

**VILLAGE OF FRUITVALE
SPECIAL COUNCIL MEETING AGENDA
Council Chambers**

Monday, June 18, 2018

4 pm

Page

A. CALL TO ORDER

B. PURPOSE OF THE MEETING

The purpose of the Special Meeting of Council for June 18, 2018 is to:

- Provide a brief on various elements of the Village operations over the last six weeks
- Provide an verbal update on the Davis Ave project
- Provide an update on the BVMS site and potential funding sources

C. ADOPTION OF AGENDA

D. BUSINESS AT HAND

2-6

a) CAO General Update

THAT Council receive the report.

7-19

b) BC Housing Project Development Fund (PDF)

THAT Council approve BC Housing's Project Development Fund (PDF) for the initial financing of the BVMS site's development.

E. CORRESPONDENCE REQUIRING ACTION

20-21

a) UBCM Announcement

THAT Council selects UBCM attendees and meetings with Ministers.

F. IN CAMERA SESSION

This next session of Council is closed as per the *Community Charter* Part 4, Division 3, 90 (e).

G. NEW BUSINESS

H. ADJOURNMENT



THE CORPORATION OF
THE VILLAGE OF FRUITVALE
In the "HEART OF THE BEAVER VALLEY"

GENERAL UPDATE REPORT

June 14 for the June 18th, 2018 Special Meeting of Council

Finance.

- 2018 audit follow-up ongoing;
- Provincial reporting completed/2018 budget submitted;
- Property taxes prepared, sent week of May 22nd with some ongoing correspondence.

Administration & Operations

- Sewer headworks project ongoing – gravity main installed; grant reporting and invoice claims being registered & submitted; Some ~\$500,000 in construction/design work recorded to date;
- Davis Ave Tender process resulted in one bid, for \$1.264 m; staff now reviewing options; separate components being considered. PW starting work on sewer on June 13.
- Registration of Mountain St SRWs remains outstanding but surveys have been ordered and have been sent to the two property owners affected. Replacement landscaping by two property owners underway, with the Village covering up to \$2000/property with receipts; road re-surfacing completed the week of May 28;
- SRWs along drainage below Davis Ave to be explored. Council may wish to consider incentives, like partial tax exemptions, over a set period of time, to encourage property owners.

Human Resources

- Casual Office Assistant hired;
- PW Temporary Labourer hired.
- Summer student hired.

Public Works

- Facilities and Parks
 - The Fruitvale Memorial Center (FMC) Gym Expansion witnessed some impacts from the high water tables in May; some blistering of the floor surface but nothing to disallow gym use. Input from the contractor (via an engineering firm) would have the Village install a perimeter trench during high water events to determine severity and level of water against the foundation wall, providing further information on pressure against the floor slab. Pumping of the trench would also be required. This approach is not being adopted due to cost, impact, and an absence of an end-point. As long as the FMC stands adjacent to the creek, there are going to be hydrostatic pressure impacts due to the building's location and foundation design.
 - PW supplied sand and sand bags at the Fire Hall during the flood stages of May, with costs to be covered through RDKB's emergency-funded administration;
 - Davis Ave water main grant donor sign now stands on East View St;
 - May Days preparations dominated the work load May 23 – 25;
 - Pipe bridge crossing from Barret Drive to sewer lagoons not yet tendered but in process;
 - Parks and streets post-winter maintenance and clean-up ongoing through May.

Other

- Bylaw Enforcement: slow, steady and consistent reports of unsightly premises. The Village is applying its Property Maintenance Bylaw #647 (2000).

Sanitary Sewer

- Work on the pipe bridge is due to start in summer;
- Storm water being directly pumped from basements and conveyed from roof leads into sanitary lines is largely responsible for recently overwhelming of the capacity of the STP. Although the Village's Subdivision and Development Bylaw (Schedule F) does not allow cross-connections, it appears that even more recently completed buildings may not be compliant with this stipulation. Inflow and Infiltration (I&I) into the STP presents a major challenge. The current UBCM grant of \$71,850 essentially promotes I&I identification and eventual reduction.
 - The Monthly Newsletter should note that property owners who pump their storm water into their sanitary lines are contravening the Village's Subdivision and Development Servicing bylaw (1999). Cross connections play heavily into I&I volumes, which during spring freshette, winter thaws, and seasonal heavy rain events overwhelm the capacity of the sanitary sewer treatment plant.
- A recent algae outbreak in the lagoons clogged up the system, requiring additional resources to repair. Another news item for the monthly newsletter is to alert residents that what is discharged into the sanitary lines can overwhelm for the treatment system. Along with pool water or fish tank water, sani wipes are another item that can create problems within the treatment system's components.

