

CITY OF SURREY

BYLAW NO. 21125

A bylaw to authorize the City of Surrey to enter into a Housing Agreement
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WHEREAS the City of Surrey has received an application to enter into a housing agreement;

AND WHEREAS Section 483 of the Local Government Act, R.S.B.C. 2015 c.1, as amended (the "*Local Government Act*"), empowers the Council or the City of Surrey to enter into a housing agreement.

NOW, THEREFORE, the Council of the City of Surrey, enacts as follows:

1. The City of Surrey is hereby authorized to enter into a housing agreement in the form attached as Schedule A and forming part of this Bylaw (the "Housing Agreement") with the following party:

Bluesky Properties (Brightside) 2020 Inc.
1101 – 838 West Hastings Street
Vancouver, BC V6C 0A6

and with respect to that certain parcel of lands and premises, in the City of Surrey, more particularly known and described as:

Parcel Identifier: 031-463-436
Lot 2 Section 22 Block 5 North Range 2 West NWD Plan EPP105465

(13573 – 104 Avenue)

(the "Lands");

2. The Mayor and Clerk are hereby empowered to execute the Housing Agreement on behalf of the City of Surrey.
3. The City of Surrey shall file in the Land Title Office a notice against the Lands in accordance with Section 483 of the *Local Government Act*, that the Lands are subject to the Housing Agreement.

CITY OF SURREY
HOUSING AGREEMENT
(Residential Only)

PARKWAY
(Tower 2)

THIS HOUSING AGREEMENT made the 26th day of February, 2024.

BETWEEN:

CITY OF SURREY, a municipal corporation having its offices at 13450 – 104 Avenue, Surrey, B.C. V3T 1V8

(the “**City**”)

OF THE FIRST PART

AND:

BLUESKY PROPERTIES (BRIGHTSIDE) 2020 INC., a corporation having its offices at 1101 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

(the “**Owner**”)

OF THE SECOND PART

WHEREAS:

- A. The Owner is the registered owner of those certain lands and premises located in the City of Surrey, in the Province of British Columbia, legally described as:

Parcel Identifier: 031-463-436
Lot 2 Section 22 Block 5 North Range 2 West
New Westminster District Plan EPP105465

(the “**Lands**”);

- B. The Owner intends to construct on the Lands a development which includes a 52-storey residential building (“**Tower 2**”) containing approximately 617 Dwelling Units to be constructed above certain Market Rental Units, Rental Units and CRUs (each as defined and more particularly described below) and a shared underground parking facility for the Project (collectively, the “**Development**”), as generally shown outlined on the plan labelled “Tower 2” attached as Appendix I to this Agreement;
- C. Prior to commencement of construction, the Owner intends to subdivide the Lands by way of an air space parcel subdivision under the *Land Title Act* (British Columbia);

- D. In connection therewith, the Owner intends to construct the following components of the Development within the air space parcels and the remainder:
- (i) a separate air space parcel will be created for the purpose of containing the Rental Units (“**ASP 1**”) to be constructed on levels 2 - 16 of the Development, along with certain amenities, common areas and designated elevators to the underground parking facility, to be designated for the use and benefit of the tenants, occupants and visitors of the Rental Units (collectively, the “**Rental Component**”). The parking stalls for the use and benefit of the Rental Component will be located in the shared underground parking facility of Tower 1, partly in the Lot 1 Remainder and partly in ASP 1 of Tower 1. For clarity, none of the parking stalls for the Rental Component will be located in ASP 1 (Tower 2);
 - (ii) a separate air space parcel will be created for the purpose of containing the CRUs (“**ASP 2**”) to be constructed at grade in Tower 2, along with common areas, facilities, equipment, services and parking areas in the Development to be designated for the use and benefit of the tenants and visitors of the CRUs (collectively, the “**Commercial Component**”). Each of the parking stalls for the use and benefit of the Commercial Component will be located on Level P1 of the shared underground parking facility of Tower 2, within ASP 2; and
 - (iii) the remainder (the “**Remainder**”) will contain approximately 396 market strata lots to be constructed on levels 17 to 52 of Tower 2 directly above the Rental Component, along with common property areas, private amenities, parking and storage facilities, exterior landscaping and pedestrian routes and associated portions of the underground parking facility to be designated for the use and benefit of the owners, tenants and visitors of the market strata lots (collectively, the “**Market Strata Component**”). The parking stalls for the use and benefit of the Market Strata Component will be located in the shared underground parking facilities of Tower 1, Tower 2 and Tower 3, as follows: (A) partly in the Remainder (Tower 2); (B) partly in the Lot 1 Remainder; (C) partly in the ASP 1 of Tower 1; and (D) partly in ASP 1 of Tower 3;
- E. Upon completion of construction of the Development, the Owner intends to own and operate the Rental Component and the Commercial Component; and
- F. The Owner has voluntarily agreed to enter into a housing agreement pursuant to Section 483 of the *Local Government Act*, R.S.B.C. 2015, Chapter 1, as amended, to ensure that the Rental Units are rented in accordance with this Agreement.

