of any proposed amendments to its strata bylaws that may affect the terms of this Agreement.

- 10.3 The Owner acknowledges that it is within the City's sole discretion to consent or not to consent to modifications of this Agreement and that such consent may be withheld for no reason.

11.0 REMEDY FOR BREACH

- 11.1 The Owner covenants and agrees that in the event it charges a greater Rent for an Affordable Housing Unit than is permitted under the terms of this Agreement, the excess Rent collected by the Owner over and above the Rent permitted to be

charged (the "**Excess Rent**") shall constitute a debt due and owing to the City, in trust for the Tenant who paid the Excess Rent, and that the Owner will upon demand by the City remit to the City the amount of any Excess Rent paid by a Tenant within thirty (30) days.

- 11.2 The Owner acknowledges and agrees that:
- (a) the City requires affordable housing for Households having a Moderate Income;
 - (b) the Owner is entering into this Agreement to benefit the public interest in providing affordable housing for Households having a Moderate Income; and
 - (c) the City's rights and remedies under this Agreement are necessary to ensure that the purpose of providing affordable housing for Households having a Moderate Income is carried out.
- 11.3 The Owner therefore agrees that, in addition to any other remedies available to the City under this Agreement (including but not limited to a claim for Excess Rent) or at law or equity, if a Unit is used or occupied in breach of this Agreement or rented at a rate in excess of that permitted under this Agreement, the City shall give the Owner not less than thirty (30) days notice within which to remedy any breach of this Agreement and, in the event the Owner fails to remedy any such breach of this Agreement, the Owner will pay the Daily Amount to the City for each day of the breach of this Agreement following the expiration of the said thirty (30) day notice period.
- 11.4 In the event the Owner fails to remedy any breach of this Agreement within the said thirty (30) day notice period, the City may deliver an invoice to the Owner for the Daily Amount, which Daily Amount is due and payable to the City by the Owner one (1) month following receipt by the Owner of an invoice from the City for the same.
- 11.5 The Owner agrees that the City, at its option, may enforce payment of any amount outstanding under this Agreement, including any Excess Rent or the Daily Amount, in a Court of competent jurisdiction as a contract debt, by proceedings for the appointment of a receiver, or by any other method available to the City in law or in equity.
- 11.6 The Owner further acknowledges and agrees that the City's Daily Amount is a fair and reasonable estimate of the damages the City will sustain as a result of the loss of affordable housing due to a breach of this Agreement by the Owner and is not to be construed as a penalty or forfeiture but as liquidated damages.

12.0 MANAGEMENT OF AFFORDABLE HOUSING UNITS

12.1 The Owner covenants and agrees that it will maintain the Affordable Housing Units in a satisfactory state of repair and fit for habitation and will comply with all laws, including health and safety standards, applicable to the Affordable Housing Units. The Owner further covenants and agrees that it will provide good and efficient management of the Affordable Housing Units, in accordance with the standards of the owner or manager of first class residential property, and will permit representatives of the City to inspect the Affordable Housing Units at any reasonable time, subject to the notice provisions in the *Residential Tenancy Act*, and subject to the provisions of the *Community Charter* respecting inspection of property.

13.0 RELEASE AND INDEMNITY

13.1 The Owner hereby releases and forever discharges the City of and from any claim, cause of action, suit, demand, expenses, costs and legal fees whatsoever which the Owner can or may have against the City for any loss or damage or injury that the Owner may sustain or suffer that is related to or arises out of this Agreement.

13.2 The Owner covenants and agrees to indemnify and save harmless the City from any and all claims, causes of action, suits, demands, expenses, costs and legal fees whatsoever that anyone might have as owner, occupier or user of the Land, or by a person who has an interest in or comes onto the Land, or by anyone who suffers loss of life or injury to his person or property, that arises out of this Agreement, or the Owner's breach of a provision of this Agreement.