Water

- Water main replacement on Davis Ave still an active priority;
- Turbidity from spring runoff had been affecting the treatment plant earlier in May, without major impacts.
- The water treatment plant processed 20,000 cubic meters (or 20 million liters) between June 1 – 9. If the water servicing population is 4000, then per capita runs at 555.5 liters per day, or, about 1800 liters per household per day. In contrast, the BC per capita (LPCD – liters per capita daily) stands at 312. (<http://waterplanninglab.sites.olt.ubc.ca/files/2016/03/BC-Municipal-Water-Survey-2016.pdf>)

Planning & Land Use - Variances:

The Village's processing of Development Permit Variances raises some concern as the BC *Local Government Act*, Part 14, *Planning and Land Use Management*, Division 14, *Non-Conforming Use and Other Continuations* states the following:

Non-conforming structures: restrictions on maintenance, extension and alteration

529 (1) If the use and density of buildings and other structures conform to a land use regulation bylaw but

- a) the siting, size or dimensions of a building or other structure constructed before the bylaw was adopted does not conform with the bylaw, or
- b) the siting, size, dimensions or number of off-street parking or loading spaces constructed or provided before the bylaw was adopted does not conform with the bylaw,

the building or other structure or spaces may be maintained, extended or altered to the extent authorized by subsection (2).

(2) A building or other structure or spaces to which subsection (1) applies may be maintained, extended or altered only to the extent that the

a) repair, extension or alteration would, when completed, involve no further contravention of the bylaw than that existing at the time the repair, extension or alteration was started...

[http://www.bclaws.ca/civix/document/LOC/lc/statreg/--%20L%20--/Local%20Government%20Act%20\[RSBC%202015\]%20c.%201/00_Act/r15001_14.xml](http://www.bclaws.ca/civix/document/LOC/lc/statreg/--%20L%20--/Local%20Government%20Act%20[RSBC%202015]%20c.%201/00_Act/r15001_14.xml)

For property owners with buildings that do not conform to local bylaws (specifically zoning), there is no legal way to further expand the non-conformity other than by requesting (i.e. by applying to) Council to amend the zoning bylaw. In other words, the Development Variance Permit is not the correct tool for specific cases. Additionally, the Board of Variance should be handling only minor variances and those siting situations that qualify as “hardship” for a property owner. All other Development Variance Permit applications should appear before Council. The BC *Local Government Act*, Part 14, *Planning and Land Use Management*, Division 15, *Board of Variance* states:

Board powers on application

542 (1) On an application under section 540, the board of variance may order that a minor variance be permitted from the requirements of the applicable bylaw, or that the applicant be exempted from section 531 (1) [*alteration or addition while non-conforming use continued*], if the board of variance

- (a) has heard the applicant and any person notified under section 541,
- (b) finds that undue hardship would be caused to the applicant if the bylaw or section 531 (1) is complied with, and
- (c) is of the opinion that the variance or exemption does not do any of the following:
 - (i) result in inappropriate development of the site;
 - (ii) adversely affect the natural environment;
 - (iii) substantially affect the use and enjoyment of adjacent land;**
 - (iv) vary permitted uses and densities under the applicable bylaw;
 - (v) defeat the intent of the bylaw.

[http://www.bclaws.ca/civix/document/LOC/lc/statreg/--%20L%20--/Local%20Government%20Act%20\[RSBC%202015\]%20c.%201/00_Act/r15001_14.xml](http://www.bclaws.ca/civix/document/LOC/lc/statreg/--%20L%20--/Local%20Government%20Act%20[RSBC%202015]%20c.%201/00_Act/r15001_14.xml)

There are historical examples in the Village in which the Board has been involved with applications and decisions on them that do not meet the criteria for Variance, that do not comply with Provincial Legislation (see above the *LGA*) and that do not define or address hardship.

Example 1 – an applicant lives in a dwelling that has a building footprint which exceeds the building parcel coverage (50%) and would like to replace an existing deck with a larger one. The existing building footprint is 70%. The *LGA* states that with legal non-conformity a building’s siting (its envelope or footprint) may not expand

beyond the existing legal non-conformity. However, the Development Variance application process is activated and the even larger deck is approved. The municipality has overseen and facilitated a process which contravenes the LGA. Had the resident simply replaced the existing deck within its current footprint, there would be no need for a Variance if the property is truly *legally non-conforming*.

Example 2 – a resident wishes to replace a non-compliant (siting) accessory building (garage) with another by locating it .5 meters from the interior lot line. The request represents a 50% reduction in the setback (from 1 m to .5 m), which does not qualify as a “minor” Variance, making Council, (not the Board) the appropriate body to decide. The application also did not display any “undue hardship” elements which force the contravention. The garage’s roof pitch, in close proximity to the neighbouring lot combined with the typical height of the garage can easily lead to snow or water discharge onto the neighbour’s lot. This poses a large risk factor for the municipality that (prompts attention to the LGA, 542 (1) (c) (iii)). Some form of conditional approval – if approval is provided -- should be required. The initial question to be answered is whether the Variance is even warranted; site characteristics need to appear in a report.

The contentiousness of Variances is based around the possible circumvention of the zoning bylaw. The Board of Variance’s role should then be required when there are undue hardship features and minor variance requests.