NOW THEREFORE in consideration of the premises herein and of the mutual covenants and agreements hereinafter set forth and contained herein and \$1.00 now paid by the City to the Owner (the receipt of which is hereby acknowledged), the parties hereto covenant and agree each with the other as follows:

DEFINED TERMS

- 1.1 In and for the purpose of this Agreement, in addition to the definitions on the first

page of this document, the following terms shall have the following meanings:

- (a) **“Agreement”** means this housing agreement and any amendments to or modifications of the same;
- (b) **“Below Market Rental Units”** means the Rental Units to be constructed in the Development which meet the following requirements of the Tenant Relocation Plan: each such unit, without limitation (1) is to be made available only to Eligible Tenants, (2) is required to be ‘affordable rental’ for low to moderate income households, rented at a maximum of 10% below current Canadian Market and Housing Corporation (CMHC) average rents for the applicable unit size, in the applicable zone in the City of Surrey, and, notwithstanding the foregoing, (3) will revert to a Market Rental Unit upon the initial turnover from the first occupants in the Development;
- (c) **“Bristol Developer”** means, collectively, Bristol Estates 13301 Holdings Ltd., as the nominee and registered owner of the Bristol Project Lands, and 13304 – 104 Property Inc., as the beneficial owner thereof, each of which entities are affiliated with the Owner;
- (d) **“Bristol Project”** means the development located on the Bristol Project Lands collectively known and referred to as “Bristol Estates”, which lands are pending for redevelopment by the Bristol Developer, in connection with an application to the City for a general development permit under File No. 7920-0304-00;
- (e) **“Bristol Project Lands”** means the lands and premises located at 13301 104 Avenue, in Surrey, British Columbia, legally known and described as PID: 006-993-567 Lot 168 Section 22 Block 5 North Range 2 West New Westminster District Plan 34238;
- (f) **“City”** means the City of Surrey and any person authorized by the City of Surrey, including assigns of whole or partial interest in this Agreement or of any of the rights conferred upon the City of Surrey by this Agreement;
- (g) **“City Personnel”** means all of the City’s elected and appointed officials, officers, employees, agents, nominees, delegates, permittees, contractors, subcontractors, invitees and the Approving Officer;
- (h) **“Claims and Expenses”** means all actions, causes of actions, suits, judgments, proceedings, demands, and claims, whether at law or in equity, losses, damages, expenses and costs (including legal fees and disbursements on an indemnity basis) of any kind or nature whatsoever, at law or in equity, for any damages, losses, injuries or death;
- (i) **“CRUs”** means the commercial/retail units to be constructed at grade in Tower 2, together with the associated parking stalls in the underground parking facility to be designated and assigned for the use of the owners, tenants and guests thereof;

