

THE CORPORATION OF THE CITY OF GRAND FORKS

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FOR IMMEDIATE RELEASE

Grand Forks City Council Authorizes Release of Letter-of-Intent with BC Housing

Grand Forks, BC – May 30, 2019 – Grand Forks City Council has authorized the release of the Letter-of-Intent signed with BC Housing regarding the Supportive Housing project.

BC Housing purchased the lot at 7382 2nd Street last summer with the intention of constructing a building to offer Supportive Housing.

Following public feedback regarding the 2nd Street location, the previous Council endeavoured to determine alternate locations for BC Housing to consider for the Supportive Housing project. Several properties were proposed, but for a variety of reasons none were deemed suitable for the development.

In mid-March 2019, the current Council made a strategic purchase of four lots (“lots A-D”) on the south side of Dick Bartlett Park. At the time, the intent was to provide options for long-term planning to include possible public green space and road access to the 52-unit Affordable Housing development on 19th Street.

In further discussions with BC Housing, Council resolved to offer lots A-D on 70th Avenue as another possible location for the Supportive Housing project. BC Housing was receptive to considering this location, subject to suitable rezoning of the properties. A Letter-of-Intent was signed by Grand Forks City Council and BC Housing on May 10.

Key points in the letter include:

- the relocation of the project from 2nd Street to 70th Avenue is contingent on rezoning passing final reading and adoption by the end of June,
- the City purchasing from BC Housing the lot at 2nd Street for their purchase price, plus costs incurred in preparing that development, should the zoning change on 70th Avenue pass,
- provision of a long-term lease to BC Housing for the properties on 70th Avenue, and
- BC Housing paying Development Cost Charges for servicing lots A-D, with the City partnering 50/50 on servicing costs.

A public hearing on the proposed zoning amendment will be held at City Hall on Wednesday, June 5 beginning at 3:00pm.

BACKGROUND:

The proposed zoning amendment (Bylaw 2039-A6) passed the first two readings at the Council meeting on May 21, 2019, triggering a public hearing process scheduled for June 5. Council's consideration for 3rd Reading is on the agenda for the next Regular Meeting of Council on June 10.

The Letter-of-Intent dated May 1 (but executed May 10) is attached to this release.

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Media Contact:

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FOR PRESENTATION

TO THE CITY – May 1, 2019

This Agreement dated for reference the 1st day of May 2019

BETWEEN:

British Columbia Housing Management Commission

(The "Commission")

AND:

THE CORPORATION OF THE CITY OF GRAND FORKS

(the "City")

WHEREAS:

- A. On behalf of the Commission, the Provincial Housing and Management Corporation ("PRHC") is the registered owner of land in the City, having a civic address of 7382 2nd Street, known as the Lands, which are shown on the plan attached hereto as Schedule "A".
- B. The Commission purchased the Lands for \$179,000 ("Lands Purchase Price") and proposes to develop the Lands for a Supportive Housing project consisting of a 4-story permanent structure of approximately 21,519 sqft., built by modular form of construction and includes an elevator. The building will contain a total of 34 self-contained 1-bedroom units, 2 of which are self-contained wheelchair accessible units. The first floor of the building will include a

commercial kitchen, medical room, office space for staff, and a kitchen and dining room (the "Project").

C. The Lands are presently zoned as "CC" Commercial Core, which zone permits the development and use of the Lands for the Project.

D. The Commission has advanced the Project on the Lands to the stage of tendering and awarding the development of the Project on the Lands. In addition to the Lands Purchase Price, to date, the Commission has expended approximately \$58,000 towards the development of the Project on the Lands, which costs are considered as being unrecoverable as they related specifically to the development of the Project on the Lands ("Thrown Away Costs").

E. The City has approached the Commission and requested that development of the Project be moved to four City owned lots in the City shown on Schedule B, having civic addresses of 1960, 1980, 2026 & 2048 70th Ave Grand Forks and legally described as:

Lot A Plan KAP22999 District Lot 380 Land District 54 - PID: 006-611-095

Lot B Plan KAP22999 District Lot 380 Land District 54 - PID: 006-611-117

Lot C Plan KAP22999 District Lot 380 Land District 54 - PID: 006-611-141

Lot D Plan KAP22999 District Lot 380 Land District 54 - PID: 006-611-176

(jointly the "Property").

F. The Property will require a rezoning to permit the development and use of the Property for the Project.

G. The parties wish to cooperate with each other to expedite the rezoning and permitting the development of the Project on the Property within the timelines set out in the Agreement.