Bylaws

With the recent acquisition of the BVMS site and the ongoing efforts to attract businesses to the downtown core, there is attention to bylaws, to be drafted with systemic-impact intent, that could facilitate broader outcomes:

- **Revitalization Tax Exemption (RTE) Bylaw** – this can promote investment in lands which allows the proponent to pay the pre-development assessment value over a defined number of years. The RTE bylaw can recognize the scale of land improvement and be designed in such a way to allow for a staggered increase in taxes over a set number of years, or trigger the full bill wholesale after a set number of years, as defined by bylaw.
- **Zoning for BVMS** – Based on discussions with BC Housing, the zoning initiative for the BVMS site should take into consideration both the maximum and minimum sized lots for development and subdivision, along with bylaw-driven specifications that result in smaller, more affordable dwelling units. BC Housings’ literature, along with that of CBT, highlights the need for multi-family developments. With appropriate Form and Character requirements, and with the municipality as owner of the land, there is an excellent opportunity to introduce well designed, small-unit multiple dwellings into Fruitvale on this site. Parking requirements within building envelopes can result from covenant-based architectural criteria. The future development of the BVMS site can further support the economic development of the downtown while complementing the existing, adjacent Fruitvale residential neighbourhoods.
- **DCC Bylaw** – This 1994 bylaw has not been implemented for some time, but recent conversations with the RDKB indicate that the situation will lead to collection upon building permit issuance when appropriate. Empty lots that witness development and require building permits are candidates for DCCs, to be collected by the RDKB’s Building Inspection department whereas DCCs collected through subdivision applications/approvals fall under the purview of the Village’s Approving Officer. An RFP for an update/revision of the Village’s DCC bylaw is forthcoming.

Project Management & Calendar Year Tasks

The 2018 project activities, particularly the Davis Ave project, have dominated the weekly schedules of the last two months and robbed time for other important administrative and operational duties. Routine work like the 2017 Annual Report, reporting to grantors and even non-routine work like the follow-up on the BVMS initiative have all taken a back seat due to Davis Ave, for example. Each non-routine activity requires staff coordination and time and takes away from other routine calendar duties. The ongoing \$1.8 m Sanitary Sewer Headworks Improvement project, for example, also requires staff involvement periodically, with monthly and quarterly reporting requirements. The Village's Sanitary Sewer Treatment Plant has had several situations over the last 6 months which required off-hours interventions, with follow-up reporting requirements to MOE.

With some Public Works crew now dedicated to Davis Ave sanitary sewer connections, eventual re-surfacing and the multi-modal path works, other key PW tasks will be delayed. Council's consideration for the multiple competing time demands and time constraints on both administrative and operational staff in the next few months will be appreciated. Administrative and construction management of the Davis Ave project now requires constant oversight from both administrative and operational crews.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Maturo', with a long horizontal stroke extending to the right.

Michael Maturo, CAO



Home Office
1701 - 4555 Kingsway
Burnaby, BC V5H 4V8

Phone 604-433-1711
Fax 604-439-4722
www.bchousing.org

File: FILE#/PROJECT#BU#

MONTH 00, 0000

ABC SOCIETY
SOCIETY ADDRESS

Dear Sir or Madam:

Re: Loan Commitment Letter
Mortgage over ABC SOCIETY's (the "Borrower") interest in PROPERTY ADDRESS

The British Columbia Housing Management Commission ("BCHMC") is pleased to confirm that it will make available to the Borrower a loan (the "Loan") secured by a first mortgage charging the following lands and premises (the "Property")

Civic Address:	Legal Description:
PROPERTY ADDRESS	PID 000-000-000 LEGAL DESCRIPTION

for the 000 unit project to be constructed on the Property (the "Project"), subject to the terms and conditions contained in this letter, and subject to all legal matters and documentation being to the complete satisfaction of BCHMC and its solicitors.

Loan Amount

\$000,000.00 (the "Principal Amount") is the maximum loan amount approved by BCHMC. Holdbacks for deficiencies, builders' liens, or soft costs may be held by BCHMC until the appropriate time. The holdbacks will earn interest at the rate equivalent to the rate paid by the Provincial offset interest program (presently Royal Bank prime minus 1.75%).

Interest Rate

The Loan will not bear any interest.

Term

The "Term" of the Loan shall commence on the date the first advance is made and expire on the earlier of the date BCHMC makes DEMAND upon the Borrower for full repayment of the outstanding balance of the Loan and MONTH 00, 0000.

Repayment

FILE#/PROJECT#BU#

The full outstanding balance of the Loan will be repayable forthwith by the Borrower to BCHMC upon DEMAND being made by BCHMC in its sole and unfettered discretion.

The funds advanced under this Loan will form part of any approved funding or financing that may be provided to the Borrower for the development of the Project.

In any event, the full outstanding balance of the Loan will be repayable by the Borrower to BCHMC by **MONTH 00, 0000**.

Prepayment

The Borrower shall be entitled to prepay all or any portion of the outstanding balance of the Loan at any time without notice, bonus or penalty.

Acceleration

The outstanding balance of the Loan shall at BCHMC's option become immediately due and payable upon the occurrence of a direct or indirect sale or transfer of the ownership of the Property or the shares of the Borrower.

Disbursements

During construction, funds will be advanced (deposited into the bank account designated by you in the Order to Pay — Schedule "B") in scheduled draws as construction progresses, based on the value of the on-site work in place as certified by the design consultant or the project architect and approved by BCHMC. BCHMC reserves the right before making any advance to satisfy itself that all improvements are being constructed in a good and workmanlike manner which meets acceptable standards and all municipal requirements. The first advance under the Loan must be made on or before **MONTH 00, 0000**, failing which this loan commitment will be cancelled or extended at BCHMC's sole option. All legal fees and any other reasonable costs plus GST and expenses incurred by BCHMC will be charged to you as part of your Project budget.