- (j) “**Development**” means as defined in Recital B;
- (k) “**Dwelling Unit**” means each of the approximately 617 dwelling units to be constructed within the Development;
- (l) “**Eligible Tenants**” means, collectively, all tenants residing in the Bristol Project as of September 6, 2023 (being the date the Bristol Developer submitted its application for rezoning and a general development permit to the City) and who are eligible to exercise a right of first refusal to rent a Rental Unit in the Development in accordance with the Tenant Relocation Plan. A list of the 23 Eligible Tenants is attached hereto as Appendix II;
- (m) “**Lands**” means the parcel of land situated in the City of Surrey, British Columbia and legally described in Recital A, and includes any parcel into which such land is consolidated or further subdivided (including a subdivision pursuant to the *Land Title Act*);
- (n) “**Market Rental Units**” means the total number of Rental Units to be constructed in the Development less the total number of Below Market Units, each of which is to be made available to the general public at arms’ length for use as residential rental accommodation on a month-to-month or longer basis in accordance with all applicable laws including, without limitation, the *Residential Tenancy Act*, S.B.C. 2002, Chapter 78, as amended, and any regulations pursuant thereto;
- (o) “**Market Strata Component**” means as defined in Recital C(ii);
- (p) “**Owner**” means the person named on the first page of this Agreement and the registered owner at any given time and any successors in title of the Lands;
- (q) “**Project**” means the master-planned community to be constructed on the Project Lands, currently anticipated to be comprised of, without limitation, four residential towers with certain commercial/retail premises, a stand-alone commercial building and an amenity building, all of which will be constructed over the shared underground parking facilities for the benefit of the owners, residents, tenants, guests and visitors of the community;
- (r) “**Project Lands**” means the Lands, together with the other lands comprising the Project, as follows: (1) PID 031-463-428, Lot 1 Section 22 Block 5 North Range 2 West New Westminster District Plan EPP105465 Except Air Space Plan EPP107056 (“**Lot 1 Remainder**”); (2) PID: 031-653-138, Air Space Parcel 1 Section 22 Block 5 North Range 2 West New Westminster District Air Space Plan EPP107056 (“**ASP 1 of Tower 1**”) (3) PID 031-463-444, Lot 3 Section 22 Block 5 North Range 2 West New Westminster District Plan EPP105465 (“**Lot 3**”, and following the air space subdivision thereof, the “**Lot 3 Remainder**” and “**ASP 1 of Tower 3**”, as applicable); and (4) PID 031-463-452 Lot 4 Section 22 Block 5 North Range 2 West New Westminster District Plan EPP105465 (“**Lot 4**”);

- (s) “**Rental Units**” means 221 of the Dwelling Units (for clarity, a certain number of which will be provided as Below Market Rental Units, in accordance with the Tenant Relocation Plan, with the remainder to be provided as Market Rental Units);
- (t) “**Tenant Relocation Plan**” means the tenant relocation plan for the Bristol Project submitted by the Bristol Developer to the City (as amended and approved by City of Surrey Council) and which is to be approved by the City as part of the application for rezoning and a general development permit for the Bristol Project Lands, under File No. 20-0304;
- (u) “**Term**” means 60 years, commencing on the first day of the month after the City issues an occupancy permit for the Development;
- (v) “**Tower 1**” means the development comprising a multi-storey rental tower and shared underground parking facility being constructed in the Project by the Owner, partially in the Lot 1 Remainder and partially in ASP 1 of Tower 1, which is subject to a separate Housing Agreement with the City;
- (w) “**Tower 2**” means the development as defined and described in Recital B; and
- (x) “**Tower 3**” means the development comprising a mixed-use multi-storey tower to be comprised of 362 residential strata lots and 195 rental dwelling units with a shared underground parking facility being constructed in the Project by the Owner on Lot 3, which is subject to a separate Housing Agreement with the City.

2. RESTRICTION ON OCCUPANCY OF DWELLING UNITS

- 2.1 During the Term the Rental Units must be made available for rent in accordance with this Agreement.
- 2.2 The City may, from time to time, during the Term request the Owner to provide written proof of compliance with section 2.1 and the Owner agrees to provide, or cause an operator of the Rental Units to provide, the City with such proof in a form reasonably satisfactory to the City.
- 2.3 During the Term, the portion of the Lands containing the Rental Units shall not be stratified.
- 2.4 All of the Rental Units must be owned by the same owner(s).
- 2.5 Throughout the Term, the Owner shall not sell or transfer, or permit to be sold or transferred, the beneficial or registered title or any interest in and to the Rental Units, unless the Owner obtains from the transferee an agreement in writing from the transferee to assume and perform all of the obligations of the Owner arising under this Agreement. For greater certainty, this section does not apply to any prospective purchaser or transferee of the Market Strata Component, or any portions thereof.