H. The Commission and the City have agreed that it is in their mutual interests to enter into an agreement in the form of this Agreement to reflect understandings reached regarding overall use and development of the Project on the Property.

NOW THEREFORE in consideration of the mutual promises set out herein, the parties hereto agree as follows:

1.0 THE LANDS

- I. 1.01 At the time PRHC purchased the Lands, the City acknowledges the Lands were zoned to allow the development of the Project.

2.0 REZONING OF THE PROPERTY

2.01 The City acknowledges that it has requested the Commission to consider a relocation of the Project to the Property and as the City is the owner of the Property, it agrees to forthwith commence, at its cost, an application to consolidate the Property into a single parcel and to rezone the Property to a zone that will permit the development and use of the Property for the Project (the "Rezoning Bylaw"). Without limiting the generality of the foregoing sentence, the City agrees that the zoning amendment bylaw will provide, without variance, for all necessary parking required for the Project on the Property.

2.02 The City further agrees that the Rezoning Bylaw shall be brought before Council for consideration of 1st and 2nd reading within three weeks of the date first written above.

2.03 Should the Rezoning Bylaw receive 1st and 2nd reading within the timeline set out in Section 2.02, the City shall advance the Rezoning Bylaw to a Public Hearing within three weeks of receipt of 1st and 2nd reading.

2.04 The City agrees to present the Rezoning Bylaw for 3rd reading at the first Council meeting after the Public Hearing.

2.05 The City further agrees that, subject to the ultimate time deadline set out in Section 5.1, to consider 4th reading and adoption of the Rezoning Bylaw, within the latter of:

- (a) three weeks of 3rd reading; or
- (b) the next Council meeting after MOTI approval should that approval not be obtained within the three weeks following 3rd reading referred to in Section 2.05(a).

3.0 DEVELOPMENT OF THE PROPERTY

3.01 Concurrent with the Rezoning Bylaw process set out in Article 2.0, the Commission and the City shall:

- (a) Determine all necessary servicing (roads, water, sewer etc.) required to service the Property necessary for the Project (the "Services");
- (b) Design the Services and agree on a cost sharing formula between the Parties for the Services. It is currently contemplated that the cost of such Services will be divided equally between the City and the Commission;
- (c) Agree to the terms of and prepare a statutory right of way over a portion of the Property to allow pedestrian and vehicular access from the most easterly area within Lots A, B, C & D of the 70th Avenue Property and upon which the Commission has developed a separate family housing project;
- (d) Revise the Project development plans to accommodate the move of the Project from the Lands to the Property;
- (e) Apply for and prepare for issuance a building permit for the Project on the Property. The City agrees that in connection with the building permits referred to in this Section 3.1(e) that no further environmental or other approvals are required, and no land dedication requirements will be imposed, with the Commission's requirements being limited to submission of plans and related standard building permit documents; and
- (f) Agree to the terms of a long term (60 year) lease of the Property from the City to PRHC for nominal rent.

4.0 Non-Fettering of Discretion

4.01 The Commission acknowledges and agrees that despite the City's acknowledgment of the intended rezoning applications set out herein, that all rezoning applications are subject to a public process and nothing herein shall in

any way fetter, limit or restrict the legislative discretion of City Council of the City of Grand Forks.

5.0 PROCESS IN THE EVENT OF FAILURE TO ADOPT REZONING BYLAW

5.01 Despite any provision to the contrary in the Agreement, if the Rezoning Bylaw for the Property, set out in Article 2.0 is not adopted and the agreements and obligations set out in Article 3.0 are not agreed to, approved or issued by June 30, 2019, the City acknowledges and agrees with the Commission that:

- (a) the Commission shall be entitled to develop the Lands for the Project; and
- (b) that all permits, permissions consents or otherwise required to be provided by the City in connection of the development of the Project on the Lands shall be issued on or before July 15, 2019.

6.0 PROCESS IN THE EVENT THAT THE PROJECT IS DEVELOPED ON THE PROPERTY

6.01 In the event that the Rezoning Bylaw for the Property, set out in Article 2.0 is adopted and the agreements and obligations set out in Article 3.0 are agreed to, approved or issued by June 30, 2019 the Commission agrees to sell and the City agrees to purchase the Lands for \$237,000 consisting of the Lands Purchase Price of \$179,000 plus \$58,000 for the Costs Thrown Away by the Commission in moving the Project from the Lands to the Property less any costs incurred by the City for surveying and consolidation of the Lots A,B,C & D – 70th Avenue. PRHC to provide the City with a breakdown of the Throw Away Costs.