Taxes

Unless the Borrower is advised otherwise by BCHMC, the Borrower will make payments directly to the municipality of all taxes and rates when due and provide proof of payment to BCHMC within thirty days of the due date.

Insurance

The Borrower will maintain insurance in the form and content acceptable to BCHMC. Without limiting the generality of the foregoing the insurance must include the minimum requirements set out in the Insurance Memo attached as **Schedule "A"** — please ensure that your insurance agent receives a copy of **Schedule "A"**. The policy of insurance is to be forwarded to BCHMC and will be reviewed by BCHMC's insurance advisor. The cost of the review will be borne by the Borrower.

Builders Liens

In connection with any labour performed on or materials supplied to the Property, including but not limited to the construction of the Project, the Borrower shall comply with all the provisions of the Builders Lien Act (including any provision requiring or enabling the retention of portions of any sums payable by way of holdbacks).

If any builders lien or other lien for work, labour, services, or materials supplied to or for the Borrower or for the cost of which the Borrower may be in any way liable, or claims may arise or be filed, the Borrower shall within 15 days after receipt of notice thereof procure the discharge thereof, including any certificate of pending litigation registered in respect of any lien, by

FILE#/PROJECT#BU#

payment or giving security or in such other manner as may be required or permitted by law. Provided, however, that in the event of a bona fide dispute by the Borrower of the validity or correctness of any claim for any such lien, the Borrower shall not be bound by the foregoing, but shall be entitled to defend against the same in any proceedings brought in respect thereof after first paying into a court having jurisdiction the amount claimed or sufficient security therefor, and such costs as the court may direct.

Borrower's Representations

The Borrower represents that it is a valid and subsisting society in good standing with full power and authority to enter into this transaction.

The Borrower hereby authorizes and consents to such credit investigations as BCHMC may deem necessary from time to time throughout the time the Loan is outstanding.

During construction the Borrower will prepare all progress claims and submit them to BCHMC for approval. The Borrower agrees not to approve any change orders, or contract amendments or extensions which alter the Project budget, time frame, specifications or design without first obtaining BCHMC's written approval for the change.

The Borrower acknowledges that it will be accountable from its resources for any contract changes which it undertakes without BCHMC's written approval.

If there are any problems during the course of construction the Borrower will immediately notify BCHMC so that remedial action can be approved by BCHMC and undertaken by the Borrower.

The Borrower acknowledges and agrees that it is fully responsible for the Project including but not limited to adherence to all federal, provincial, municipal and other requirements relating to the Project, including compliance with environmental laws and regulations, and is fully responsible for all legal costs to register and modify the mortgage.

The Borrower acknowledges and agrees that execution and delivery of this loan commitment letter does not impose any obligation on behalf of BCHMC to advance any monies.

The Borrower hereby consents to consultants retained by it to fully disclose all matters with respect to the Property to BCHMC.

Conditions of Advance

The Borrower acknowledges and agrees that this Loan is made available to the Borrower on the condition that:

- Borrowing resolution for the amount of both the forgivable and repayable mortgages will be passed by the Society's board
- The team will work together to examine Phase 1 and Phase 2 cost efficiencies and value engineering to reduce construction costs and the take out mortgage amount.
- The Borrower shall submit to BCHMC copies of all reports, permits, plans, surveys and studies or other information from the developer or other party which are directly related to the proposed project and requested by BCHMC. All information requested shall be to the satisfaction of BCHMC.
- The Borrower shall update the progress of all municipal approvals, construction schedules changes to the design and or construction on a monthly basis.
- Compliance with all zoning, development permit and building permit requirements.

FILE#/PROJECT#BU#

- Execution and registration of a Mortgage and Assignment of Rents in favour of BCHMC in first position.
- BCHMC's approval of any documents that are proposed to be or are registered on title and granting of any priority agreements required by BCHMC.
- Confirmation of BCHMC's satisfactory title review and approval of all charges to be placed on title for mortgage purposes.
- Agree to grant an HPO covenant to be registered against the title of the property.
- The mortgage loan is insured by CMHC pursuant to the "BC Housing – CMHC Loan Agreement" and that all CMHC mortgage loan insurance criteria are met (including environmental and title).
- Updated appraisal prior to Final Project commitment.
- The subject property is to be used only by seniors.
- Agree to complete any and all deficiencies identified through a building inspection in a reasonable amount of time after completion.
- Design and working drawings being acceptable to BCHMC.
- The approved funding does not constitute a commitment by BCHMC for any additional capital, operating or support funding.
- Confirmation of all equity funding in writing.
- The Borrower will provide updated capital and operating budgets to BCHMC at predetermined milestones.
- The Borrower is to provide a updated schedule for the project on a monthly basis.
- The Borrower entering into an Operating Agreement with BCHMC.
- The Borrower entering into an Operator Agreement with BCHMC.
- Fees payable to BCHMC
 - Loan Commitment Fee (1% of total BCHMC advancement)
 - Legal fee (at cost)
 - Other expenses (at cost)
- The funds will be paid to the Society as required to facilitate payment of costs to complete the design, approval and pre-construction work directly related to the proposed project based on claims as approved by BCHMC.
- The approved PDF funding does not constitute a commitment by BCHMC for any additional capital, operating or support funding.
- The Borrower is to submit to BCHMC copies of all reports, surveys and studies and invoices for work completed and which are directly related to the proposed project.