14.0 NOTICE TO BE REGISTERED IN LAND TITLE OFFICE

14.1 Notice of this Agreement will be registered in the Land Title Office by the City at the cost of the Owner in accordance with section 905 of the *Local Government Act*, and this Agreement is binding on the parties to this Agreement as well as all persons who acquire an interest in the Lands after registration of the Notice.

15.0 CITY POWERS UNAFFECTED

15.1 Nothing in this Agreement shall:

- (a) affect or limit the discretion, rights, duties or powers of the City under any enactment or common law, including in relation to the regulation of the use or subdivision of the Lands;
- (b) impose on the City any legal duty or obligation, including any duty of care or contractual or other legal duty or obligation, to enforce this Agreement;

- (c) affect or limit any enactment relating to the use or subdivision of the Lands or any condition contained in any approval granted by the City including a development permit respecting the development of the Lands; or
- (d) relieve the Owner from complying with any enactment, including a bylaw of the City, in relation to the use or subdivision of the Lands.

16.0 GENERAL PROVISIONS

Notice

16.1 If sent as follows, notice under this Agreement is considered to be received:

- (a) seventy-two (72) hours after the time of its mailing (by registered mail) or faxing, and
- (b) on the date of delivery if hand-delivered,

to the City:

City of Parksville
P.O. Box 1390

100 E. Jensen Avenue

Parksville, B.C. V9P 2H3
Attention: Director of Administrative Services
Fax: 250-954-4685

to the Owner:

Carel Properties Ltd.
2595 McCullough Road
Nanaimo, BC V9S 4M9
Attention: Joel McDaniel
Fax: (250) 729-0173

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

If normal mail service or facsimile service is interrupted by strike, work slow-down, force majeure, or other cause,

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

- (b) the sending party must use its best efforts to ensure prompt receipt of a notice by using other uninterrupted services, or by hand-delivering the notice.

Time

- 16.2 Time is to be the essence of this Agreement.

Binding Effect

- 16.3 This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors, and permitted assignees.

Waiver

- 16.4 The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.

Headings

- 16.5 The headings in this Agreement are inserted for convenience and reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Language

- 16.6 Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.

Cumulative Remedies

- 16.7 No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.

Entire Agreement

- 16.8 This Agreement when executed will set forth the entire agreement and understanding of the parties as at the date it is made.

Further Assurances

16.9 Each of the parties will do, execute, and deliver, or cause to be done, executed, and delivered all such further acts, documents and things as may be reasonably required from time to time to give effect to this Agreement.

Amendment

16.10 This Agreement may be amended from time to time upon terms and conditions acceptable to the parties.

Law Applicable

16.11 This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia.

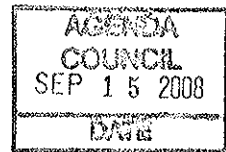
IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF PARKSVILLE by its authorized)
 signatories:)
 _____)
 Mayor)
 _____)
 Director of Administrative Services)

Officer Certification:

CAREL PROPERTIES LTD. by its
authorized signatory:

Joel McDaniel



CITY OF PARKSVILLE

BYLAW 1370.10

A BYLAW TO AMEND "OFFICIAL COMMUNITY PLAN BYLAW, 2002, NO. 1370"

WHEREAS Section 876 of the Local Government Act permits the City to amend the Official Community Plan Bylaw;

NOW THEREFORE the Municipal Council in open meeting assembled enacts as follows:

- 1. That "Official Community Plan Bylaw, 2002, No. 1370" is hereby amended:
(1) Section 4.2 Growth Management, Policies be amended by adding the following:
- Zoning amendment applicants are expected to show that the project proposed will provide demonstrable community benefit. Council will evaluate the application on this basis. Demonstrable community benefit means:
- providing a use that is responding to community need
- including an amenity that will benefit citizens of Parksville; this may include but is not limited to the following considerations:
- provision of affordable housing
- park dedication
- fire department contribution
- provision of additional off-site infrastructure
- Zoning amendment applications will be evaluated based on the impact that the proposal will have on community services.

