

Attachment 3

Housing Agreement Principles Letter

65 First Street

Housing Agreement Principles

December 2024

We, the owner(s) of 65 First Street, agree to the following principles prepared by the City of New Westminster that will form the basis for the Housing Agreement legal documents that will govern the development and operation of both the below-market rental units and the market rental units comprising Tower A, which will be built at the aforementioned property:

- 1) This agreement relates to Tower A, proposed to be rental in tenure and comprising the market and below-market residential rental units ("the rental units") to which this agreement refers.
- 2) Tenants and occupants of the rental units will have unimpeded access to Tower A indoor and outdoor common amenity areas, as well as the parkade and bicycle storage and maintenance facilities ("the amenity areas"). Use of the amenity areas by the tenants and occupants of the rental units will be subject to the same equitable rules and regulations that are applicable to all residential units of the Project.
- 3) Access to the rental units will be through Tower A common entries and lobbies.
- 4) Access to accessible vehicle parking shall be provided in accordance with Zoning Bylaw requirements.
- 5) Access to bicycle parking will be provided to the rental units at no extra charge to the rental unit tenants, and at least one bicycle parking space shall be made available to each rental unit.
- 6) The owner(s) agrees to install mechanical cooling in each rental unit that can be used to maintain reasonable indoor temperatures (as specified by Fraser Health or the BC Ministry of Health or other agencies) during periods of warm or hot exterior temperatures.
- 7) The owner(s) does not intend to strata title the individual rental units. A "no strata title" will be placed on title against Tower A to ensure all units remain as rental for the term of this agreement. As such, the City will register the Housing Agreement against Tower A of the lands with a clause stating that once the airspace parcel(s) has been formed, the City will register a plan reducing the covenant area to two legal parcels. One will contain all the market rental units and the other will contain all the below-market rental units. At the same time, a discharge of the Housing Agreement will be filed from the remainder of the parcel, being Tower B.
- 8) Common amenity area maintenance and building operating systems for Tower A will be operated and managed by Kinnaird Konversion Limited Partnership (KKLP) and charged back to the non-profit operator for below-market rental unit use on a prorated basis, at a rate equal or lesser to that charged for use by market rental units.
- 9) The rental tenure will be guaranteed for 60 years or the life of the building, whichever is longer.
- 10) All units shall be rented for long-term rental uses, and all Tenancy Agreements must be one month or longer in tenancy length.

- 11) Article 2 (Use and Construction of Lands and Secured Rental Units) and Article 3 (Disposition and Acquisition of Secured Rental Units) of the Housing Agreement will be attached to every Tenancy Agreement.

Market Rental Housing

- 12) The Housing Agreement will not restrict tenant eligibility or market rent.
- 13) The market rental unit(s) shall be owned by one entity. If the owner(s) need assistance in operating the market rental unit(s), the owner(s) can engage the services of a property management service with expertise in managing rental residential properties in order to operate the rental unit(s).
- 14) At least 42% of the market rental units shall have two or more bedrooms, including at least 12% of the market rental units that shall have three or more bedrooms.

Below-Market Rental Housing

- 15) Below-market rental housing units will be owned and operated by a governmental or registered non-profit or charitable organization / operator with a mission to provide affordable housing ("housing operator"), approved in writing by the Director of Planning and Development, prior to purchase and sale or transfer of the units.
- 16) If there is a change in housing operator, the Director of Planning and Development at the City must be notified in writing. The Director of Planning and Development must subsequently approve the change in operator prior to sale and/or transfer of the units.
- 17) The maximum chargeable rent on the below-market units will be set at time of tenancy assignment at 10% below the currently reported Canada Mortgage and Housing Corporation (CMHC) rental market median rent, all years, for New Westminster, as specified by bedroom type. Annual rent increases as permitted under the Residential Tenancy Act (RTA).
- 18) The below-market rental units will be rented out to eligible tenants, defined as those who have before-tax household incomes at or below the incomes for that unit type (number of bedrooms) as specified in the Housing Income Limits (HILs) for the Vancouver planning area most recently published by BC Housing.
- 19) At least 40% of the below-market rental units shall have two or more bedrooms (12 out of 30 units), including at least 10% of the below-market rental units that shall have three or more bedrooms (3 out of 30 units).
- 20) The housing operator shall verify tenant eligibility for below-market rental units at the time of a new tenancy for the unit.
- 21) The housing operator shall verify tenant eligibility for existing below-market tenants every five years.
- 22) The housing operator agrees that upon the written request of the City, but not more frequently than annually, the Owner will provide a report, in writing and including the

rent roll, confirming to the City's satisfaction that the operator continues to provide below-market housing units pursuant to this agreement.

- 23) The owner(s) and/or housing operator of the below-market rental units will not be allowed to charge tenant(s) of the below-market rental units for sanitary sewer, storm sewer, water, or property tax, nor shall such a tax be charged through a third-party provider of these services contracted by the owner.

Date (month, date, year) of signing this letter: _____

Name of owner (organization name): _____

Name of person signing on behalf of organization:

Signature of person signing on behalf of organization (please sign below):