BCHMC's obligation to make any advance under this loan commitment is conditional upon the Borrower having fulfilled all of its obligations herein to the satisfaction of BCHMC and upon BCHMC and its solicitors being satisfied that all legal matters have been completed, and upon the following:

FILE#/PROJECT#BU#

Before the first advance:

You must provide BCHMC with copies of the following (if you have not already done so):

- Certified Copy of Resolution of Directors in the format provided by BCHMC;
- one full set of working drawings;
- project specifications;
- construction schedule;
- one full set of contract documents signed by the Borrower and the Prime Contractor;
- completed waste management plan worksheet and waste diversion target;
- capital cost budget in the BCHMC approved format;
- project building and/or development permits (if applicable);
- zoning compliance (if applicable);
- confirmation from Canada Revenue Agency if your organization is registered as a charitable organization for the purposes of tax and other rebates (if applicable);
- proof of property consolidation, if applicable or completed;
- provide a copy of the Homeowner Protection Office "HPO" Registration Form, Multi Unit Building (note that if the building is exempt from the requirement to provide a home warranty Section E., Proof of Exemption, must be completed on the form);
- confirmation that the prime contractor is registered with the HPO as a licensed residential builder (provide a copy of the residential builder license number and expiry date);
- evidence that a performance bond and a labour and material payment bond, each to be in the amount of fifty percent of the value of the improvements to be constructed on the Property are in force. The bonds must be provided on the forms "CCDC Document 221 (1979) - Performance Bond" and "CCDC Document 222 (1979) - Labour and Material Payment Bond" (if the Borrower retains the original, a notarized copy must be provided);
- Order to Pay (attached as **Schedule "B"**).

Also before the first advance:

The Borrower's Constitution and Bylaws must comply with the requirements of BCHMC or if BCHMC determines that amendments are required to the Borrower's constitution and bylaws, the Borrower must:

- a. amend its Constitution or Bylaws, as applicable, in accordance with BCHMC's requirements;
- b. if the Borrower Bylaws require that special resolution approving the borrowing of the Loan by the members of the Borrower be passed and filed, the Borrower must immediately:
 - i. file a transition application with the BC Registrar of Companies (if an application has not already been filed) and provide confirmation to BCHMC to its satisfaction that the transition application has been accepted for registration, and

FILE#/PROJECT#BU#

- ii. amend its Bylaws to remove this filing requirement, file the amended Bylaws with the BC Registrar of Companies, and provide confirmation to BCHMC to its satisfaction that the amended Bylaws have been accepted for registration; and
- c. file the amended Constitution or Bylaws, as applicable, with the BC Registrar of Companies and provide confirmation to BCHMC to its satisfaction that the amended Constitution or Bylaws, as applicable, have been accepted for registration.

In addition, the following documents must be **executed and registered**:

- a Section 219 covenant and an HPO covenant in favour of BCHMC over the Property;
- a first mortgage over the Property;
- a general assignment of rents over the Property;
- a security agreement charging all chattels, heating, air-conditioning units and fixtures and other mechanical equipment held in the name of the Borrower and used or purchased for use on the Property;
- if required by the Borrower's Constitution or Bylaws, a special resolution approving the borrowing of the Loan by the members of the Borrower (a certified copy of which must be provided to BCHMC's solicitors); and
- any priority agreements required by BCHMC's solicitors.

At the appropriate time but before the final construction advance, the Borrower must provide BCHMC with the following:

- a final claim form with the certificate of completion and deficiency list and the deficiency holdback amount to be retained.
- completed waste management tracking spreadsheet (or monthly update tracking sheets totalling all waste for the Project).
- evidence that the required building and liability insurance for operation of the Project is in force (See **Schedule "A"**).
- an unconditional occupancy permit or a letter from the municipality in which the Property is located, confirming that the building complies with all zoning and other bylaws, including compliance with set-back requirements, and that all appropriate permits and approvals for the use of the Property and the improvements thereon have been obtained.
- written evidence that all goods secured by the security agreement have been paid for in full and a description of the goods, including make, model and serial number.
- a copy of the home warranty certificate, if applicable.
- proof of payment of all taxes and utilities for the Property.

All documentation to be provided to BCHMC should be forwarded to the attention of Development Manager's NAME, Development Manager, Development Strategies. Finally, all other requirements of BCHMC must be met within the time limits specified by it.

Compliance with Terms

Failure to comply with any of the terms and conditions set out herein will permit BCHMC, at its option, to cancel this loan commitment and declare the Loan to be immediately due and payable in full. No term or requirement of this loan commitment or any security documents may be

FILE#/PROJECT#BU#

waived or varied without the prior approval of BCHMC. Any amendments must be made in writing and signed by a duly authorized officer of BCHMC.