2. This Bylaw may be cited for all purposes as "Official Community Plan Amendment Bylaw, 2008, No. 1370.10"

READ A FIRST TIME this day of 2008
READ A SECOND TIME this day of 2008
PUBLIC HEARING HELD this day of 2008
READ A THIRD TIME this day of 2008
ADOPTED this day of 2008

Mayor

Director of Administrative Services

CITY OF PARKSVILLE

BYLAW NO. 1452

A BYLAW TO EXEMPT CERTAIN LANDS AND IMPROVEMENTS FROM MUNICIPAL PROPERTY TAXATION FOR THE YEAR 2009.

WHEREAS Section 224(1) of the *Community Charter* provides that Council may, by bylaw, in accordance with that section, exempt land or improvements, or both, referred to in subsection (2) from taxation under Section 197(1)(a) [municipal property taxes], to the extent, for the period and subject to the conditions provided in this bylaw;

NOW THEREFORE the Municipal Council in open meeting assembled enacts as follows:

1. Those certain parcels or tracts of land and improvements, situated, lying and being in the City of Parksville, as described in Schedules "A" to "F", attached hereto and forming part of this bylaw, shall be exempt from taxation for the municipal portion for the year 2009 providing such properties are used for the purposes set out in Sections 220 and 224(2) of the *Community Charter*.
2. This bylaw will not apply to property in the event the use or ownership no longer conforms to the conditions necessary to qualify for exemption and will be liable to taxation.
3. This bylaw may be cited for all purposes as "Permissive Taxation Exemption Bylaw, 2008, No. 1452".

READ A FIRST TIME this day of 2008

READ A SECOND TIME this day of 2008

READ A THIRD TIME this day of 2008

SECTION 227 PUBLIC NOTIFICATION on the days of 2008

ADOPTED this day of 2008

Mayor

Director of Administrative Services

SCHEDULE "A"

TAXATION EXEMPTION PROPERTIES FOR 2009

Section 224(2)(a)

- a) Roll No. 158.500 – Lot 1, District Lots 2 and 50, Nanoose District, Plan VIP55660 – 200 N. Corfield Street [The Nature Trust of BC];
- b) Roll No. 180.000 – Lot 17, District Lot 13, Nanoose District, Plan 6836 – 144 Middleton Avenue [Parksville Seniors Activity and Drop In Centre Society];
- c) Roll No. 204.000 – Lot 41, District Lot 13, Nanoose District, Plan 6836 – 129 E. Jensen Avenue [Forward House Community Society];
- d) Roll No. 214.001 – Lot A, District Lot 14, Nanoose District, Plan VIP74182 – 188 W. Hirst Avenue [District 69 Society of Organized Services];
- e) Roll No. 366.901 – Lot 1, District Lot 89, Nanoose District, Plan 45926 – 245 W. Hirst Avenue [District 69 Society of Organized Services];
- f) Roll No. 366.903 – Lot A, District Lot 89, Nanoose District, Plan 49747 – 133 McMillan Street [Oceanside Community Arts Council and Parksville and District Association for Community Living];
- g) Roll No. 483.100 – Lots 1 to 4 inclusive, District Lot 89, Nanoose District, Plan 26728 – 118 McMillan Street [Parksville and District Association for Community Living].
- h) Roll No. 670.080 – Lot 1, Block 564, Nanoose District, Plan 22048 – 1245 Chattell Road [Parksville, Qualicum Fish and Game Association].
- i) Roll No. 650.000 – Lot A, District Lot 16, Nanoose District, Plan VIP65788 – Bisect Ermineskin ALR Land [Island Corridor Foundation].
- j) Roll No. 19458051 – Lot A, District Lot 40, Nanoose District, Plan VIP59337 – Herring Gull portion to Highway Scale [Island Corridor Foundation].
- k) Roll No. 19458052 – Lot 1, Block 1494, Nanoose District, Plan VIP64444 – Herring Gull Behind Works Yard [Island Corridor Foundation].
- l) Roll No. 19458053 – Lot A, Block 1495, Nanoose District, Plan VIP64448 except part in Plan VIP86410 – 600 Alberni Highway [Island Corridor Foundation].