3. LIABILITY

- 3.1 **Indemnity.** The Owner shall indemnify and save harmless the City and City Personnel from all Claims and Expenses which the City and City Personnel may suffer, or incur, or be put to, arising out of or in connection with any breach or default of any covenants or agreements on the part of the Owner contained in this Agreement or arising out of the fact that the Lands are encumbered by and affected by this Agreement, except to the extent caused by the negligence or wilful misconduct of the City and/or the City Personnel.
- 3.2 **Release.** The Owner does hereby remise, release and forever discharge the City and City Personnel from all Claims and Expenses which the Owner may have against the City and City Personnel, which the Owner now has or hereafter may have with respect to or by reasons of, or arising out of, or in connection with the Development or arising out of the fact that the Lands are encumbered by and affected by this Agreement, except to the extent caused by the negligence or wilful misconduct of the City and/or the City Personnel.
- 3.3 **Obligations Continue.** The Owner covenants and agrees that the indemnity and release in Sections 3.1 and 3.2 will remain effective and survive the expiration or termination of this Agreement whether by fulfilment of the covenants contained in this Agreement or otherwise.

4. NOTICE

- 4.1 Any notices or other documents to be given or delivered pursuant to this Agreement will be addressed to the proper party as follows:

- (a) As to the City:

City of Surrey
13450 – 104 Avenue
Surrey, BC V3T 1V8

Attention: General Manager, Planning and Development Department

- (b) As to the Owner:

BlueSky Properties (Brightside) 2020 Inc.
1101 – 838 West Hastings Street
Vancouver, BC V6C 0A6

Attention: Director, Development

or such other address as such party may direct. Any notice or other documents to be given or delivered pursuant to this Agreement will be sufficiently given or delivered if delivered to the particular party as its address set out or determined in accordance with this section and shall be deemed complete two (2) days after

the day of delivery.

- 4.2 It is specifically agreed that for any notice or document to be validly given or delivered pursuant to this Agreement, such notice or document must be delivered and not mailed.

5. **GENERAL**

- 5.1 **Joint and Several.** Where the Owner consists of more than one person, each such person will be jointly and severally liable to perform the Owner's obligations under this Agreement.

- 5.2 **Assignment by City.** This Agreement or any of the rights conferred by this Agreement upon the City may be assigned in whole or in part by the City without the consent of the Owner.

- 5.3 **City's Other Rights Unaffected.** 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 *Local Government Act* and the *Community Charter*, as amended from time to time and the rights, powers, duties and obligations of the City under all public and private statutes, by-laws, orders and regulations, which may be, if the City so elects, as fully and effectively exercised in relation to the Lands as if this Agreement had not been executed and delivered by the Owner and the City.

- 5.4 **Agreement for Benefit of City.** The Owner and the City hereby acknowledge, agree and declare that this Agreement is entered into for the sole purpose of benefitting the City and, in particular, acknowledge, agree and declare that this Agreement is not designed to protect or promote the interests of the Owner or any mortgagee of the Owner, or any future owner or occupier of the Lands and any improvements on the Lands or any other person and the City may, at its sole option, execute a release of this Agreement at any time without liability to any person for so doing.

- 5.5 **No Waiver.** The Owner acknowledges and agrees that no failure on the part of the City to exercise and no delay in exercising any right under this Agreement will operate as a waiver thereof, nor will any single or partial exercise by the City of any right under this Agreement preclude any other or future exercise thereof of the exercise of any other right.

- 5.6 **City Not Required to Prosecute.** The Owner agrees that the City is not required or is under no obligation in law or equity to prosecute or enforce this Agreement in any way whatsoever.