Notice

Any notice required or permitted to be given hereunder will be sufficiently given if sent by prepaid registered mail and addressed to the addresses indicated in this letter but either party may designate another address by giving written notice to the other. Any notice so mailed shall be deemed to have been given on the fifth day after the date of mailing.

Assignment of Loan Commitment

The Borrower may not assign any of its rights hereunder.

Other Terms and Conditions

GST Rebates and ITC's

The Borrower agrees to diligently pursue any GST input tax credits or rebates to which it is entitled with respect to expenditures from the Project's eligible capital cost budget. In repayment of funds advanced by BCHMC during construction, the Borrower will remit to BCHMC the proceeds recovered from input tax credits and/or rebates from Canada Revenue Agency on GST advanced under the promissory note.

New construction of social housing is considered a taxable activity. As a result, a society is entitled to claim input tax credits for the GST paid on construction, allowing a society to claim 100 percent of the GST paid.

At completion of a new building, a society is also required to self-assess under the "self supply rules" and remit the GST owed on the residential portion of the building. The Borrower is also eligible to claim a rebate to reduce the amount of tax owed to Canada Revenue Agency.

Organizations that provide subsidized housing on a rent-geared-to-income (RGI) basis may be eligible for municipal status, which equates to a 100 percent rebate on operating expenditures. The Borrower is required to apply to the Canada Revenue Agency for designation as a municipality for the purpose of claiming this GST rebate if it is not already designated as one.

BCHMC requires the Borrower to file quarterly with the Canada Revenue Agency during the construction of the Project. BCHMC encourages the Borrower to elect monthly filing to expedite recovery of cash. A GST tax guide is available on the BCHMC website.

Project Sign

BCHMC will provide you with a project sign, to be installed in a prominent location on the site, at the beginning of construction. This sign may be removed at the time of landscaping.

Plaque

To recognize the financial contribution of the Provincial Government, BCHMC will provide you with a plaque to install in the entrance to the building, or in some other appropriate location. The plaque will be supplied to you after project completion or presented to you at the official opening ceremony.

FILE#/PROJECT#BU#

Opening Ceremonies

The Borrower is required to have an official opening ceremony for the Project which should take place within a few months of the occupancy date. In order to allow enough time to confirm the attendance of provincial representatives, please contact Ms. Donna Freeman at BCHMC regarding your proposed ceremony date at least eight weeks in advance.

Communications & Event protocols

BCHMC and the Borrower will work together on a number of communication activities that may take place over the course of this project. Following is an overview of these activities as well as roles and responsibilities. Please contact Corporate Communications at BCHMC regarding any questions about this partnership.

BCHMC will lead the coordination of official announcements, groundbreaking and opening events and will ensure the Borrower is involved in the planning process and acknowledged in all materials and at the events

Media inquiries & confidentiality

In general, information about government-funded developments is only shared with the media during official announcements or events.

- BCHMC and the Borrower will work together to develop standard key message which will be used to respond to media inquiries related to this project.

Event date selection

BCHMC will work with government and the Borrower's partners to schedule official event dates to coincide with the timeline of construction and/or completion of projects. Event dates are impacted by the availability of provincial and/or federal and municipal representatives.

The Borrower acknowledges that where appropriate due to funding BCHMC has a commitment to include and acknowledge the Government of Canada for its contribution to projects. BCHMC must follow Canada-British Columbia event protocols when scheduling events under this initiative. The Canada-British Columbia event protocols include proposing event dates 20 business days in advance in order to confirm a government representative for the proposed announcement/event. In addition, federal quote, logos and boilerplates will be included in the news release.

Please wait for an event date to be confirmed by BCHMC before informing the Borrower's staff or stakeholders about any announcement or events, as dates may shift during the scheduling phase.

News release/backgrounder

BCHMC will prepare and distribute media materials, including news releases/backgrounders and media advisories, for official announcements. The Borrower will be offered a quote in the news release as well as an opportunity to include brief background or boilerplate. BCHMC will work with the Borrower to invite media to official events and will provide copies of final media materials on the day of the announcement.

FILE#/PROJECT#BU#

Representation & agenda

BCHMC will prepare and confirm the final agenda for official events following government protocols. A Borrower's representative will be offered a speaking role on the agenda.

Invitations

BCHMC will draft an electronic invitation to official events. The Borrower logo will be included on the invitation. Usually, the Borrower will email-distribute the invitation. The Borrower may provide the names, titles, organizations and email addresses of additional invitees.

Location

Event locations are negotiable; however, it is ideal to hold events on the development site so attendees, including media, can see the development or construction site first hand.

Logistics/Staging

BCHMC works with outside agencies to provide event logistics (tents, audio-visual, and staging) and a photographer to document the event. The Borrower may suggest local vendors to use for regional events. BCHMC staff will attend the event and provide events-related support. BCHMC will share event photographs with the Borrower after the event.