6.02 The \$58,000, (Cost Thrown Away) less City cost of consolidation and survey fees to Lots A, B, C & D – 70th Avenue, shall be payable on July 15, 2019 and the

\$179,000 (Land Purchase Price) shall be payable on closing which shall be within thirty (30) days after the issuance of a final inspection or occupancy permit for the Project on the Property.

7.0 Mutual Cooperation

7.01 The City and the Commission acknowledge and agree that the nature of this Agreement involves broad understandings that will require further agreements in the future. In recognition of that, each party agrees to act reasonably and cooperate with the other in achieving completion of the various aspects of development and use of Lands and the Property.

8.0 Representation and Assurance

8.01 Each party represents to the other that it has taken all necessary steps to secure approval for execution and delivery of this Agreement and that it is an agreement that is within its lawful authority and binding on it.

9.0 Time is of the Essence

9.01 The parties agree that time shall be considered of the essence in this Agreement

British Columbia Housing Commission

by its

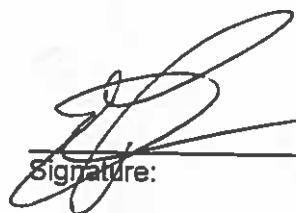
authorized signatories:


Signature:)

C/S


Print Name:)

The City of Grand Forks)
by its authorized signatories:)


Signature: _____
BRIAN TAYLOR
Print Name: _____

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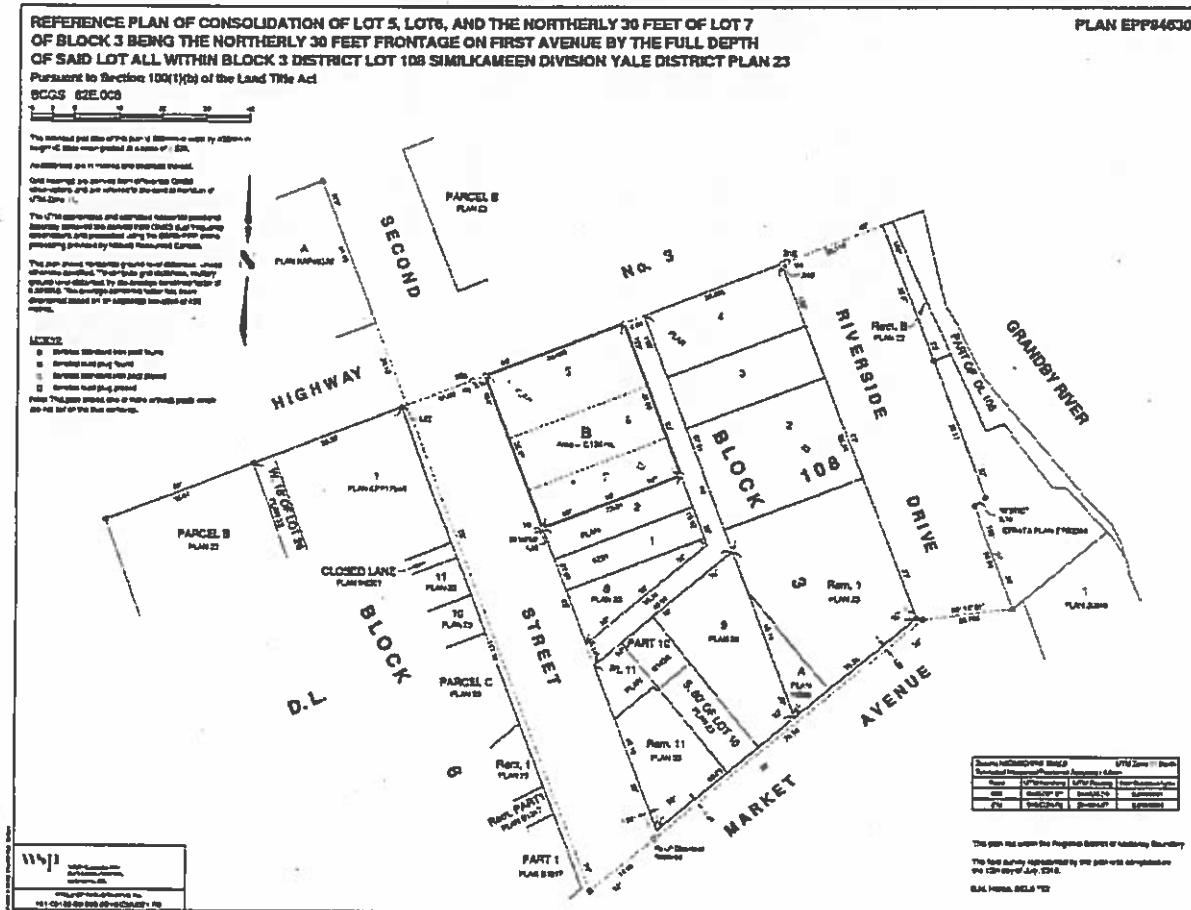
C/S