- 5.7 **Remedies.** The remedies provided for in this Agreement will be cumulative and not exclusive of any other remedies provided by law or in equity. In addition to any remedies which are available under this Agreement or at law, the City will be entitled to all equitable remedies, including, without limitation, specific performance, injunction and declaratory relief, or any combination thereof, to

- enforce its rights under this Agreement. The Owner acknowledges that specific performance, injunctive relief (mandatory or otherwise) or other equitable relief may be the only adequate remedy for a default by the Owner under this Agreement.
- 5.8 **Severability.** All the obligations and covenants in this Agreement are severable, so that if any one or more of the obligations or covenants are declared by a court of competent jurisdiction to be void and unenforceable, the balance of the obligations and covenants will remain and be binding.
- 5.9 **City Court Costs.** In an action to enforce this Agreement in respect of which the court determines that the position of the City will prevail, the City will be entitled to court costs on a solicitor-client basis.
- 5.10 **Personal Representatives and Successors.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their personal representatives, respective heirs, executors, administrators, successors, and assigns.
- 5.11 **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.
- 5.12 **Priority.** The Owner shall at the sole expense of the Owner, do or cause to be done all acts reasonably necessary to grant priority to this Agreement over all charges and encumbrances which may have been registered against the title to the Lands at the Land Title Office save and except those specifically approved in writing by the City.
- 5.13 **Further Assurances.** The Owner shall do, or cause to be done, all things and execute or cause to be executed all documents and give such further and other assurances which may be reasonably necessary to give proper effect to the intent of this Agreement.
- 5.14 **Subdivision.** The Owner and the City acknowledge and agree that this Agreement is only intended to apply to the Rental Units and not to any other portion of the Lands including, without limitation, the Market Strata Component. The City covenants and agrees that concurrently with the registration of any subdivision plan (including one or more airspace subdivision plans, or a strata plan pursuant to the *Strata Property Act*) that subdivides the Lands, the City will, without delay, execute in registrable form and deliver to the Owner for filing in the applicable land title office, a discharge of any notice of this Agreement from title to the parcel(s) so created that do not contain the Rental Units or any portions thereof. Such discharge is to be prepared and registered at the sole cost of the Owner.
- 5.15 **Limitation.** The covenants of the Owner contained herein shall be personal and be binding upon the Owner only during its ownership of any interest in the Lands herein described.


- 5.16 **Counterparts.** This Agreement may be executed in any number of counterparts and delivered via facsimile or e-mail, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument, provided that any party delivering this Agreement via facsimile or e-mail will deliver to the other party any originally executed copy of this Agreement forthwith upon request by the other party.
- 5.17 **Entire Agreement.** This Agreement represents the entire agreement between the City and the Owner regarding the matters set out in this Agreement and supersedes all prior agreements, letters of intent or understandings about these matters.

IN WITNESS WHEREOF the City of Surrey and the Owner have executed this Agreement under seal of their duly authorized officers as of the references of this Agreement.