Solicitors

BCHMC has appointed the following law firm to act on its behalf on this transaction:

BCHMC'S SOLICITOR

BCHMC SOLICITOR'S ADDRESS

Attention: BCHMC SOLICITOR

FILE#/PROJECT#BU#

All documents for the Project are to be in form and content satisfactory in every respect to BCHMC and its solicitors. Execution and delivery of the mortgage and other documents relating to the Project will in no way merge or extinguish this loan commitment letter or the terms and conditions hereof, which will continue in full force and effect. BCHMC will require three (3) business days notice after approval of all documents before advancing any funds. BCHMC reserves the right to require you to renegotiate any of the documentation relating to the Project if any of the terms and conditions contained in any of the documents do not comply with prudent project management practices.

Yours very truly,

British Columbia Housing Management Commission

Per:

Jennifer Iten, CPA
Director of Finance

THESE TERMS AND CONDITIONS ARE HEREBY ACCEPTED THIS ____ DAY
OF _____, 20____.

ABC SOCIETY
PER:

Signature

Signature

Name, Position

Name, Position

/bw

cc Development Manager's NAME, Development Manager, BCHMC

FILE#/PROJECT#BU#

Schedule "A"

A. Operating Insurance Requirements (please carefully read the notes at the bottom of the page):

British Columbia Housing Management Commission ("BCHMC") requires that the Borrower/Owner of the housing project (the "Project") obtain a quote from Marsh Canada ("Marsh"), who have set up a Group Insurance Program for non-profit housing societies.

1. Insurance must be carried for the full 100% replacement cost of the building. Co-insurance is not acceptable. Coverage shall be written on an "all risks" form, including flood and earthquake.
2. Loss payable is to be in favour of BCHMC, or the lender of monies, as mortgagee. A standard mortgage endorsement clause (IBC 3000) is to form part of the policy.
3. BCHMC must continue to be named as an additional insured even when BCHMC is not the lender of the funds for the Project.
4. Rental Income Insurance for a full 100% of rentals lost during a minimum term of 6 months is required, or for an indemnity period equal to the estimated full reconstruction period.
5. The correct civic description of the Property must be specified.
6. Commercial General Liability Insurance including personal injury and non-owned auto insurance coverage (for a minimum of \$10,000,000 for each occurrence). This policy must include a cross liability clause.
7. Where applicable, boiler, vessel, and air-conditioning insurance in comprehensive form, against breakdown of boilers, engines, machinery and electrical apparatus for a minimum of the loan amount. Insurance is to be written on a Replacement Cost wording with a waiver of co-insurance requirement. Rental Income Insurance is required as stipulated under Clause A.3.
8. All fixtures, furnishings and equipment must be insured for the full replacement value and must cover all risks.
9. By-law coverage clause for both the building and tenant improvements including:
 - a. loss occasioned by enforcement of any laws or ordinances regulating the construction or repair of the buildings or structures enforced at the time that a loss occurs, which requires the demolition of any portion of the insured buildings or structures which have not suffered damages; and
 - b. the cost incurred in actually rebuilding both the damaged and demolished portions of the insured buildings or structures with materials and in a manner to fully satisfy such ordinances or laws.

A BCHMC signed government Certificate of Insurance (form as enclosed) is required if Operating Insurance is not purchased through the Group Insurance Program with Marsh. Please ensure that all the requirements as specified in the above **"Section A – Operating Insurance Requirements – items 1-9(b)"** are in compliant and detailed in the attached Certificate of Insurance form. Please provide completed Certificate of Insurance to BCHMC at #1701 - 4555 Kingsway, Burnaby, B.C. V5H 4V8 (Attention: Development Manager's NAME, Development Manager, Development Strategies), within 30 days of the date of the issuance of the insurance binders. **60 days notice of cancellation or material change in the policy must be given to BCHMC.**

NOTE:

***Where the borrower has entered into a ground lease (for example, if the owner of the land is Provincial Rental Housing Corporation or any municipal government), then all insurance referred to in A shall include the owner as a named insured and, with respect to property insurance, as a loss payee, as its interests may appear. Proof of insurance should be forwarded to the owner.**

****Without limiting the generality of the foregoing, BCHMC must continue to be named as an additional insured even when BCHMC is not the lender of the funds for the Project. In addition, where the City of Vancouver is the landlord, the relevant notices and proof of insurance must be forwarded to: Director of Risk Management, City of Vancouver, 453 West 12th Avenue Vancouver, B.C. V5Y 1V4, and the rental income insurance in A.4. must be for 12 months minimum.**

FILE#/PROJECT#/BU#



CERTIFICATE OF INSURANCE

Freedom of Information and Protection of Privacy Act
BC Housing adheres to the Freedom of Information and Protection of Privacy Act when collecting and using personal information. Direct any questions to the Manager, Records and Information Privacy at #1701 - 4555 Kingsway, Burnaby, BC V5H 4V8. Please refer all other questions to the contact named in Part 1.