SCHEDULE "A"

The Lands

7382 2nd Avenue, Grand Forks BC

Lot A District Lot 108 Similkameen Division Yale District Plan EPP84630 PID# 030-602-980



Schedule "B"

The Property

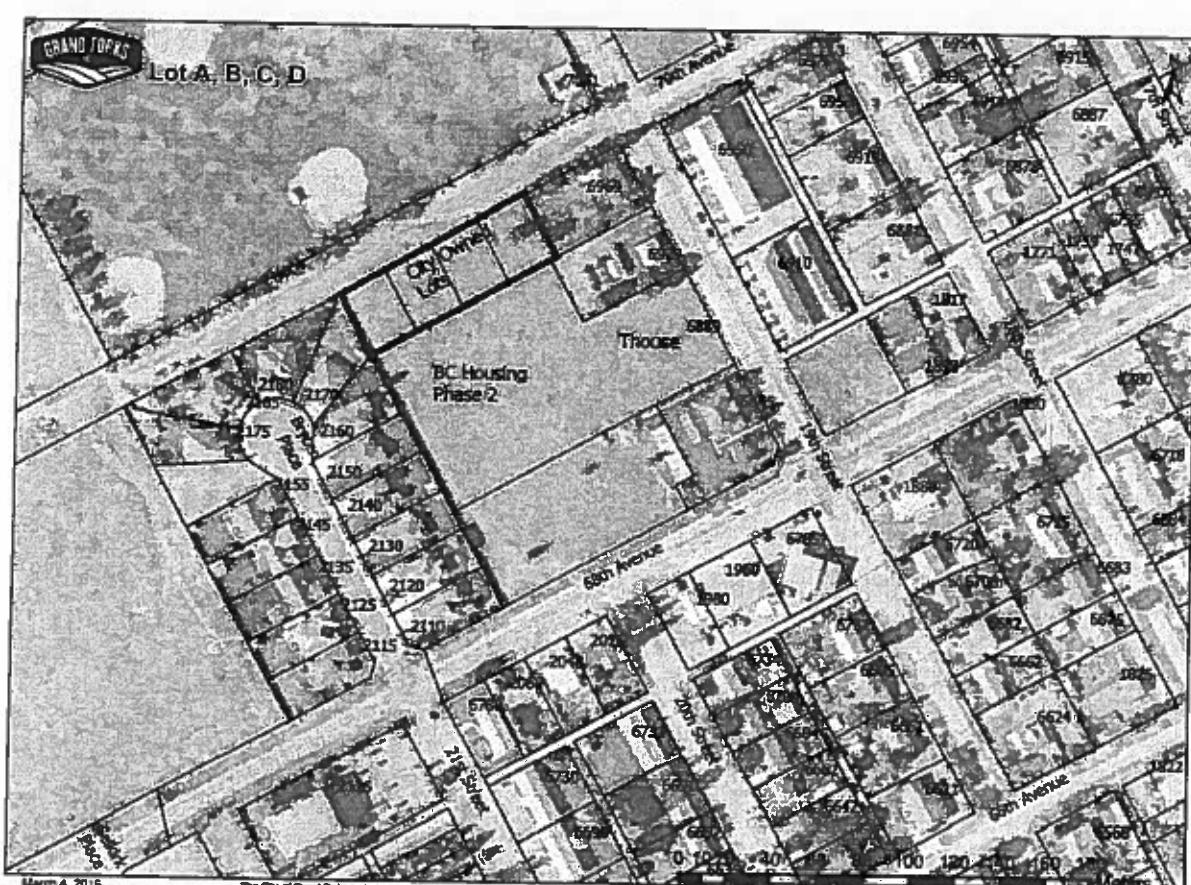
1960, 1980, 2026 & 2048 70th Ave, Grand Forks BC

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March 4, 2016
Map Produced By: Lefford Lafayette

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