CITY OF SURREY

By:  _____
Authorized Signatory

Brenda Locke,
Mayor
City of Surrey

By:  _____
Authorized Signatory

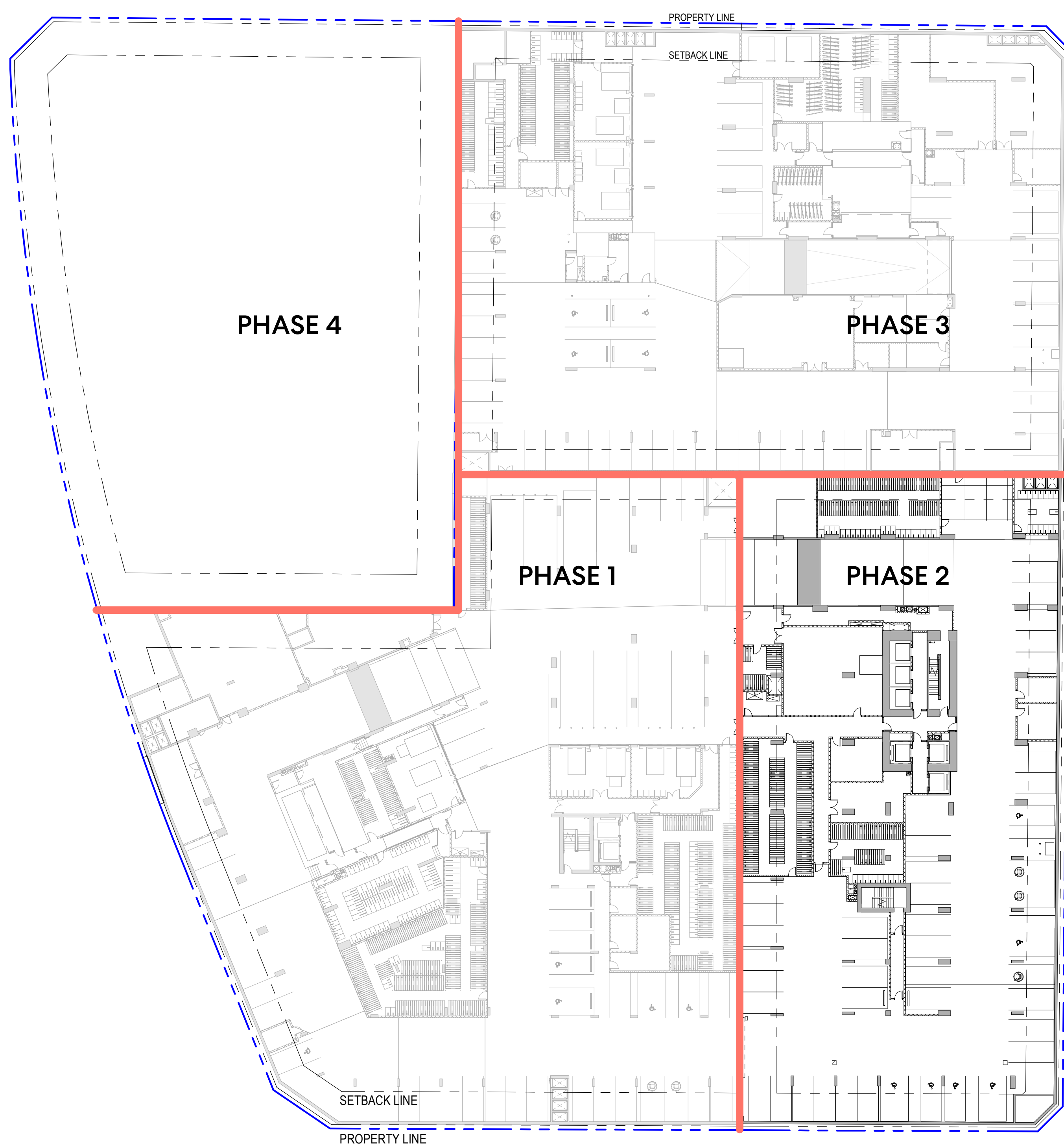
Jennifer Ficocelli,
City Clerk
City of Surrey

BLUESKY PROPERTIES (BRIGHTSIDE) 2020 INC.