Part 1 To be completed by BC Housing

THIS CERTIFICATE IS REQUESTED BY and ISSUED TO (BC Housing)		CONTRACT/PERMIT/LICENCE/IDENTIFICATION NO.	
BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION			
BC HOUSING CONTRACT ADMINISTRATOR		PHONE NO:	
NAME & TITLE Development Manager's NAME, Development Manager, Development Strategies		FAX NO:	
ADDRESS 1701 - 4555 Kingsway Avenue, Burnaby, BC		POSTAL CODE V5H 4V8	
CONTRACTOR NAME			
CONTRACTOR ADDRESS		POSTAL CODE	

Contractor Information

Please provide this form and a copy of the Contract Terms and Conditions to your Insurance Broker for completion and then return the completed form to BC Housing. **No substitutions of this form will be accepted. Commencement of any work cannot begin until BC Housing has the Certificate of Insurance in hand.**

Part 2 To be completed by the Contractor/Consultant's Agent or Broker (please provide all details as specified under "Operating Insurance Requirements item 1-9 (b)" in the above attached Schedule "A")

INSURED	NAME		
	ADDRESS		POSTAL CODE
OPERATIONS INSURED	PROVIDE DETAILS		
TYPE OF INSURANCE <i>List each separately</i>	COMPANY NAME, POLICY NO. & BRIEF DESCRIPTION	EXPIRY DATE YYYY/MM/DD	LIMIT OF LIABILITY/AMOUNT
LOSS PAYABLE:			

This certificate certifies that policies of insurance as herein described have been issued to the insured(s) named above, are in full force and effective as of the effective date of the contract/permit/licence, and comply with the insurance requirements of the contract/permit/licence except as follows:

AGENT OR BROKER COMMENTS:		
SIGNED BY THE AGENT OR BROKER ON BEHALF OF THE ABOVE INSURER(S)	AGENT or BROKER NAME	DATE SIGNED

BC HOUSING APPROVALS



PROJECT DEVELOPMENT PHASES



Major Contracts to consider

- | | | | | | |
|--|--|--|--|---|--|
| <ul style="list-style-type: none">• Development Consultant | <ul style="list-style-type: none">• Development Consultant• Architect | <ul style="list-style-type: none">• Development Consultant• Architect• Design & Engineering Team | <ul style="list-style-type: none">• Development Consultant• Architect• Design & Engineering Team | <ul style="list-style-type: none">• Development Consultant• Architect• Design & Engineering Team• Contractor | <ul style="list-style-type: none">• Development Consultant• Contractor• Operator |
|--|--|--|--|---|--|



June 11, 2018

Dear Mayors and Regional District Chairs:

I am pleased to provide you with the following information regarding the process for requesting a meeting with me, or with provincial government, agency, commission and corporation staff, during the upcoming annual UBCM Convention taking place in Whistler, September 10 to 14, 2018.

You will also receive a letter from the Honourable John Horgan, Premier, containing information about the online process for requesting a meeting with Premier Horgan and other Cabinet Ministers.

If you would like to meet with me at the Convention, please complete the online request form at: [MAH Minister's Meeting](#) and submit it to the Ministry of Municipal Affairs and Housing before **July 13, 2018**. Meeting arrangements will be confirmed by mid -August. I will do my best to accommodate as many meeting requests as possible.

To get the most out of your delegation's meeting with me, it would be helpful if you would fill out the online form with detailed topic information. By providing this information in advance of the meeting, I will have a better understanding of your delegation's interests and it will allow for discussions that are more productive.

Ministry staff will email the Provincial Appointment Book (PAB). This PAB lists all government, agency, commission and corporation staff expected to be available to meet with delegates at the Convention, as well as details on how to request a meeting with staff online.

As I approach my second Convention as Minister responsible for local government, I look forward to hearing more about your communities, to identifying opportunities to work together with you in partnership, and to growing our relationships in the spirit of collaboration.

Sincerely,

Selina Robinson
Minister

pc: Honourable John Horgan, Premier
Wendy Booth, President, Union of British Columbia Municipalities

Ministry of Municipal Affairs and
Housing

Office of the Minister

Mailing Address:
PO Box 9056 Stn Prov Govt
Victoria BC V8W 9E2
Phone: 250 387-2283
Fax: 250 387-4312

Location:
Room 310
Parliament Buildings
Victoria BC

www.gov.bc.ca/mah



June 11, 2018

Dear Mayors and Regional District Chairs:

My caucus colleagues and I are looking forward to seeing you all again at this year's Union of British Columbia Municipalities (UBCM) Convention in Whistler from September 10-14.

Communication, Collaboration, Cooperation, the theme for the 2018 Convention, is indeed an appropriate focus as we engage in dialogue around local, provincial, federal, and First Nations governments working together to build strong and vibrant communities throughout our province. We all have a part to play in finding solutions and developing ideas that will ensure our communities thrive, and UBCM provides us with a wonderful opportunity to listen to one another, share ideas, and work together to build a better BC.

If you would like to request a meeting with a Cabinet Minister or with me during this year's convention, please register online at <https://UBCMreg.gov.bc.ca> (live, as of today). Please note that this year's invitation code is **MeetingRequest2018** and it is case sensitive. If you have any questions, please contact UBCM.Meetings@gov.bc.ca or phone 250-213-3856.

I look forward to being part of your convention, meeting with many of you, and exploring ways that we can partner together to address common issues.

Sincerely,

A handwritten signature in blue ink that reads "John J. Horgan".

John Horgan
Premier

Office of the
Premier

Web Site:
www.gov.bc.ca

Mailing Address:
PO Box 9041 Stn Prov Govt
Victoria BC V8W 9E1

Location:
Parliament Buildings
Victoria