SCHEDULE "B"

TAXATION EXEMPTION PROPERTIES FOR 2009

Section 224(2)(c)

- a) Roll No. 125.200 – Lot 1, District Lot 13, Nanoose District, Plan VIP71491 – 149 E. Stanford Avenue [Parksville Lawn Bowling Club];
- b) Roll No. 158.001 – Lease Area "A" of that Part of the Remainder of Parcel "B" (DD34903-I), District Lot 13, Nanoose District, Plan VIP67307 – 193 E. Island Highway [Regional District of Nanaimo/Parksville Curling Club];
- c) Roll No. 770.16 – Lot 16, District Lot 4, Nanoose District, Plan VIS2590 – 116 - 425 Stanford Avenue East [Oceanside Cadet Youth Society]
- d) Roll No. 670.040 – Lot 8, Block 564, Nanoose District, Plan 33339 Except Plan VIP60816 and Plan VIP62488 – 1245 E. Island Highway [Parksville and District Historical Society];
- e) Roll No. 670.041 – Part of Lot 8, District Lot 40, Nanoose District, Plan 33339 – 1275 E. Island Highway [Parksville and District Chamber of Commerce].

SCHEDULE "C"

TAXATION EXEMPTION PROPERTIES FOR 2009

Section 224(2)(f)

- a) Roll No. 218.000 – Lots 6 and 7, District Lot 14, Nanoose District, Plan 5663 except Plan 36767 – 187 Alberni Highway [Governing Council of Salvation Army BC & Yukon Territory Divisional Headquarters];
- b) Roll No. 366.085 – Lot 1, District Lot 74, Nanoose District, Plan 34131 – 795 W. Island Highway [Our Saviour Lutheran Church];
- c) Roll No. 366.365 – Lot A, District Lot 87, Nanoose District, Plan 41355 – 550 N. Pym Street [Trustees Parksville Baptist Church];
- d) Roll No. 366.665 – Lot 4, District Lot 74, Nanoose District, Plan 2467 – 407 Wembley Road [Anglican Synod Diocese of BC];
- e) Roll No. 605.801 – Lot 1, District Lot 127, Nanoose District, Plan 34272 – 345 Pym Street [Trustees Congregation of Knox United Church].

SCHEDULE "D"

TAXATION EXEMPTION PROPERTIES FOR 2009

Section 224(2)(g)

- a) Roll No. 217.000 – Lots 4 and 5, District Lot 14, Nanoose District, Plan 5663 – 170 W. Hirst Avenue [Mt. Arrowsmith (Pacific No. 49) Branch Royal Canadian Legion/Arbutus Grove Reformed Church].

SCHEDULE "E"

TAXATION EXEMPTION PROPERTIES FOR 2009

Section 224(2)(h)

- a) Roll No. 144.010 – Lots 29 and 30, District Lot 13, Nanoose District, Plan 1565 – 205 E. Jensen Avenue [Parksville Lions Senior Citizen Housing Society];
- b) Roll No. 283.000 – Lot 8, District Lot 4, Nanoose District, Plan 5797 – 312 W. Hirst Avenue [Kingsley Low-Rental Housing Society];

SCHEDULE "F"

TAXATION EXEMPTION PROPERTIES FOR 2009

Section 224(2)(j)

- a) Roll No. 295.011 – Lot A, District Lot 14, Nanoose District, Plan 2536 – 266A S. Moilliet Street [Arrowsmith Rest Home Society].
- b) Roll No. 295.012 = Lot B, District Lot 14, Nanoose District, Plan 2536 – 266B S. Moilliet Street [Arrowsmith Rest Home Society].