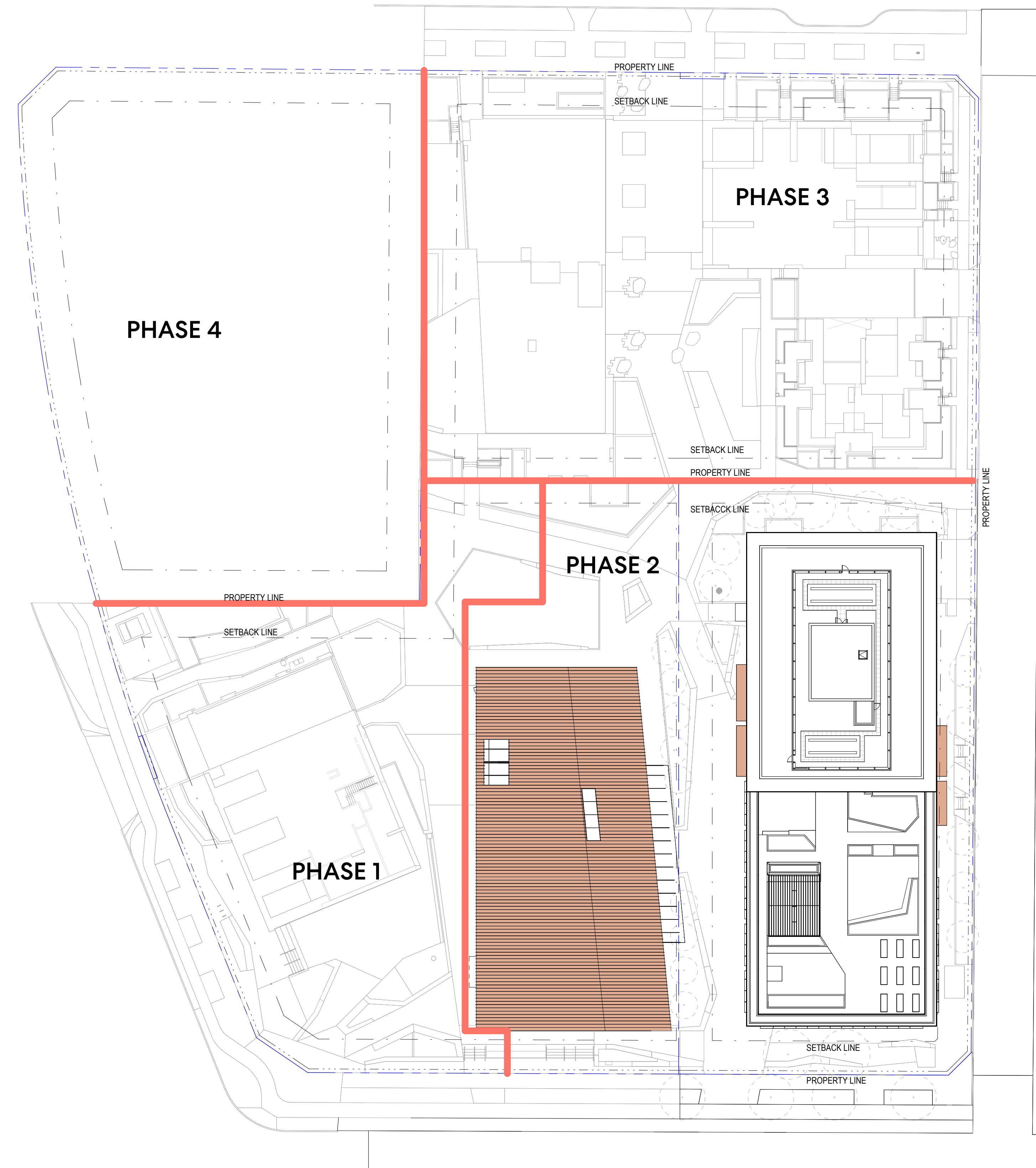
By:  _____
Authorized Signatory

Name: Dale Bosa
Title: President

APPENDIX I
PLAN OF THE DEVELOPMENT

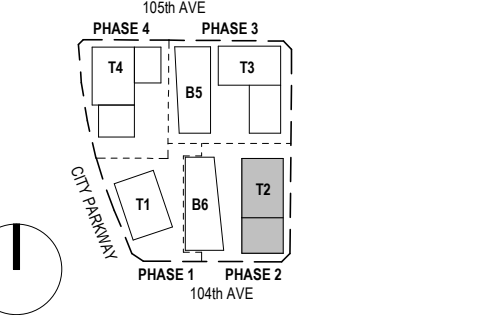


2 SITE PHASING - BELOW GRADE
1" = 30'-0"



1 SITE PHASING - ABOVE GRADE
1" = 30'-0"

KEYPLAN



PROJECT

PKWY TOWER 2
13579 & 13573 104 AVE, SURREY

PROJECT NUMBER
411754.200

REVISIONS

TITLE

PHASING DIAGRAMS

SHEET NUMBER

G03-01

APPENDIX II

LIST OF ELIGIBLE TENANTS

[List of Eligible Tenants to be inserted in City approved final version]